



NVTC COMMISSION MEETING

THURSDAY, JANUARY 3, 2008

NVTC CONFERENCE ROOM

8:00 PM

NOTE: A buffet supper will be provided for attendees.

AGENDA

1. Minutes of the NVTC Meeting of December 6, 2007.

Recommended Action: Approval.

2. Oath Office for New NVTC Commissioners and Financial Disclosure Forms.

If any new commissioners have been selected, Chairman Snyder will administer the oath of office. State financial disclosure forms are provided for information.

Recommended Action: Administer oath of office (if needed).

3. Election of Officers for 2008.

NVTC's Executive Committee has recommended a state of officers.

Recommended Action: Elect officers. Chairman Snyder will administer the oath of office to the new officers. The new chairman will recognize Chairman Snyder for his service as immediate past chairman.



4. Selection of NVTC Representatives to Boards and Committees.

NVTC's new chairman will announce nominations from the jurisdictions for the WMATA and VRE boards. He will also announce his selections for NVTC's Legislative Committee. The commission will also select board members for the Virginia Transit Association.

Recommended Action: Elect representatives to the WMATA and VRE and VTA boards. Some of these selections may be contingent on subsequent action by the jurisdictions to select their nominees.

5. Selection of NVTC Signatories and Pension Trustees.

After NVTC's Secretary-Treasurer is elected, that person should be selected as a NVTC signatory and a pension trustee.

Recommended Action: Approve Resolution #2085.

6. Public Hearing on and Approval of NVTC's 2008 Workprogram and Schedule.

NVTC staff will provide a review of significant accomplishments in 2007 and an overview of the proposed schedule and workprogram for 2008. This document has been posted on NVTC's website since early December and has been previously reviewed by staff of local jurisdictions and regional and state agencies.

Recommended Action: After the staff presentation, conduct a public hearing. Upon the conclusion of the hearing, act to approve the 2008 schedule and workprogram, incorporating comments by commissioners and the public.

7. FY 2009 NVTC Administrative Budget and Performance Objectives.

The same budget was presented to the commission in September, 2007 and has been reviewed by jurisdiction and agency staff. Local contributions are held constant and expenditures increase by two percent.

Recommended Action: The commission may choose to adopt the budget and performance objectives or defer action for a month if commissioners require more time.

8. VRE Items.

- A. Report from the VRE Operations Board and Chief Executive Officer—Information Item.
- B. Approval of FY 2009 VRE Capital and Operating Budget and Revisions to the FY 2008 Budget—Action Item / Resolution #2086.
- C. Extend CSXT Operating Agreement—Action Item/ Resolution #2087.
- D. Extend Norfolk Southern Operating Agreement—Action Item/ Resolution #2088.
- E. Contract for Engineering/ Environmental Services for the Gainesville-Haymarket Extension—Action Item/ Resolution #2089.
- F. Contracts for General Engineering Services—Action Item/ Resolution #2090.
- G. Contract Amendment with Scheidt and Bachmann for Fare Collection Equipment Maintenance—Action Item/ Resolution #2091.
- H. Amendments to VRE Insurance Management Agreement—Action Item/ Resolution #2092.

9. Federal Grant Application for Arlington County.

Arlington staff has asked NVTC to apply for \$2.9 million of earmarked federal funds on behalf of the county for design of Rosslyn Metrorail Station new access improvements.

Recommended Action: Authorize NVTC staff to apply for, execute and manage the federal grant.

10. Memorandum of Understanding on Transportation Planning Responsibilities for the National Capital Region.

NVTC has been asked to sign the MOU which is required by federal transportation planning regulations because the commission is a “designated recipient” of federal transit funds.

Recommended Action: Authorize the commission’s executive director to execute the MOU on behalf of NVTC.

11. Metro Items.

- A. Fare Increase Proposals.
- B. Article: "Defined by Distinctiveness—Washington Metro."
- C. Programmed/ Indexed Fare Increases.
- D. Additional Comparisons of 2007 Versus 2002 Metrorail Surveys.

Discussion Item.

12. Legislative Items.

- A. State (2008 General Assembly Session).
- B. Federal.

Discussion Item.

13. Regional Transportation Items.

- A. NVTAs Actions.
- B. FAMPO Letter.

Information Item.

14. Briefing on I-95/395 Transit/ TDM Study and HOT Lanes Project.

DRPT staff and consultants will brief the commission on significant study findings and Fluor Transurban representatives will describe progress on their project.

Presentation Item.

15. NVTC Financial Items for November, 2007.

Information Item.

MINUTES
NVTC COMMISSION MEETING – DECEMBER 6, 2007
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Secretary-Treasurer Zimmerman at 8:21 P.M.

Members Present

David Albo
Chip Badger
Sharon Bulova
Gerald Connolly
Adam Ebbin
Paul Ferguson
Jay Fisette
Catherine M. Hudgins
Dana Kauffman
Dan Maller (alternate, city of Falls Church)
Elaine McConnell
Scott Silverthorne
Paul Smedberg
Mary Margaret Whipple
Christopher Zimmerman

Members Absent

Eugene Delgaudio
Jeannemarie Devolites Davis
William D. Euille
Joe May
Thomas Rust
David F. Snyder

Staff Present

Rhonda Gilchrest
Scott Kalkwarf
Steve MacIsaac (VRE)
Adam McGavock
Elizabeth Rodgers
Jennifer Straub (VRE)
Richard K. Taube
Dale Zehner (VRE)



NVTC Minutes of November 1, 2007 Meeting

Mr. Connolly moved, with a second by Mr. Smedberg, to approve the minutes. The vote in favor was cast by commissioners Badger, Bulova, Connolly, Ferguson, Fiset, Hudgins, Kauffman, Maller, McConnell, Silverthorne, Smedberg, Whipple and Zimmerman.

FY 2007 NVTC and VRE Audited Financial Statements

Mr. Kalkwarf introduced Mike Garber and Dwight Burbaker from NVTC's audit firm, PBGH, LLP. Mr. Garber reported that they met with the Executive Committee and provided a more detailed report. PBGH, LLP is the audit firm for NVTC, PRTC and VRE. Mr. Garber stated that NVTC received an unqualified audit and did not receive a management letter. There were no audit adjustments needed. In response to a question from Mr. Connolly, Mr. Garber stated that NVTC received a very clean audit.

Mr. Connolly moved, with a second by Mrs. McConnell, to accept the audit statement and authorize staff to provide the audited financial statements and associated audit reports to a distribution list of regulatory agencies, bond holders and interested individuals, to post them on the respective NVTC and VRE websites and to provide links to those web locations to reduce copying and mailing costs. The vote in favor was cast by commissioners Badger, Bulova, Connolly, Ferguson, Fiset, Hudgins, Kauffman, Maller, McConnell, Silverthorne, Smedberg, Whipple and Zimmerman.

VRE Items

Report from the VRE Operations Board and VRE's Chief Executive Officer. Mr. Zehner announced that this upcoming Saturday (December 8th) is the Santa Train, which has been an annual VRE event for the last 12 years. He invited commissioners to contact VRE staff if they would like tickets. Mrs. Bulova stated that the Santa Train is very popular and her office is one of the locations where people can buy tickets and tickets sell out within the first hour.

Mr. Zehner stated that VRE ridership continues to increase and is up three percent compared to last year at this time. November is the fifth consecutive month that ridership has increased. He also reported that VRE recently completed the MOU with Kettler Corporation, which is the developer for Cherry Hill. The MOU allows VRE to match up rail enhancement funds to start the project (which will provide a third track from Arkendale to Cherry Hill and build a station at Cherry Hill). Mr. Kauffman stated that it would be helpful for the VRE Operations Board to have a discussion about the Cherry Hill station in light of the competing interests for BRAC jobs.

Delegate Albo arrived at 8:30 P.M.

Amendments to VRE's Insurance Fund Agreement and Agreement for the Management of the Liability Insurance Plan. Mr. Taube reminded commissioners that a summary of the final changes was emailed to them yesterday. Mrs. Bulova stated that the VRE Board recommends approval of Resolution #2083, which would authorize VRE's CEO to amend the two agreements. The amendments clarify the intent of the commissions to provide coverage for specific incidents involving currently named freight railroads.

In response to a question from Mr. Zimmerman, Mr. Badger responded that DRPT is not opposed to this action.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve the resolution (copy attached). The vote in favor was cast by commissioners Albo, Badger, Bulova, Connolly, Ferguson, Fiset, Hudgins, Kauffman, Maller, McConnell, Silverthorne, Smedberg, Whipple and Zimmerman.

Delegation of Authority to the VRE Operations Board. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #2084, which would adopt the final phase of a delegation of authority plan, as amended, from the commission to the VRE Operations Board. The revised plan would take effect on July 1, 2008. The plan would allow the VRE Board to approve expenditures of any amount (the current limit is \$1 million) as long as the item is in the approved budget. There are, however, several actions reserved for the commissions in the Master Agreement and in the amended delegation plan, including the following:

- Amendments to the Master Agreement
- Hiring and termination of the Chief Executive Officer
- State and federal grant applications
- Approval of legislative agenda
- Approval of strategic plan
- Sale or purchase of real property and equipment in the commissions' names
- Other major policies such as terms for new entrants
- Other actions reserved for the commissions by the Master Agreement, such as approving annual budgets/six-year financial plans.

Mr. Connolly stated that he supports the motion; however, it is important to note that by approving this item, the commission is in no way giving up its right to call up any item for review. Mr. MacIsaac explained that there is a process for the commissions to do so. Mr. Connolly stated that the commission does not want to be surprised by issues. In the end, the commissions are ultimately responsible. Mr. MacIsaac stated that the commissions could revoke the delegation of authority at any time. Mr. Zimmerman stated that NVTC should receive periodic reports. Mrs. Bulova reviewed the process in more detail, in

which NVTC and PRTC executive directors have an opportunity to review the VRE Operations Board agendas, the agenda will be available to the public, and Mr. Zehner will continue to attend the commission meetings to provide updates.

The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Albo, Badger, Bulova, Connolly, Ferguson, Fiset, Hudgins, Kauffman, Maller, McConnell, Silverthorne, Smedberg, Whipple and Zimmerman.

FY 2009 VRE Budget Issues. Mrs. Bulova reported that at its last meeting the VRE Operations Board considered a presentation from VRE's CEO regarding the FY 2009 budget. There is an anticipated budget shortfall, which is the result of increased fuel costs, purchase of locomotives, and other factors. The Operations Board discussed a VRE staff proposal that would finance the FY 2009 VRE budget in part with a direct contribution of \$25 million from NVTA to be spent primarily on restoring the insurance trust (\$6.6 million), procuring new locomotives (\$16 million), adding new train service to both lines (\$1.2 million) and the balance to be used within the NVTA jurisdictions for capital improvements (\$700,000). A majority of the VRE Operations Board agreed with the recommendation and asked staff to prepare a letter to the NVTA jurisdictions to that effect. The Board also asked that the issue be discussed by the commissions. This approach would provide that no fare increase would be needed. VRE staff has prepared two separate budgets, one with the \$25 million and one without.

Mr. Connolly stated that the NVTA jurisdiction attorneys have made the point that there is not an earmark for VRE in the statute, although there is a direction. There is a hierarchy of needs to be met. Although unlikely, if the economy plummets, there's no guarantee that money would go to Metro or VRE. NVTA attorneys also have concerns that VRE's approach would be a technical violation of the statute because the funds would benefit non-NVTA jurisdictions. Finally, this is to be decided by NVTA and has not been delegated to VRE. Mrs. Bulova stated that the VRE Operations Board understands this but felt that the board had the responsibility to say how the funds would be used.

Senator Whipple stated that it is likely that the transportation legislation (HB3202) will be revisited this year during the General Assembly session. It was the definite intent of HB3202 legislation that \$50 million would go to Metro and \$25 million to VRE. The bonding limits may need to be changed if Metro and VRE funds are in jeopardy. Delegate Albo stated that it was his understanding that the funds would be used for capital improvements. Using the funds for insurance is not very palatable. Mrs. Bulova agreed but stated that VRE is being pressed by the Division of Risk Management to restore the insurance trust fund.

Mrs. Bulova acknowledged that by applying the funds systemwide for the insurance trust fund and locomotives, there would be a benefit to non-NVTA members. The Operations Board felt that the purpose of VRE is to take cars off the road and provide a mass transit option for the region. Mr. Zimmerman stated that on the one hand, it would be silly to say that VRE needs to spend the money in a way that absolutely no one who lives in a non-NVTA jurisdiction would benefit. On the other hand, there is the question of how the NVTA funding affects the relative shares of jurisdictions for their VRE subsidies.

In response to a question from Mr. Fisette, Mr. MacIsaac provided his interpretation of the NVTA statute, which carves out the 40 percent split that goes back to the NVTA jurisdictions, with the next distribution going for debt service, and the next providing \$50 million to Metro and \$25 million to VRE. Mr. Zimmerman stated that there is absolutely nothing that suggests that NVTA will bond out everything so there would be no money left for Metro and VRE. Mr. Connolly stated that if the economy stalls, it could be an issue. Mr. Zimmerman stated that he does not think that a modest drop in revenues will reduce the earmark. To some degree, this is a financial management issue. It is also a technical question, but it is not a problem requiring the legislation to be rewritten. He does not want people thinking that the \$25 million is not going to be there for VRE. It is fair, however, to look at how the \$25 million will be spent.

Delegate Ebbin arrived at 9:00 P.M. and joined the discussion.

In response to a question from Mr. Zimmerman, Mr. Connolly stated that it is his understanding that the estimate of benefit to non-NVTA jurisdictions would be \$1.3 million under VRE's proposed use of the funds. Mr. Zehner stated that when the two versions of the budget are compared, it would lower Stafford and Fredericksburg's subsidy by \$1.3 million. Mr. Connolly stated that this is what the attorneys object to since it is basically transferring money from those that have to pay the taxes within NVTA jurisdictions to non-NVTA members who are not paying the taxes. Mr. Zimmerman stated that this is a fair concern and there should be a way to account for the funds and not cross subsidize.

Mr. Connolly stated that he accepts Mrs. Bulova's argument that there would be a general benefit to NVTA members even though it ultimately also benefits non-NVTA members as well. This rationale may be compelling, but he warned that the attorneys feel strongly that it is not consistent with the statute. Mr. MacIsaac stated that the statute is not clear on the "to benefit" issue, because it only states that it is to benefit NVTA jurisdictions. He agreed that an argument can be made that it is up to NVTA to determine what "benefit" means.

Mr. Zimmerman stated that the fact that Stafford County's VRE bill goes down as a result is a different issue than if a Stafford rider benefits from extra locomotives. Mrs. McConnell stated that it is important to look at Metro's history. Metro would not be here today if the region did not work together to support it .

Mr. Zehner stated that VRE staff must submit a budget to the Operations Board by December 21, 2007. There will be two versions—one with the NVTA funding and one without. There also may be a way to accommodate some of the concerns made during this discussion. Mr. Connolly stated that it is important to do it right, because NVTA needs to protect itself from lawsuits.

Mr. Taube stated that NVTA has an adopted process that was followed in the beginning in which NVTA jurisdictional staff and VRE staff met to discuss these budget issues and to work together to reach consensus. However, the process got off track. Now, two competing versions of financing the VRE budget with HB 3202 funds are being proposed. There may still be ways to reach a compromise. For example, to be certain that the funds primarily benefit NVTA jurisdictions, the locomotives (\$16 million of the \$25 million) can be put into service on the Manassas Line and could operate within NVTA jurisdictions. Consequently, much of the problem could be mitigated.

Mr. Zimmerman suggested that the attorneys continue to work on this issue and staff should report back to NVTC at the next meeting.

NVTC's and VRE's 2008 State and Federal Legislative Agendas

Mr. Taube stated that the commission is asked to approve the following: 1) NVTC's Legislative Agenda with authorization for NVTC's chairman to transmit the agenda to member governments and appropriate state and federal elected officials, 2) the media release and summary brochure; 3) updated maps of General Assembly districts in Northern Virginia depicting transit systems serving the districts and showing the state funding shortfalls for each transit system; and 4) VRE's Legislative Agenda.

In response to a question from Mr. Zimmerman, Mr. Taube stated that NVTC's and VRE's legislative agendas are consistent with each other. Vice Chairman Zimmerman observed that it would make sense to include VRE's legislative items within the NVTC Legislative Agenda.

Mr. Connolly moved, with a second by Mr. Smedberg, to approve the legislative package. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fiset, Hudgins, Kauffman, Maller, McConnell, Silverthorne, Smedberg, Whipple and Zimmerman. Mr. Badger abstained.

FY 2007 Northern Virginia Transit Ridership

Mr. Taube explained that each year NVTC staff compiles ridership and other performance information from the transit systems operating in this district. For consistency, data are used from the official reports these systems submit to the National Transit Database (NTD). However, NVTC works with WMATA to determine the numbers of Metrorail and Metrobus customers traveling in Virginia, since WMATA files NTD data only for its entire system.

Mr. Taube stated that overall public transit ridership increased slightly in FY 2007 compared to FY 2006. However, both VRE and Metrorail ridership went down during FY 2007. Mr. Kauffman observed that Metrorail ridership went down 432,000 riders at the outlying stations. Mr. Kauffman stated that some of the reasons for the decline could be that the high service costs and poor service conditions. Shiva Pant of WMATA staff stated that the access points are saturated with limited bus service and limited parking. Mr. Zimmerman observed that 1,634 people are on the waiting list for reserved parking, but only 25 people are on the list for Vienna. Mr. Zimmerman asked Mr. Pant to provide a station by station break down of the reserved parking wait list. Mr. Connolly stated that fare and parking fee increases could accelerate the declining ridership trend.

There were no objections to staff posting this information on NVTC's website and issuing a media release to publicize the favorable results.

Draft NVTC Work Program for 2008

Mr. Taube stated that the commission is asked to authorize staff to post the draft work program on its website together with the announcement of a public hearing to be held at the January 3, 2008 meeting. Local staff reviewed the document in November and their comments have been considered. Commissioners with comments should contact NVTC staff.

Mr. Connolly moved, with a second by Mr. Smedberg, to authorize staff to post the draft work program on NVTC's website with an announcement of a public hearing during NVTC's January 3, 2008 meeting. The vote in favor was cast by commissioners Albo, Badger, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Kauffman, Maller, McConnell, Silverthorne, Smedberg, Whipple and Zimmerman.

Metro Items

Fare Increase Public Hearing. Mr. Taube stated that Metro faces a significant budget shortfall in FY 2009 and the WMATA General Manager proposed a fare increase to take effect in FY 2008 to help close the gap. Various Metro Board members have proposed alternative ways to raise more revenue.

The Board ultimately approved a series of six public hearings for November 13-15 on a proposal that included significant increases in peak period Metrorail fares and parking charges and very moderate increases in Metrobus fares (only for those not using SmarTrip cards).

Mr. Kauffman stated that the bottom line is that there are tough deliberations ahead at the December 16th WMATA Board meeting. The current proposal has a significant impact on the outlying jurisdictions, including Fairfax and Prince George's counties. If WMATA does not act now, there could be more significant fare increases later on or services could be cut. Mr. Zimmerman added that it may be necessary to try to make the best of a bad fare proposal package because there will be consequences from not doing anything at all. Mrs. Hudgins stated that by adopting one of these proposals now, it can solve this year's problems, but it won't solve long term issues without a multi-year index of scheduled fares increases for the future. Mr. Connolly stated that his understanding is that the maximum cash fare increase for a Metrobus rider would be \$0.20 (no increase with SmarTrip) but a suburban rider who parks his car and takes Metro, which is what we want them to do to get more cars off the roads, would experience a maximum fare increase of \$2.25 (parking and Metro). There is an equity issue. He expressed his concern that an unintended consequence of the significant cost increase is to discourage riders from the outlying jurisdictions from using Metro.

Mrs. Hudgins stated an answer needs to be found as to why ridership is declining from the outlying jurisdictions. People living in these areas have to be really dedicated to be regular Metrorail riders with the current conditions and fares. The question is then why would we want to increase these fares even more and discourage riders from taking Metro. Mr. Kauffman expressed his concern that if there is a compromise based on unjustifiable optimistic assumptions, it will result in a funding gap and then it will be necessary to go back to the public with another fare increase in the near future. That would be unacceptable. He would rather see Metro "take it on the chin now" rather than later.

Mr. Maller stated that Metro is very important to Falls Church. There is a concern that ridership is declining at the East and West Falls Church stations. He stated that a missing element in the fare proposal discussion is economic sensitivity. Metro is a business and riders can choose between Metro and driving their cars. There are costs associated with both. He asked if there have been any projections made in the increased costs to drivers associated with the NVTA fees. Mr. Connolly stated that the decrease in ridership for the outlying jurisdictions may be a small decrease, but that it decreased at all is bucking a trend, which has been unbroken for quite some time. Secondly, it occurs at a time when gas prices are skyrocketing, which is usually a time when people move to transit.

Metrorail 2007 Passenger Survey. Mr. Taube stated that the survey results show from FY 2002 through FY 2007 residents of NVTC's five compact jurisdictions increased their trips on Metrorail by just over four percent. D.C. had the largest increase at 17 percent, while Maryland compact jurisdictions grew by 8.5 percent. Virginia non-compact jurisdictions grew by 14 percent. The survey results show the trend of lower ridership growth in the outlying jurisdictions.

Regional Transportation Items

NVTA Administrative Actions. At its November 8th meeting, NVTA approved: brochures explaining new taxes and fees; the six-year program process and recommendations; FY 2009 CMAQ/STP allocations; directions to staff regarding the 2008 NVTA legislative agenda; and negotiations for office/space in the city of Fairfax.

Economic Impact of WMATA. Mr. Taube gave a presentation at Virginia's Annual Transportation Conference on November 8, 2007, showing the economic value of investments in public transit to the Washington Metropolitan region, the commonwealth of Virginia and Northern Virginia. A copy was provided to commissioners.

Draft Response to FAMPO. NVTA has drafted a response to the Fredericksburg Area Metropolitan Planning Organization regarding several requests to share federal transit funds. The response invites FAMPO to submit project requests to TPB but now notes several factors that would be considered in determining whether to grant such requests. It also specifies that currently all expected federal funds have been allocated to projects already included in the CLRP. However, NVTA board members requested further changes to the letter. TPB may be asked to discuss the new version at its December 19th meeting.

Parking Experiment in San Francisco. A two-year experiment is planned in San Francisco to apply market prices to metered parking spaces in high demand areas. An audit report to the Board of Supervisors predicted the current \$30 million annual revenue would climb to \$150 million with such pricing, better enforcement and tighter controls on the use of disability placards.

Electric Car Power Grid. This article explains the plans of a software entrepreneur, Shai Agassi, to bring about the mass adoption of electric cars by providing a dense network of on-demand charging stations. He has raised \$200 million for the project so far. His proposed electric recharge grid would tap into the existing power grid using software that identifies and allocates excess capacity. He also plans to provide switching stations for longer trips in which drivers can quickly exchange batteries to receive fully charged versions. He also plans to manufacture electric cars.

Dulles Corridor Rail Association Survey. The Dulles Corridor Rail Association has sponsored a public opinion poll which found 93 percent of Northern Virginians favor the Metrorail extension in the corridor and 86 percent from the entire Metropolitan Washington region favor it.

Transit Trouble in Chile. While Metrorail occasionally receives sharp criticism for poor performance, the situation in Santiago, Chile is bordering on chaos. Months after a redesign of the city's transportation system was announced, a class action lawsuit has been filed and Chile's congress is investigating. At issue is the increased number of transfers required and a lack of advance public outreach. As a result, auto traffic has increased by 20 percent.

Briefing on I-95/395 Transit/TDM Study

Mr. Taube announced that the consultants requested that the presentation be postponed to the January meeting.

NVTC Financial Report for October, 2007

The financial report was provided to commissioners. They had no questions or comments.

Announcement of Nominating Committee for NVTC's 2008 Officers

Mr. Zimmerman announced that Chairman Snyder appointed the Executive Committee to serve as the Nominating Committee. Election of officers will occur at NVTC's January 3, 2008 meeting.

Ceremony for Departing Commissioners

Mr. Zimmerman stated that several commissioners will be leaving NVTC at the end of the year including Paul Ferguson, Dana Kauffman, Elaine McConnell and Jeannemarie Devolites Davis. Mr. Zimmerman presented them with awards for their service to NVTC and thanked them for their many years of dedication to NVTC and the region. A photo is attached.

Adjournment

Without objection, Mr. Zimmerman adjourned the meeting at 10:00 P.M.

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer



RESOLUTION # 2083

SUBJECT: Amendments to VRE's Insurance Fund Agreement and Agreement for the Management of the Liability Insurance Plan.

WHEREAS: NVTC and PRTC established the Commuter Rail Liability Insurance Plan ("Insurance Plan") in 1989;

WHEREAS: The Insurance Plan is administered by the Commonwealth of Virginia Division of Risk Management (DRM) and provides for the indemnification obligations accepted by the commissions in agreement with the railroads;

WHEREAS: The Insurance Fund Agreement and Liability Insurance Plan have not been modified or updated since their original execution; and

WHEREAS: Certain language in the original agreements requires clarification.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission approves amendments to the Insurance Fund Agreement for Commuter Rail Operation Liability Insurance Plan and the Liability Insurance Plan, in accordance with the attached amended documents; and

BE IT FURTHER RESOLVED THAT NVTC authorizes the VRE Chief Executive Officer to execute each document on behalf of the commissions.

Approved this 6th day of December, 2007.



Christopher Zimmerman
Secretary-Treasurer

David F. Snyder
Chairman



NVTC Northern Virginia Transportation Commission

RESOLUTION #2084

SUBJECT: Delegation of Authority to the VRE Operations Board.

WHEREAS: In December of 2005, the commissions approved a three-phased plan to delegate authority to the VRE;

WHEREAS: The current authority of the Operations Board includes financial delegation of \$1,000,000, ability to determine the discretionary spending authority of VRE's CEO, and ability to determine the level of compensation of VRE's CEO;

WHEREAS: The final phase of the Delegation of Authority Plan has been modified from its original version such that the implementation date is July 1, 2008 and execution of agreements is not delegated for CSX and NS Operating Access Agreements, Amtrak or other Operating Agreements, or Insurance agreements;

WHEREAS: Commissioners will receive information on Operations Board agenda items prior to the meeting to allow their review and commissioners may request the VRE Board to forward any item to the commission; and

WHEREAS: Per the original Delegation of Authority Plan, the following items also will not be delegated:

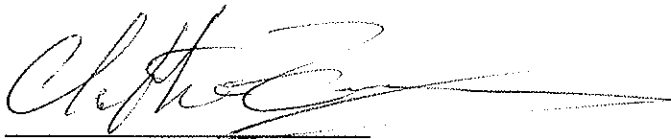
- Amendments to the Master Agreement
- Hiring and termination of the Chief Executive Officer
- Statewide and federal grant applications
- Approval of legislative agendas
- Approval of strategic plan
- Sale or purchase of real property and equipment in the commissions' names
- Other major policies such as terms for new entrants
- Other actions reserved for the commissions by the Master Agreement such as approving annual budgets/six-year financial plans.



Continued Resolution #2084

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission adopts the final phase of the Delegation of Authority Plan, as amended, to be implemented July 1, 2008.

Approved this 6th day of December, 2007.



Christopher Zimmerman
Secretary-Treasurer

David F. Snyder
Chairman

AGENDA ITEM #2

MEMORANDUM

TO: Chairman Snyder and NVTC Commissioners

FROM: Rick Taube

DATE: December 27, 2007

SUBJECT: Oath of Office for New NVTC Commissioners and Financial Disclosure Forms for All Commissioners

If any new commissioners have been selected to join NVTC they are required to receive an oath of office.

Chairman Snyder will administer the following oath to any new commissioners:

I do solemnly swear that I will support the constitution of the United States and the Commonwealth of Virginia and that I will faithfully discharge all the duties incumbent upon me as a member of the Northern Virginia Transportation Commission, according to the best of my ability.

Also attached is a copy of a letter from the Secretary of the Commonwealth reminding all commissioners that commission members are required to file annually the attached Financial Disclosure Statement with the clerk of your respective city or county governing body by January 15th. Local and state elected officials are required to file irrespective of membership on NVTC so this notice should not require action by any NVTC member.





COMMONWEALTH of VIRGINIA

Office of the Governor

Katherine K. Hanley
Secretary of the Commonwealth

MEMORANDUM

TO: Clerks of Local Authorities

FROM: Katherine K. Hanley
Secretary of the Commonwealth

DATE: November 27, 2007

SUBJECT: 2007-2008 Conflict of Interest Filing

Pursuant to §2.2-3115 of the *Code of Virginia*, members of governing bodies of authorities having the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year shall disclose their financial interests as a condition of assuming office and thereafter annually on or before January 15. The mechanism for disclosing these interests is the Financial Disclosure Statement unless the appointing jurisdiction requires disclosure in the more comprehensive Statement of Economic Interests.

The Office of the Secretary of the Commonwealth is responsible for providing these documents and is doing so electronically to minimize taxpayer expense. Both the Financial Disclosure Statement and the Statement of Economic Interests are accessible via our website, www.commonwealth.virginia.gov. The homepage includes an icon on the left hand side of the page entitled State Government/Conflict of Interests. The subsequent page contains both documents though **please note** that members of your authority solely need to file the Financial Disclosure Statement unless required by the appointing jurisdiction to submit the Statement of Economic Interests in lieu of the Financial Disclosure Statement.

Persons required to file should access the **appropriate** document, complete it, print it, have it notarized (if a Statement of Economic Interests), and return it to the Clerk of the governing body of their respective county or city by January 15. The document must be retained as a public record in the Clerk's office for five years.

If you have any questions, please contact Mr. Jonathan Young in my office at either jonathan.young@governor.virginia.gov or at (804) 692-2538. Thank you for your cooperation.

KKH/jmy

RECEIVED
DEC 06 2007



SECRETARY OF THE COMMONWEALTH

FINANCIAL DISCLOSURE STATEMENT

Members of certain boards of state and local government are required to file this Financial Disclosure Statement as a condition of assuming office and, then, annually while serving as an officeholder.

You must complete this form. Attached additional pages when necessary. **You must sign and date this form upon completion.**

The annual filing deadline is January 15th.

For State Board Members: If you have recently been appointed, you must file this form with the Secretary of the Commonwealth prior to attending your first meeting.

For Local Board Members: If you have recently been appointed, you must file this form with the Clerk of the appropriate governing body prior to attending your first meeting.

As an annual filing, this form constitutes a report of financial interests for the calendar year beginning January 1 and ending December 31. As a condition for assuming an office, this form constitutes a report of financial interests at the time of filing.

The information required on this form must be provided on the basis of the best knowledge, information and belief of the individual filing the form as of the date of this report unless otherwise stated.

This Financial Disclosure Statement is open for public inspection.

§ 2.2-3118. Disclosure form; certain citizen members.

A. The financial disclosure form to be used for filings required pursuant to subsection B of § 2.2-3114 and subsection B of § 2.2-3115 shall be substantially as follows:

DEFINITIONS AND EXPLANATORY MATERIAL.

"Business" means a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, trust or foundation, or any other individual or entity carrying on a business or profession, whether or not for profit.

"Close financial association" means an association in which the person filing shares significant financial involvement with an individual and the filer would reasonably be expected to be aware of the individual's business activities and would have access to the necessary records either directly or through the individual. "Close financial association" does not mean an association based on (i) the receipt of retirement benefits or deferred compensation from a business by which the person filing this statement is no longer employed, or (ii) the receipt of compensation for work performed by the person filing as an independent contractor of a business that represents an entity before any state governmental agency when the person filing has no communications with the state governmental agency.

"Contingent liability" means a liability that is not presently fixed or determined, but may become fixed or determined in the future with the occurrence of some certain event.

"Immediate family" means (i) a spouse and (ii) any other person residing in the same household as the filer, who is a dependent of the filer or of whom the filer is a dependent.

"Dependent" means any person, whether or not related by blood or marriage, who receives from the filer, or provides to the filer, more than one-half of his financial support.

"Personal interest" means, for the purposes of this form only, a personal and financial benefit or liability accruing to a filer or a member of his immediate family. Such interest shall exist by reason of (i) ownership in real or personal property, tangible or intangible; (ii) ownership in a business; (iii) income from a business; or (iv) personal liability on behalf of a business; however, unless the ownership interest in a business exceeds three percent of the total equity of the business, or the liability on behalf of a business exceeds three percent of the total assets of the business, or the annual income, and/or property or use of such property, from the business exceeds \$10,000 or may reasonably be anticipated to exceed \$10,000, such interest shall not constitute a "personal interest."

Name

Office or position held or to be held

Address

I. Financial Interests

My personal interests and those of my immediate family are as follows: Include all forms of personal interests held at the time of filing: real estate, bonds, equity interests in proprietorships and partnerships. You may exclude: 1. Deposits and interest bearing accounts in banks, savings institutions and other institutions accepting such deposits or accounts; 2. Interests in any business, other than a news medium, representing less than three percent of the total equity value of the business; 3. Liability on behalf of any business representing less than three percent of the total assets of such business; and 4. Income (other than from salary) less than \$10,000 annually from any business. You need not state the value of any interest. You must state the name or principal business activity of each business in which you have a personal interest.

A. My personal interests are:

1. Residence, address, or, if no address, location.

2. Other real estate, address, or, if no address, location.

3. Name or principal business activity of each business in which stock, bond or equity interests is held

.....

B. The personal interests of my immediate family are:

1. Real estate, address, or, if no address, location.
2. Name or principal business activity of each business in which stock, bond or equity interests is held

.....

II. Offices, Directorships and Salaried Employments

The paid offices, paid directorships and salaried employments which I hold or which members of my immediate family hold and the businesses from which I or members of my immediate family receive retirement benefits are as follows: (You need not state any dollar amounts.)

A. My paid offices, paid directorships and salaried employments are:

Position held	Name of business
.....
.....

B. The paid offices, paid directorships and salaried employments of members my immediate family are:

Position held	Name of business
.....
.....

III. Businesses to Which Services Were Furnished

A. The businesses I have represented, excluding activity defined as lobbying in § 2.2-419, before any state governmental agency, excluding any court or judge, for which I have received total compensation in excess of \$1,000 during the preceding year, excluding compensation for other services to such businesses and representation consisting solely of the filing of mandatory papers, are as follows:

Identify businesses by name and name the state governmental agencies before which you appeared on behalf of such businesses.

Name of business	Name of governmental agency
-----	-----
-----	-----
-----	-----

B. The businesses that, to my knowledge, have been represented, excluding activity defined as lobbying in § 2.2-419, before any state governmental agency, excluding any court or judge, by persons with whom I have a close financial association and who received total compensation in excess of \$1,000 during the preceding year, excluding compensation for other services to such businesses and representation consisting solely of the filing of mandatory papers, are as follows:

Identify businesses by type and name the state governmental agencies before which such person appeared on behalf of such businesses.

Type of business	Name of state governmental agency
-----	-----
-----	-----
-----	-----
-----	-----

C. All other businesses listed below that operate in Virginia to which services were furnished pursuant to an agreement between you and such businesses and for which total compensation in excess of \$1000 was received during the preceding year:

Check each category of business to which services were furnished.

Electronic utilities		Banks		Retail companies	
Gas utilities		Savings institutions		Beer, wine or liquor companies or distributors	
Telephone utilities		Loan or finance companies		Trade associations	
Water utilities		Manufacturing companies (state type of product, e.g., textile, furnitures, etc.)		Professional associations	
Cable television companies		Mining companies		Associations of public employees or officials	
Intrastate transportation companies		Life insurance companies		Counties, cities or towns	
Interstate transportation companies		Casualty insurance companies		Labor organizations	
Oil or gas retail companies		Other insurance companies			

IV. COMPENSATION FOR EXPENSES

The persons, associations, or other sources other than my governmental agency from which I or a member of my immediate family received remuneration in excess of \$200 during the preceding year, in cash or otherwise, as honorariums or payment of expenses in connection with my attendance at any meeting or other function to which I was invited in my official capacity are as follows:

Name of Source	Description of occasion	Amount of remuneration for each occasion
-----	-----	-----
-----	-----	-----

B. The provisions of Part III A and B of the disclosure form prescribed by this section shall not be applicable to officers and employees of local governmental and local advisory agencies.

C. Except for real estate located within the county, city or town in which the officer or employee serves or a county, city or town contiguous to the county, city or town in which the officer or employee serves, officers and employees of local governmental or advisory agencies shall not be required to disclose under Part I of the form any other interests in real estate.

I swear or affirm that the foregoing information is full, true and correct to the best of my knowledge.

Signature _____ **Date** _____

AGENDA ITEM #3

MEMORANDUM

TO: Chairman Snyder and NVTC Commissioners
FROM: Rick Taube
DATE: December 27, 2007
SUBJECT: Election of NVTC Officers for 2008 and Oath of Office.

NVTC's executive committee, serving as a nominating committee, has recommended the following slate of officers for NVTC for 2008.

Chairman: Hon. William Euille
Vice-Chairman: Hon. Chris Zimmerman
Secretary-Treasurer: Hon. Gerry Connolly

The commission should vote to select its 2008 officers. Chairman Snyder will administer the following oath to the new officers:

I do solemnly swear that I will support the Constitution of the United States and the Commonwealth of Virginia and that I will faithfully discharge all the duties incumbent upon me as an officer of the Northern Virginia Transportation Commission, according to the best of my ability.

The newly elected chairman will present a gift to Chairman Snyder.



MEMORANDUM

TO: Chairman Snyder and NVTC Commissioners
FROM: Rick Taube
DATE: December 27, 2007
SUBJECT: Selection of NVTC Representatives to Boards and Committees.

The new NVTC chairman will announce NVTC nominations for the WMATA, VRE and VTA boards to be acted upon by the commission. Some of these actions may be contingent or subsequent action by local boards and councils as their nominees may not be known by January 3rd. The chairman will also announce his committee assignments.

Incumbents and vacancies are listed below:

WMATA Board

Principals

Hon. Dana Kauffman (requires new selection)
Hon. Chris Zimmerman

Alternates

Hon Catherine M. Hudgins
Hon. William Euille

VRE Board

Principals

Hon. Dana Kauffman (requires new selection)
Hon. Elaine McConnell (requires new selection)
Hon. Chris Zimmerman
Hon. Paul Smedberg

Alternates

Hon. Sharon Bulova



Virginia Transit Association Board of Directors

Principals

Hon. Chris Zimmerman
Hon. William Euille

Alternates

Hon. Mary Margaret Whipple
Richard K. Taube

NVTC Legislative Committee

Hon. Gerald Connolly (Chairman)
Hon. Dave Albo (House of Delegates)
Hon. Mary Margaret Whipple (Senate)
Hon. William Euille
Hon. Paul Ferguson (requires new selection)
Hon. Scott Silverthorne
Hon. David F. Snyder
Hon. Eugene Delgaudio

NVTC Executive Committee

Hon. William Euille, Chairman (nominated)
Hon. Chris Zimmerman, Vice Chairman (nominated)
Hon. Gerald Connolly, Secretary-Treasurer (nominated)
Hon. (requires new selection), WMATA Board
Hon. Mary Margaret Whipple, General Assembly
Hon. David F. Snyder, Immediate Past Chairman



AGENDA ITEM #5

MEMORANDUM

TO: Chairman Snyder and NVTC Commissioners

FROM: Rick Taube

DATE: December 27, 2007

SUBJECT: Designation of NVTC Signatories and Pension Trustees

After NVTC's new Secretary-Treasurer is elected, NVTC should adopt the attached resolution #2085. The resolution will establish that the new officer is eligible to sign NVTC documents (including financial transactions) and to serve as trustee of NVTC's Employees' Pension Trust.



4350 N. Fairfax Drive • Suite 720 • Arlington, Virginia 22203
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120 • VA Relay Service
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org



RESOLUTION #2085

SUBJECT: Designation of NVTC Signatories and Pension Trustees.

WHEREAS: The Honorable _____ has been elected Secretary-Treasurer of NVTC for 2008; and

WHEREAS: NVTC desires that the person holding the office of Secretary-Treasurer be designated as an official signatory as well as a pension trustee.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission hereby selects the following persons to serve as NVTC signatories (who are eligible to sign individually for any transaction of less than \$5,000 and with one other signatory for transactions of \$5,000 or greater) and the same individuals shall serve as NVTC employees' pension trustees.

Hon. _____
Richard K. Taube
Scott C. Kalkwarf
Colethia Quarles

Secretary-Treasurer
Executive Director
Director of Finance and Administration
Assistant Financial Officer

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer



MEMORANDUM

TO: Chairman Snyder and NVTC Commissioners

FROM: Rick Taube

DATE: December 27, 2007

SUBJECT: Public Hearing on and Approval of NVTC 2008 Workprogram and Schedule.

The attached draft workprogram and schedule have been posted on NVTC's website for a month for review by the public. Local staff discussed the workprogram in November and December. NVTC staff will provide a brief review of 2007 accomplishments and plans for 2008 prior to a public hearing.

Following the public hearing, the commission is asked to approve the 2008 workprogram and schedule with whatever revisions are appropriate based on the public's input.





NVTC'S 2008 GOALS, OBJECTIVES AND WORKPROGRAM

--Draft: December 6, 2007--

2008 NVTC MEETING SCHEDULE

[Meetings at 8:00 P.M.]

<u>MONTH</u>	<u>DATE</u>	<u>AGENDA</u>
January	3	Elect officers. Select WMATA and VRE Board members, VTA representatives and NVTC Legislative Committee members. Conduct a public hearing and approve 2008 goals, schedule and workprogram. Approve FY 2009 VRE budget. Discuss draft NVTC FY 2009 budget.
February	7*	Approve FY 2009 NVTC budget. Review progress on state and federal legislative agenda. Approve NVTC and VRE state grant applications.
March	6	Review progress on state and federal legislative agenda. Review progress on WMATA budget for FY 2009. Approve RFP for audit services.
April	3	Review completed 2008 General Assembly session. Approve RFP for telephones.
May	1	Approve comments on WMATA FY 2009 budget. Approve contract for audit services.
June	5	Focus on VRE performance. Approve contract for telephones.
July	3	Review mid-year progress on NVTC workprogram. Approve DRPT contracts for NVTC and VRE FY 2009 grants.
August		No meeting.
September	4	Forward preliminary NVTC FY 2010 budget to local jurisdictions.
October	2	Review quarterly progress on NVTC's workprogram. Approve CTB pre-allocation testimony.
November	6	Approve FY 2008 NVTC and VRE audits.
December	4	Select NVTC Nominating Committee for 2009 officers. Approve legislative agenda for 2009. Review progress on 2008 workprogram and release draft 2009 workprogram for public review and comment.

*February meeting in the General Assembly building in Richmond starting at 5:30p.m.

NVTC EXECUTIVE COMMITTEE
2008 MEETING SCHEDULE

[All meetings 7:30 - 8:00 P.M. prior to NVTC meetings in the small conference room.]

<u>MONTH</u>	<u>DATE</u>	<u>SUBJECT</u>
January	3	Legislative items.
February	7	No meeting.
March	6	Review General Assembly session.
April	3	Review quarterly progress on workprogram.
May	1	Review NVTC policies on topical transit issues.
June	5	Examine VRE performance.
July	3	Mid-year review of progress on workplan. Meet with auditors to preview FY 2008 audit.
August		No meeting.
September	4	Preliminary NVTC FY 2010 budget. Executive director performance review.
October	2	Review quarterly progress on workprogram.
November	6	FY 2008 NVTC and VRE audits.
December	4	Select NVTC Nominating Committee for 2009 officers. Consider 2009 legislative agenda. Review progress on 2008 workprogram and preview 2009 workprogram.

NVTC MANAGEMENT ADVISORY COMMITTEE
2008 MEETING SCHEDULE

[All meetings begin at NVTC at 1:30 P.M. on the third Tuesday of each month. At each meeting the agenda and suggested material for the upcoming NVTC board meeting are reviewed.]

<u>MONTH</u>	<u>DATE</u>	<u>SUBJECT</u>
January	15	FY 2009 state grant application; NVTC administrative budget for FY 2009; NVTC legislative agenda.
February	19	Progress on legislative agenda.
March	18	Review of legislative accomplishments; WMATA FY 2009 budget issues.
April	15	To be determined.
May	20	Review progress on NVTC's workprogram.
June	17	Mid-year progress review on NVTC workprogram; authorize funding of scope of work for NTD data collection; authorize funding of scope of work for e-schedules maintenance and promotion.
July	15	No meeting.
August	19	NVTC preliminary administrative budget for FY 2010.
September	16	Review draft CTB pre-allocation testimony.
October	21	NVTC audit for FY 2008.
November	18	Draft NVTC legislative agenda for 2009; first draft 2009 NVTC work program.
December	16	Proposed 2009 workprogram; VRE and NVTC budgets for FY 2010.

NVTC MISSION STATEMENT

To serve the public by providing a forum for elected officials to achieve an effective regional transportation network. Focusing primarily on transit, NVTC will develop strategies, identify funding sources, advocate for additional funding, prioritize allocations, oversee transit systems such as VRE and WMATA, and pursue new transit programs. NVTC will work to improve mobility, reduce traffic congestion, protect the environment and stimulate the regional economy by increasing transit and ridesharing use.

GOALS AND ACTIONS FOR 2008*

1. DEVELOP POLICY AND ADVOCATE FAVORABLE LEGISLATION

Goal: Devise and implement legislative strategies based on sound policy analysis to increase transit ridership, obtain adequate funding, and coordinate priorities with members and other agencies.

Actions:

1. With the support of local staff, identify transit issues that require policy decisions and assemble data and perform policy analyses to facilitate those decisions (e.g. fare integration, development of new technology, service expansion, customer safety and system security). Work with local legislative liaisons to develop strategies for improved transit funding and to educate General Assembly members about Northern Virginia's transit needs. Update and distribute tools such as GIS maps of General Assembly districts to illustrate transit service availability and funding needs.
2. Adopt a state and federal legislative agenda and work with local jurisdictions, Virginia Transit Association (VTA) and other groups, as appropriate, to implement the agenda and the supporting NVTC policies. Work with delegations in Richmond and in Washington D.C. as needed to promote NVTC's approved agendas. Conduct NVTC's February meeting on Local Government Day at the General Assembly in Richmond. Obtain reduced rate for on-line legislative monitoring service and share access with member jurisdictions. Provide legislative alerts to commissioners and local staff during the session. Focus on transit funding.
3. Participate on the American Public Transportation Association's (APTA) legislative and commuter rail committees to define and implement a federal legislative strategy as part of a broad, nationwide pro-transit coalition. Provide special assistance to areas contemplating new commuter rail service.
4. Participate on VTA's executive, legislative and ad hoc committees to help define and implement an effective state legislative strategy for the transit industry and strengthen VTA as an organization and keep it responsive to Northern Virginia's concerns. Co-chair VTA events such as the Transit Day rally in Richmond, chair VTA's Legislative Committee and assist transit systems in special legislative promotions with NVTC's public outreach and web-design expertise.
5. Prepare written testimony and appear at the CTB's annual pre-allocation hearings on public transit funding priorities and at the Transportation Planning Board (TPB) and other hearings as appropriate. Advocate NVTC's policies including balanced transportation and stable and reliable funding.

***Note : New initiatives for 2008 are shown in bold type.**

2. SEEK AND ADVOCATE FUNDING

Goal: Identify and implement cooperative strategies with member governments to gain additional transit revenues and work to obtain adequate, dedicated, stable and reliable financial support from the federal government and the commonwealth and the private sector.

Actions:

1. Through NVTC's Management Advisory Committee, coordinate with WMATA and local transit systems potential regional CMAQ and RSTP transit project applications to be submitted to the Northern Virginia Transportation Authority (NVTA) by NVTC each year. Apply for funds and prepare air quality analyses at the request of NVTC's jurisdictions (e.g. Air Quality Code Orange/Red free bus fares).
2. Produce financial projections and analyze alternative funding mechanisms to bridge the growing gap between transit operating and capital needs versus available financial resources. Actively participate in regional and statewide efforts to define public transit needs and identify funding sources, such as corridor studies, TPB's vision plan and constrained financial plan update, VTrans 2025 and related studies such as the regional transportation funding adequacy report, and Northern Virginia's 2030 transportation plan update. Analyze funding proposals produced by those studies and identify policy issues for consideration by the commission. Maintain a PowerPoint presentation on "The Case for Increased Funding of Public Transportation in Northern Virginia" to help educate elected officials, the media and the public.
3. Identify and seek to implement stable, reliable, permanent and dedicated funding sources for operating and capital expenses for WMATA, VRE and local transit systems. Help coordinate regional efforts and prepare analysis tools, brochures and editorials to promote such funding. Safeguard the current sources of transit funding available to NVTC's local governments.
4. Organize improved information sharing between local governments and the Virginia Department of Taxation and more effective auditing to facilitate efficient collection of NVTC's two percent motor fuels tax and increased knowledge of taxpayer responsibility on the part of gas station owners. Provide office space for an administrative employee of the Department to assist in monitoring compliance. Employ database and spreadsheet models to identify unanticipated deviations for particular stations and jurisdictions. Monitor the required reconciliation of motor fuels tax collections by jurisdiction. Brief NVTC's MAC group regularly on processes, issues, and solutions.
5. Serve as the central point of contact for Northern Virginia transit system financial information. Periodically update NVTC's guidebook on sources of funding for transit projects. Identify and obtain funding for new transit projects that are recommended by NVTC's jurisdictions.

3. COORDINATE TRANSIT SERVICE

Goal: Work with all public and private transit providers to coordinate all transit service within Northern Virginia, with emphasis on understandable fares, convenient schedules, proper information, good customer service, efficient performance and access by disabled persons. Help to clarify roles of respective agencies and governments to avoid overlaps or gaps in jurisdiction. Work to improve the safe and orderly movement of people and goods, primarily by encouraging greater use of integrated public transit and ridesharing systems. Involve the public in identifying problems and solutions. Use NVTC's management advisory committee as a forum to work out cooperative solutions and keep local governments fully informed. Emphasize better bicycle and pedestrian access to transit facilities and services.

Actions:

1. Work with local governments to coordinate collection and dissemination of performance data for FTA's National Transit Database reports. Collect performance data and maintain a shared database that uses NTD and other sources. Encourage transit systems to use the data to improve efficiency. Publish the data on NVTC's website. Help Northern Virginia's transit systems comply with DRPT's new performance data requirements.
2. Manage consultants to continue NTD data collection for all of Northern Virginia's transit systems and oversee collective funding of this work that brings at least \$5 million annually of federal revenues to this region.
3. In cooperation with the Virginia Department of Rail and Public Transportation (DRPT), implement the detailed workprogram for NVTC's grant-funded project to install compatible fare collection systems for WMATA, VRE, and local bus systems, using SmarTrip technology. Manage \$6 million local transit system procurement of SmarTrip-compatible fareboxes from WMATA's contract with Cubic/GFI, new contracts for additional fareboxes and a separate contract for technical consulting on fare collection issues. Expend federal grant funds by the deadline and report to FTA on a detailed evaluation of the project and lessons for other grantees. **Close out project and serve as a secure repository of SmarTrip initialization security keys.**
4. Manage a related contract with DRPT for SmarTrip point-of-sale devices for Loudoun County.
5. Assist Northern Virginia's transit systems in planning for the success of the regional SmarTrip customer service center/clearinghouse.
6. Manage the region's ongoing CMAQ-funded program to provide free bus fares during forecast Air Quality Code Orange/Red Ozone alerts. **Seek funding for a new monthly "ozone pass" for summer of 2009.**

7. Continue an ongoing project to provide free electronic transit schedules to persons using personal digital assistants and pocket computers. Ensure that transit schedules are kept current, work to expand to the entire metropolitan region and report regularly on performance. Develop an annual operational and promotional budget for funding by the local jurisdictions and manage the agreed upon marketing campaign, including interior bus and bus shelter display ads and website promotions.
8. Support regional pedestrian safety initiatives and encourage bicycle and pedestrian use. Publicize and seek to expand "bike on rail" opportunities, especially on VRE in its new railcar procurement. Encourage all agencies to incorporate bike and pedestrian access at major transit centers and transfer locations. Assist VDOT in ensuring that the recommendations from its Northern Virginia Regional Bikeway and Trail Network study that focus on connections to transit are implemented. Support initiatives of such groups as the National Center for Bicycling and Walking and its Walkable Communities Workshops. **Poll transit systems to determine the extent of bicycles on-board buses and railcars. With this data, propose methods to increase such use.**
9. Serve on regional task forces examining options for improved transit, such as WMATA's Regional Mobility Panel and the Pike Transit initiative.
10. Assist Northern Virginia's transit systems in monitoring progress on 511 traveler information telephone systems.
11. Utilize regional bus stop and route network databases to analyze opportunities for transit service improvements, using GIS and other tools. Also consider improvements in bus shelter availability and maintenance.
12. Examine mechanisms to improve bus service reliability and quality to boost ridership, including the ways amenities offered by over-the-road buses for long-distance commuters could be utilized to attract shorter distance commuters.

4. MANAGE GRANTS, CONTRACTS AND TRUST FUNDS

Goal: Facilitate the fair and equitable allocation of costs among governments, persons using transportation services and facilities and others who benefit. Manage grants fairly and effectively, according to state and federal laws and NVTC's policies. Invest trust fund assets prudently to maximize returns consistent with safety.

Actions:

1. Use NVTC's subsidy allocation model to incorporate the most recent WMATA and local budget information on transit costs, revenues and subsidies. Using NVTC's adopted allocation formula, determine each local government's share of NVTC assistance. Use their percentages to apportion shares of local contributions to NVTC's administrative budget. Maintain detailed spreadsheets to calculate NVTC's formula. Provide early estimates each year to assist local governments in budget planning.
2. Prepare and submit NVTC and VRE state grant applications (approximately \$200 million) due in February, 2008, using DRPT's automated OLGA system.
3. Manage state grants to prepare proper billings, obtain timely reimbursements and file quarterly progress reports. Reprogram funds as needed, in consultation with NVTC's Management Advisory Committee, to be certain grant funds are spent on eligible projects within the state time limits. Work with grantor agencies to achieve the maximum feasible flexibility in using the funds in order to meet expiration deadlines with no loss of funds.
4. Prepare timely and accurate quarterly cash flow forecasts of transit assistance sources and uses for NVTC's local jurisdictions. Assist local jurisdictions in spending promptly the proceeds of state bond issues.
5. Prepare financial reports for NVTC's annual audit. Manage a multi-year audit services contract. Accomplish an unqualified auditors' opinion and provide to the appropriate regulatory agencies. Anticipate concerns of outside auditors and work to alleviate in advance any such concerns. Develop and implement appropriate responses to any concerns of auditors contained in management letters. **Select an auditor for a multi-year contract via a competitive procurement.**
6. **Respond to DRPT's new audit initiatives and grant policies and work with NVTC's jurisdictions to fine-tune the new procedures, if necessary, so they work to the advantage of all parties. Encourage DRPT to provide timely grant contracts.**
7. Maintain up-to-date compilations of state and federal grant regulations. Ensure staff is adequately trained in grant and project management and alerted to any changes in regulations. Maintain current procurement documents to facilitate prompt release of authorized requests for proposals and invitations for bids.

8. Promote NVTC as an effective grant-management agency to assist NVTC's jurisdictions. Approach other agencies to have NVTC apply for and manage such grants as CMAQ/ RSTP.
9. Apply for federal funds on behalf of Alexandria for demonstrations of new bus technologies made possible with citywide Wi-Fi access. Procure consulting assistance and manage the project for the city.
10. Apply for federal funds on behalf of Fairfax County for bus facility and service improvements in the Route 1 corridor. Work with Fairfax County's project manager to ensure timely compliance with all federal grant regulations.
11. Work with Alexandria and Arlington to apply for federal funds for BRT service improvements in the Crystal City/Potomac Yard corridor and for subsequent citywide transit improvements in Alexandria. If it is mutually agreed to proceed, seek authorization to execute administrative agreements with those jurisdictions. The agreements would specify the respective management responsibilities of all the parties and the timing of the future grant applications that NVTC will be called upon to submit.
12. **If asked by Arlington and Fairfax County, serve as project manager for the Pike Ride Trolley project.**
13. **Work with NVTA to supply project management expertise for transit-related projects, if requested.**
14. Recognizing the aging population, manage grant-funded research on Senior Mobility trends in this region, tied to recommendations for transit systems to take advantage of these evolving markets. Manage consulting contracts for Phase 2 involving senior travel training. **Complete a final report and close out contracts. Continue to publicize the results of the Phase 1 study and Phase 2. Work with the transit systems to test and implement the recommendations.**
15. To facilitate NVTC management accountability, accomplish performance-based budgeting. The proposed FY 2009 budget incorporates 12 performance measures for NVTC's administrative and financial management functions as well as seven measures for the planning, project management, public outreach and legislative functions.
16. Manage a consulting contract to develop and test low-cost software to use cell-phones mounted on buses to locate vehicles and allow customers to receive real-time arrival information. Test the product (known as MARTHA) in the Falls Church GEORGE bus system. **Close the project and provide the results for use at smaller transit systems around the commonwealth.**
17. Manage a grant-funded contract to equip four city of Fairfax CUE buses with hydrogen fuel injection systems to demonstrate for at least 9 months the air quality and fuel efficiency benefits compared to costs.

5. PROVIDE OVERSIGHT FOR WMATA AND VRE

Goal: Exercise leadership on issues pertaining to oversight of the WMATA and VRE systems, particularly budget and finance, to reduce costs and control the growth of local subsidies and fares while improving service quality. Effectively manage ongoing transit services for which NVTC is responsible and develop efficient management structures that facilitate regional cooperation and support.

Actions:

1. In January, appoint Virginia's two principal and two alternate members of the WMATA Board of Directors. Provide staff support to WMATA Board members. As needed, facilitate caucuses of Virginia's Board members and their staffs to develop consensus positions prior to committee and board meetings. Keep NVTC commissioners informed of pending WMATA Board decisions of regional significance.
2. Monitor the development of WMATA's budget. Provide recommendations to local jurisdictions and the WMATA Board, as appropriate.
3. Participate actively on WMATA's Jurisdictional Coordinating Committee.
4. Work with NVTC's MAC group to monitor WMATA's MetroAccess, focusing on cost sharing and performance issues.
5. Assist local and state officials in obtaining dedicated funding for WMATA in order to qualify for \$1.5 billion of proposed federal funding.
6. As co-owner of VRE (with assets of \$217 million, outstanding debt issued by NVTC of \$83 million and annual operating/capital budgets of over \$60 million) appoint NVTC's three principals and one alternate member of the VRE Operations Board, maintain close communications with PRTC and VRE staff, coordinate presentation of action items to the VRE Board and commissions, and monitor ongoing operations for consistency with the Master Agreement and approved budgets, customer service quality and NVTC jurisdictions' interests.
7. Support the VRE team as it negotiates with DRPT, CSXT, Norfolk Southern and Amtrak to agree on multi-year access and operations contracts and to clarify and accomplish rail service priorities in the Richmond-Washington, DC corridor.
8. Support annual VRE customer service surveys each spring and ridership surveys each October, by reviewing the design of the survey and providing zip code verification.
9. As agreed with VRE management, assist in implementation of VRE projects as well as in the implementation of the VRE strategic plan and other initiatives. Focus on policy analysis (e.g. cost and service neutrality for new VRE entrants).

6. COORDINATE REGIONAL EFFORTS

Goal: Support coordinated regional efforts to improve air quality, conserve energy, boost the economy, respond to emergencies and integrate land use and transportation. Pursue new transit opportunities and actively support telework.

Actions:

1. Seek opportunities to act on NVTC's policy of preserving future transit rights-of-way (e.g. on I-66) and WMATA's and VRE's policies promoting transit-oriented development.
2. Monitor the implementation by VDOT and the Virginia State Police of revised and improved policies for notifying and consulting with transit systems when lifting HOV restrictions during traffic emergencies. Support enhanced enforcement on all HOV facilities and utilize VDOT's promised real-time database to analyze performance and recommend solutions.
3. Participate in planning, preliminary engineering and environmental analysis for transit in the Dulles Corridor and other locations such as the Capital Beltway and I-95/395 as requested by WMATA, VDOT, DRPT and/or local jurisdictions. For example, at VDOT's request represent transit's interests on a subcommittee of the Operations Committee for the I-95 Beltway HOT lanes project. NVTC is also a core project partner on VDOT/ FHWA's Integrated Corridor Management Initiative for I-66/50/29 (in Phase 1 a concept of operations is being developed). NVTC is also a stakeholder in the ongoing EIS review for the 14th Street Bridge project and is represented on a multi-agency Capital Beltway Southside study.
4. Advocate coordination of the transit, vanpool and ridesharing components of planning studies by MWCOG, VDOT, DRPT, NVTA and others, and provide data if applicable.
5. Assist NVTC commissioners who are members of NVTA, TPB, and other regional groups and provide data, responses, NVTC meeting summaries and recommendations to these organizations as appropriate.
6. Work to establish NVTC as the chief advocate of Intelligent Transportation Systems (ITS) investments for transit, not by competing for scarce funding but by conducting low-cost demonstrations, evaluating the results, and more actively encouraging all of NVTC's transit providers to adopt similar technologies. Examples include: web-based automated bus stop information signs; on-board bus stop enunciators; passenger counters; automated maintenance devices; parking carousels; variable pricing of roads and parking; parking capacity electronic message signs; and alternative fuel technologies. Promote joint procurements for uniformity and cost saving. Advocate inter-operability. Help educate board members and the public. Utilize NVTC's web-based ITS performance methodology and link to similar methods made available by

USDOT. Complete evaluation reports on lessons learned from demonstrations of new technology for grant-funding agencies and other interested parties.

7. Develop information from research on this and other regions to help NVTA, WMATA and other transit organizations define lower-cost strategies for meeting congestion challenges in the short term using such mechanisms as exclusive transit lanes, bus rapid transit, priority lanes, queue jumping, jitneys, route-deviation transit, and real-time information devices. Publicize the results and work to achieve public acceptance. Work with the local jurisdictions to initiate appropriate demonstrations of these mechanisms.
8. From various published forecasts, plans and corridor studies, assemble mode split and other data to provide a convenient source of comprehensive transit market performance data. Use the data to encourage efficient transit management, expanded transit ridership and greater public awareness. Use newly available statistically significant traffic counts by MWCOG/TPB of persons traveling in Northern Virginia's major corridors in both peak flow and reverse commute directions. Advocate continued and expanded funding for these corridor traffic counts. Make this information available in user-friendly formats on NVTC's website. Follow up on the successful screenline count on I-66 at Glebe Road and on I-395 in cooperation with VDOT, TPB and local transit systems. **Work to expand the counts and mode share calculations to screenlines in corridors outside the Beltway, starting with I-95.**
9. Actively promote telework initiatives and encourage the commonwealth to take the lead with its own employees and the private sector. Initiate a telework policy for NVTC staff.
10. Assist transit systems, VDOT, DRPT, TPB, MWCOG and others in developing and testing coordinated regional emergency response plans. Focus on developing a unified transit position to facilitate these plans. Update a series of transit emergency response plans, focusing on key station areas in Northern Virginia. Considerations include bus re-routing, traffic signalization, signs, and communications. Monitor MWCOG's RESF 1 process for responses to severe emergencies and assist in developing MWCOG's Regional Transportation Coordination Plan for incidents of less severity.
11. Examine public-private HOT lane proposals for the Beltway, I-95 and elsewhere and work to ensure adequate transit access and the use of toll revenues to help support transit operations. Actively participate on the new DRPT Transit Advisory Committee to articulate transit concerns and resolve any issues. Take the lead in assertively presenting a coordinated transit plan.
12. Assist area transit agencies and local governments in resolving an effort by the Fredericksburg Area MPO to divert some federal transit formula assistance away from WMATA. NVTC opposes this diversion.

13. Assist area transit agencies and local governments in preparing for the expected disruptions due to the Base Realignment and Closure Commission's recommendations to shift tens of thousands of new jobs to Ft. Belvoir/Engineering Proving Ground. Help articulate and advocate comprehensive transit improvements.
14. Assist other MWCOC groups working for cleaner air, including MWAQC and Clean Air Partners with **an emphasis on reducing greenhouse gases through transit use.**

7. DELIVER PUBLIC INFORMATION, MARKETING AND CUSTOMER SERVICE

Goal: Reach out to transit customers and the general public, listen to customer concerns and implement improvements to boost regional transit ridership.

Actions:

1. Serve as the central point of contact for the news media, interest groups and the general public for transit issues in Northern Virginia, making referrals to other transit agencies and local governments when appropriate. Initiate contacts with media representatives via calls and visits. Provide NVTC's reports, analyses and policies with easy to understand explanations of their content and significance. Help transit systems prepare to respond effectively to media and other public inquiries during emergencies and at other times by sponsoring seminars on best practices. Establish media opportunities for NVTC board members to promote NVTC's mission.
2. **Assist NVTA's public outreach mission actively (at least until it acquires its own staff).**
3. Provide the following resources to the public utilizing enhanced graphics and GIS-mapping:
 - a. Maintain and improve NVTC's website, to focus on informing the public about opportunities to be involved in regional transit and ridesharing planning;
 - b. Distribute NVTC's brochure, reports and agendas to encourage more public involvement, again emphasizing easy-to-use web-based applications;
 - c. Publish electronically an annual NVTC Handbook to provide a detailed description of the commission's history, mission and accomplishments, including the commission's workprogram, policies and by-laws;
 - d. Link to other regional transit databases to provide information about regional transit services to better inform the public;
 - e. Maintain a transit system performance database;
 - f. Staff transit information booths at fairs and other public events;
 - g. Prepare NVTC faxed/e-mailed alerts to persons wishing to be kept informed on some or all transit issues in Northern Virginia, with direct links to NVTC's website;
 - h. Distribute periodic "transit nuggets" with information about transit's success in a catchy format that can be posted on web-sites and used by transit advocates in educating the public;

- i. Provide draft letters on NVTC's website for the use of citizens wishing to support NVTC's legislative and policy positions. Provide links to other groups supporting these positions; and
 - j. Continue distribution of NVTC's monthly meeting materials primarily via NVTC's website with e-mailed notices.
 - k. Provide timely material for "blog sites" on relevant topics.
4. Survey WMATA, VRE and local jurisdictions to compile innovative marketing activities, host coordination meetings, facilitate transit topics for the Marketing and Outreach Specialists Consortium and the Northern Virginia Public Information Officers and report at least annually to the commission and jurisdictions. **Cooperate with DRPT in establishing an annual statewide conference for Virginia transit communicators to share insights. Assist APTA in marketing and public information activities. Help plan the VTA conference set for June, 2008.**
 5. Continue technical support for transit stores and Transportation Management Associations (e.g., serve on Boards of Directors and consultant selection committees). Assist with logo design, marketing, consultant selection, performance evaluation, fare collection, web design and customer service issues.
 6. Look for opportunities to partner in order to stage events that will promote the effectiveness of transit and ridesharing and the need for additional transit funding.
 7. Conduct periodic tours of transit systems and transit-oriented development for legislators and senior state officials, with the cooperation of NVTC's transit systems and local legislative liaisons.
 8. Monitor website performance with monthly and quarterly compilations of user statistics.
 9. **Reach out to "electronic hitchhiking" firms (e.g. NuRide) and car-sharing organizations (e.g. Zip Car) for joint promotion opportunities.**
 10. Help the region's transit systems receive recognition for outstanding achievements by pursuing awards (such as APTA's Ad Wheel for marketing excellence).

11. **Upgrade NVTC's equipment and meeting facilities to improve public access. With budgeted funds, procure a new telephone system and consider "Voice Over Internet Protocol." Consider installation of an overhead projector, web-cam and sound system. Investigate streaming video of NVTC meetings.**
12. Seek funding for additional public surveys, focus groups and "coffee talks" to test innovative fare and service initiatives.
13. **Produce low-cost videos for the web on such topics as the "Agony of Auto Commuting;" "Adventures on the Bus;" "Seniors on Transit;" etc.**

NVTC FY 2008 WORK PROGRAM List of Products/ Projects

Goal#

1. Policy and Advocacy

Products/Projects

-GIS maps of General Assembly districts showing transit routes and state transit funding shortfalls.

-Annual state and federal legislative agenda.

-Annual Virginia Transit Association legislative agenda.

-Provide subscription legislative tracking service to jurisdictions/agencies.

-CTB pre-allocation testimony.

2. Funding

-Maintain Power Point presentation on the "Case for Increased Funding of Public Transit in Northern Virginia."

-Reports to MAC and NVTC on reconciliation of Department of Taxation's motor fuel tax collections (\$40 million annually).

-On-line guidebook on sources of funding for transit projects.

3. Coordination

-Manage consultants and auditors for collection and filing of National Transit Database reports (yields \$5 million for WMATA annually).



-Complete and close out \$5 million regional SmarTrip farebox project.

-Manage and promote \$1.5 million annual Ride Free program (free bus fares on forecast bad air days).

-Manage and promote regional e-schedules project.

4. Grants/Contracts/Trust Funds

-Maintain and update NVTC's subsidy allocation model (up to \$200 million distributed annually).

-Apply on the behalf of the region for state grants (eligibility of up to \$300 million).

-Manage jurisdiction trust fund accounts (average over \$100 million).

-Prepare financial statements for fiscal year independent audit.

-Manage Alexandria's grant-funded city wide bus technology project (\$1 million +) and its share of the Potomac Yard project (\$1 million so far)

-Manage Arlington's federal grants for Potomac Yard (\$1 million so far).

- Complete phase 2 of Senior Mobility project (\$150,000) and publish final report on senior transit travel training.

-Produce and adhere to performance based annual administration budget (\$1 million +).

-Manage test of low-cost software for automated bus location in Falls Church (\$100,000).

-Manage test of hydrogen fuel injection technology in the city of Fairfax's CUE buses (\$100,000).

5. WMATA and VRE

-Appoint WMATA and VRE Board members.

6. Coordinated Regional Efforts

-Maintain transit performance on-line database.

-Direct annual mode share corridor studies and reports with VDPT and MWCOG and publicize the results.

7. Public Outreach

-Maintain, improve and promote NVTC's website as the primary source of transit performance data for the region.



Northern Virginia Transportation Commission

NVTC

Thinking Outside the Car Since 1964



**NVTC'S 2007
ACCOMPLISHMENTS AND
2008 GOALS, OBJECTIVES
WORKPROGRAM AND
MEETING SCHEDULE**

WHAT'S NEW FOR 2008?



2007 ACCOMPLISHMENTS



GOAL

1. Legislative Advocacy:

H.B. 3202 increased state and regional funding through a coordinated advocacy effort by Northern Virginia's General Assembly members, business and civic leaders, localities and agencies, using tools such as NVTC's legislative district transit system maps.

2. New Funding:

Identified CMAQ funds for enhancing the region's Ride Free program of free bus fares on forecast bad air quality days after completing an evaluation of the program's strengths and weaknesses and developing an effective promotional campaign.

3. Coordinate Transit Service:

Completed installation of SmarTrip fareboxes on all of Northern Virginia's local bus systems (a \$6 million procurement managed by NVTC).



2007 ACCOMPLISHMENTS



4. Manage Grants:

Initiated new Alexandria transit technology project (\$1 million) and assisted Arlington and Fairfax County in obtaining federal transit grants.

5. Oversight of WMATA and VRE:

Assisted board members with data and policy analysis regarding fare structures, new member jurisdictions and budgets. Of major significance, helped achieve a new governance structure and subsidy allocation for VRE.



2007 ACCOMPLISHMENTS



6. Regional Coordination:

Represented transit's interests on a new HOV Task Force created by the Virginia Secretaries of Transportation and Public Safety and on a new DRPT Advisory Committee for a study of the I-95/395 HOT Lanes. Completed a detailed study of mode shares at a screenline inside the Beltway on I-395 and publicized the results for transit/HOV.

7. Public Information:

Staff is serving as interim Public Information Officer for NVTA. Significantly upgraded NVTC website with corresponding increases in public access.



2008 MEETING SCHEDULE



- First Thursday of each month.
- No meeting in August.
- February 7th meeting in Richmond on Local Government Day at 5:30 p.m. in General Assembly Building jointly with NVTA.



NVTC MISSION



To serve the public by providing a forum for elected officials to achieve an effective regional transportation network. Focusing primarily on transit, NVTC will develop strategies, identify funding sources, advocate for additional funding, prioritize allocations, oversee transit systems such as VRE and WMATA, and pursue new transit programs. NVTC will work to improve mobility, reduce traffic congestion, protect the environment and stimulate the regional economy by increasing transit and ridesharing use.



GOALS AND OBJECTIVES



- 1. Develop policy and advocate favorable legislation:** Increase transit ridership, obtain adequate funding and coordinate priorities.
- 2. Seek and advocate funding:** Stable and reliable transit funding from federal, state and private sources.
- 3. Coordinate transit service:** Understandable fares, convenient schedules, good customer service, efficient performance.
- 4. Manage grants, contracts and trust funds:** Allocate costs equitably, ensure compliance and invest safely and effectively.
- 5. Provide oversight for WMATA and VRE:** Reduce costs and control local subsidy growth, improve service quality, facilitate regional cooperation.
- 6. Support coordinated regional efforts:** Improve air quality, conserve energy, integrate land use and transportation, promote telework.
- 7. Deliver public information, marketing and customer service:** Inform transit customers, taxpayers, elected officials and the media, identify NVTC as the primary "data agency" for transit in Northern Virginia.



WORKPROGRAM ACTIONS



75 specific activities for 2008 organized by goal.

New for 2008:

- Complete demonstration of hydrogen fuel injection transit diesel engines for air quality and fuel savings.
- Complete Phase 2 of senior mobility project to test recommended transit travel training strategies.
- Close out SmarTrip farebox project.
- Poll transit systems to measure the extent of bicycles on board and with this data propose methods to increase such use.
- Continue to assist NVTA's public outreach effort.
- Use new tools (e.g. low-cost video) to promote transit.



WORKPROGRAM ACTIONS



New for 2008:

- With COG/TPB and VDOT extend screen line traffic counts to corridors outside the Beltway to determine transit mode shares.
- Complete a consulting contract to develop, test and demonstrate software to use mobile phone technology to locate transit vehicles and allow customers to receive real-time arrival information. Provide the results for use by smaller transit systems.
- Extend free bus fares on forecast Code Orange/Red Air Quality Alert days to mornings and provide a region wide kick off free fare day for promotion. Develop an ozone pass concept for summer of 2009.
- Manage new federal grant applications for Alexandria, Arlington and Fairfax County and if asked for NVTAs.
- Procure multi-year audit services.
- Work cooperatively with DRPT to fine-tune new procedures for performance data, audits and grant contracts.



WORKPROGRAM ACTIONS



Ongoing significant activities in 2008:

- Continue to advocate legislative proposals for dedicated funding for Metro as well as increased statewide transit assistance. Use GIS mapping tools and other techniques to educate legislators, media and the public.
- Submit state grant applications with over \$300 million of eligible reimbursable expenses.
- Manage \$120-150 million of trust fund revenues.
- Oversee \$217 million of co-owned VRE assets.



WORKPROGRAM ACTIONS



Ongoing significant activities in 2008:

- Employ database and spreadsheet models to ensure accurate allocation by the Virginia Department of Taxation of NVTC's two percent gas tax revenues (about \$40 million annually).
- Collect NTD transit system data to capture at least \$6 million annually of additional federal transit formula assistance.
- Update and promote electronic transit schedules.

AGENDA ITEM #7

TO: Chairman Snyder and NVTC Commissioners

FROM: Rick Taube and Scott Kalkwarf

DATE: December 27, 2007

SUBJECT: Preliminary FY 2009 NVTC Administrative Budget and Performance Objectives

The commission is asked to review the attached budget. It has been reviewed as recently as mid-December by local staff and by the commission in September, 2007. The commission may act on this budget now or defer action until February 7, 2008.

Again for FY 2009, total local contributions are held constant at \$ 310, 000, with individual local shares based on shares of state grants and regional gas taxes received from NVTC. NVTC ended FY 2007 with an unappropriated surplus of over \$100,000 (almost 10% of the administrative budget) and those funds are being used to help fund this proposed FY 2009 budget.

The overall level of expenditures would increase in FY 2009 by 2% compared to the approved budget for FY 2008. In FY 2009 salaries would be constant (including a reserve for performance-based increases but no cost of living increases).

The preliminary budget document also includes performance objectives for the organization and details about the degree to which objectives were met in previous years.





PROPOSED BUDGET

**FISCAL YEAR
2009**

(July 1, 2008 – June 30, 2009)

--January 3, 2008 --

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
BUDGETED FISCAL YEAR 2009 REVENUE
PROPOSED**

	FY 2007 Actual	Approved Budget FY 2008	Proposed Budget FY 2009	FY 2009-2008 Budget Increase (Decrease)	Percentage Change
1 Commonwealth of Virginia	\$ 590,750	\$ 718,350	\$ 723,380	\$ 5,030	0.7%
2 Alexandria	42,408	39,498	37,875	(1,623)	-4.1%
3 Arlington	66,091	63,653	60,728	(2,925)	-4.6%
4 City of Fairfax	7,174	6,857	7,209	352	5.1%
5 Fairfax County	174,674	175,638	177,574	1,935	1.1%
6 Falls Church	3,581	3,533	3,608	75	2.1%
7 Loudoun	16,073	20,821	23,007	2,187	10.5%
Total Local Jurisdictions	<u>310,001</u>	<u>310,000</u>	<u>310,000</u>	<u>-</u>	<u>0.0%</u>
8 Total Commonwealth of Virginia and Local Jurisdictions (Note 1)	900,751	1,028,350	1,033,380	5,030	0.5%
9 Interest Earned	25,690	12,000	18,000	6,000	50.0%
10 Project Chargebacks (Note 2)	88,000	75,000	70,000	(5,000)	-6.7%
11 Project Grant Billings	3,311	-	-	-	0.0%
12 Appropriated Surplus (Note 3)	39,609	83,000	100,500	17,500	21.1%
Total Revenue	<u><u>\$ 1,057,361</u></u>	<u><u>\$ 1,198,350</u></u>	<u><u>\$ 1,221,880</u></u>	<u><u>\$ 23,530</u></u>	<u><u>2.0%</u></u>

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF FISCAL YEAR 2009 EXPENDITURES
PROPOSED**

	FY 2007 <u>Actual</u>	Approved Budget FY 2008	Proposed Budget FY 2009	FY09 - FY08 Budget Increase (Decrease)	Percentage Change
<u>Personnel Costs</u>					
1 Salaries (Note 4)	\$ 644,404	\$ 701,400	\$ 700,900	(500)	-0.1%
2 Intern	-	-	-	-	N/A
3 Temporary Employee Services	-	1,000	1,000	-	0.0%
Total Personnel Costs	644,404	702,400	701,900	(500)	-0.1%
<u>Benefits</u>					
Employer's Contributions					
4 FICA	44,227	48,900	47,400	(1,500)	-3.1%
5 Group Health Insurance (Note 5)	42,471	65,750	62,900	(2,850)	-4.3%
6 Retirement (Note 6)	50,046	56,200	57,600	1,400	2.5%
7 Workmans & Unemployment Compensation	3,670	3,400	3,200	(200)	-5.9%
8 Life Insurance	3,386	3,750	4,100	350	9.3%
9 Long Term Disability Insurance	3,186	4,450	4,400	(50)	-1.1%
Total Benefit Costs	146,986	182,450	179,600	(2,850)	-1.6%
<u>Administrative Costs</u>					
10 Commissioners Per Diem (Note 7)	15,250	18,400	42,000	23,600	128.3%
Rents:					
11 Office Rent (Note 8)	159,725	173,050	176,780	3,730	2.2%
12 Parking / Metrochek	11,483	11,900	11,950	50	0.4%
Insurance:					
13 Public Official Bonds	2,250	2,600	2,600	-	0.0%
14 Liability and Property	1,735	1,800	1,900	100	5.6%
Travel:					
15 Conference Registration	2,060	2,000	2,100	100	5.0%
16 Non-Local & Conference Travel	4,498	4,500	4,700	200	4.4%
17 Local Meetings & Related Expenses (Note 9)	4,211	6,200	6,400	200	3.2%
18 Training & Professional Development (Note 1)	459	3,500	3,500	-	0.0%
Communication:					
19 Postage	4,620	4,600	4,700	100	2.2%
20 Telephone - LD	1,338	1,200	1,350	150	12.5%
21 Telephone - Local	5,810	5,800	5,900	100	1.7%
Publications & Supplies					
22 Office Supplies	2,371	4,500	4,200	(300)	-6.7%
23 Duplication and Paper (Note 11)	8,878	9,300	9,700	400	4.3%
24 Public Information (Note 12)	500	10,000	10,000	-	0.0%
Operations:					
25 Furniture and Equipment (Capital) (Note 13)	3,809	12,650	13,150	500	4.0%
26 Repairs and Maintenance	6,584	1,000	1,000	-	0.0%
27 Computer Operations (Note 14)	7,334	12,000	11,500	(500)	-4.2%
Other General and Administrative					
28 Subscriptions	169	400	400	-	0.0%
29 Memberships	1,783	1,700	1,800	100	5.9%
30 Fees and Miscellaneous	2,888	2,900	2,950	50	1.7%
31 Advertising (Personnel/Procurement) (Note 1)	2,691	1,800	1,800	-	0.0%
Total Administrative Costs	250,446	291,800	320,380	28,580	9.8%
<u>Contracting Services</u>					
32 Auditing (Note 16)	15,525	19,700	18,000	(1,700)	-8.6%
33 Consultants - Technical	-	1,000	1,000	-	0.0%
34 Legal	-	1,000	1,000	-	0.0%
Total Contract Services	15,525	21,700	20,000	(1,700)	-7.8%
Total Operating Program	\$1,057,361	\$ 1,198,350	\$ 1,221,880	\$ 23,530	2.0%

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Proposed Fiscal Year 2009 Budget

1. Commonwealth of Virginia and Local Jurisdictional Contributions

Each NVTC jurisdiction is assigned a share of the local portion of NVTC's administrative budget based on its share of revenue received by NVTC on behalf of jurisdictions from all sources in the previous year. This procedure is required by state statute and results in changes in contributions from one year to another that vary for each jurisdiction depending on relative shares of revenue received. The allocation in this FY 09 budget is based on the FY 08 Subsidy Allocation Model.

2. Project Chargebacks

This line consists primarily of charges for NVTC staff support for the VRE project and reimbursed from VRE's budget.

3. Appropriated Surplus

Included as a source of revenue in the FY 09 budget is a projected excess accumulated surplus that is available to offset the proposed operating budget expenses. This surplus is in excess of the commission's anticipated minimum operating requirements.

4. Salaries

Salaries for fiscal year 2009 are budgeted to include merit increases for the existing staff. Step increases for merit incentive raises are included up to 6%, but no cost of living adjustments are provided. Each 1% of merit increase costs approximately \$6,700. Merit increases within the budget amount are awarded at the discretion of the executive director. The FY 09 budget includes nine regular staff positions, which is unchanged from the FY 08 approved budget. Due to recent staff turnover and reduced hours of a full time position, budgeted payroll costs for FY 09 remains about constant from the budgeted FY 08 level.

5. Group Health Insurance

NVTC's health insurance group policy rates increased about 6% from the previous policy period ending April 30, 2006. The modest increase is a reflection of a low group expense ratio, a relatively young average age of participants, offset by increasing health care costs. Prior experience over the past several years however indicates cost increases of as much as 31 percent annually. The FY 2009 budget includes a provision for increasing rates while using the current policy period rates as the base.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Proposed Fiscal Year 2009 Budget

6. Retirement

The budgeted amount of employer pension contributions for the target benefit pension plan is based on actuarial formulas using the existing staff and the budgeted salary levels for FY 09. Because the formulas take into account factors in addition to payroll costs, such as years to retirement and investment return, changes in budgeted contributions do not necessarily change directly with budgeted payroll. Budgeted retirement contributions for FY 09 increased 2.5% over the FY 08 level.

7. Commissioners' Per Diem

The FY 2009 budget is based upon the regular meeting schedule, and includes per diems at the statutory rate of \$200 for senators and delegates, and \$200 for all other commissioners.

8. Office Rent

The administrative office lease was renewed during fiscal year 2001 for the period January 2001 through December 2010. Rent expense is budgeted based upon the fixed costs of the lease, with a provision for increases in common area expenses due to rising costs.

9. Local Meetings and Related Expenses

NVTC hosts numerous regional meetings for the benefit of member jurisdictions. Costs of accommodating numerous meetings are the largest component of this line item, which also includes the costs of NVTC staff traveling to meetings elsewhere in the region.

10. Training and Professional Development

Actual expenditures fluctuate with the changing needs of staff. While FY 07 expenditures were below the budgeted level, a provision is maintained in the FY 09 budget for future staff training.

11. Duplication and Paper

Duplication costs are budgeted based upon a five-year lease and maintenance contract entered into during FY 2006. The duplication expenses of paper and staples, which are not included in the contract, have been budgeted based upon estimated usage levels.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Proposed Fiscal Year 2009 Budget

12. Public Information

Public information includes the cost of various public outreach projects.

13. Furniture and Equipment

This budget category provides for the replacement and acquisition of office furniture and equipment, including computer hardware. It is expected that during FY 2009, computer hardware will need to be replaced or upgraded to support the operations of the commission. The FY 2009 budget also includes one-half the expected cost of replacing the present phone system, which is anticipated to take place during FY 2009. The other half of these costs was included in the FY08 approved budget.

14. Computer Operating Expense

Computer operating expenses include outside network consulting and services, software upgrades and supplies, and web hosting fees. A modest provision has been included for disaster recovery efforts.

15. Advertising (Personnel/Procurement)

The FY 09 budget includes a provision for personnel and procurement advertising. An average of prior year costs was used to develop the budgeted amount as this category fluctuates from year to year.

16. Auditing

NVTC's five-year contract with the present auditing firm expires after the audit of FY 07, with the costs incurred during FY 08. The amount included in the FY 09 budget is estimated based on this existing contract, with a provision for increased costs. Budgeted costs decreased by 8.6% from FY 08 to FY 09 due to the bi-annual pension plan audit included in the FY 08 budget, partially offset by anticipated cost increases included in the FY 09 budget.

APPENDIX 1

**PERFORMANCE BUDGET FOR NVTC'S
FINANCIAL MANAGEMENT FUNCTION**

January 3, 2008

For NVTC's performance budgeting, a special pro-forma fund has been created to include the costs and revenues attributable to NVTC's financial management function. NVTC's Director of Finance and Administration and Assistant Financial Officer devote 100 percent of their efforts to this function. NVTC's Executive Director allocates a quarter of his time to this work. While NVTC's two secretaries and two senior planners/project managers spend about five percent each on invoice processing and grant billing procedures, those activities are considered as part of the "planning, project management and public outreach" function shown in Appendix 2.

Regarding other expenses, it is assumed that a corresponding share of all other budget line items are attributable to this function. The same assumption is made for revenues. The attached Table 1 lists the derived costs and revenues for the commission's financial management function for FY 2009.

Table 2 lists 12 performance measures which went into effect with the FY 2007 budget by category. Results are shown for FY 2006 actual, as well as for the FY 2007 actual and FY 2008 and 2009 budget if known at this time. Each year more results will be calculated to provide a historical record and establish favorable (or unfavorable) trends.

TABLE 1

**Northern Virginia Transportation Commission
Pro Forma Financial Management Fund**

	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Approved Budget</u>	FY 2009 <u>Preliminary Budget</u>
<u>Expenditures</u>				
Personnel ¹	\$192,500	\$207,100	\$215,300	\$226,600
Benefits ²	46,300	43,800	54,100	58,800
Administrative Costs ³	75,900	80,500	89,500	103,600
Contracting Services ⁴	19,600	15,500	20,300	18,600
Total	\$334,300	\$346,900	\$379,200	\$407,700
<u>Revenues</u>				
Total ⁵	\$334,300	\$346,900	\$379,200	\$407,700

Notes:

1. Includes all salaries of the Director of Finance and Administration and the Assistant Controller and a quarter of the salary of the Executive Director.
2. Includes benefits of the above three positions.
3. Includes the same share of administrative costs as of salaries/benefits.
4. Includes the entire cost of NVTC auditors and a proportion of legal and technical consultants.
5. Assumes the same share of revenues as of expenses.

TABLE 2

**NVTC PERFORMANCE BUDGET MEASURES*
--Financial Management Function--**

<u>Performance Measure</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>
Input:				
1. Maintain tight budget controls to keep NVTC's total local contributions to NVTC's budget to no more than \$310,000 annually.	Yes \$310,000	Yes \$310,000	Yes \$310,000	Yes \$310,000
2. Effectively manage trust fund assets at a ratio of at least \$35 million per full time equivalent financial management employee.	Yes \$42M	Yes \$44M		
Output:				
3. Produce acceptable state aid grant applications for WMATA, local bus systems and VRE each year (totaling at least \$140 million) by the state deadline (currently February 1 st). New target for FY 2009=\$280 million.	Yes \$252M	Yes \$288M		
4. Produce a preliminary allocation of anticipated fiscal year revenues and expenses (totaling at least \$80 million) for each NVTC jurisdiction by June 1 st of each year using NVTC's subsidy allocation model and complete the final projection. New target for FY 2009=\$140 million.	Yes \$112M	Yes \$109M	Yes \$140M	

*Effective with FY 2007 budget.

	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>
Efficiency:				
5. Effectively manage trust fund assets and grant revenues contracted at an administrative cost ratio of no more than \$0.005 per \$1 of assets and revenues.	Yes \$0.004	Yes 0.004		
6. By careful monitoring of Department of Taxation expenses and proactive work with the department's field auditors, seek to maintain the ratio of administrative costs passed through to NVTC at or below 0.3 percent of total motor fuel tax revenues (currently approaching \$36 million annually) credited to NVTC.	Yes 0.2%	Yes 0.2%		
7. Effectively manage NVTC's employee flexible benefits program in house at an annual savings of at least \$100 per employee compared to outside management.	Yes \$118	Yes \$118	Yes \$118	Yes \$118
8. Co-own at least \$168 million of VRE assets at a management fee to VRE of no more than \$0.0005 per dollar of assets.	Yes \$0.0004	Yes \$0.0004		
Service Quality:				
9. In each annual audit, no subsidy allocation or trust fund audit adjustments required by auditors as well as no material deficiencies in internal controls and no related material management letter comments.	Yes	Yes		

	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Budget</u>	FY 2009 <u>Budget</u>
10. All trust fund grant reimbursement requests from jurisdictions with proper documentation processed within five working days in order to maximize investment earnings and cash flow.	Yes	Yes		
Outcome:				
11. 100% timely subsidy payments to WMATA on behalf of jurisdictions to avoid any late payment penalties.	Yes	Yes		
12. Working with NVTC's jurisdictions, achieve 100% of grant funds billed with no material lapsed funds returned to granting agencies.	No (\$55,700 lapsed in bus shelter grant)	No (\$33,500 lapsed in Jurisdiction Capital Grant)		

APPENDIX 2

**PERFORMANCE BUDGET FOR NVTC'S PLANNING,
PROJECT MANAGEMENT AND PUBLIC OUTREACH FUNCTIONS**

January 3, 2008

For NVTC's performance budgeting, a special pro-forma fund has been created to include the costs and revenues attributable to NVTC's planning, project management and public outreach functions. NVTC's Executive Director allocates three-quarters of his time to this work. NVTC's two secretaries, director of planning, director of public outreach, and two project managers are included.

Regarding other expenses, it is assumed that a corresponding share of all other budget line items are attributable to this function. The same assumption is made for revenues. The attached Table 1 lists the derived costs and revenues for the commission's planning, project management and public outreach functions for FY 2009.

Table 2 lists seven performance measures by category that went to effect for the first time with the FY 2008 budget. Results are shown for FY 2006 actual and FY 2007 budget if known at this time. Each year more results will be calculated to provide a historical record and establish favorable (or unfavorable) trends.

TABLE 1

**Northern Virginia Transportation Commission
Pro Forma Planning, Project Management, Public Outreach Fund**

	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Budget</u>	FY 2009 <u>Budget</u>
<u>Expenditures</u>				
Personnel ¹	\$434,900	\$437,300	\$487,100	\$475,300
Benefits ²	97,200	103,100	128,400	120,700
Administrative Costs ³	171,400	170,000	202,200	216,800
Contracting Services ⁴	0	0	1,400	1,400
Total	\$703,500	\$710,400	\$819,100	\$814,200
<u>Revenues</u>				
Total ⁵	\$703,500	\$710,400	\$819,100	\$814,200

Notes:

1. Includes all salaries of NVTC employees except the Director of Finance and Administration, Assistant Controller and a quarter of the salary of the Executive Director.
2. Includes benefits as in Note 1.
3. Includes the same share of administrative costs as of salaries/benefits.
4. Includes the remainder of legal and technical consulting not allocated to the financial management function.
5. Assumes the same share of revenues as expenses.

TABLE 2

**NVTC PERFORMANCE BUDGET MEASURES*
--Planning, Project Management and Public Outreach Functions--**

<u>Performance Measure</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>
Input:				
1. Actively manage five or more grant-funded projects with average annual revenues of at least \$100,000 per project.	Yes. Nine projects averaging \$109,417	Yes. Eight projects averaging \$267,900		
Output:				
2. Through effective outreach, increase hits on electronic schedules web page by at least 15% to average over 9,800 per day.		8,123 per day		
3. Increase hits on NVTC's web page by at least 10% to average over 1,000 unique visitors per month.		9,574 per month		
Efficiency:				
4. By assisting Northern Virginia jurisdictions in meeting annual deadlines for NTD reporting, achieve \$6.4 million or more in additional FTA formula funds for WMATA per \$200,000 of state grant funds spent on data collection, for a net return of over \$6 million.	Yes. \$5.3 million per \$160,000, for a net return of about \$5.1 million.	Yes. \$6.4 million per \$200,000, for a net return of about \$6.2 million.		
5. By using NVTC's staff skills in web management and GIS mapping, save at least \$50 per hour of paid consulting time totaling \$48,750 annually, net of software and other administrative costs.		Yes		

*Effective with FY 2008 budget.

	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Budget</u>	FY 2009 <u>Budget</u>
--	--------------------------	--------------------------	--------------------------	--------------------------

Service Quality:

6. Post 100% of NVTC meeting materials and approved reports on NVTC website within 24-hours of releasing to board members or approval by the board.

Yes.

Outcome:

7. During FY 2008, complete acceptable final reports and close out project grants with no lapsed funds for Senior Mobility Phase 2, MARTHA (real-time bus arrival algorithm), hydrogen-bus demonstration and SmarTrip fareboxes.

AGENDA ITEM #8

MEMORANDUM

TO: Chairman Snyder and NVTC Commissioners

FROM: Rick Taube

DATE: December 27, 2007

SUBJECT: VRE Items

- A. Report from the VRE Operations Board and VRE's Chief Executive Officer—information Item.
- B. Approval of FY 2009 VRE Capital and Operating Budget and Revisions to the FY 2008 Budget—Action Item/ Resolution #2086.
- C. Extend CSXT Operating Agreement—Action Item/ Resolution #2087.
- D. Extend Norfolk Southern Operating Agreement—Action Item/ Resolution #2088.
- E. Contract for Engineering/Environmental Services for the Gainesville-Haymarket Extension—Action Item/ Resolution #2089.
- F. Contracts for General Engineering Services—Action Item/ Resolution #2090.
- G. Contract Amendment with Scheidt and Bachmann for Fare Collection Equipment Maintenance—Action Item/ Resolution #2091.
- H. Amendments to VRE Insurance Management Agreement—Action Item/ Resolution #2092.



ITEM #8A**Report from the VRE Operations Board and VRE's CEO**

The minutes of the VRE Board's December 21, 2007 meeting will be provided on January 3rd. Attached is the monthly report of VRE's CEO including ridership and on time performance data.

The new officers for 2008 are:

- John Jenkins, Chairman
- Sharon Bulova, Vice-Chairman
- Paul Milde, Secretary
- Chris Zimmerman, Treasurer



CHIEF EXECUTIVE OFFICER'S REPORT

December 2007

MONTHLY DELAY SUMMARY

	August 07	September 07	October 07	November-07
System wide				
Total delays	99	66	63	56
Average length of delay (mins.)	23	25	18	17.8
Number over 30 minutes	26	20	11	9
Days with Heat Restrictions/Total days	3/23	0/19	0/22	0/19
On-Time Performance	85.1%	88%	90.10%	89.80%
Fredericksburg Line				
Total delays	51	33	29	28
Average length of delay (mins.)	26	22	16	21.4
Number over 30 minutes	12	8	4	6
On-Time Performance	82.9%	86.6%	89.90%	88.70%
Manassas Line				
Total delays	48	33	34	28
Average length of delay (mins.)	20	28	20	13.8
Number over 30 minutes	14	12	7	3
On-Time Performance	86.9%	89.1%	90.30%	90.80%

SYSTEM RIDERSHIP

Ridership has increased 4.1% year-to-date from the previous year. The gains can be attributed to the steady on-time performance (OTP), now consistently around 90% for the past four months. We are continuing to watch the equipment closely to prevent any major mechanical problems. Changes in maintenance procedures and processes at both Virginia yards have been instituted to continue to mitigate mechanical failures before they occur.

The cumulative average daily ridership has climbed from 13,843 per day in August to 14,282 per day through November – a steady continuous climb. There are now 445 more passengers-per-day riding VRE today than in August.

TOYS FOR TOTS

Once again this year, needy children in the area will have a brighter holiday season due to the generosity of our riders and members of the VRE. We held our 12th Annual Toys for Tots collection on Wednesday, December 12, just a few days after our collection during our 11th Annual Operation Lifesaver Santa Trains. Between the two events, VRE passengers donated more than 3,000 toys and about \$9,500 in monetary donations and gift cards. We are proud to be one of the largest contributors to Toys for Tots in our area.

BUSH APPOINTS BOARD TO HALT AMTRAK STRIKE

President Bush appointed an emergency board on November 28th to help Amtrak settle its dispute with eight labor unions and avoid a strike. The intervention was expected, though unions have been making preparations in the event of a strike. The Railway Labor Act prevents workers from striking until federal officials determine that mediation has been unsuccessful. The National Mediation Board released the parties from mediation November 1, which triggered a 30-day cooling-off period. Under the Presidential order, the five-member emergency board will have 30 days to recommend a resolution, starting at 12:01 a.m. December 1st. Amtrak and union officials have said they expect an extension to be granted because of the holidays. The five members are Peter W. Tredick, chairman; Ira F. Jaffe; Joshua M. Javits; Annette M. Sandberg; and Helen M. Witt.

After the emergency board completes its work, the law requires another 30-day cooling-off period. Following this period, if Amtrak or the unions reject the board's recommendations, a strike can be initiated. However, Congress also can intervene to compel the parties to accept certain terms. I have been party to regular conference calls on this issue and will continue to stay abreast of any developments.

We are actively working with local transit providers to arrange or suggest alternative transportation options if a strike were to be initiated. I'll brief the Operations Board on what arrangements can be made at the January Operations Board meeting, if necessary.

SANTA TRAINS

The 2007 Operation Lifesaver Santa Trains were successfully completed on Saturday, December 8th to the delight of many happy participating children. Trains departed from Fredericksburg, Leeland, Woodbridge, Manassas, and Burke Centre. We collected approximately 1,100 toys and \$8,000 for Toys for Tots this year as part of the event.

NEW RAIL CAR UPDATE

I visited the Super Steel plant in Milwaukee to take part in the celebration of the shipment of the first five railcars of our 50 railcar option. The shipment was on-time and on-budget. The five cars will arrive in the Broad Run yard on December 14th. They will be service tested during the week of December 17th and hopefully in service by the end of the week. We will receive five railcars each month through October 2008.

EMERGENCY RESPONSE DRILL

VRE conducted a training session and field exercise at the Broad Run yard and station on December 1, 2007. Police, Fire, and EMS responders attended from Fredericksburg, Stafford, Quantico USMC, Prince William, Fairfax, Arlington, Alexandria, and Manassas. Officials from

various federal agencies also attended. The exercise simulated hostages taken by terrorists aboard a VRE train, with necessary neutralization by the US Marines SWAT team from Quantico. Some of the footage was recorded and will be used as part of a training video being prepared for emergency responders.

UPDATE ON FUEL COSTS

It is estimated that our hedging will save approximately \$40,000 per month in November and December. We'll continue to look for opportunities to hedge our fuel purchasing.

MONTHLY PERFORMANCE MEASURES – NOVEMBER 2007

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
November Fredericksburg OTP Average	88.7%
November Manassas OTP Average	90.8%
VRE NOVEMBER OVERALL OTP AVERAGE	89.8%

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2008 Passenger Totals	1,485,973
VRE FY 2007 Passenger Totals	1,427,610
PERCENTAGE CHANGE	4.1%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
NOVEMBER 2007	277,425
NOVEMBER 2006	272,084
PERCENTAGE CHANGE	2.0%
SERVICE DAYS (CURRENT/PRIOR)	19/19

Monthly Ridership and OTP: November 2007

Date	Manassas AM	Manassas PM	Total Manassas	Actual OTP TD	Fred'burg AM	Fred'burg PM	Fred'burg Total	Actual OTP TD	Total Trips	Actual OTP TD
1	3,582	3,632	7,214	100%	3,778	3,922	7,700	92%	14,914	97%
2	3,114	3,163	6,277	100%	3,697	3,543	7,240	100%	13,517	100%
3										
4										
5	3,620	3,438	7,058	100%	3,668	3,834	7,502	100%	14,560	100%
6	3,651	3,533	7,184	81%	3,899	3,880	7,779	77%	14,963	79%
7	3,628	3,482	7,108	100%	4,128	3,764	7,892	92%	15,000	97%
8	3,653	3,518	7,171	81%	4,032	4,080	8,112	92%	15,283	86%
9	2,826	2,817	5,643	94%	3,468	3,654	7,122	100%	12,765	97%
10										
11										
12										
13	3,741	3,544	7,285	100%	3,947	3,986	7,933	85%	15,218	93%
14	3,528	3,570	7,098	94%	3,617	3,773	7,390	62%	14,488	79%
15	3,500	3,578	7,078	100%	3,706	3,980	7,686	92%	14,764	97%
16	3,135	3,164	6,299	88%	3,460	3,628	7,088	92%	13,387	90%
17										
18										
19	3,479	3,642	7,121	100%	3,886	3,841	7,727	85%	14,848	93%
20	3,554	3,465	7,019	88%	3,710	3,919	7,629	92%	14,648	90%
21	2,926	2,719	5,645	88%	3,416	4,408	7,824	85%	13,469	86%
22										
23										
24										
25										
26	3,564	3,522	7,086	69%	3,897	3,938	7,835	62%	14,921	66%
27	3,759	3,724	7,483	88%	4,009	4,008	8,017	100%	15,500	93%
28	3,724	3,518	7,242	100%	4,028	3,869	7,897	85%	15,139	93%
29	3,833	3,602	7,435	100%	3,837	3,934	7,771	92%	15,206	97%
30	3,378	3,147	6,525	56%	3,888	3,937	7,825	100%	14,150	76%
	62,611	61,146	130,995	90%	68,093	69,976	145,769	88%	276,740	89%
	Adjusted total:		130,995		Adjusted Total:		146,430	Adjusted Total:	277,425	277,425

# of Service Days:	19	Total Trips This Month:	277,425	Adjusted Total:	277,425
Manassas Daily Avg. Trips:	6,893	Prior Total FY-2008:	1,208,548		
Fred'burg Daily Avg. Trips:	7,672	Total Trips FY-2008	1,485,973		
Total Avg. Daily Trips:	14,565	Total Prior Years:	36,969,773		
		Grand Total:	38,465,746		

Note: Adjusted Averages & Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days.
 * designates "S" schedule day

Monthly Ridership Changes: Fiscal Year 2006 vs. 2007

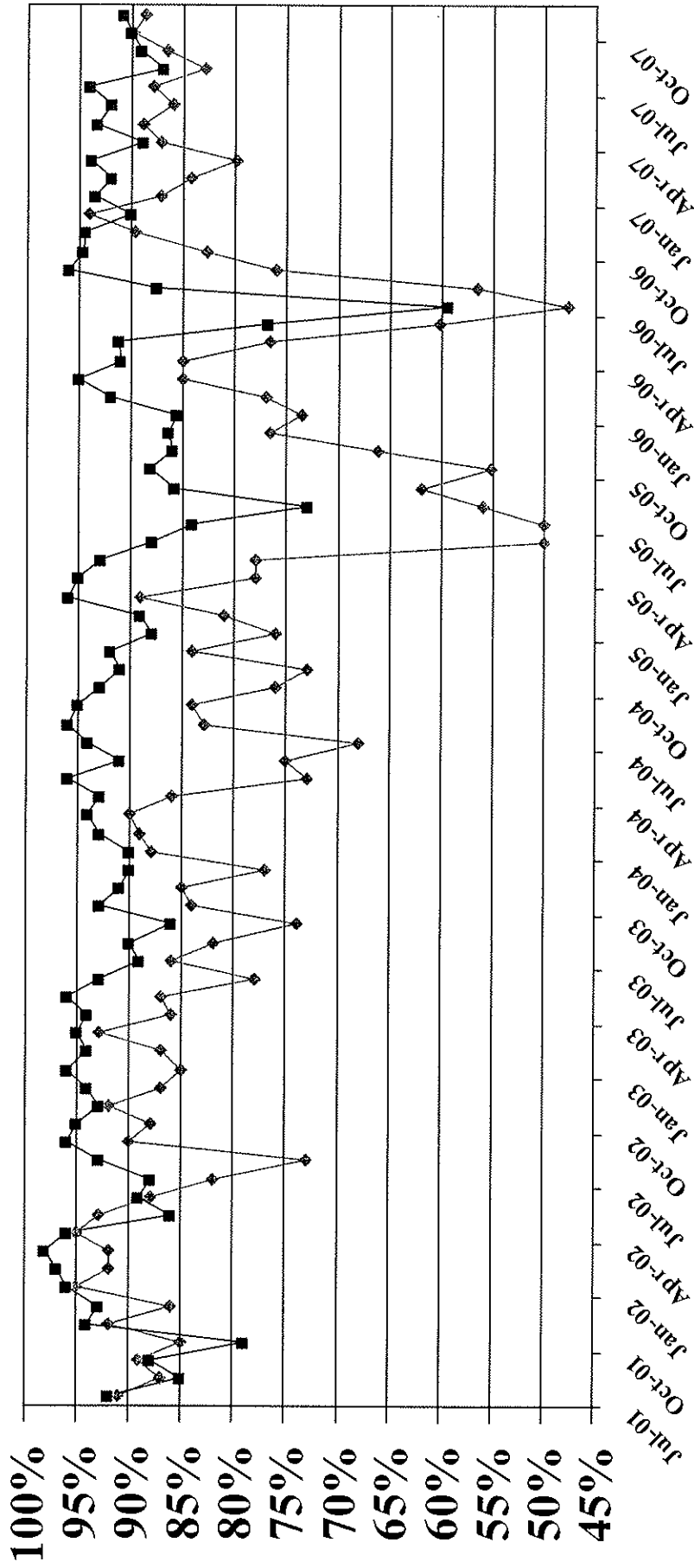
Current Month	MANASSAS			FREDERICKSBURG		
	Avg Daily FY2007	Avg Daily FY2008	% change	Avg Daily FY2007	Avg Daily FY2008	% change
July	6310	6513	3.22%	7337	7393	0.76%
August	6319	6405	1.36%	7070	7379	4.37%
September	6451	6847	6.14%	7232	7652	5.81%
October	6820	6973	2.24%	7513	7754	3.21%
November	6695	6894	2.97%	7626	7707	1.06%
December	5823			6813		
January	7158			7862		
February	6921			7465		
March	6842			7218		
April	6467			7259		
May	6600			7493		
June	6647			7560		
Average growth			3.19%			3.04%
						3.10%

*Ridership figures are shown in passenger trips. Includes Amtrak cross honor train riders.

** Average daily ridership for January 2007 does not include 1/2/07 due to Federal Government closure.

On-Time Performance

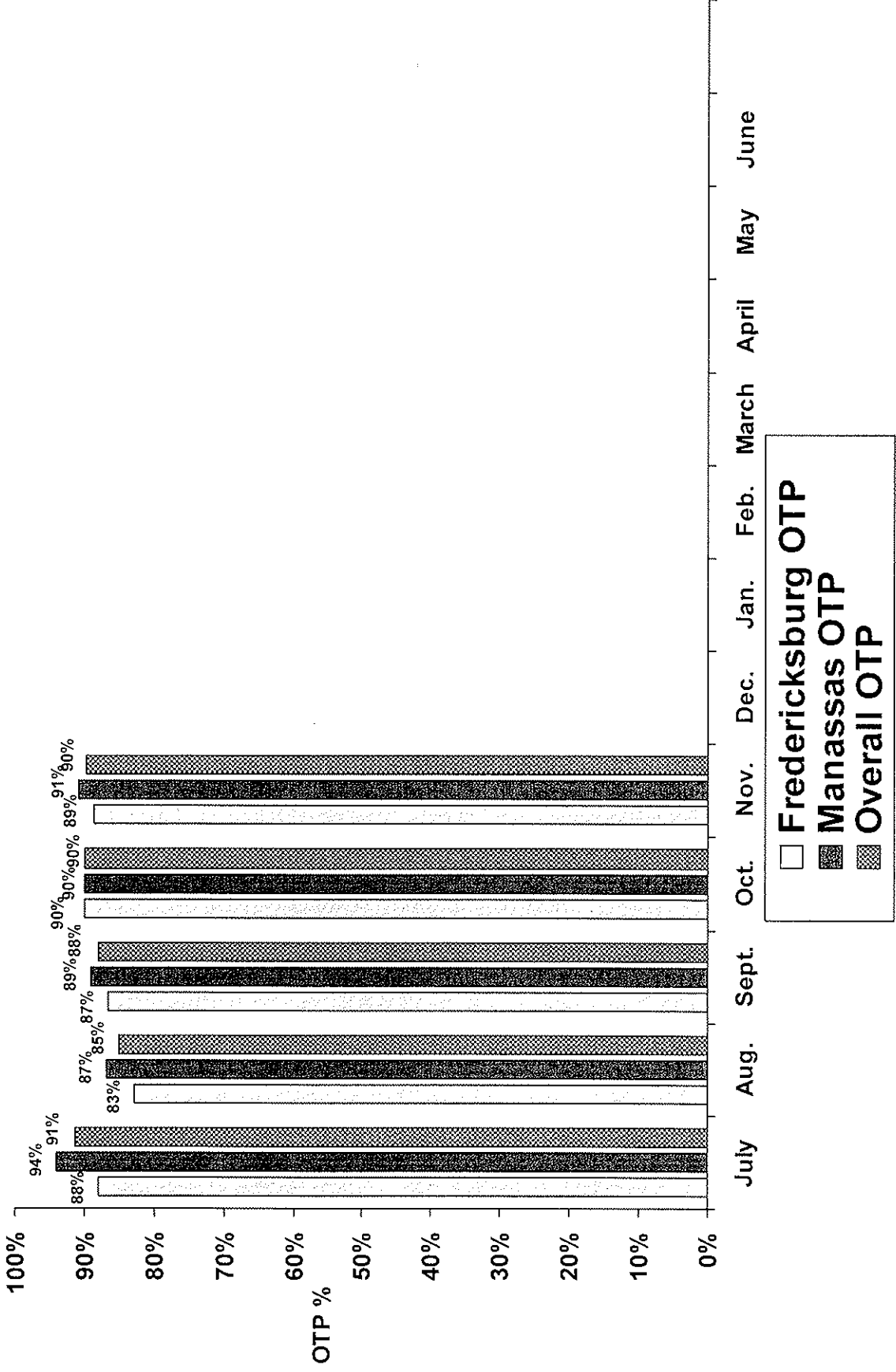
July 2001 – November 2007



◆— Frederickburg Line ■— Manassas Line

Average On-Time Performance

FY-2008



FINANCIAL STATISTICS FOR NOVEMBER 2007

Copies of the November 2007 Operating Budget Report are attached.

Fare income for the month of November 07 was \$126,418 above the budget – a favorable variance of 7.77%. The cumulative variance for the year is 0.35% or \$31,349 above the budget. This positive variance is generally in line with current projections and reflects the anticipated gradual increase in ridership. Revenue in the first five months of FY 2008 is up 10.0% over FY 2007.

A summary of the financial results (unaudited) as of November 2007 follows. Detail on the major revenue and expense categories are provided in the attached Operating Budget Report.

Measures		Goal	Actual	Trend
Operating Ratio		55%	69%	↑
Budgeted Revenue	58,830,553			
Budgeted Revenue YTD	25,212,858			
Actual Revenue YTD	25,462,346			
Cumulative Variance	249,488		249,488	↑
Percent Collected FY 07 YTD		42.86%	43.28%	
Budgeted Expenses	58,830,553			
Budgeted Expenses YTD	26,386,430			
Operating Expenses YTD	26,030,499			
Cumulative Variance	355,931		355,931	↑
Percent Collected FY 07 YTD		44.85%	44.25%	
Net Income (Loss) from Operations			605,419	↑

These figures are preliminary and unaudited.

VIRGINIA RAILWAY EXPRESS
FY 2007 OPERATING BUDGET REPORT
 November 2007

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE \$	YTD VARIANCE %	TOTAL FY08 BUDGET
OPERATING REVENUE							
Passenger Ticket Revenue	1,754,342	1,627,924	8,942,089	8,910,740	31,349	0.4%	21,334,369
Equipment Rental and Other	11,153	11,560	68,132	61,756	6,376	10.3%	151,500
Subtotal Operating Revenue	1,765,495	1,639,484	9,010,221	8,972,496	37,725	0.4%	21,485,869
Jurisdictional Subsidy (1)	-	-	6,389,596	6,389,596	-	0.0%	12,518,448
Federal/State Subsidy	2,046,536	1,952,653	9,927,804	9,763,265	164,539	1.7%	24,616,236
Appropriation from Reserve	-	-	-	-	-	0.0%	-
Interest Income	30,538	17,500	134,725	87,500	47,225	54.0%	210,000
Total Operating Revenue	3,842,569	3,609,637	25,462,346	25,212,858	249,489	1.0%	58,830,553
OPERATING EXPENSES							
Departmental Operating Expenses	3,138,693	3,128,492	16,478,906	16,700,159	221,253	1.3%	40,970,242
Debt Service	916,766	907,176	4,583,835	4,535,880	(47,955)	-1.1%	12,429,373
Insurance	-	-	4,950,000	4,950,000	-	0.0%	4,950,000
Other Non-Departmental Expenses	4,500	40,078	17,758	200,391	182,633	91.1%	480,938
Total Operating Expenses	4,059,959	4,075,746	26,030,499	26,386,430	355,931	1.3%	58,830,553
NET INCOME (LOSS) FROM OPERATIONS	(217,391)	(466,109)	(568,153)	(1,173,572)	605,419		(0)
CALCULATED OPERATING RATIO							
						69%	

(1) Total jurisdictional subsidy is \$13,379,154. Portion shown is attributed to Operating Fund only.

ITEM #8B**Approval of FY 2009 VRE Capital and Operating Budget and Revisions to the FY 2008 Budget.**

The VRE Operations Board recommends approval of Resolution #2086. This resolution adopts the proposed FY 2009 VRE budget and revisions to the FY 2008 budget. Upon approval of the resolution, the FY 2009 budget would be forwarded to VRE's participating and contributing jurisdictions so that they can approve funding, as called for by the VRE Master Agreement.

Some budget documents and explanatory material are attached, together with a report from the Chief Administrative Officers Task Force. At the December 21st VRE Operations Board meeting, the board adopted the budget recommended by the CAO Task Force, not the two options presented by VRE staff. Accordingly, detailed budget documents are not yet available. The expenditures recommended for FY 2009 total \$94.0 million.

To fund the budget, a three percent fare increase is proposed, yielding \$650,000. However, the VRE Board intends to consider an indexed fare policy, and given the fact that four straight annual fare increases have occurred, may ultimately recommend that the three percent fare increase for FY 2009 be modified.

The budget also proposed the use of \$21.35 million of NVTA funds from HB 3202, including \$17.2 million for locomotives and \$4.0 million for the insurance trust fund. The remainder of NVTA's VRE funds could be used to cover local subsidies or even held for future capital expenditures. The VRE board expressed a preference for asking NVTA to use the VRE funds for capital even though HB 3202 permits operating uses as well. Also, it was deemed important to signal the General Assembly that local governments were maintaining their level of effort in funding VRE.

The level of local subsidies recommended by the CAO Task Force is \$15.8 million, up from \$13.4 million in FY 2008, plus the \$21.35 million in local funding via NVTA from HB 3202.



RESOLUTION #2086

SUBJECT: FY 2009 VRE Budget and FY 2008 Budget Revisions.

WHEREAS: The VRE Master Agreement requires that the commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and

WHEREAS: The VRE Operations Board has recommended a budget prepared by the jurisdictional chief administrative officers task force in cooperation with VRE staff;

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission approves the revised FY 2008 and proposal FY 2009 VRE Operating and Capital Budget recommended by the VRE Operations Board and authorizes staff to forward the FY 2009 budget to the local jurisdictions for inclusion in their budgets in accordance with the Master Agreement;

BE IT FURTHER RESOLVED that NVTC also authorizes the executive directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2008 and FY 2009; and

BE IT FURTHER RESOLVED that NVTC also authorizes its executive director to submit to the commonwealth the approved budget as part of the FY 2009 VRE state aid grant applications.

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer



4350 N. Fairfax Drive • Suite 720 • Arlington, Virginia 22203
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120 • VA Relay Service
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

~~capital needs for the period FY 2009 through FY 2014. If a substantial portion of this funding is not identified, the planned increase to 32 trains will not be possible. The HB 3202 six-year financial forecast indicates that a continuing commitment of HB 3202 funds will be required to address program needs.~~

CAO BUDGET TASK FORCE

The Chief Administrative Officer's Task Force recommendations are summarized below and described in more detail in the budget materials. The Task Force recommends:

- A fare increase of 3%, which provides estimated additional revenue of approximately \$650,000
- That the costs of any additional trains be shared through the allocation formula set forth in the VRE Master Agreement
- The use of \$17,177,000 in NVTA funding to purchase four locomotives
- That all NVTA funding received in FY 2008 be used to re-capitalize the insurance trust fund but that any subsequent contributions necessary to maintain the trust fund minimum balance are to be allocated through the allocation formula set forth in the VRE Master Agreement.
 - CAO's recommend that \$6 million in NVTA funding in FY 2008 and \$4 million in FY 2009 and FY 2010 be used to recapitalize the Insurance Trust Fund. At the end of FY 2010 VRE's insurance trust fund balance would be approximately \$21.4 million. These would be one-time payments.
 - These payments reduce VRE's on-going insurance costs in FY 2009 to approximately \$3.8 million per year which would be shared by all jurisdictions through the Master Agreement formula
- That VRE develop performance measures which track the higher level of railcar maintenance now provided at the outlying yards and that this information be shared periodically with the Operations Board and jurisdictional staff.
- That late night bus service be provided to the Fredericksburg line VRE stations using two buses instead of three. (This recommendation only applies if service is added.)
- Inclusion of an additional spring marketing campaign. The Task Force conditionally supports this request because of the difficulty of ascertaining the impact of advertising on ridership, and recommends the VRE develop some measures that track this correlation.
- Lower on-going insurance costs plus additional fare revenue result in jurisdictional subsidy increasing \$2,380,601 from \$13,379,154 in FY 2008 to \$15,759,755 in FY 2009 or 17.79%.

Jurisdictional Subsidy CAO Task Force Recommendation

Jurisdiction	FY 2008 Budget	FY 2009 Estimated	Net Inc/(Dec)
Fairfax County	\$ 4,700,508	\$ 5,112,956	\$ 412,448
Prince William County	4,624,876	5,913,337	1,288,461
Manassas	655,077	849,635	194,558
Manassas Park	359,573	512,330	152,757
Stafford County	2,429,735	2,656,576	226,841
Fredericksburg	330,713	422,315	91,602
Alexandria	113,140	118,797	5,657
Arlington	165,532	173,809	8,277
Total	\$ 13,379,154	\$ 15,759,755	\$ 2,380,601

Assumes:

1. Three percent fare increase in FY 2009
2. FY 2009 on going insurance costs not included in HB 3202 funding
3. HB 3202 funding used for only capital expenditures

CAO Recommended Use of \$25M

Category	Revised Proposal
Insurance Premiums for FY 2009	-
Insurance Trust Fund Restoration	4,000,000
Locomotive Acquisition	17,177,000
Gainesville-Haymarket (Match) PWC only	173,000
Net Cost of Additional Trains	-
Total	\$ 21,350,000

Note: funding does not total \$25 million – balance of funding would have to be allocated by jurisdictions

**REPORT OF THE CHIEF ADMINISTRATIVE OFFICERS'
VIRGINIA RAILWAY EXPRESS
FY 2009 BUDGET REVIEW TASK FORCE**

December 21, 2007

*CAO Task Force
Review/Recommendations/
Concerns FY 09 VRE
Preliminary Budget*

December 6, 2007

NVTA Funding

- HB 3202 authorized NVTA to impose 7 new regional taxes and fees in the Counties of Arlington, Fairfax, Prince William and Loudoun and the Cities of Alexandria, Manassas, Manassas Park, Fairfax and Falls Church
- 40% of revenue will be distributed on a pro-rata basis and will be returned to each locality for transportation projects within that locality
- Remaining 60% will be used for regional transportation projects located in that locality including VRE
- From this 60% share, VRE was allocated \$25 million in funding a year
 - ◆ Subject to annual appropriations by NVTA and subordinate to NVTA debt service
- Legal challenge to HB3202 before the Virginia Supreme Court
- VRE will submit two budgets (with and without) \$25 million in NVTA funding to the Operations Board on December 21, 2007

NVTA Funding

- How NVTA funding is allocated to VRE has major implications for VRE initiatives as well as total jurisdictional subsidy
- VRE and NVTA jurisdictional staff have engaged in extensive discussions during the past several months over how the \$25 million in NVTA funding should be allocated
- VRE's has advocated an approach where control of the \$25 million would remain with the VRE Operations Board and that monies from NVTA would benefit all VRE member jurisdictions. This approach would allow:
 - ◆ Increases in service on the Manassas and Fredericksburg lines
 - ◆ Restoration of the VRE insurance balance to a minimum of \$10 million
 - ◆ Decrease in total jurisdictional subsidies due to substitution of NVTA funding
- This approach was informally endorsed by the VRE Operations Board at its regular meeting on November 16, 2007

Date: 12/14/2007

2

NVTA Funding

- NVTA Jurisdictional staff has advocated an approach in which the \$25 million would be used solely for transportation purposes benefiting those counties and cities belonging to the authority
- NVTA funding would be allocated to the jurisdictions based on ridership and would be primarily used for capital purposes
- VRE operating costs such as fuel, insurance premiums or additional trains would continue to be allocated through the VRE allocation formula set forth in the VRE Master Agreement so that all VRE member jurisdictions pay their fair share and non-NVTA jurisdictions are not subsidized

Date: 12/14/2007

3

NVTA Funding

- Jurisdictional estimates of NVTA revenue are shown below:

◆ Prince William	\$12,088,720 (48.35%)
◆ Fairfax	\$10,107,541 (40.43%)
◆ Manassas	\$ 1,747,536 (6.99%)
◆ Manassas Park	\$ <u>1,056,203 (4.22%)</u>
◆ Total	\$25,000,000

- VRE Chairman Kauffman has written a sense of the board letter to NVTA requesting that the \$25 million in funding be distributed to VRE for projects that have the highest and best use for the entire commuter rail system
-
-

Date: 12/14/2007

4

NVTA Funding

- NVTA at its regular meeting on July 12, 2007 unanimously adopted resolution 18-08 directing the implementation of the remaining working group recommendations. These recommendations specified:
 - ◆ That NVTA should allocate VRE funds to NVTC and PRTC based on the percentage of ridership attributable to each VRE jurisdiction that is also a member of NVTA
 - ◆ NVTC and PRTC should allocate these funds based on percentage of ridership for the fiscal year prior to the year in which the funds were received
 - ◆ VRE staff will meet staff from the NVTA jurisdictions that are also member of VRE annually while VRE's budget is being prepared to discuss how these funds could be spent during the upcoming fiscal year. The goal of this meeting is to prepare a recommendation for the VRE Operations Board, the local governments and NVTA that, if approved, can be included in VRE's budget
-
-

Date: 12/14/2007

5

FY 09 VRE Base Budget 11/30/07

- Base Operating Budget totals \$65,263,822 an increase of \$6,433,269 or 10.9% over the FY 08 adopted amount of \$58,830,553
- Maintains 30 train schedule – no fare increase
- Expenditure increases over the FY 08 adopted budget include:
 - ◆ FELA Claims – Covers RR workers job injuries \$325,000
 - ◆ Contributions to Operating Reserve \$542,548
 - ◆ Addition of Spring Marketing Campaign \$150,000
 - ◆ Maintenance Contract on VRE Stations \$360,000
 - ◆ Repair and Maint – Fare Collection Equip \$ 80,000
 - ◆ Server Replacement \$125,000
 - ◆ Addition of 1 FTE Grant Funded Engineer (G/H) \$130,000
 - ◆ Debt Service Costs (50 Railcars) \$2.45 million
 - ◆ Amtrak Contractual Costs \$2.66 million

Date: 12/14/2007

6

FY 09 VRE Base Budget 11/30/07

- Contract Maintenance Costs – During FY 08 VRE entered into a contract with Amtrak that provided for railcar maintenance to be accomplished by an Amtrak sub-contractor at VRE's outlying yards instead of being performed by Amtrak personnel at Amtrak facilities in Ivy City in Washington D.C.
- Cost is approximately \$725K more than when this service was performed in Ivy City, however, railcars are receiving a higher level of maintenance

Date: 12/14/2007

7

FY 09 VRE Base Budget 11/30/07

- Insurance – Coverage for VRE Operations is provided by State Division of Risk Management
- Insurance trust fund provides for the on-going costs of insurance
- Trust fund has been decreasing over the past several years due to increasing costs of insurance premiums and modest investment returns
- Trust fund balance at the end of FY 07 was approx \$6.5 million
- VRE has embarked on a program to restore trust fund balance to a minimum of \$10 million
- FY 09 base budget provides \$1.1 million contribution toward this goal
- Restoration of \$10 million minimum balance not expected until end of FY 11

Date: 12/14/2007

8

FY 09 VRE Base Budget 11/30/07

- State Operating Revenue –
 - ◆ Addition of revenue from state recordation taxes to the transit operating formula in FY 09
 - ◆ Was expected to increase the amount of state operating assistance available to VRE
 - ◆ VDRPT will impose a local maintenance of effort requirement in the formula allocation (State calculates net local funds provided in prior year and subtracts this from total eligibility amount for current year)
 - ◆ Fiscal year that VDRPT will use for this local maintenance of effort requirement (FY 07 or FY 08 or some combination) is not known
 - ◆ \$9.2 million estimate in VRE FY 09 budget (most conservative projection)
 - ◆ Results in \$700K increase in revenue from FY 08 Adopted
 - ◆ Without the maintenance of effort requirement VRE's allocation could be as much as \$10.4 million

Date: 12/14/2007

9

FY 09 VRE Base Budget 11/30/07

- Fare revenue decreases 2.2% or \$476,354 from FY 08 adopted budget due to a decrease in average daily ridership from 15,200 in FY 08 to 14,700 in FY 09.
- Expenditure increases and revenue decreases result in a increase in jurisdictional subsidy by \$4,529,022 or 33.85% from \$13,379,154 in FY 08 to \$17,908,176 in FY 09. This follows a 52% subsidy increase in FY 08.

Date: 12/14/2007

10

FY 09 VRE Base Budget 11/30/07

Jurisdiction	FY 2008 Subsidy	FY 2009 Subsidy	Net Inc/(Dec)	Percent Increase
Fairfax County	4,700,508	5,655,863	955,355	20.3%
Prince William County	4,624,876	6,764,654	2,139,778	46.3%
Manassas	655,077	977,102	322,025	49.2%
Manassas Park	359,573	590,653	231,080	64.3%
Stafford County	2,429,735	3,116,297	686,562	28.3%
Fredericksburg	330,713	511,002	180,289	54.5%
Alexandria	113,140	118,797	5,657	5.0%
Arlington	165,532	173,808	8,276	5.0%
Total Subsidy	13,379,154	17,908,176	4,529,022	33.9%

Date: 12/14/2007

11

FY 09 VRE NVTA Budget 11/30/07

- NVTA Operating budget totals \$68,449,902 an increase of \$9,619,349 or 16.35% over the FY 08 adopted amount of \$58,830,553
- NVTA funding allows VRE to:
 - ◆ Increase the number of revenue trains from 29 to 32
 - ◆ Trains would be added on Jan 2, 2009 (6 months in FY 09)
 - ◆ Two trains would be added to Manassas line (mid-day and late night)
 - ◆ A non-revenue mid-day train on Fredericksburg line would be converted to an early morning (4:45 a.m.) revenue train
 - ◆ Three buses would meet the late night train at Backlick Road station. One bus would make stops at VRE stations in Prince William County, another bus would make stops at VRE stations in Stafford County and the third bus would take passengers directly to the Fredericksburg station.
 - ◆ Net cost (Expenses – Fare Revenue) \$1,177,155
 - ◆ No fare increase

Date: 12/14/2007

12

FY 09 VRE NVTA Budget 11/30/07

- NVTA funding would restore the insurance trust fund balance to a minimum of \$10 million (\$2,575,000) and pay on-going insurance premiums (\$4,025,000)
- In the CIP – \$16 million in NVTA funding would be allocated towards the purchase of 4 locomotives. Programmed locomotive acquisition is shown below:

Fiscal Year	State Funding	Mafersa Proceeds	NVTA Bonds	HB 3202 Funds	Total Funding	Locomotives
FY 2008	6,865,000	1,716,250			8,581,250	2
	6,831,250	33,750	1,716,250		8,581,250	2
FY 2009	1,303,750	-	2,033,750	16,000,000	19,337,500	4
Total	15,000,000	1,750,000	3,750,000	16,000,000	36,500,000	8

Date: 12/14/2007

13

FY 09 VRE NVTA Budget 11/30/07

- Cost increases identified in previous slides are also present in VRE's NVTA budget
- Differences include an increase in the operating reserve over the FY 08 adopted amount of \$796,949 and a \$3.9 million increase in Amtrak costs as a result of adding additional trains
- Fare revenue remains essentially unchanged from the FY 08 adopted budget at \$21.3 million with average daily ridership increasing slightly from 15,200 in FY 08 to 15,400 in FY 09
- Despite the increased expenditures and flat fare revenues, total jurisdictional subsidies decrease from \$13,379,154 in FY 08 to \$12,733,175 in FY 09 due to the use of \$7,789,636 in NVTA funding in the operating budget. This results in an almost \$1.6 million subsidy to Stafford and Fredericksburg

Date: 12/14/2007

14

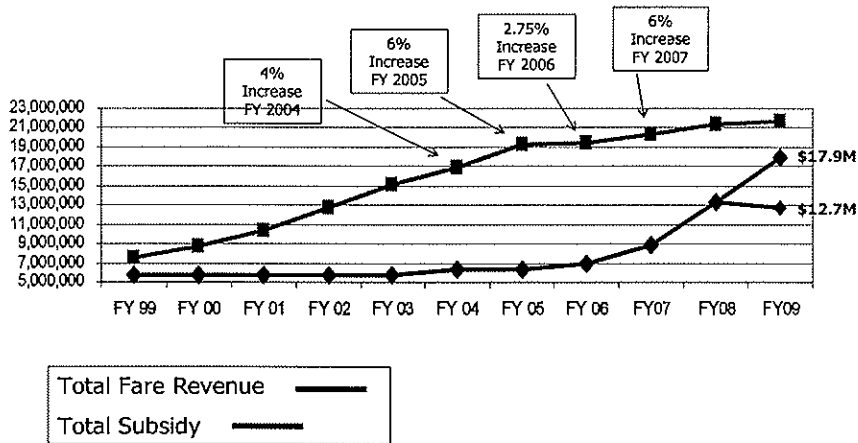
FY 09 VRE NVTA Budget 11/30/07

Jurisdiction	FY 2008 Budget	FY 2009 Subsidy	Net Inc/(Dec)	Percent Inc/Dec
Fairfax County	4,700,508	4,258,200	(442,308)	-9.4%
Prince William County	4,624,876	4,730,144	105,268	2.3%
Manassas	655,077	675,147	20,070	3.1%
Manassas Park	359,573	405,842	46,269	12.9%
Stafford County	2,429,735	2,057,715	(372,020)	-15.3%
Fredericksburg	330,713	313,520	(17,193)	-5.2%
Alexandria	113,140	118,797	5,657	5.0%
Arlington	165,532	173,810	8,278	5.0%
Total	13,379,154	12,733,175	(645,979)	-4.8%

Date: 12/14/2007

15

Changes in Fare and Subsidy



Date: 12/14/2007

16

CAO Task Force Recommendations

- Fare Increase – The CAO Task Force recommends a 3% fare increase.
 - ◆ VRE ridership has begun to recover from poor on-time performance experienced during the past year
 - ◆ New Bi-level Railcars will begin arriving in December 2007
 - ◆ VRE's cost of business will continue to increase
 - ◆ Modest regular fare increases are more readily accepted by commuter rail passengers
 - ◆ Passengers should bear a portion of yearly increasing costs
 - ◆ Fare increase will raise \$630K (base budget)

Date: 12/14/2007

17

CAO Task Force Recommendations

- Additional Trains – The CAO Task Force recommends that the costs of any additional trains be share through the allocation formula set forth in the VRE Master Agreement.
 - ◆ Non-NVTA jurisdictions do not support additional trains if cost is shared through the allocation formula in the Master Agreement

Date: 12/14/2007

18

CAO Task Force Recommendations

- Locomotive Acquisition – The CAO Task Force supports the use of \$16 million in NVTA funding to purchase 4 locomotives for use on the Manassas line.

Date: 12/14/2007

19

CAO Task Force Recommendations

- Insurance Trust Fund – The CAO Task Force recommends that all NVTA funding received in FY 08 be used to re-capitalize the insurance trust fund but that any subsequent contributions necessary to maintain the trust fund minimum balance be allocated through the VRE allocation formula set forth in the Master Agreement

Date: 12/14/2007

20

CAO Task Force Recommendations

- Contract Maintenance Costs for Railcar Maintenance at Outlying Yards – The CAO Task Force urges VRE to develop performance measures which track the higher level of maintenance provided to the railcars and that this information be shared periodically with the Operations Board and jurisdictional staff

Date: 12/14/2007

21

CAO Task Force Recommendations

- Late Night Bus Service – The CAO Task Force recommends that late night bus service be provided to Fredericksburg line VRE stations using two buses instead of three. One bus would serve the VRE stations in Prince William County with the other bus serving the two VRE stations in Stafford and Fredericksburg. The distance between Leeland Road and the Fredericksburg VRE station is only 5 miles making the operation of a third bus taking passengers directly to Fredericksburg unnecessary. Cost savings for six months in FY 09 total \$14,262.
 - Recommendation applies only if service is added
-
-

Date: 12/14/2007

22

CAO Task Force Recommendations

- Additional Spring Marketing Campaign – CAO Task Force conditionally supports:
 - ◆ Difficult to ascertain whether increased ridership is a result of radio and print advertising, increased on-time performance or other combination of factors
 - ◆ Recommends that VRE develop service levels or provide some scientific basis that marketing campaign directly correlates to increased ridership
-
-

Date: 12/14/2007

23

CAO Task Force Concern

□ Growth in Amtrak Costs:

- ◆ Major cost driver in VRE Budget
- ◆ Range from 40% to 50% of Operating Budget over past 9 years
- ◆ Amtrak expenses in FY 09 (\$20.4 million) increased \$2.7 million or 15% over FY 08 for the VRE base budget (30 trains)
- ◆ Amtrak expenses in FY 09 (\$21.6 million) increased \$3.9 million or 21.9% over FY 08 for the VRE (NVTA) budget (32 trains)
- ◆ Growing at a rate between 6 and 7 percent per year
- ◆ Additional trains in out years of the six year plan will result in increased growth rate

Date: 12/14/2007

24

CAO Task Force Concern

	FY 00 Actual	FY 01 Actual	FY 02 Actual	FY 03 Actual	FY 04 Actual
# Trains	30	30	32	32	32
Amtrak Expenditures	\$11,707,306	\$12,608,335	\$13,179,457	\$13,747,948	\$15,268,304

	FY 05 Actual	FY 06 Actual	FY 07 Actual	FY 08 Adopted	FY 09 Proposed	Compound Rate of Growth
# Trains	32	30	30	30	30 / 32	
Amtrak Expenditures	\$15,818,603	\$16,668,928	\$18,586,269	\$17,756,539	\$20,420,000	6.38%
					\$21,637,541	7.06%

Date: 12/14/2007

25

CAO Task Force Concern

- \$21.6 million in FY 09 Amtrak Costs breakdown roughly as follows:
 - ◆ Engineer/Maint Equip/Mat Handling/Switching (Labor) \$8.0M (37%)
 - ◆ Contract Maint (outlying yards) \$3.6M (17%)
 - ◆ Mgmt Fees and Corporate Support \$3.1M (14%)
 - ◆ Terminal Access Fee (Wash Union Terminal) \$2.6M (12%)
 - ◆ Performance Incentives \$0.8 M (4%)
 - ◆ Supervision \$0.8 M (4%)
 - ◆ Training \$0.6 M (3%)
 - ◆ Shop Expense \$0.6 M (3%)
 - ◆ Crew Expenses \$0.5 M (2%)

- Contract maintenance costs at VRE outlying yards performed by a third party contractor cost \$725K more (but with better service)

Date: 12/14/2007

26

CAO Task Force Concern

- Mid day storage costs for mail tracks increased by \$250K in FY 09 and \$375K in FY 10 (state will pick up 80%)
- T & E (Train Crews) remains to be competitively procured at conclusion of current Amtrak contract on 6/30/2010.
- Experience with contract maintenance costs at outlying yards calls into question whether the growth rate in these expenses can be slowed
- Increase in the number of trains in the out years of the six year plan has the potential to consume a significant portion of \$25 million in NVTa funding

Date: 12/14/2007

27

CAO Task Force

End of Presentation

Date: 12/14/2007

28

CAO Addendum – 12-14-07

- In response to the CAO Task Force Presentation on 12-6-07 VRE budget utilizing NVTA funding was modified
- Utilizing capital cost of contracting VRE shifted funds from the capital to operating budget allowing additional service to be implemented in January 2009 without using NVTA funding
- VRE Revised Proposal for use of NVTA funding is as follows:
 - ◆ Insurance Premiums (on-going) \$ 4,000,000
 - ◆ Insurance Trust Fund Restoration (one-time) \$ 2,600,000
 - ◆ Locomotive Acquisition \$17,177,000
 - ◆ Gainesville/Haymarket Match (PWC Only) \$ 173,000
 - ◆ Total \$23,950,000

Date: 12/14/2007

29

CAO Addendum – 12-14-07

- CAO's do not believe that it is prudent to utilize NVTA monies to fund on-going operational costs for reasons of equity and given the uncertain status of NVTA funding at this time:
 - ◆ CAO's recommend that \$6 million in NVTA funding in FY 08 and \$4 million in FY 09 and FY 10 be used to recapitalize the Insurance Trust Fund. At the end of FY 10 VRE's insurance trust fund balance would be approximately \$21.4 million. These would be one-time payments.
 - ◆ These payments reduce VRE's on-going insurance costs in FY 09 to approximately \$3.8 million per year which would be shared by all jurisdictions through the Master Agreement formula
 - CAO's agree with VRE's use of \$17.2 million in funding for locomotives
-
-

Date: 12/14/2007

30

CAO Addendum – 12-14-07

- CAO's continue to recommend a 3% general fare increase in July 2008 for the reasons identified earlier in presentation. This will raise approximately \$650K per year.
 - Lower on-going insurance costs plus additional fare revenue result in jurisdictional subsidy increasing \$2,380,601 from \$13,379,154 in FY 08 to \$15,759,755 in FY 09 or 17.79%
 - Jurisdictional shares are distributed as follows:
-
-

Date: 12/14/2007

31

CAO Addendum – 12-14-07

	Actual	Proposed		
	FY2008	FY 2009	Net	Percent
	Subsidy	Subsidy	Change	Change
		CAO Task Force		
Alexandria	\$113,140	\$118,797	\$5,657	5.00%
Arlington	\$165,532	\$173,809	\$8,277	5.00%
Fairfax County	\$4,700,508	\$5,132,956	\$432,449	8.77%
Fredericksburg	\$330,713	\$422,315	\$91,602	27.70%
Manassas	\$655,077	\$849,635	\$194,558	29.70%
Manassas Park	\$359,574	\$512,330	\$152,756	42.48%
Prince William County	\$4,624,876	\$5,913,337	\$1,288,461	27.86%
Stafford County	\$2,429,735	\$2,656,576	\$226,840	9.34%
Total	\$13,379,154	\$15,759,755	\$2,380,601	17.79%

Date: 12/14/2007

VRE STAFF RECOMMENDATION

The VRE staff recommendation is that the two budget options be referred to the Commissions and forwarded to the jurisdictions for adoption and to the NVTA for approval of the use of HB 3202 funds as requested. If HB 3202 funds are available, then the HB 3202 option is recommended for final adoption. If these funds are not available, then the base budget is recommended for final adoption.

REVISED FY 2008 CAPITAL AND OPERATING BUDGET

The FY 2008 budget has been revised to reflect current projections for revenue and expenses. The major changes are as follows:

- State revenue is increased by \$2.4 million to reflect a higher capital match percentage (52% compared to the budgeted amount of 23%), and a lower than budgeted allocation of state operating funds.
- Miscellaneous income is increased by \$360,000 to reflect an insurance reimbursement and the sale of Mafersa parts.
- Local match is increased by \$126,000 for higher than anticipated federal formula funds.
- Various expense categories are increased by \$562,000 for locomotive leasing costs, FELA insurance increases, additional facilities costs and a second marketing campaign.
- Fuel costs are increased by \$300,000 to reflect the upsurge in diesel fuel prices.
- Amtrak and equipment operations costs are increased by a total of \$2.1 million to reflect higher maintenance of equipment costs, particularly of the locomotives.

These changes can be accommodated within the funding originally set aside in the adopted contingency budget and the use for operations of the \$360,000 in miscellaneous revenue described above. The changes to the FY 2008 budget have been included in the FY 2009 proposed budget, where applicable.

VIRGINIA RAILWAY EXPRESS
REVISED
FISCAL YEAR 2008
BUDGET

DECEMBER 21, 2007

REVISED BUDGET ASSUMPTIONS FOR FY 2008

General Assumptions:

- Continues 30-train operation
- Operating Revenue
 - Miscellaneous income is increased by \$360,000 to reflect an insurance reimbursement and the sale of Mafersa parts.
- Expenses
 - \$300,000 to reflect the upsurge in diesel fuel prices.
 - Amtrak and equipment operations costs are increased by a total of \$2.1 million to reflect higher maintenance of equipment costs, particularly of the locomotives.
 - Various expense categories are increased by \$562,000 for locomotive leasing costs, FELA insurance increases, additional facilities costs and a second marketing campaign.
- Grant Funds
 - State revenue is increased by \$2.4 million to reflect a higher capital match percentage (52% compared to the budgeted amount of 23%), and a lower than budgeted allocation of state operating funds.
 - Local match is increased by \$126,000 for higher than anticipated federal formula funds.

VRE Fiscal Year 2008 Amended Budget Worksheet

	FY 2008 Adopted	FY 2008 Amended	Change
Revenue:			
VRE - Non-Departmental			
Fare Revenue	21,334,369	21,334,369	-
Miscellaneous Revenue	151,500	513,775	362,275
Appropriation from Reserve	-	-	-
Jurisdictional Revenue	13,379,154	13,379,154	-
In-Kind Contributions	-	-	-
Federal Operating Grants (includes SSTP)	14,166,870	14,268,428	101,558
State Operating Grants	10,449,366	9,998,876	(450,490)
Federal Capital Grants	4,471,200	5,311,740	840,540
State Capital Grants	257,094	3,123,205	2,866,111
Interest Income	210,000	210,000	-
Total Revenue	64,419,553	68,139,546	3,719,993

Expenditures:

VRE - Non-Departmental			
Liability Insurance	4,950,000	5,160,000	210,000
Contingency	430,938	14,140	(416,798)
DRM Admin	-	-	-
VRE-Financing-Administration Fees	-	-	-
Total VRE - Non-Departmental	5,380,938	5,174,140	(206,798)

Executive Mgmt and Planning

Salaries/Fringes	551,831	551,831	-
Travel/Training/Employee Expenses	20,000	20,000	-
Board Member Expenses	4,000	4,000	-
Legal/Audit	150,000	150,000	-
Consulting/Professional/Other	202,200	202,200	-
Total Executive Mgmt and Planning	928,031	928,031	-

Administration

Salaries/Fringes	322,127	322,127	-
Travel/Training/Employee Expenses	5,500	5,500	-
Communication/Other	223,250	223,250	-
Office Administration Expenses	105,000	105,000	-
Total Administration	655,877	655,877	-

Public Affairs/Marketing

Salaries/Fringes	253,133	253,133	-
Travel/Training/Employee Expenses	6,000	6,000	-
Production/Media/Promotion/Other	475,000	600,000	125,000
Special Events/Other	10,000	10,000	-
Total Public Affairs/Marketing	744,133	869,133	125,000

VRE Fiscal Year 2008 Amended Budget Worksheet

	FY 2008 Adopted	FY 2008 Amended	Change
Customer Service			
Salaries/Fringes	484,917	484,917	-
Travel/Training/Employee Expenses	21,000	21,000	-
Printing/Admin/Other	729,500	729,500	-
Total Customer Service	1,235,417	1,235,417	-
Budget and Finance			
Salaries/Fringes	579,527	579,527	-
Travel/Training/Employee Expenses	28,000	28,000	-
Audit/Maint Service Agreements	115,000	115,000	-
Retail Sales/TLC Commissions	450,000	450,000	-
Bank Discounts/Other	206,000	206,000	-
Total Budget and Finance	1,378,527	1,378,527	-
Communication and Info Tech			
Salaries/Fringes	215,470	215,470	-
Travel/Training/Employee Expenses	94,500	94,500	-
Computer Equipment/Software	207,000	207,000	-
Communications	200,000	200,000	-
Repairs and Maintenance - Fare Collection/Trip One	20,400	20,400	-
Total Communication and Info Tech	737,370	737,370	-
Construction and Cap Proj			
Salaries/Fringes	489,779	489,779	-
Travel/Training/Employee Expenses	32,000	32,000	-
Other Professional Services/Other Expenses	161,000	161,000	-
Total Construction and Cap Proj	682,779	682,779	-
Facilities Maintenance/Operations & Safety			
Salaries/Fringes	273,043	273,043	-
Travel/Training/Employee Expenses	4,000	4,000	-
Vehicle/Office/Other Professional Service	38,000	38,000	-
Station Electricity/Utilities/Taxes	570,000	695,709	125,709
Materials and Supplies - Stations	100,000	100,000	-
Repairs and Maintenance - Stations/Parking/Yards	1,640,000	1,740,000	100,000
Station/Yard Security	550,000	550,000	-
Total Facilities Maintenance	3,175,043	3,400,752	225,709
Purchasing and Contract Admin			
Salaries/Fringes	235,646	235,646	-
Travel/Training/Employee Expenses	11,000	11,000	-
Total Purch and Contract Admin	246,646	246,646	-

VRE Fiscal Year 2008 Amended Budget Worksheet

	FY 2008 Adopted	FY 2008 Amended	Change
Equipment Operations			
Salaries/Fringes	233,380	233,380	-
Travel/Training/Employee Expenses	33,000	33,000	-
Consulting/Admin/Other Professional	250,000	250,000	-
Equipment/Warehouse Leases	686,000	812,947	126,947
Utilities	482,500	482,500	-
Deisel Fuel	3,600,000	3,900,000	300,000
Materials and Supplies - Equipment/Yards	20,000	20,000	-
Repairs and Maintenance - Rolling Stock	1,225,000	1,925,000	700,000
Car Cleaning	350,000	350,000	-
Total Equipment Operations	6,879,880	8,006,827	1,126,947
PRTC			
Professional Services	175,000	175,000	-
Total PRTC	175,000	175,000	-
NVTC			
Professional Services	75,000	75,000	-
Total NVTC	75,000	75,000	-
Amtrak			
Access Fees/Recapitalization	2,300,000	2,300,000	-
Contract Operations and Maintenance	15,456,539	16,875,000	1,418,461
Total Amtrak	17,756,539	19,175,000	1,418,461
Norfolk Southern			
Access Fees	1,800,000	1,800,000	-
Contract Operations and Maintenance	500,000	500,000	-
Total Norfolk Southern	2,300,000	2,300,000	-
CSXT			
Access Fees	3,525,000	3,525,000	-
Contract Operations and Maintenance	475,000	475,000	-
Total CSXT	4,000,000	4,000,000	-
CIP Expenditures			
CIP Expenditures	5,589,000	6,639,675	1,050,675
Total CIP Expenditures	5,589,000	6,639,675	1,050,675
CIP VRE - Non-Departmental			
Debt Service	12,479,373	12,459,373	(20,000)
Depreciation/Amortization	-	-	-
Total CIP VRE - Non-Departmental	12,479,373	12,459,373	(20,000)
Total Expenditures	64,419,553	68,139,546	3,719,993

ITEM #8C**Extend CSXT Operating Agreement**

The VRE Operations Board recommends approval of Resolution #2087. This resolution extends the existing amended operating/ access agreement to June 30, 2008 without change to the current terms. Negotiations are continuing with CSXT on a new agreement.

RESOLUTION #2087

SUBJECT: Extend CSXT Operating Agreement.

WHEREAS: The commission currently has an amended operating access agreement with CSXT relating to VRE operations in the Fredericksburg to Washington corridor, with said agreement ending on January 31, 2008;

WHEREAS: VRE staff is currently engaged in ongoing discussions with CSXT concerning a new agreement and does not anticipate conclusion of these discussions prior to the expiration of the agreement;

WHEREAS: An extension would allow time to negotiate and resolve the outstanding liability issues relating to a new agreement; and

WHEREAS: Necessary funding has been incorporated into the FY 2008 budget to allow VRE to continue its operations over CSXT tracks via this contract extension.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing agreement with CSXT to June 30, 2008.

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer





Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313
Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9-B ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 21, 2007

SUBJECT: AUTHORIZATION TO EXTEND AMENDED OPERATING/ACCESS AGREEMENT WITH CSXT

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute an extension of the existing Amended Operating/Access Agreement with CSXT to July 31, 2008.

BACKGROUND:

The VRE has an Operating/Access Agreement with CSXT related to VRE operations in the Fredericksburg to Washington corridor. That agreement, entered into in 1994, has been amended and extended several times, most recently this past May, with an agreed upon extension to January 31, 2008. A further extension is being requested at this time to provide sufficient time to complete negotiation of a new agreement.

Since December 2005, numerous negotiation sessions have been held with CSXT representatives on the terms of a new, long-term agreement. Preliminary agreement was achieved in a number of areas to include:

- Term of the agreement
- Change in method of calculating the annual escalation
- Incentive agreement for improved on time performance
- Additional CSXT supervision in the VRE operating territory
- Approval of infrastructure improvements at VRE facilities

Progress has slowed, however, due to a failure to reach an agreement on the level of liability coverage. CSXT continues to insist on including a higher level of liability and terrorism coverage in the new agreement. Although we were able to cap commuter rail liability at the state level, the legislation does not provide protection from gross negligence claims or claims of third parties, i.e. nonpassengers. Therefore, CSXT and Norfolk Southern continue to press for higher liability insurance coverage. Currently, VRE has \$250 million in coverage. An extension of the current agreement is needed while this issue is resolved.

FISCAL IMPACT:

Funding for the CSX track access fees has been included in the FY 2008 budget, including an escalation of 4% annually.

ITEM #8D**Extend Norfolk Southern Operating Agreement**

The VRE Operations Board recommends approval of Resolution #2088. This resolution extends the existing amended operating agreement to June 30, 2008 without change to the current terms. Negotiations are continuing with Norfolk Southern on a new agreement.

RESOLUTION #2088

SUBJECT: Extend Norfolk Southern Operating Agreement.

WHEREAS: The commission currently has an amended operating access agreement with Norfolk Southern related to VRE operations in the Manassas to Washington corridor, with said agreement ending on January 31, 2008;

WHEREAS: VRE staff has reached an agreement in principle on many substantive items relating to a new agreement following detailed negotiation sessions with Norfolk Southern representatives;

WHEREAS: An extension would allow time to negotiate and resolve the outstanding insurance issues relating to a new agreement; and

WHEREAS: Necessary funding has been incorporated into the FY 2008 budget to allow VRE to continue its operations over Norfolk Southern tracks via this contract extension.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing agreement with Norfolk Southern to June 30, 2008.

Approved this 3rd day of January, 2008

Chairman

Secretary-Treasurer





Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313
Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9-C ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 21, 2007

SUBJECT: AUTHORIZATION TO EXTEND AMENDED OPERATING/ACCESS AGREEMENT WITH NORFOLK SOUTHERN

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to July 31, 2008.

BACKGROUND:

VRE has an Operating/Access Agreement with Norfolk Southern (NS) relating to VRE operations in the Manassas to Washington corridor. That agreement, entered into in 1999, has been amended and extended several times, most recently this past May, with an agreed upon extension to January 31, 2008. A further extension is being requested at this time to provide sufficient time to complete negotiations of a new agreement.

Following detailed negotiation sessions with Norfolk Southern representatives, an agreement in principle was reached on all contract items with the exception of liability coverage. The Operations Board and Commissions approved these terms at their June and July, 2005 meetings respectively, and authorized execution of a new agreement that conformed to each of those items.

Subsequent to the Commissions' action, however, it became clear that an agreement on the level of liability coverage could not be reached and the contract could not be executed. Norfolk Southern insists on including \$500 million in liability and terrorism coverage in the new agreement. Currently, VRE has \$250 million in coverage. An extension of the current agreement is needed while staff continues to attempt to resolve the insurance issue.

In the meantime, VRE has asked APTA for assistance in resolving the increasing demands of host freight railroads on commuter agencies for higher levels of liability coverage. APTA has initiated discussions with key House and Senate members requesting that the federal government assume a larger role. Topics being considered are modification of the current \$200 million federal cap to include coverage for third parties, establishing an insurance pool among commuter agencies to gain purchasing economies and to reduce premium payments, and requesting the federal government to cover liability exposure above a specific threshold similar to liability coverage in the nuclear power industry. A series of meetings are planned over the next three months to discuss the above issues with House and Senate staff, commuter agencies, risk managers, and legal experts.

FISCAL IMPACT:

Funding for the Norfolk Southern track access fees have been budgeted in the FY 2008 budget, including an escalation of 4% annually.

ITEM #8E**Contract for Engineering/ Environmental Services for the Gainesville/
Haymarket Extension**

The VRE Operations Board recommends approval of Resolution #2089. This resolution authorizes VRE's Chief Executive Officer to execute a contract with VHB, Inc. for a total of \$1,537,338 (including contingency). VHB was selected from among three firms competing for the contract award. VHB will conduct a Major Investment and Alternatives Analysis study (part of the EIS) for the Gainesville-Haymarket Extension. State and federal grant funds are available for those purposes, and Prince William County is lending the \$300,000 local match until regional HB. 3202 funds become available.

RESOLUTION #2089

SUBJECT: Contract for Engineering/Environmental Services for the Gainesville/Haymarket Extension.

WHEREAS: On March 17, 2006, the Operations Board authorized issuing a Request for Proposals (RFP) for consulting services related to the Gainesville-Haymarket extension;

WHEREAS: This contract work will develop various design options, identify potentially affected environments, define the general scope of work and formulate a project cost estimate and time line;

WHEREAS: On August 10, 2007, three proposals were received and Vanasse Hangen Brustlin (VHB) was selected by a staff committee;

WHEREAS: This contract is being funded from both a state Rail Enhancement Fund grant and a Congestion Mitigation Air Quality (CMAQ) grant; and

WHEREAS: Matching funds for the Rail Enhancement Fund grant are being loaned to VRE by Prince William County until such time as the money is available from HB3202 regional funds.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to award a contract to Vanasse Hangen Brustlin, Inc. for engineering and environmental services for the Gainesville-Haymarket Extension project in the amount of \$1,397,338, plus a contingency of \$140,000, for a total amount not to exceed \$1,537,338; and

BE IT FURTHER RESOLVED THAT the contract will not be executed until the Rail Enhancement grant is fully executed, including receipt of the local match from Prince William County.

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer





Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313
Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9-D ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 21, 2007

RE: AUTHORIZATION TO AWARD A CONTRACT FOR ENGINEERING AND ENVIRONMENTAL SERVICES FOR THE GAINESVILLE-HAYMARKET EXTENSION PROJECT

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to award a contract to Vanasse Hangen Brustlin, Inc. (VHB) for engineering and environmental services for the Gainesville-Haymarket Extension project in the amount of \$1,397,338, plus a contingency of \$140,000, for a total amount not to exceed \$1,537,338.

BACKGROUND:

In fulfillment of VRE's strategic planning efforts, on March 17, 2006, the Operations Board authorized issuing a Request for Proposals (RFP) for consulting services related to the Gainesville-Haymarket extension. On June 20, 2007, a solicitation was issued for a Major Investment and Alternative Analysis study, which must be prepared as part of the Environmental Impact Statement (EIS). This contract work will develop various design options for upgrading and constructing new track alignments, including right of way acquisition and potential station locations, identify potentially affected environments, define the general scope of work and formulate a project cost estimate and time line.

On August 10, 2007, three proposals were received and a committee was formed to evaluate them. Following interviews and negotiations, Vanasse Hangen Brustlin (VHB) was selected for recommended award.

This contract is being funded from both a Rail Enhancement Fund grant and a Congestion Mitigation Air Quality (CMAQ) grant. The \$700,000 Rail Enhancement Fund grant requires a \$300,000 local match, which has been included in the draft program of projects for HB 3202 funding. As this funding is not yet available, Prince William County has agreed to loan VRE the match from its 2% motor fuels tax proceeds, via separate PRTC and Prince William County Board of Supervisor resolutions, which are pending, until such time as the money is appropriated from HB3202. As noted in the resolution, execution of this contract will not occur until the Rail Enhancement grant is fully executed, including receipt of the local match. The CMAQ grant is fully matched by the Commonwealth.

The Major Investment and Alternative Analysis study will take approximately one year to complete, following which a procurement will be issued for preliminary design work.

FISCAL IMPACT:

Funding is made up of a Rail Enhancement Fund grant, with local match being borrowed from Prince William County until local money is available and appropriated from HB3202 proceeds, and a Congestion Mitigation Air Quality (CMAQ) grant, for which local match is provided by the Commonwealth.

ITEM #8F**Contracts for General Engineering Services**

The VRE Operations Board recommends approval of Resolution #2090. This resolution authorizes VRE's Chief Executive Officer to award three general engineering consulting contracts. The firms are HDR Engineering, Inc; DMJM Harris; and STV/ Ralph Whitehead Associates. The three firms will respond to task orders within an authorization of \$5 million over a term of five years. The current GEC contract expires April 10, 2008 but the \$5 million authorization limit for that contract is close to being reached.

Six proposals were received for this new GEC contract award. Funds are budgeted within VRE's approved Capital Improvement Program for individual projects.

RESOLUTION #2090

SUBJECT: Contracts for General Engineering Services.

WHEREAS: General engineering needs for VRE include civil project work, technical report writing and research and planning;

WHEREAS: Existing GEC contracts will expire on April 10, 2008 and the total authorization limit of \$5,000,000 is close to being reached;

WHEREAS: Six proposals were received on October 4, 2007 and an evaluation committee was formed to evaluate them; and

WHEREAS: HDR Engineering, Inc, DMJM HARRIS and STV/ Ralph Whitehead Associates have been recommended for award.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes VRE's Chief Executive Officer to award general engineering consulting service contracts to HDR Engineering, Inc; DMJM HARRIS; and STV/ Ralph Whitehead Associates. The terms of the contract call for shared authorization for a period no longer than five years and an amount not to exceed \$5,000,000.

Approved this 3rd day January, 2008.

Chairman

Secretary-Treasurer





Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313
Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9E ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 21, 2007

**RE: AUTHORIZATION TO AWARD GENERAL ENGINEERING
CONSULTING SERVICES CONTRACTS**

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to award general engineering consulting service contracts to HDR Engineering, Inc; DMJM HARRIS; and STV/Ralph Whitehead Associates. The terms of the contract call for shared authorization between all three firms for a period no longer than five years and an amount not to exceed \$5,000,000.

BACKGROUND:

The current GEC contract expires on April 10, 2008. To-date, over 38 task orders have been issued and the total contract value is close to reaching the contract limit of \$5,000,000. VRE's general engineering needs have included civil project work (engineering, design and construction inspection services), technical report writing (environmental assessments) and research and planning efforts (strategic planning and design guidelines). As a result, VRE has found the use of a general engineering contract to be more efficient than completing numerous, separate procurements. The GEC program is not intended to address all projects and separate procurements will continue to be issued via the RFP process when deemed appropriate.

Authorization was granted at the June 2007 Operations Board meeting to solicit proposals from various firms. Six proposals were received on October 4, 2007 and an evaluation committee was formed to evaluate them. Following interviews

and negotiations, VRE staff recommend award to HDR Engineering, Inc; DMJM HARRIS; and STV/Ralph Whitehead Associates. The proposed contracts will have a combined value of up to \$5,000,000 for a term not to exceed five years. Individual task orders over the CEO's authorization limit of \$50,000 will continue to be brought to the Operations Board for approval.

FISCAL IMPACT:

Funds for the project are included in VRE's Capital Improvement Program through specific capital projects.

ITEM #8G**Contract Amendment with Scheidt and Bachmann for Fare Collection Equipment Maintenance**

The VRE Operations Board recommends approval of Resolution #2091. This resolution extends the existing fare collection equipment maintenance contract with Scheidt and Bachmann to add one year plus two, one-year options to be executed at the discretion of VRE's CEO. The amount of the extension will not exceed \$1,802,840 (including contingency). The total contract value would increase to \$6,193,773.

Funds are available in VRE's approved Capital Improvement Program as part of the fare collection project. VRE may be in a position to pursue a competitive procurement when it begins to participate in the regional SmarTrip system.

RESOLUTION #2091

SUBJECT: Contract Amendment with Scheidt and Bachmann for Fare Collection Equipment Maintenance.

WHEREAS: On June 16, 2000, the VRE Operations Board authorized a contract with S&B for the delivery of a new fare collection system;

WHEREAS: On October 31, 2002, the system was accepted and maintenance support began;

WHEREAS: The current maintenance agreement is set to expire on January 31, 2008; and

WHEREAS: VRE needs to keep its fare collection system in serviceable condition to ensure there is coverage during the entire service day.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to amend the Scheidt & Bachmann (S&B) contract to add one year of maintenance services, with the option for two one-year renewals, in an amount not to exceed \$1,782,840, plus a contingency of \$20,000, for a total contract value not to exceed \$6,193,773.

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer





Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313
Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9-F ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 21, 2007

RE: AUTHORIZATION TO AMEND THE CONTRACT WITH SCHEIDT & BACHMANN FOR FARE COLLECTION EQUIPMENT MAINTENANCE

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to amend the Scheidt & Bachmann (S&B) contract for fare collection system maintenance to add one year of maintenance services, and the option for two one-year renewals, in an amount not to exceed \$1,782,840, plus a contingency of \$20,000, for a total contract value not to exceed \$6,193,773.

BACKGROUND:

On June 16, 2000, the VRE Operations Board authorized a contract with Scheidt & Bachmann (S&B) for the delivery of a new fare collection system. On October 31, 2002, the system was accepted and the four years of maintenance support began. The maintenance contract provides for two fare collection maintenance technicians. In December 2006, the Operations Board authorized the extension of the maintenance contract to January 31, 2008.

This proposed second amendment provides two full-time fare collection maintenance technicians and includes allowances for equipment troubleshooting, repair and parts replacement previously covered as part of the system warranty, replacement of spare parts inventory not included in the existing maintenance contract, and software maintenance (e.g., tariff changes, data recovery support, disaster recovery support, application configuration changes, etc.).

The subject contract amendment extends the maintenance agreement for one year and includes two, one-year renewal options to extend the contract period, which can be executed at the discretion of the CEO. The annual renewal price is based upon the current year agreement price, adjusted for inflation as indicated in the Consumer Price Index, All Urban Consumers U.S. City Average.

Maintenance requirements for the fare collection system are expected to change once the VRE integration with the regional SmarTrip system is complete. The full regional implementation, including the technology that will enable VRE integration with the regional system, is expected to be complete by the end of 2008. VRE will competitively procure the fare collection system maintenance for the combined VRE/SmarTrip system.

FISCAL IMPACT:

Funding for this project is included in VRE's Capital Improvement Program (CIP) as part of the Fare Collection project and in the FY 2008 Operating Budget. The local match is provided for using state and local funds.

ITEM #8H**Amendments to VRE Insurance Management Agreement**

The VRE Operations Board recommends approval of Resolution #2092. This resolution authorizes NVTC's chairman to execute an amended Liability Insurance Management Agreement with Virginia's Division of Risk Management. The original agreement was executed in 1989 and hasn't been modified since. Last month, the commission approved charges to the Insurance Plan and the Insurance Fund Agreement. This action modifies the Management Agreement with DRM to clarify several items as explained in the attached memorandum. The proposed changes to the agreement itself are also attached.



RESOLUTION #2092

SUBJECT: Amendments to VRE's Insurance Management Agreement

WHEREAS: NVTC and PRTC established the Commuter Rail Liability Insurance Plan ("Insurance Plan") in 1989;

WHEREAS: The Insurance Plan is administered by the Commonwealth of Virginia's Division of Risk Management (DRM) and provides for the indemnification obligations accepted by the commissions in agreements with VRE's host railroads;

WHEREAS: Amendments to the Insurance Fund Agreement and Liability Insurance Plan were recommended by the Operations Board and approved by the commissions last month; and

WHEREAS: Changes to the Management Agreement for administration of the Liability Insurance Plan have now been agreed to by DRM.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission approves the Amended and Restated Management Agreement for administration of the Liability Plan for Commuter Rail Services; and

BE IT FURTHER RESOLVED THAT NVTC authorizes its chairman to execute the agreement.

Approved this 3rd day of January, 2008.

Chairman

Secretary-Treasurer



4350 N. Fairfax Drive • Suite 720 • Arlington, Virginia 22203
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120 • VA Relay Service
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org



Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313
Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9-G ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 21, 2007

**RE: AUTHORIZATION TO AMEND THE LIABILITY INSURANCE
PLAN MANAGEMENT AGREEMENT WITH THE DIVISION OF
RISK MANAGEMENT**

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chairman of the Commissions to execute an Amended and Restated Management Agreement with the Division of Risk Management for administration of the Liability Insurance Plan.

BACKGROUND:

NVTC and PRTC established the Commuter Rail Liability Insurance Plan ("Insurance Plan") in 1989. The Insurance Plan, which is administered by the Commonwealth of Virginia Division of Risk Management (DRM), provides for the indemnification obligations accepted by the Commissions in each of their agreements with the railroads as a condition of gaining access to the railroads' rights of way.

At the time the Insurance Plan was established, the Commissions entered into an Insurance Fund Agreement and a Management Agreement with DRM. These agreements, as well as the Plan, have not been modified since their original execution and it is appropriate to update them.

Last month, amendments to the Insurance Fund Agreement and the Liability Insurance Plan were recommended by the Operations Board and approved by the Commissions. This month, following discussions with DRM, changes to the Management Agreement are also being recommended, as reflected in the attached draft. These changes include the following:

- Corrections to state entity names to reflect organizational changes
- Updates to dates of agreements and names of parties
- Updates to State Code references
- Clarification of responsibilities of Commissions and of DRM, as well as Amtrak, with regard to purchase of insurance and administration of claims
- Addition of language to reflect minimum funding level of Insurance Fund
- Addition of language clarifying how additional parties and events are included in the Insurance Plan

FISCAL IMPACT:

There is no fiscal impact associated with this action.

December 10, 2007 draft

AMENDED AND RESTATED AGREEMENT
BETWEEN THE COMMONWEALTH OF VIRGINIA, DEPARTMENT OF THE TREASURY,
DIVISION OF RISK MANAGEMENT AND THE NORTHERN VIRGINIA AND POTOMAC
AND RAPPAHANNOCK TRANSPORTATION COMMISSIONS FOR ADMINISTRATION
OF THE LIABILITY INSURANCE PLAN FOR COMMUTER RAIL SERVICES

Deleted: MANAGEMENT

This Amended and Restated Agreement ("Agreement") is made this _____ day of

Deleted: 27th

_____, 2007, between the DIVISION OF RISK MANAGEMENT of the

Deleted: October

Deleted: 1989

DEPARTMENT OF THE TREASURY for the COMMONWEALTH OF VIRGINIA, ("Risk

Deleted: GENERAL SERVICES

Management"), and the NORTHERN VIRGINIA TRANSPORTATION DISTRICT

COMMISSION and the POTOMAC AND RAPPAHANNOCK TRANSPORTATION

DISTRICT COMMISSION (collectively the "Commissions"),

The Commissions have entered into a Master Agreement, dated as of October 3, 1989

("Master Agreement") and amended April 2, 1992, and July, 2007, for the Provision of

Commuter Rail Services in Northern Virginia - The Establishment of the Virginia Railway

Deleted: for

Express, which serves as the framework for a regional rail transit project providing service from

terminals located in the Fredericksburg and Manassas areas to Union Station in the District of

Columbia ("Rail Service"). In addition to the Commissions, the parties to the Master Agreement

Deleted: initial

include Fairfax County, Prince William County, Stafford County, the City of Manassas, the City

Deleted: and

of Manassas Park, and the City of Fredericksburg ("Participating Jurisdictions") and Arlington

County and the City of Alexandria ("Contributing Jurisdictions").

The Rail Service has and will continue to use existing railroad tracks owned by the

Norfolk Southern Railway Company ("Norfolk Southern"), and CSX Transportation, Inc.

Deleted: the Richmond, Fredericksburg and Potomac Railroad Company ("RF&P"), and the Consolidated Rail Corporation ("Conrail")

(collectively "Railroads"), pursuant to Operating Access Agreements, dated

Deleted: an

Deleted: _____, and _____, 1989

May 5, 2000, as amended and extended, and February 10, 1995, as amended and extended,
respectively, ("Access Agreements") with each of the Railroads. The Rail Service has been and
will continue to be operated by the National Railroad Passenger Corporation ("Amtrak"), under a
Purchase of Service Agreement, dated March 1, 1998, as amended ("Operating Agreement"),
between the Commissions and Amtrak;

Deleted: as of _____,
1989

The terms of the Access Agreements and the Operating Agreement require the
indemnification of the Railroads and Amtrak by the Commissions in the annual aggregate
amount of \$250,000,000, through a plan of insurance described in Exhibit A, originally dated
December 20, 1989, and thereafter amended _____, 2007 ("Insurance Plan").

Deleted: initial

Deleted: 200

The Commissions are authorized pursuant to §15.2-4518(13) of the Code of Virginia, as
amended ("Code"), to provide third party indemnification through such an Insurance Plan
administered by Risk Management. In accordance with the Insurance Plan, the Commissions
have established and funded certain insurance reserves pursuant to an Insurance Fund

Deleted: Section 15.1-1358(13) of the
Code of Virginia, 1950, as amended
("Code"),

Agreement, dated as of December 1, 1989 ("Insurance Fund"), as such has been amended and
restated effective _____, 2007, between Risk Management and the Department of
Treasury of the Commonwealth of Virginia, as trustee ("Trustee").

Formatted: Font color: Red

Deleted: the

Deleted: General Services

The Insurance Plan is acceptable to Risk Management, and Risk Management, pursuant
to its authority under §2.2-1839 of the Code, has agreed to administer the Commissions'
insurance program which includes the Insurance Plan and the Insurance Fund.

Deleted: Section 2.1-526.8:1

Deleted: manage

The parties desire to amend and restate the terms of this Agreement.

NOW, THEREFORE, the parties agree as follows:

Deleted: October 27, 1989,

1. The term of this Agreement, as amended and restated, shall commence on _____, 2007 and will continue in force until terminated by agreement of the parties.

2. Risk Management agrees to act as the third party administrator for the Insurance Plan, and for other Commission related insurance needs, in accordance with its terms and this Agreement.

3. The Commissions agree to maintain, subject to the approval of Risk Management, an actuarially and financially sound Insurance Plan to satisfy the indemnity requirements of the Master Agreement, the Access Agreements, and the Operating Agreement. No material change to the Insurance Plan will become effective until it has been submitted to and approved by Risk Management.

4. (a) The Commissions' Insurance Plan will consist of a combination of actuarially sound self-insurance reserves for retained risks and purchased insurance to meet the indemnification obligations of the Commissions as set forth in this and the following documents:

- (1) The Insurance Plan attached as Exhibit A;
- (2) the Master Agreement;
- (3) the Operating Agreement; ~~(4) the Access Agreements; and~~
- (5) the Insurance Fund Agreement.

Deleted: and
Deleted:

(b) The scope of indemnification provided by the Commissions through the Insurance Plan will be defined and conditioned by the limitations and exclusions, other than the monetary limits, contained in the Insurance Plan.

(c) The funding and insurance policies underlying the Commissions'

Insurance Plan shall consist of the insurance reserves and purchased insurance ~~approved by Risk Management hereunder~~ from time to time.

Deleted: to be set forth in Exhibit B as may be amended

5. The Commissions shall be responsible to:

(a) Provide, using funds from the Insurance Fund, for the procurement, implementation and maintenance of all excess insurance or alternative insurance mechanisms needed to fulfill the required limits of liability under the Insurance Plan and will designate Risk Management, with such excess insurance carrier(s), as the representative of the Commissions for purposes of claims defense, administration, coordination and settlement. The Commissions may further provide, using funds from the Insurance Fund, with the approval of Risk Management, for other coverage and services which may either protect the property used in the Rail Service or reduce the risk of loss generated by the Rail Services; and

(b) Provide funding, through the mechanisms provided in the Master Agreement, for the commercial insurance, alternative insurance mechanisms and self-insurance reserves provided for in the Insurance Plan,

Deleted: ; and

6. The Commissions will contract for the services of an actuary, as needed, but in no event less than annually, to determine the adequacy of the amounts in the Insurance Fund to fund the risks retained by the Commissions under the Insurance Plan at a 90% confidence level. Risk Management may, at its option, retain a second actuary to review the work of the Commissions' actuary, to consult with the Commissions' actuary regarding possible needed revisions to its study, and to provide such advice to Risk Management as may be needed to enable Risk Management to perform its duties under this Agreement and ~~§ 2.2-1839~~ of

Deleted: (c)

Deleted: The Commonwealth of Virginia shall incur no financial obligation for liabilities created under any portion of the Insurance Plan by virtue of this Agreement, as a result of the activities of Risk Management as the third party administrator of the Insurance Plan, or any other reason.¶

Deleted: Section 2.1-526.8:1

the Code. The reasonable cost and fees of the actuary retained by the Commissions and, if applicable, Risk Management will be paid from the Insurance Fund.

7. The Commissions will deposit or cause to be deposited annually with, into the State Treasury such amounts to be held as part of the Insurance Fund as Risk Management deems necessary to ensure the financial stability of the Insurance Plan, it being agreed that the sum of \$10 million is the minimum level of funding the Commissions have agreed to achieve and maintain for the Insurance Fund. The Commissions also agree to acquire, purchased insurance sufficient to fulfill the requirements of Section 4, and to pay the applicable premiums from the Insurance Fund. The Commissions will deliver to Risk Management evidence that such insurance is in effect on or before July 1, of each year. The Commissions agree to provide to Risk Management within 30 days of receiving written notice from Risk Management additional funds with Risk Management to be held in the Insurance Fund to ensure the financial stability of the Insurance Plan, as determined by Risk Management under §2.2-1839 of the Code ("Required Level"). With the approval of Risk Management, the Commissions may purchase additional insurance in lieu of making additional deposits to the Insurance Fund. It is understood that the determination of what constitutes the Required Level of funds to ensure the financial stability of the Insurance Plan is to be made in the sole discretion of Risk Management. Risk Management may in its sole discretion authorize payments from Insurance Fund as authorized by the Insurance Fund Agreement and the Insurance Plan.

Deleted: initially
Deleted: the Administrator the amount of \$5 million received in the form of a grant from the Commonwealth of Virginia. The Commissions agree to make deposits of \$6,211,000 on July 1, 1990 and July 1, 1991, with the Administrator

Deleted: the initial

Deleted: described in Exhibit B. during FY-92 and FY-93

Deleted: funds other than those held under

Deleted: , 1991

Deleted: i

Deleted: Section 2.1-526.8:1

Deleted: Virginia

Deleted: r

Deleted: l

Deleted: j

8. In addition to the provisions of Section 5, the Commissions will be responsible for the following:

- (a) Requiring all insurers to provide certificates of insurance and copies of all contracts and terms of coverage to Risk Management;

(b) Requiring that copies of all legal notices affecting any aspect of coverage be sent by the insurers to the Commissions, which will thereafter distribute said notices to Risk Management and to each Insured and Indemnitee under the Insurance Plan; and

Deleted: with Risk Management

(c) Establishing procedures, in conjunction with the excess broker, for the proper and timely "notice of loss" and coordination of claims management with excess insurers, and informing Risk Management of those procedures.

9. Risk Management will be responsible for administration of the Insurance Plan, which may include but not be limited to the following:

Deleted: the management of all claims under

Deleted: ,

Deleted: including

(a) Providing advice, guidance, and assistance to the Commissions with the purchase of insurance;

Deleted: Risk Management will establish with the Commissions, and agrees to establish with other insureds or parties indemnified under the Insurance Plan, procedures for the proper notification of any claims or suits instituted against any Insured or Indemnitee, as defined in the Insurance Plan

(b) Establishing procedures related to claims and litigation management; and

(c) Upon receipt of notice of a claim or the institution of a suit, reviewing the

Formatted: Indent: Left: 0.5", First line: 0.5"

Deleted: Risk Management will

claim for the applicability of coverage within the self-insured limits of the Insurance Plan, providing for the assignment of counsel, if needed, or providing for the declination of coverage, in whole or in part, to each affected Insured or Indemnitee.

Deleted: c

Deleted: c

(d) Providing written confirmation of coverage within the self-insured limits,

Formatted: Font: Not Bold, Not Italic, No underline

including a certificate of coverage as needed in response to the Commissions' request to add a party or an activity to the Insurance Plan provided the request, as determined by Risk Management, does not affect the stability of the Insurance Fund.

Formatted: Font: Not Bold, Not Italic, No underline

(e) Assist the Commissions in obtaining written confirmation of coverage from brokers,

Formatted: Font: Not Bold, Not Italic, No underline

agents and insurers, including certificates of insurance and the inclusion of additional insureds

and activities on purchased commercial insurance policies. 10. Risk Management will,

Deleted: ¶

Deleted: Upon determination that a claim is covered by the Insurance Plan,

review outstanding claims and advise the Commissions regarding the sufficiency of the

Deleted: evaluate the claims and reserve sufficient funds to meet the anticipated liability for the claim

Insurance Fund to meet anticipated liabilities set forth in the Insurance Plan in accordance with generally accepted industry standards and practices. 11. Subject to the provisions of Part B, Sections 1 and 2(b) of the Insurance Plan, Risk Management agrees with the Commissions as follows:

(a) Original notice of a claim related to the Rail Service will be transmitted to and received, for all Insureds and Indemnitees, by Amtrak.

(b) The Commissions will establish a \$50,000 revolving fund for the payment of claims within the authority delegated to Amtrak. Amounts paid to the revolving fund will be paid from the Insurance Fund. The Commissions will advise Risk Management of any and all payments made from this revolving fund and Risk Management will provide funds from the Insurance Fund to enable the Commissions to maintain the \$50,000 level in the revolving fund.

(c) Amtrak will handle the administration of all claims up to \$10,000. Amtrak will notify the Commissions and Risk Management of claims it receives which are outside its delegated authority. Risk Management will provide for the administration of all claims over \$10,000, and for all suits instituted against any Insured or Indemnitee under the Insurance Plan. Risk Management may, at the expense of the Insurance Fund, contract for investigative and related services.

(d) On an annual or semi-annual basis, the Commissions will provide to Risk Management and to all Insureds and Indemnitees under the Insurance Plan summaries of payments made by Amtrak related to claims under the Insurance Plan within Amtrak's delegated authority.

Deleted: To the extent the amount of a claim or claims exceed the limits of the Commissions' retained insurance under the Insurance Plan, Risk Management will notify the appropriate commercial insurance carriers, coordinating claims activity as needed.¶

Deleted: (a) Except for the provisions for the settlement of claims by Amtrak provided for under the Operating Agreement and for claims covered by purchased insurance or alternative insurance mechanisms, Risk Management has the sole authority to negotiate, compromise and settle all claims covered by the Insurance Plan.¶

(b) When practicable, Risk Management will provide notice of settlement of a claim to each party covered by the Insurance Plan whose liability would be affected by the settlement, but Risk Management shall have no obligation to notify any party covered by the Insurance Plan who is not a party to the particular claim.¶

(c) All payments for claims settlement, defense costs, or investigative services shall be made from the Insurance Fund and shall be properly recorded by Risk Management. Summaries of such transactions will be provided by Risk Management to all Insureds or Indemnitees under the Insurance Plan on an annual and semi-annual basis.¶ . 12.

Deleted: Risk Management

Deleted: impress

Deleted: with Amtrak

Deleted: its

Deleted: impress

Deleted: Amtrak will report, quarterly,

Deleted: impress

Deleted: reinstitute

Deleted: fund

Deleted: from money in the Insurance Fund

Deleted: under

Deleted: handle

Deleted: Risk Management will be responsible for the administration of all legal suits instituted against any Insured or Indemnitee under the Insurance Plan, however, Risk Management may contract for the services of claims personnel for the investigation of such suits.

(e) Risk Management will provide notice of settlement of a claim to the Commissions and, to the extent practicable, to each Insured or Indemnitee under the Insurance Plan who is a subject of the claim being settled; however, Risk Management shall have no obligation to notify any Insured or Indemnitee under the Insurance Plan who is not the subject of a settled claim. (f) Risk Management will provide to the Commissions on an annual or semi-annual basis summaries of all payments made by Risk Management from the Insurance Fund for claims under the Insurance Plan administered by Risk Management, as well as .

Deleted: The Commissions agree to delegate to Risk Management the right to negotiate and establish all policies and procedures relating to the respective role of Amtrak and Risk Management.

Deleted: ¶

12. Subject to any limitations in the Insurance Plan, in the event that, in any calendar year, the commercial insurance policies purchased by the Commissions expire, lapse, or otherwise become subject to cancellation, the Commissions agree, with approval of Risk Management, to purchase other insurance or to retain such risk by establishing and maintaining additional, actuarially sound reserves for the risks previously insured through commercial insurance. The Commissions will notify Risk Management, the Railroads, and Amtrak of the action taken to provide such other insurance coverage or retained risk. Thereafter, Exhibit A will be amended with the approval of Risk Management to reflect such changes to the Insurance Plan.

Deleted: 3

Deleted: and

Deleted: s

Deleted: and B

13. Risk Management agrees to perform at least the following services as part of its responsibilities:

Deleted: 4

Deleted: management

(a) Assist the Commissions and Amtrak in the establishment of procedures for the prompt review and processing of all claims for which the Commissions or any party covered by the Insurance Plan are or may become liable.

Deleted: Establish

(b) Maintain current estimates for each claim of the anticipated cost to the Insurance Plan based on information and data provided by the Commissions, the Railroads, and Amtrak.

(c) Maintain historical data of claims brought against the Commissions, the Railroads, and Amtrak based on information and data provided by the Commissions, the Railroads, and Amtrak.

(d) ~~Oversee generally and review, as necessary, the investigation and settlement of claims administered by Amtrak and contract, as needed, for the necessary services~~ for the investigation of claims or suits not administered by Amtrak.

Deleted: Investigate or contract for the investigation of all claims, except those administered by Amtrak.¶
... (c) . Coordinate the
Deleted: ing

(e) ~~Review the Commissions' development of an appropriate payment system~~ for claims and expenses of claims administration for those claims within Amtrak's delegated authority.

Deleted: f
Deleted: Develop

(f) ~~Make available to the Commissions, financial and other information relating to claims and the Insurance Fund based on information available to Risk Management, including that provided by the Commissions, the Railroads, and Amtrak provided, however, Risk Management shall be under no duty to provide information in any particular format, nor shall Risk Management be obligated to provide information which may impair a claim, the Insurance Plan or the Insurance Fund.~~

Deleted: g
Deleted: Issue periodic incurred/reserved progress reports on pending claims to the Commissions.¶
... (h) . Maintain a detailed statistical record of all claims and payments.¶
(i) . Provide quarterly claims and other computerized reports so that claim trends and problem areas can be readily identified by the Commissions.
Formatted: Font: Not Bold, Not Italic
Formatted: Font: Not Bold, Not Italic

(g) ~~Employ loss control consultants and other professionals, as needed, to advise, the Commissions on matters involving the, Insurance Plan.~~

Deleted: j
Deleted: Risk Management and
Deleted: liability
Deleted: k
Deleted: Monitor
Deleted: initiate correspondence to effect collection

(h) ~~Review all cases for potential subrogation recoveries, make recommendations to the Commissions concerning cases where recovery should be attempted,~~

and, for cases where the Commissions have approved subrogation recovery efforts, retain and assist legal counsel when litigation is required to effect recovery.

(j) Provide such funds from the Insurance Fund as may be necessary to enable the Commissions, in consultation with Risk Management, to pursue legal remedies against any insurer providing insurance coverage under the Insurance Plan denying coverage.

(k) Perform such other related services as may be reasonably necessary for administration of the Insurance Plan and the Insurance Fund in a manner that best benefits the Insureds and Indemnitees under the Insurance Plan.

14. Risk Management agrees to grant access to the Commissions upon reasonable written notice to all records it maintains in the management of the Insurance Plan and to respond to inquiries by the Commissions on the status of particular claims and other issues, provided, however, that Risk Management is under no duty to provide information in any particular format and may charge the Commissions as an administrative cost, for time and materials incurred in granting such access, nor shall Risk Management be obligated to provide information which may impair administration of the Insurance Plan or the Insurance Fund.

15. Risk Management is entitled to be reimbursed or paid for all expenses associated with claims administration and management of the Insurance Plan and for its actual personnel and administrative costs related to its services under this Agreement, in accordance with procedures established under the Insurance Fund Agreement.

Deleted: (l) . Secure professional services and other experts as necessary to adequately respond to claims against any insured or Indemnitee under the Insurance Plan.
(m) . Procure, recommend, direct, and monitor the work and charges of specialized and professional investigation services when such service is needed.

Deleted: n

Deleted: o

Deleted: proper management

Deleted: (p) . Manage all claims in such a manner as to best benefit the Insureds and Indemnitees under the Insurance Plan.

Deleted: 5

Deleted: cases

Deleted: pending claims

Deleted: 6

Deleted: 7

16. In the event that either Rail Service is terminated or suspended, sufficient funds, as determined by Risk Management with the assistance of actuarial services, shall be maintained by Risk Management to provide for all current and future liabilities.

In the event that funds are deemed inadequate to assure the discharge of such liabilities, Risk Management will notify the Commissions who shall take the appropriate action as provided in Section III.D. of the Master Agreement and Section 7 of the Management Agreement. Risk Management shall, periodically, reassess the nature and extent of such liabilities and in its sole discretion may release to the Commissions a portion of any funds, if any, which Risk Management deems as unnecessary to discharge such current and future liabilities.

Risk Management, with the concurrence of the Commissions, may contract for the administration of all subsequent claims. The Commissions, subject to the approval of Risk Management, may purchase separate "run off" insurance either as an extension of existing coverage or as a new policy or combination thereof and Risk Management shall consider the nature and adequacy of such "run off" insurance in determining whether and, to what extent, it may release funds to the Commissions as provided in the paragraph above.

At such time as all known claims have been resolved and the actuary has determined that the reasonable likelihood of further claims has approached zero, Risk Management shall dissolve the Insurance Plan and Management Agreement.

Deleted: s

17. The Commonwealth of Virginia shall incur no financial obligation for any and all liabilities created under any portion of the Insurance Plan by virtue of this Agreement, as a result of the activities of Risk Management as the third party administrator of the Insurance Plan, or any other reason.

Deleted: 8

Formatted: Indent: First line: 0.5"

18. Notice. All demands, notices, approvals, consents, requests, opinions and other communications under this Agreement will be in writing and will be deemed to have been given when delivered in person or mailed by registered or certified mail, postage prepaid, addressed (i) if to the Commissions, to Virginia Railway Express, 1500 King Street, Suite 202, Alexandria, Virginia 22314. Attention: Chief Executive Officer, (ii) if to Risk Management, at 101 North 14th Street, 3rd Floor, Richmond, Virginia 23219, Attention: Director. The Commissions and Risk Management may, by notice given under this Section, designate and further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications are to be sent or persons to whose attention they are to be directed.

Deleted: Arlington Executive Building, 2009 North 14th Street, Suite 300, Arlington, Virginia 22201, Attention: Rail Manager, with copies to Northern Virginia Transportation Commissions, Arlington Executive Building, 2009 North 14th Street, Suite 300, Arlington, Virginia 22201, Attention: Executive Director, and the Potomac and Rappahannock Transportation Commission, 9257 Lee Avenue, Suite 205, Manassas, Virginia 22110, Attention: Executive Director

Deleted: 805 East Broad Street, 9th

Formatted: Superscript

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by

their duly authorized officials this _____ day of _____, 2007.

Deleted: 27th day of October, 1989

APPROVED BY THE GOVERNOR:

APPROVED:

Northern Virginia
Transportation Commission
Chairman
Jody M. Wagner
Secretary of Finance

Deleted: Secretary of Administration

Deleted: Pursuant to the authority of

Deleted: EXECUTIVE ORDER TWENTY-FIVE (86)

Deleted: ¶ REVISED November 14, 1986

Deleted: ¶

APPROVED:

APPROVED:

Potomac and Rappahannock
Transportation Commission

J. Braxton Powell, Treasurer
Department of the Treasury

Chairman

Deleted: Wendell L. Seldon, Director

Deleted: Department of General
Services

APPROVED:

Don W. LeMond, Director
Division of Risk Management

AGENDA ITEM #9

TO: Chairman Snyder and NVTC Commissioners

FROM: Richard K. Taube and Adam McGavock

DATE: December 27, 2007

SUBJECT: Federal Grant Application for Arlington County

Arlington County staff has asked NVTC to apply for \$2.9 million of earmarked federal secondary aid funds to be flexed from the Federal Highway Administration to the Federal Transit Administration. The funds will be used for Rosslyn Metrorail Station new access improvements. These funds will be used by WMATA for design of the \$50 million project, which will be paid for with local, state, federal and private sector funds.

Managing such grants for member jurisdictions is included in NVTC's 2008 work program. The commission is asked to authorize NVTC staff to execute a project management agreement with Arlington County and to apply for federal funds and manage the resulting grant. The funds are likely to lapse if NVTC does not apply for the funds on behalf of Arlington.



AGENDA ITEM #10

TO: Chairman Snyder and NVTC Commissioners

FROM: Rick Taube

DATE: December 27, 2007

SUBJECT: Memorandum of Understanding on Transportation Planning Responsibilities for the National Capital Region.

The Transportation Planning Board has asked NVTC to execute the attached memorandum of understanding that is required by federal transportation planning regulations. The MOU sets forth mutual responsibilities for establishing and maintaining a cooperative, comprehensive and continuing metropolitan transportation planning process.

NVTC has been asked to join with several of the public transit operators and state and local governments and agencies in the region in executing the agreement because of NVTC's status as a "designated recipient" of federal transit funds.

NVTC staff participates on the Regional Bus Subcommittee of the Technical Committee referred to in Article 2 of the agreement.

The commission is asked to authorize its executive director to execute the MOU on behalf of NVTC.



**MEMORANDUM OF UNDERSTANDING
ON METROPOLITAN TRANSPORTATION PLANNING RESPONSIBILITIES FOR THE
NATIONAL CAPITAL REGION**

This agreement is made and entered into as of _____2008 by and between the National Capital Region Transportation Planning Board (TPB) hereinafter referred to as the **TPB**; the District of Columbia Department of Transportation (DDOT), the Maryland Department of Transportation (MDOT), and the Virginia Department of Transportation (VDOT) hereinafter referred to as the **State DOTs**; and the Commonwealth of Virginia Department of Rail and Public Transportation (DRPT), the Maryland Transit Administration (MTA), the Northern Virginia Transportation Commission (NVTC), and the Washington Metropolitan Area Transit Authority (WMATA) hereinafter collectively referred to as the **Transit Operators**.

WHEREAS, joint responsibilities must be met for establishing and maintaining a cooperative, comprehensive and continuing (3-C) metropolitan transportation planning and programming process as defined and required by the United States Department of Transportation (USDOT) in regulations at 23 CFR 450 Subpart A – Transportation Planning and Programming Definitions and 23 CFR 450 Subpart C – Metropolitan Transportation Planning and Programming, and

WHEREAS, the regulations at 23 CFR 450.314 Metropolitan Planning Agreements direct that the metropolitan planning organization (MPO), the States and public transportation operators shall cooperatively determine their mutual responsibilities for carrying out the 3-C process and clearly identify them in a written agreement.

WHEREAS, the regulations at 23 CFR 450.104 define *Public transportation operator* to mean the public entity which participates in the continuing, cooperative, and comprehensive transportation planning process in accordance with 23 U.S.C. 134 and 135 and 49 U.S.C. 5303 and 5304, and is the designated recipient of Federal funds under title 49 U.S.C. Chapter 53 for transportation by a conveyance that provides regular and continuing general or special transportation to the public, but does not include school bus, charter, or intercity bus transportation or intercity passenger rail transportation provided by Amtrak.

WHEREAS, nothing in this MOU shall be construed as limiting or affecting the legal authorities of the parties, or as requiring the parties to perform beyond their respective authorities.

NOW, THEREFORE, the TPB, the State DOTs and the Transit Operators recognize and agree that they will conduct a cooperative, comprehensive and continuing transportation planning and programming process for the National Capital Region and that their mutual responsibilities for carrying out this process are described in the following eleven articles.

The metropolitan planning activities undertaken by the **TPB** are described in Articles 1 to 11. The planning activities undertaken by the **State DOTs** are described in Articles 3 and 5 through 11, and are coordinated with the state transportation planning processes that are required in regulations at 23 CFR 450 Subpart B--Statewide Transportation Planning and Programming.

The planning activities undertaken by the **Transit Operators** are described in Articles 3 and 5 through 10. By participating on the Regional Bus Subcommittee of the TPB Technical Committee, Transit Operators have an opportunity to coordinate bus and other transit planning in the region and to incorporate their plans into the Long-Range Transportation Plan and the Transportation Improvement Program (TIP). Transit Operators provide funding inputs for the TIP based upon each system's annual operating and capital improvement budgets. Transit Operators also provide projections of their system revenues, operating and maintenance costs and major improvement costs for the update of the financially constrained plan based upon each system's operating and capital improvement plans.

Article 1 **Scope of the Metropolitan Transportation Planning Process**

The TPB, as the metropolitan planning organization (MPO), the State DOTs and the Transit Operators will conduct a metropolitan transportation planning process that is continuous, cooperative, and comprehensive and provide for the consideration of projects, strategies, and services that will address the eight planning factors as specified in 23 CFR 450.306 : Scope of the Metropolitan Transportation Planning Process. This metropolitan planning process will be carried out in coordination with the three state transportation planning processes that are required in regulations at 23 CFR 450 Subpart B--Statewide Transportation Planning and Programming.

Article 2 **MPO Structure and Planning Boundaries**

The TPB has been designated the MPO for the National Capital Region by the Governors of Maryland and Virginia and the Mayor of the District of Columbia. The TPB is composed of representatives from the 19 cities and counties, including the District of Columbia, that are members of the Metropolitan Washington Council of Governments (COG), the City of Manassas, the St. Charles Urbanized Area of Charles County, the General Assemblies of Maryland and Virginia, the state DOTs and the Washington Metropolitan Area Transit Authority (WMATA). The TPB also has ex officio representatives from the Metropolitan Washington Airports Authority (MWAA), the Federal Highway Administration, the Federal Transit Administration, the National Capital Planning Commission, the National Park Service and private transportation service providers.

The TPB has Bylaws that establish its membership, time and place of meeting, officers, voting procedures, committees, staffing and relationship to the Metropolitan Washington Council of Governments (COG), public participation, and procedures for amendments. On October 30, 2003, the State DOTs and COG executed an agreement specifying the COG

responsibilities for supporting the MPO transportation planning process as described in the annually federally approved Unified Planning Work Program (UPWP).

The TPB has established a Technical Committee to advise and assist it in all aspects of the metropolitan planning process. The Technical Committee is comprised of representatives of all TPB member agencies and governments and interested transportation agencies in the region, and provides opportunities for these representatives to participate regularly in the metropolitan planning process.

The TPB has also established the Regional Bus Subcommittee of the Technical Committee which is comprised of representatives of public transportation operators in the region, including those that operate the regional and local jurisdiction bus systems, Metrorail, and the commuter rail systems. The Regional Bus Subcommittee provides opportunities for public transportation operators to participate regularly in the metropolitan planning process.

Figure 2 on page 8 shows the TPB planning boundary for the National Capital Region and the location of each of the participating local jurisdictions. After each Census, the TPB will review this planning boundary in cooperation with the State DOTs and Public Transit Operators to determine if it meets the minimum statutory requirements for new and updated urbanized areas, and will adjust the boundary as necessary.

Article 3 Unified Planning Work Program

Between January and March each year, the TPB, the state DOTs, the Transit Operators, in cooperation with the local jurisdictions and other TPB members will prepare the Unified Planning Work Program (UPWP) as required under 23 CFR 450.308 : Funding for Transportation Planning and Unified Planning Work Programs, including documenting the metropolitan transportation planning activities anticipated within the region during the next year. In March the TPB will approve the UPWP and submit it to the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and the State DOTs for approval and funding. When necessary, the TPB can approve amendments to the UPWP subject to approval by the FHWA and FTA and State DOTs.

Article 4 Participation Plan

The TPB will adopt and use a Participation Plan to provide citizens, affected public agencies, and all interested parties with reasonable opportunities to be involved in the metropolitan transportation planning process and to review and comment at key decision points as specified in 23 CFR 450.316: Interested Parties, Participation and Consultation. This plan will be coordinated with the State DOTs' public involvement and consultation transportation planning processes.

Article 5 Transportation Planning Studies and Project Development Process Under the National Environmental Policy Act (NEPA)

The TPB, the State DOTs, or the Transit Operators may undertake a multimodal, systems-level corridor or subarea planning study as part of the metropolitan transportation planning

process. The development of these studies will involve consultation with, or joint efforts among, the TPB, State DOTs, and Transit Operators. The results or decision of these planning studies may be used as part of the overall project development process consistent with NEPA as specified in 23 CFR 450.318: Transportation Planning Studies and Project Development .

Article 6 Congestion Management Process

The TPB, in cooperation with the State DOTs, the Transit Operators and local officials will develop congestion management objectives and performance measures to assess the extent of congestion and support the evaluation of the effectiveness of congestion reduction and mobility enhancement strategies for the movement of goods and people. The transportation planning process will develop and maintain an ongoing congestion management process for monitoring, operating and maintaining the regional transportation system required by 23 CFR 450.320: Congestion Management Process in Transportation Management Areas.

Article 7 Air Quality Transportation Planning

The air quality transportation planning activities for the Washington Metropolitan Region will be described in the annual UPWP. These activities will be designed to ensure that the TPB can make a conformity determination on its annual CLRP and TIP in accordance with the Clean Air Act and the Environmental Protection Agency (EPA) transportation conformity regulations in 40 CFR part 93. The TPB has adopted interagency and public consultation procedures regarding its air quality planning activities which address the preparation of the annual UPWP and the development and amendments to the CLRP and TIP.

Article 8 Update of the Long-Range Transportation Plan and Development of the Transportation Improvement Program (TIP)

The metropolitan transportation planning process is on-going. Each year the TPB will adopt and issue a document to solicit projects and programs to be included in the next year's update of the plan and the next TIP. This document will describe the policy framework and planning priorities that guide project submissions and explain the project submission process and schedule. The State DOTs and Transit Operators will provide their plan and TIP project submission information as requested in this document. In updating the plan, the TPB, with the cooperation of the State DOTs and Transit Operators, will ensure that the plan development process and plan content meet all requirements as specified in 23 CFR 450.322: Development and Content of the Metropolitan Transportation Plan. The TPB will approve the updated plan and submit it for information purposes to the State DOTs and FHWA and FTA.

In preparing the new TIP, the TPB, with the cooperation of the State DOTs and Transit Operators, will ensure that the TIP development process and TIP content meet all requirements as specified in 23 CFR 450.324: Development and Content of the Transportation Improvement Program (TIP). The TPB will approve the TIP and forward the TIP to the State DOTs for their approval and inclusion in their State Transportation

Improvement Programs (STIP). TIP amendments and administrative modifications will follow the procedures for TIP modifications as adopted by the TPB and as specified in 23 CFR 450.326: TIP Revisions and Relationship to the State Transportation Improvement Program (STIP). The selection of projects from the TIP by the TPB, State DOTs, or Transit Operators will be done as specified in 23 CFR 450.330: Project Selection from the TIP.

Article 9 **Fiscally Constrained Financial Plans for** **the Long-Range Transportation Plan and TIP**

Financial plans are required to be included with the long range transportation plan and TIP that demonstrate the consistency between reasonably available and projected sources of federal, state, local, and private of revenues and the costs of implementing the proposed transportation system improvements. As described in Article 8, the metropolitan transportation planning process is on-going. Each year the TPB will adopt and issue a document to solicit projects and programs to be included in the next year's update of plan and the next TIP. When the plan is amended or updated, the TPB, State DOTs and Transit Operators will cooperatively develop, share, review and adopt estimates of revenues and costs required for the financial plan that demonstrate fiscal constraint for the transportation plan as specified in 23 CFR 450.322(f)(10)). When the TIP is amended, the TPB, State DOTs and Transit Operators will cooperatively develop, share, review and adopt estimates of costs and estimates of funds that are available or committed or reasonably expected to be available that are required for the financial plan that demonstrate fiscal constraint for the TIP as specified in 23 CFR 450.324(h) & (i).

Article 10 **Annual Listing of Projects with Federal Funding Obligations**

Each year within 90 days after the close of the federal fiscal year, the TPB, State DOTs and Transit Operators will cooperatively develop a listing of projects from the TIP for which federal transportation funds were obligated in the preceding fiscal year. This report will contain the projects and financial information as required in 23 CFR 450.332 Annual Listing of Obligated Projects. This report will be made available to the public on the TPB web page.

Article 11 **Certification of the Metropolitan Transportation Planning Process**

As described in Article 8, the metropolitan transportation planning process is on-going. Each year the TPB will adopt and issue a document to solicit projects and programs to be included in the next year's update of plan and the next TIP. When the TIP is approved, the TPB and State DOTs will certify that the metropolitan planning process for the National Capital Region is being carried out in accordance with all applicable requirements as specified in 23 CFR 450.334 Self-Certification and Federal Certifications and 23 CFR 450.328 TIP Action by the FHWA and the FTA.

This Memorandum of Understanding is approved by the respective parties hereto as of the date shown above.

NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD

Catherine Hudgins, Chair

DISTRICT OF COLUMBIA DEPARTMENT OF TRANSPORTATION

Emeka Moneme, Director

MARYLAND DEPARTMENT OF TRANSPORTATION

Beverley Swaim-Staley, Deputy Secretary

MARYLAND TRANSIT ADMINISTRATION

Paul J. Wiedefeld, Administrator

VIRGINIA DEPARTMENT OF TRANSPORTATION

Richard L. Walton Jr, Chief of Planning and Environment

**COMMONWEALTH OF VIRGINIA DEPARTMENT OF RAIL AND PUBLIC
TRANSPORTATION**

Matthew O. Tucker, Director

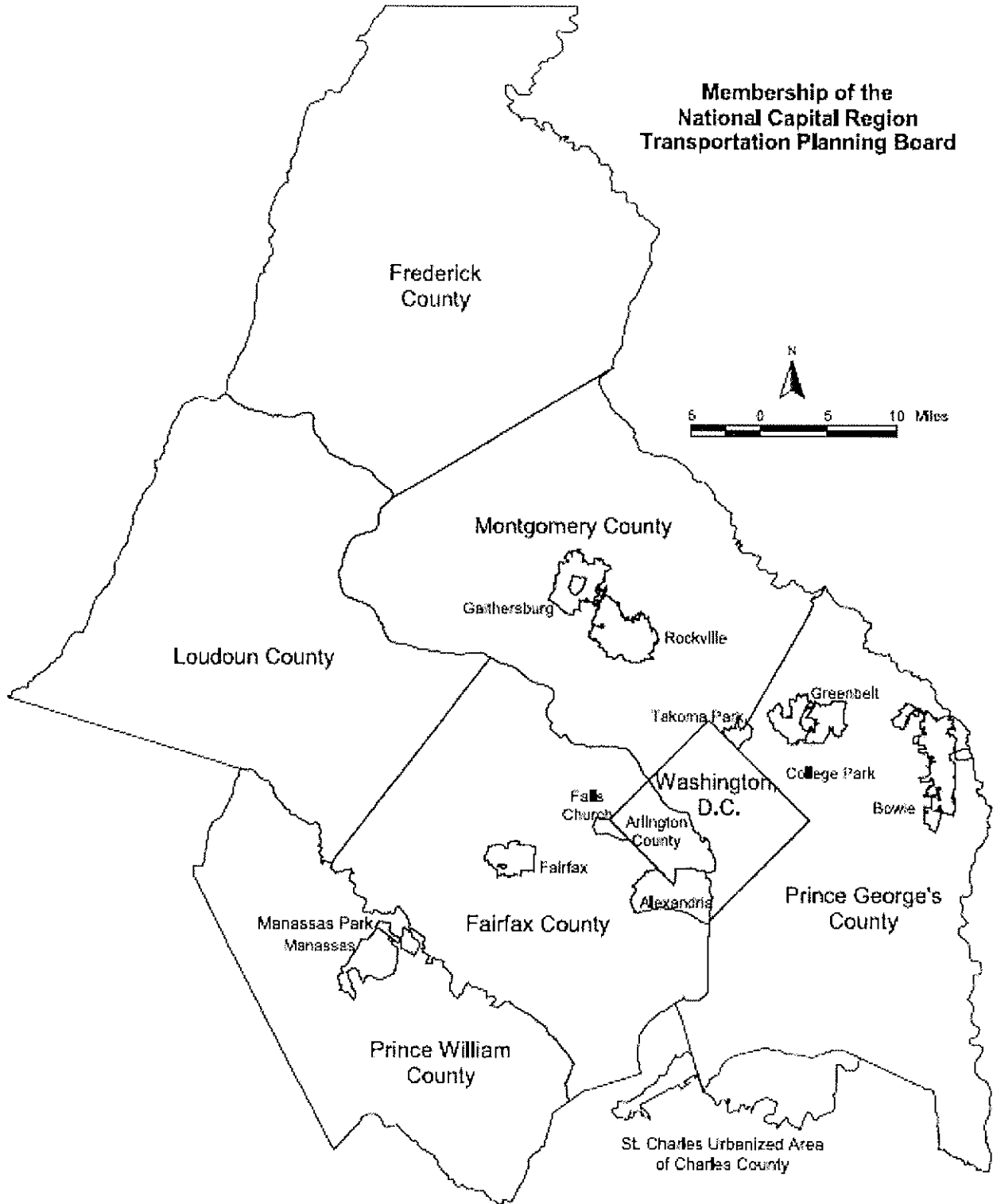
NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Richard K. Taube, Executive Director

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

John B. Catoe Jr., General Manager

**Membership of the
National Capital Region
Transportation Planning Board**



AGENDA ITEM #11

TO: Chairman Snyder and NVTC Commissioners
FROM: Rick Taube
DATE: December 27, 2007
SUBJECT: Metro Items

A. Fare Increase Proposal.

Metro Board members will describe the results of additional deliberations on the proposed fare increase that was discussed extensively at NVTC's December 6th meeting.

B. Article : "Defined by Distinctiveness—Washington Metro"

A copy of an article is attached from Rail magazine (Fall, 2007) that describes the history and impact of Metrorail on the region.

C. Programmed /Indexed Fare Increases.

The WMATA Board had asked its staff to return by the end of 2007 with more information on a fully developed transportation cost index that could be used to implement a policy of regular fare increases. The attachment shows that staff report (which was not discussed by the WMATA Board). The Board did approve a policy of future fare increases to be indexed to the Consumer Price Index.

A recent research study sheds light on the pros and cons of such a policy: Fare Policy Regarding Regular and/or Inflation-Related ("Programmed") Price Increases by Linda M. Spock of NYU's Rudin Center for Transportation Policy and Management (November 2007).

Highlights of the study are described below and complete copies are available from NVTC staff or on-line at www.wagner.nyu.edu/rudincenter.



Transit systems employing programmed fare increases include:

- BART (San Francisco Bay Area)
- Golden Gate Transit/ Golden Gate Ferries
- Lane Transit District (Eugene/ Springfield, OR)
- Metrolink (Los Angeles area)
- Regional Transportation Commission (Reno area)
- Regional Transportation District (Denver)
- Transport for London (England)
- Trimet (Portland, OR)
- Washington State Ferries

Transit systems with experience using programmed fare increases but not currently doing so:

- MTA Metro North (New York City area)
- New Jersey Transit
- Triangle Transit Authority (Raleigh/Durham area of NC)

Reasons to favor a policy of programmed fare increases:

- Predictable revenue stream.
- Facilitates communication with customers (they learn to expect the increases)
- Avoids the need for drastic, unexpected increases.
- Bond rating agencies tend to favor this policy.

Reasons a pre-set annual increase may be insufficient:

- If set to match the CPI, actual operating costs may grow faster;
- Unusual circumstances may arise (accelerating security or fuel costs);
- An expanding service territory may face lower load factors than well-established routes so the system recovery drops;
- Most systems retain some flexibility and as a result political factors may compel intervention to reduce programmed increases.
- Competing modes not raising fares may capture customers or generate claims from current customers of inequity.

D. Additional Comparisons of 2007 Versus 2002 Metrorail Surveys.

NVTC staff has completed more comparisons and these are provided for your information.



NEW METRO FARES AND FEES

Effective January 6, 2008

New Fares and Fees

Metrorail Fares		
Regular Fares	Increase boarding charge by 30 cents	\$1.65
	Increase charge for composite miles between 3 and 6 by 4 cents	\$0.26
	Increase charge for composite miles over 6 by 3.5 cents	\$0.23
	Increase maximum regular fare by 60 cents	\$4.50
	Increase the charge for senior/disabled to one-half regular fare	\$0.80 - \$2.25
Reduced Fares	Charge for first 7 composite miles remains the same	\$1.35
	Charge for composite miles between 7 and 10 remains the same	\$1.85
	Charge for composite miles greater than 10 remains the same	\$2.35
Passes	After one year transition, rail-to-bus transfers issued on Smartcards only	
	Increase price of the one day pass	\$7.80
	Increase price of the weekly short trip pass	\$26.40
	Increase price of the weekly fast pass	\$39.00
	Eliminate the metro passport	
	Increase the price of the SmartStudent pass	\$26.00
	Increase price of transit link card on MARC and VRE	\$80.00
Increase price of transit link card on MTA	\$135.00	
Other Rail	Increase the charge for DC student farecards/ 10 trips	\$8.00
Metrobus Fares and Fees		
	Increase cash boarding charge by 10 cents	\$1.35
	Increase cash boarding charge for express bus by 10 cents	\$3.10
	Boarding charge with SmarTrips remains the same	\$1.25
	Charge for senior/disabled remains the same	\$0.60
	After one year transition, bus-to-bus transfers issued on Smartcards only	
	Extend bus-to-bus transfer period from two to three hours	
	Increase all special fares by 25 cents	Varies
Other Bus	Eliminate regional one day pass	
	Price of the weekly flash pass remains the same	\$11.00
	Price of the weekly senior flash pass remains the same	\$6.00
	Price of the weekly disabled flash pass remains the same	\$6.00
	Eliminate general use of tokens except for use by MetroAccess customers	
Charge for DC student tokens remains the same	\$6.25	
MetroAccess Fares		
	MetroAccess fare remains the same	\$2.50
	Supplemental zone fares remain the same	\$1.00 - \$4.00
Parking Fees		
	Increase parking fee	Increase \$.075
	Increase monthly reserved parking fee by \$10.00	\$55.00
	Increase the rate for parking meters to \$1.00 for 60 minutes	\$1.00
	Increase New Carrollton county garage base and surcharge fees	\$70.00/\$15.00
	Eliminate the \$25.00 Redskins game day fee at Morgan Blvd. and Largo	
Other Fees		
	Bicycle locker rental rate remains the same	\$70.00 (annual)
	Increase contract and bus charter rates by 20 percent	Varies

Fairfax County's Proposal

Docket B07-3

	Current Fare	New Fare Proposed for Hearings	Percentage Increase	New Maryland Proposal	Percentage Increase	Fairfax County Proposal	Percentage Increase	Estimated Revenue
MetroRail Fares								
Peak								
Increase charge for composite miles between 3 and 6 by 5 cents	\$1.35	\$1.65	22.22%	\$1.65	22.22%	\$1.45	7.41%	\$4,511,111
Increase charge for composite miles over 6 by 4.5 cents	\$0.22	\$0.27	22.73%	\$0.26	18.18%	\$0.24	9.09%	\$1,933,333
Increase maximum regular fare by 80 cents	\$0.195	\$0.24	23.08%	\$0.23	17.95%	\$0.210	7.69%	\$1,616,667
Increase the charge for senior/disabled to one-half regular fare	\$3.90	\$4.70	20.51%	\$4.50	15.38%	\$4.25	8.97%	\$940,625
Charge for first 7 composite miles remains the same	\$0.65 - \$1.95	\$0.80 - \$2.35		\$0.80 - \$2.25		\$0.70 - \$2.10		\$122,222
Charge for composite miles greater than 7 and 10 remains the same	\$1.35	\$1.35	0.00%	\$1.35	0.00%	\$1.35	0.00%	N/A
Charge for composite miles greater than 10 remains the same	\$1.85	\$1.85	0.00%	\$1.85	0.00%	\$1.85	0.00%	N/A
After one year transition, rail-to-bus transfers issued on Smartcards only	\$2.35	\$2.35	0.00%	\$2.35	0.00%	\$2.35	0.00%	N/A
Increase price of the one day pass	\$6.50	\$7.80	20.00%	\$7.80	20.00%	\$7.00	7.69%	\$277,612
Increase price of the weekly short trip pass	\$22.00	\$26.40	20.00%	\$26.40	20.00%	\$23.75	7.95%	\$83,032
Increase price of the weekly fast pass	\$32.50	\$39.00	20.00%	\$39.00	20.00%	\$35.00	7.69%	\$187,316
Eliminate the metro passport	\$15.00 - \$30.00							
Increase the price of the SmartStudent pass	\$22.00	\$26.00	18.18%	\$26.00	18.18%	\$23.75	7.95%	N/A
Increase price of transit link card on MARC and VRE	\$65.00	\$80.00	23.08%	\$80.00	23.08%	\$73.00	7.69%	N/A
Increase price of transit link card on MTA	\$110.00	\$135.00	22.73%	\$135.00	22.73%	\$120.00	9.09%	N/A
Increase the charge for DC student farecards/ 10 trips	\$6.50	\$8.00	23.08%	\$8.00	23.08%	\$7.00	7.69%	N/A
Metrobus Fares and Fees								
Increase cash boarding charge by 10 cents	\$1.25	\$1.35	8.00%	\$1.35	8.00%	\$1.35	8.00%	\$366,667
Increase cash boarding charge for express bus by 10 cents	\$3.00	\$3.10	3.33%	\$3.10	3.33%	\$3.10	3.33%	N/A
Boarding charge with SmartTrips remains the same	\$1.25	\$1.25	0.00%	\$1.25	0.00%	\$1.25	0.00%	N/A
Charge for senior / disabled remains the same	\$0.60	\$0.60	0.00%	\$0.60	0.00%	\$0.60	0.00%	N/A
After one year transition, bus-to-bus transfers issued on Smartcards only								
Extend bus-to-bus transfer period from two to three hours								
Increase all special fares by 25 cents	Varies	Varies	Varies	Varies	Varies			
Eliminate regional one day pass	\$3.00							
Price of the weekly flash pass remains the same	\$11.00	\$11.00	0.00%	\$11.00	0.00%	\$3.00	0.00%	N/A
Price of the weekly senior flash pass remains the same	\$6.00	\$6.00	0.00%	\$6.00	0.00%	\$11.00	0.00%	N/A
Price of the weekly disabled flash pass remains the same	\$6.00	\$6.00	0.00%	\$6.00	0.00%	\$6.00	0.00%	N/A
Eliminate regular Metrobus tokens								
Charge for DC student tokens remains the same	\$6.25	\$6.25	- 0.00%	\$6.25	0.00%	\$6.25	0.00%	N/A
MetroAccess Fares								
MetroAccess fare remains the same	\$2.50	\$2.50	0.00%	\$2.50	0.00%	\$2.50	0.00%	N/A
Supplemental zone fares remain the same	\$1.00 - \$4.00	\$1.00 - \$4.00		\$1.00 - \$4.00				
Parking Fees								
Increase parking fee by \$1.15	Varies	Varies	Varies	Increase \$0.75	20.00%	Increase \$0.50	13.33%	\$3,275,362
Increase monthly reserved parking fee by \$10.00 and add 3,500 spaces	\$45.00	\$55.00	22.22%	\$55.00	22.22%	\$55.00	22.22%	\$1,665,000
Increase the rate for parking meters to \$1.00 for 60 minutes	\$0.25	\$1.00	300.00%	\$1.00	300.00%	\$0.50	100.00%	\$122,222
Increase New Carrolton county garage base and surcharge fees	\$55.00/\$10.00	\$70.00/\$15.00		\$70.00/\$15.00		\$60.00/\$11.00	~8.00%	N/A
Extend the non-Metro parking fee to all Metrorail stations								
Eliminate the \$25.00 Redskins game day fee at Morgan Blvd. and Largo								
Other Fees								
Bicycle locker rental rate remains the same	\$70.00	\$70.00	0.00%	\$70.00	0.00%	\$70.00	0.00%	N/A
Increase contract and bus charter rates by 20 percent	Varies	Varies	Varies	Varies	Varies			

6 MONTH REVENUE TOTAL	\$15,101,169
18 MONTH REVENUE TOTAL	\$45,000,000

Blue = No Flexibility for 1/1/08 Fare Increase, i.e. no change advertised
 Green = Maximum Permitted per advertisement
 Purple = Assumes total current parking charge of \$3.75



[Home Page](#) > [News](#) > [Local](#) > [Virginia News](#) > Virginia Stories

Metro Loses Significant Ridership in Virginia

December 13, 2007 - 5:19am

[Adam Tuss](#), WTOP Radio

ALEXANDRIA, Va. -- Metro may be breaking records with ridership numbers, but a lot of those trips are not coming out of Virginia.

Documents prepared by the Northern Virginia Transportation Commission, and obtained by WTOP, show between Metro's 2006 and 2007 fiscal years, 12 of Virginia's 20 rail stations saw weekday passenger trips drop.

As a whole, weekday ridership numbers were down by more than 431,000 trips during that time period.

Even more troubling for the transit agency, some of the largest declines came at both "end of the line" stations, Vienna and Franconia-Springfield. Coupled together, those two stations totalled more than 285,000 fewer trips from the 2006 fiscal period to the 2007 period. Metro's fiscal year begins on July 1.

The figures are weighty because the transit agency will be deciding a fare hike Thursday. Metro Board members are concerned increasing fares could drive even more suburban riders away. It is known as elasticity, the point at which riders say taking Metro is too expensive, and decide to head to their cars instead. Metro Board members from the suburbs have been trying to find ways to lessen the impact on the riders they represent by lowering increases on parking and for longer rail trips.

"Gas may be over \$3 a gallon, but folks are already starting to give up on us," Metro Board member and Fairfax County Supervisor Dana Kauffman tells WTOP. "The fare increases will drop, but so are, in advance of any type of increase, our ridership numbers."

Three out of the four Metro stations in Alexandria saw weekday ridership decline. It happened to five of the 11 stations in Arlington and four of the five stations in Fairfax County as well.

(Copyright 2007 by WTOP. All Rights Reserved.)

[← Back](#)

Rick Taube

From: Rick Taube
Sent: Thursday, December 13, 2007 5:21 PM
To: 'Coombe.Mary@pbgc.gov'
Subject: FW: Ridership down in Northern Virginia

Ms. Coombe:

Thank you for sharing your thoughts on the crowded conditions on Metrorail and the Fairfax Connector. I will see that NVTC's board members and officials of those transit systems see your comments. We are hopeful that the new funds to be provided to this region beginning this January as a result of the General Assembly's HB 3202 (e.g., \$50 million annually for WMATA) will help provide increased capacity to relieve the overcrowding. We are sorry that you and other riders must experience such discomfort at the same time we are urging people to use transit to relieve congestion, save fuel and reduce air pollution. Best wishes for the holidays and thanks again for writing.

Rick Taube
Executive Director
Northern Virginia Transportation Commission
4350 N. Fairfax Dr. #720
Arlington, VA 22203
703-524-3322 x105
www.thinkoutsidethecar.com

From: Coombe Mary [mailto:Coombe.Mary@pbgc.gov]
Sent: Thursday, December 13, 2007 4:32 PM
To: nvtc
Subject: Ridership down in Northern Virginia

To whom it may concern,

I take the Fairfax Connector each morning to the West Falls Church Metro station and then take the Metro downtown. I then reverse the trip each evening. The reason ridership is down is probably because the busses and the trains are ALWAYS full and people can't even get on most days!! Each morning the Fairfax connector bus is standing room only and many have to wait for the next bus, so they decide to drive. When I get to West Falls Church, the trains are invariably full and its also standing room only. On the way home its worse! You can't even get on a train. At times I have waited for 3 trains to go by so I could get on! Of course people don't want to go through that and driving is the more civilized answer. I hope changes are coming because I continually contemplate driving so I don't have to fight these overcrowded conditions on public transportation.

Thank you for listening,
Mary Coombe

12/13/2007

Defined by Distinctiveness

Washington Metro

Photo courtesy of Oren's Transit Page

By Rich Sampson

Visitors to the Washington, D.C. region will often recount the details of their experience on the area's Metro rapid transit as much as they describe visiting its hallowed memorials, monuments and museums. They'll mention the Metro's comfortable railcars, or its station facilities that could easily be mistaken for the interiors of some of the area's most famous monuments. For the Metro, like its namesake city, there is nothing else quite like it anywhere in the nation.

And while these symbols of the Metro are outward representations of a much more complex transportation network, the system – now in its third decade of service – has always been defined by its distinctiveness. The prominence of unique elements such as the padded seats and

flashing lights that frame its station platforms, once needed to attract riders to a better way around the nation's capital, have now become the visible markers of the nation's second-busiest rail transit system. Here, a much more profound and substantial story is being told. Today, Metro's burgeoning ridership, surging rail-oriented development and a vision for the future are the true hallmarks of its uniqueness.

As residents of, and workers in the Washington region, this magazine's staff witnesses the magnitude of Metro's rail operation unfold on a daily basis. Our offices are located one block away from one of its busiest stations at Metro Center, while its Red Line trains rumble beneath our floors under G Street. Your author lives along the bustling Rosslyn-Ballston Orange

Line corridor in Arlington County and chose to live there based on the quality of life benefits it offers. RAIL's Editor was present in the early 1980s at many of the system's Red Line openings as the original service first made its way north from the District. Therefore, this lengthy look at Metro is as much an observational analysis stemming many years as it is a focused profile of one of the nation's most distinct rail systems.

Engaging the Washington Region

The Washington area rail network and its surrounding communities in Maryland and Virginia has always possessed an aura of uniqueness befitting its location in the capital city. The first horse-car line – which, unsurprisingly, connected Capitol

Hill with the White House along Pennsylvania Avenue beginning in July 1862 – was built to link into the same track gauge as the Baltimore & Ohio Railway, the nation's first railroad.

Soon after the advent of electric traction in Washington in 1888, the U.S. Congress, which then had complete administrative control of the District of Columbia, banned all overhead wiring downtown to maintain the aesthetic beauty of the capital city. This meant the streetcar companies had to create a new means to power their vehicles. They responded with a slot between the rails, which would carry electric current under the roadbed. Streetcars picked-up their power using a hook which hung underneath the cars – similar to how cable cars gripped their motive power. The city's streetcars would utilize that infrastructure as the system expanded to its height in the 1930s, experienced a brief revitalization with PCC cars, and finally saw its outright replacement with buses by 1958.

Within the Washington region, private transit companies had operated its streetcar, and later, its bus networks – entities such as Capital Transit, the Alexandria, Barcroft & Washington, and the Washington, Marlboro & Annapolis. But whether the mode was streetcar or bus, these carriers found slipping ridership and increasing costs on their routes during the mid 20th century, and gradually reduced service and abandoned some lines altogether.

In an effort to improve the economy of the region and revitalize downtown Washington, public officials from the federal government, the states of Maryland and Virginia, and the District of Columbia identified an improved transportation network as perhaps the most crucial aspect of regional revitalization in the 1950s and early 60s. Better travel options from more highways to enhanced bus service

were investigated, along with a concept that had been proposed in Washington for more than 50 years – a rapid transit system.

It took a vote of Congress and the signature of President Eisenhower to create the National Capital Transportation Act of 1960, which would establish a plan for the region's transportation system. The final report – stipulated by the Act – was issued to President Kennedy in November 1962 and recommended a massive re-envisioning of the network by coordinating new road infrastructure with better bus service and a newly constructed rail transit system. The plan called for the rail operation to include multiple routes underground in downtown Washington, with branches extending above-ground along railroad rights-of-way, highway medians and elevated structures reaching from the District into its suburbs in Maryland and Virginia. It recommended that a combination of investment from the Federal Government, Maryland, Virginia and the District be pooled to support the network.

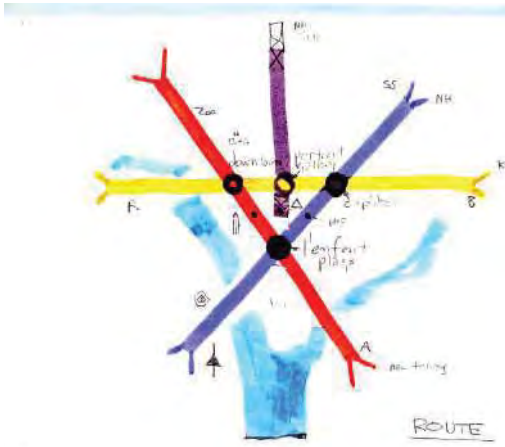
But before any action could be taken to secure funds and craft more specific designs for the system, there would need to be a governing

body created to ensure that all the entities and constituencies involved would find their positions represented. A group of leaders from the four key jurisdictions – the federal government, the states of Maryland and Virginia and the District of Columbia – met in late 1965 to hammer-out a compact on the issue. Their creation was an authority which would oversee all transit service in the region, collect the funds contributed by the four government sources, adopt formal plans for improvements, and manage the construction and implementation of new services. As a result, the Washington Metropolitan Area Transportation Authority (WMATA) was formed on February 20, 1967 after President Johnson signed legislation approving the Federal Government's involvement on November 6, 1966, while Maryland, and Virginia and the District did likewise on November 11 and November 22, respectively.

After more than a half-decade of proposals, debates and procedures, the Washington region had a publicly-led, comprehensive transit agency. While other cities and regions were also establishing public transportation entities around the same time, this one would be

Streetcars ply Pennsylvania Avenue and 15th Street alongside the U.S. Treasury Building.





Plans to serve the Capital area took numerous forms before settling on the current network.

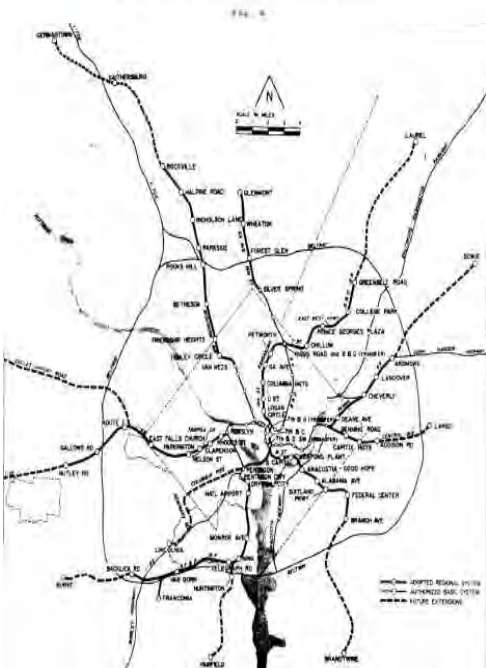
unlike any that had ever existed in the nation, considering it found the United States government, two states, an incorporated district and four counties all playing key roles in its functioning. Now, WMATA (pronounced: wuh-matta, locally) was tasked with an equally difficult mission – finalizing and implementing a plan for a new rail transit operation that would satisfy the needs and demands of such diverse constituencies.

the time, and rivaled those available during the first wave of rail transit construction in places like New York, Boston and Chicago. While the confluence of four jurisdictions hindered rapid progress in establishing a governing body, their ultimate alignment would render a total of more than \$4.5 billion to support the system’s construction. Not surprisingly, planners had little trouble sketching-out a series of lines that would easily satisfy all the project’s backers, concentrating all the routes to serve downtown Washington, while striking out in multiple directions to neighborhoods and communities in the District, Maryland and Virginia. The route design would make use of new rapid transit concepts available at the time, by placing tracks along the same rights-of-way used by active railroads, and in the middle of – or alongside – highways and other roadways, to compliment more traditional settings such as subway tunnels and elevated structures. In all, planners decided on a network that would include four different routes through downtown and nine branch lines reaching to Rockville and Wheaton in Montgomery County, Greenbelt, Benning Road and Branch Avenue in Prince George’s County, the Huntington neighborhood in the City of Alexandria, and Franconia and Vienna in Fairfax County. The District and Arlington County would see service on multiple routes in their vicinities. Combined, the system would extend over 97 miles and serve 81 stations.

Controlling Uniqueness

When WMATA officials set out to design a rail transit system for the region in the mid-60s, its leadership was presented with an opportunity it was determined not to waste. There had been few new rapid transit networks built since the early part of the century – the Bay Area Rapid Transit in Northern California network was being planned around the same time, but the most recent system to open was Cleveland’s Red Line in 1955. As a result, a plethora of new technologies and concepts for rail transit existed that would allow the new system to establish new trends and break new ground. Meanwhile, the inherent significance of creating a transit network in the nation’s capital tasked the system’s planners to design for a grandeur befitting the city, much as Congress had insisted on a capital vista bereft of wires and obstructions almost a century earlier. Indeed, President Johnson set the bar high with a letter to planners in January 1966 instructing them to “search worldwide for concepts and ideas that can be used to make this system attractive as well as useful. It should be designed to set an example for the Nation, and to take its place among the most attractive in the world.”

While planners and engineers worked on where trains would go, another team of WMATA officials considered the ethos of the new network. Taking their cue from President Johnson’s directive, they studied every detail that would constitute the system – from the maps to the train cars. Although a strong and profound identity for the service was a key goal, its ultimate



Maps courtesy of the Zachary M. Schrag collection

“Search worldwide for concepts and ideas that can be used to make this system attractive as well as useful. It should be designed to set an example for the nation, and to take its place among the most attractive in the world.”

– President Lyndon Johnson

success would be determined by one factor – its ability to attract riders. Since the collective region had little to no history with a mass transit network and nearly all commuting was conducted via private vehicles, the new service would have to provide a compelling reason to lure passengers from their cars. To do so, the planners determined that it would need to exceed the common expectations of subways at the time. Moreover, the region hosted a large number of visitors to the nation’s capital every year, and the system was aimed to be a key means of moving them to their destinations. That would require a degree of simplicity and universality in its fundamental design. For both groups of passengers, stations and vehicles must be attractive, clean and easy-to-navigate spaces, with understandable fare structures and routing options. Additionally, while the geographic location of a given station was crucial to generating riders, its interaction with its surrounding neighborhood

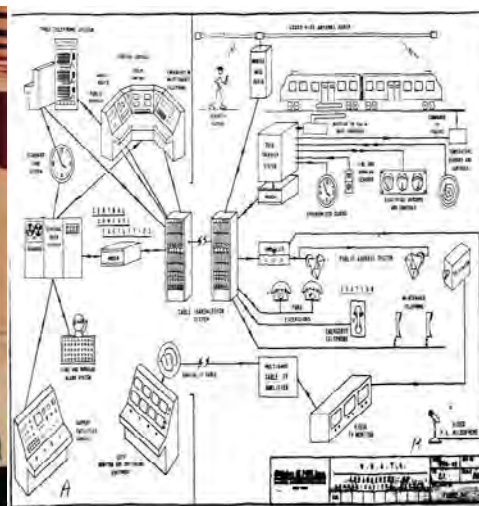
and community – in terms of parking facilities, pedestrian access and connection to area housing, retail and attractions – was just as important.

Meanwhile, an architectural team tasked by governmental leaders and WMATA to envision the system’s stations returned with a singular, iconic statement for the system’s stations – underground facilities would feature train wide platforms positioned under a vaulted ceiling – inspired by Washington’s Union Station – with copious amounts of open space, and illuminated by indirect lighting. The concept was a direct response to common understandings of subway stations as dirty, claustrophobic places with garish light. Additionally, while historic subway systems could mostly be accessed only by stairs and ramps, the elevator and escalator technology that had evolved since then would be installed in all stations – allowing for easier movement for people with disabilities as well as the general

ridership. Every underground station in the system would be the same, and intended to reinforce to visitors and commuters alike their presence in the capital city. The same themes would be applied to outdoor stations as well. For added flair, railroad engineers recommended utilizing the technology that allowed railroad crossings to warn the advance approach of a train, which led to a band of lights on the edge of the station platform that would flash when a train was approaching – an especially beneficial element in underground stations.

Likewise, the design of train cars was afforded the same level of scrutiny. They would be long and wide – measuring 75 feet end-to-end and 10 feet across – offering plenty of room for riders to move around. And although each car would feature 81 seats and room for a crush load of 175 passengers, each seat would be softly padded and covered, with armrests, handrails and indented seatbacks for additional knee and leg room, all to yield a more enjoyable

WMATA officials conjured up a number of innovative station, vehicle, and infrastructure concepts during the design process.



Images courtesy of the Zachary M. Schrag collection



Photo courtesy of the Zachary M. Schrag collection

The Red Line station at Union Station was under construction in early 1970s, with the Capital Dome in the background.

ride for some commuters venturing on long trips from terminal stations. Additionally, the floors of the cars would be covered with thin, fireproof carpeting, to not only enhance the vehicles visually, but also offer riders better traction while moving and prevent slippery tiles from wet shoes.

The system's routing design would include five simple, color-coded lines – Red, Yellow, Green, Orange and Blue – and each line would at least link communities in Maryland or Virginia to downtown Washington, while several would link Virginia and Maryland directly through the District, such as the Orange Line spanning from Vienna, Va. in the west to New Carrollton, Md. in the east. A passenger could reach one station from any other in the system with a maximum of one transfer of trains.

After receiving resounding praise for the system's innovative design from its federal, state and local supporters, WMATA was ready to begin construction. But a project this massive in scope and significance demanded precision. The Authority's leaders tabbed Major General Jackson Graham – then-head of the U.S. Army Corps of Engineers – to shepherd the effort to completion as General Manager. Graham and

his staff oversaw a workforce of ___ at its height, from tunnel-diggers and tile-layers to railbed-graters and elevator-installers. Construction began in August 1969. A project of this magnitude ran the risk of becoming unwieldy, but Jackson's focus and experience brought an operating philosophy that grounded its prospects for success.

“Manage by example,” Graham said in 1974. “Be fair, firm and human. Avoid bombast and rhetoric. Follow modest habits. Encourage cooperation and good feeling between offices and individuals. Step on bureaucratic jealousies. Set standards for all activity from paperwork to construction, and require correction often enough to sustain them.”

Work ultimately stretched more than 21 years, from August 1969 until the final segment of the Green Line was completed in January 2001. Graham retired in January 1976, two months before the first trains began rolling on March 27, 1976 in the year of the nation's bicentennial. The system would receive a brand name – Metro – indicating its connection of the metropolitan Washington region. Those first trains began service on the Red Line between Rhode Island Avenue and Farragut North in the District. Meanwhile, WMATA had purchased the operations of all the region's private bus operations by 1973, creating Metro Bus. At long last,



The last of the system's stations, and thus its completion, was finished in 2001.

a comprehensive transit system for the nation's capital had come to fruition.

Moving Millions

In the 31 years since Metro's first trains hit the Red Line, the system has been a bastion of growth. It gradually added miles and stations through the 1970s, '80s, and '90s to fill-in its 97-mile original network plan. But those additions are only the underpinnings that make possible a far more important measure of growth – ridership. From a region that – prior to 1976 – had no rapid transit service since 1958, Metro rail carried an average weekday ridership of more than 700,000 in 2007. And growing. That's good for the second highest daily passenger count in the nation – behind only New York City's five million daily riders.

Surely, the opening of new route miles and stations is responsible for the bulk of the system's ridership base. However, Metro's passenger numbers have expanded at a staggering rate in the last five years, well after the system included its last major addition – the completion of the Green Line between Anacostia and Branch Avenue in January 2001. This surge added to an already significant ridership foundation around 500,000. What might explain this crescendo of volume?

It is easy to point to the region's crushing congestion as a chief factor. A 2007 study ranks the Washington region the 2nd worst area in the nation for tie-ups on highways and roads, trailing only Los Angeles. Metro's completely grade-separated rail system operates independently of the road network and can't be slowed by disruptions on highways such as I-95, I-270 or the infamous Beltway (I-495), or the rigid downtown Washington street grid.

However, more subtle and less volatile forces also play a significant role in attracting more riders. Washington maintains a uniquely large and consistent base of employees working for the



The vaulted ceilings create the intended effect: this is a substantial system.



The system sits above ground in Virginia's Fairfax County alongside I-66, just outside the Beltway.

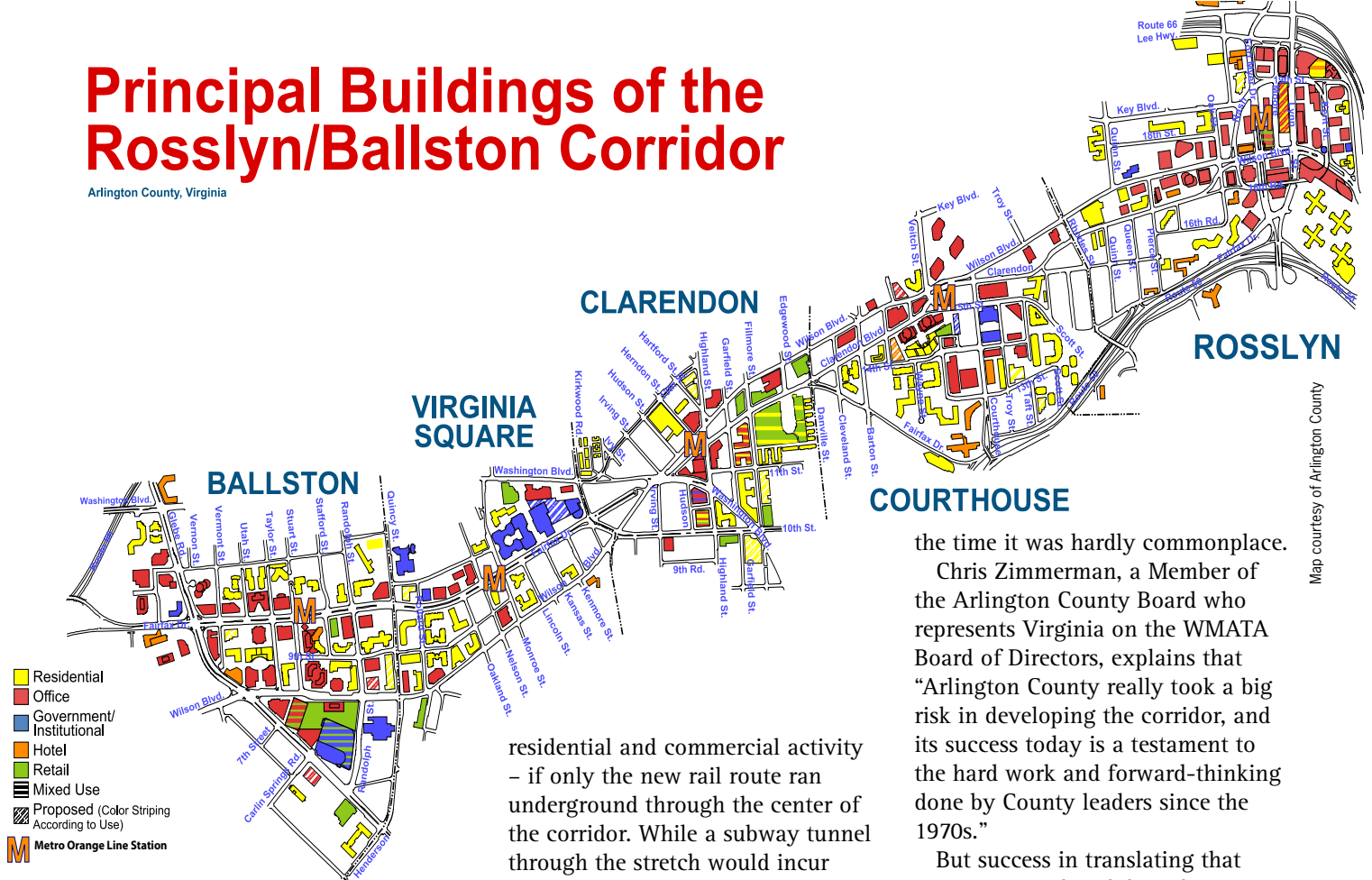
Federal Government in downtown Washington and its immediate vicinity. Meanwhile, hundreds of thousands of contractors, non-profit organizations and law firms, among other ancillary businesses and organizations doing government-related work, yield a permanent and predictable source of jobs and activity in the region. Since its inception, Metro has captured an increasing share of these commuters as the system has become more familiar and ingrained in the area's identity. The Federal Government even contributes a portion of their employees' fare costs to ride Metro,

while many other firms and agencies have followed suit. This has made Metro trains and buses a more attractive alternative to the region's clogged byways.

Additionally, the Metro rail network possesses a valuable trump card in its ability to lure passengers – its ability to shape land use and development patterns. Due to the large volume of passengers that the Metro system can accommodate, any one of its stations can handle tens of thousands of riders every day. That makes them natural venues of activity in a given neighborhood or area. This, in turn, makes any

Principal Buildings of the Rosslyn/Ballston Corridor

Arlington County, Virginia



Map courtesy of Arlington County

residential, retail or service-oriented locations nearby more convenient, useable and, ultimately, more valuable. In a self-fulfilling prophecy, more riders are attracted by an active Metro station.

Nothing Draws a Crowd Like a Crowd

During the design phase, planners originally mapped out the Orange Line to parallel a new highway that was being constructed through North Arlington – I-66 today – from Rosslyn on the Potomac River all the way through to Vienna in Fairfax County. However, as Arlington County officials reviewed the proposals, their opinions differed from the planners. They identified that the heart of North Arlington, neighborhoods such as Rosslyn, Clarendon and Ballston, would be underserved by a line next to the highway. Instead, they argued that they could achieve a massive revitalization of these communities with greater land density and more

residential and commercial activity – if only the new rail route ran underground through the center of the corridor. While a subway tunnel through the stretch would incur appreciably higher costs than an above ground alignment near the thruway, county leaders explained that the alternative plan would be justified long-term with higher ridership and greater property tax dollars they could use to support the system’s operations.

The WMATA Board of Directors agreed with Arlington County, and instructed engineers to work instead on the subway route. The new line included stations in Rosslyn – a growing urban hub – Court House, Clarendon, Virginia Square and Ballston, beneath 2.63 miles of Clarendon Boulevard and Fairfax Drive. The stations opened on December 1, 1979. But work for Arlington County leaders and planners was only beginning. With Metro service now realized to these areas, they moved to leverage the investment it offered by changing zoning laws, updating land-use plans and offering incentives around the stations to encourage development. Although this practice might appear to be de-facto in today’s transit-oriented-development universe, at

the time it was hardly commonplace.

Chris Zimmerman, a Member of the Arlington County Board who represents Virginia on the WMATA Board of Directors, explains that “Arlington County really took a big risk in developing the corridor, and its success today is a testament to the hard work and forward-thinking done by County leaders since the 1970s.”

But success in translating that vision into reality did not happen immediately. To build momentum, Arlington planners developed relationships with housing developers, business coalitions and community groups to explain the potential of the new subway. Steadily, restaurants and small residential projects opened near stations in the corridor. Small retail shops and services followed. By the late 1980s, a healthy commercial district was established in North Arlington. Although they were encouraged by the results, County leaders expected more.

In the early 1990s, planners and county business development teams worked directly with investors to coordinate large development projects in the area. Approval was granted for a series of high-rise condominium and apartment buildings to take advantage of the region’s strong real estate market. Meanwhile, substantial commercial developments brought mixed-use retail and residential activity at locations such as Clarendon Station between the Clarendon and Court



Photos by Rich Sampson

The Rosslyn-Ballston Orange Line Corridor is a textbook study in rail-oriented development, as seen here at the Ballston (left) and Court House (right) stations.

House Metro stops, and Ballston Common, adjacent to the Virginia Square and Ballston stations. With that, the race to grab a piece of the Orange Line corridor real estate action was on.

Between 1979 and today, the five stations have spurred more than \$9 billion in development, including 22.5 million square feet of office space and 3 million square feet of retail activity. Most significantly, while the corridor represents 7.6 percent of the county's land area, it produces more than 32 percent of its property taxes. Equally as important, Arlington County also boasts the lowest real estate tax rates in the region.

"Arlington's approach to focusing transit-oriented development around its Metro rail stations has been central to the county's economic health," said Dennis Leach, Director of Transportation for Arlington County. "This approach has allowed Arlington to continue to expand its tax base, expand local services and invest in the conservation of existing neighborhoods."

Indeed, while Metro provided the railcars that drove the progress of North Arlington, even WMATA officials credit the hard work of the County as the linchpin of the line's success.

"While moving Metro underground instead of along I-66 allowed for a greater impact of the service between Rosslyn and Ballston, it was truly the initiative and effort of Arlington County – its leaders and planners

– that made it the success that it is today," says Nat Bottigheimer, Metro's Assistant General Manager for Planning and Joint Development.

Today, the Orange Line route in Arlington County is cited as a preeminent case study in transit and rail-oriented development. But the mindset that spurred its prosperity has found similar utility in other communities and corridors throughout the Metro system. At King Street in Old Town Alexandria, Silver Spring and Bethesda in Montgomery County, and Gallery Place-Chinatown, U Street-Cardozo and Columbia Heights in the District, Metro-oriented development projects are flourishing, bringing more riders to the system and contributing to tax-driven revenues to their respective jurisdictions.

For Metro, the work is just beginning. "We need to continue to build our commitment to development around our stations," Bottigheimer says. "Keep your eyes on projects near the Branch Avenue, New York Avenue and Franconia-Springfield stations, as we help to make more Metro stations instruments of development for their surrounding areas."

Focus on Operations

As much as Metro is still identified by its passenger-friendly design, and enhancing its reputation through focused development, the contemporary system is best understood by the immense number

of riders it moves on a daily basis. Clearly, the central mission of the early days of the network has been accomplished – developing its ridership base. The case has been made and accepted by the region at-large that Metro is a reliable and effective way to traverse the metropolitan area. Now, could it become a victim of its own success?

"We're preparing for the day where we carry one million riders in a single day," says Metro's Assistant General Manager for Rail Gerald Francis. "The focus of Metro has changed from the days when we needed to lure people from their cars. We need to provide all our riders the best service possible."

That is no small task. To move hundreds of thousands of people every weekday, 134 trainsets move across the system, which takes 800 railcars driven by 551 train operators, controlled by 31 dispatchers, kept in working order by 734 maintenance personnel, and marshaled by 525 station managers. In short, Metro must orchestrate a battalion of more than one thousand transit professionals who ensure the system works as well as possible.

"We don't live an ideal world, and it's incredibly difficult to have a perfect day, especially on a system of this size," explains Francis. "But our employees do a fantastic job. They're responsive and dedicated to getting people from point A to point B."

After three decades of service, the system is beginning to show its

age. Work to upkeep the network's fleet of 230 elevators and 588 escalators – especially those at above-ground stations battered by rain and snow – is needed often, while train cars experience problems with doors, brakes and heating and air conditioning units. At the same time, track switches, third rails and automatic train control functions all are showing signs of wear. For a period in the 1990s, preventative maintenance projects were deferred in an effort to control costs. Delays and backlogged maintenance is a direct result.

WMATA and Metro are now actively working to make the case that sustaining the system now is just as crucial to the region's vitality as was its undertaking its initial construction. Congressman Tom Davis, who represents Fairfax County (Va.) in the U.S. House of Representatives, has proposed legislation to deliver \$1.5 billion over a decade to support Metro operations and maintenance. The only condition is that the District and the states of Maryland and Virginia must contribute an equal amount of local funds to match the federal investment.

"The federal government relies on Metro for its workforce to commute,"

Metro's not done: A connection to Dulles Airport is moving forward.

says Davis. "It's time that Metro receive dedicated funding so it can do the planning and infrastructure work needed to maintain it as one of the top transit systems in the world."

"I know it isn't as inspiring to the leaders and the public as building new tracks and stations, or planning expansions, but we need to focus on maintaining the excellent system we have now," says Francis. "Metro has always set the bar high for transit across the nation, and we have to live up to those standards. I think our daily ridership justifies that kind of commitment."

Out and Around

While WMATA leaders and area officials work to enhance investments available for operations and maintenance, planners continue to scope-out new ways for Metro to serve the region. Plans are already moving forward to build and initiate a wholly new line in northern Virginia, to connect with the existing Orange Line at East Falls Church and extend 23 miles out to Washington-Dulles International Airport in Loudon County.

When a new highway connecting I-66 to Dulles Airport was constructed along with the airport

in 1962, a wide median was included with the intent of one day hosting rapid transit trains. Through a combination of over \$2.1 billion in federal, state and local investment, the first segment of the Silver Line route to the Airport – and beyond – is in its final stages of engineering. An official groundbreaking is expected this fall, and Metro trains are planned to reach Wiehle Avenue in Reston in 2013 and connect to Dulles and Route 772 in Loudon County by 2015. Although a substantial number of its riders are expected to head inbound to downtown Washington and other communities in the region, a significant amount are also anticipated to travel outbound to Tysons Corner, Reston, Herndon and Dulles, where job opportunities are plentiful. For the first time, WMATA and Metro will not lead the construction effort, but instead will be key technical advisors to the Metropolitan Washington Airports Authority, who will build the line. The Authority owns and oversees Dulles Airport and the highway.

"We've marked a very large step toward the fulfillment of a longstanding vision – not just linking the airport to the region via Metro rail, but to make that same rail service available to all the residents and businesses in the corridor," said James Bennett, President and Chief Executive Officer of the Metropolitan Washington Airports Authority.

Still, Metro rail does not offer service everywhere in the region. When routes were originally sketched-out in the 1960s and 70s, planners proposed a stop on the Orange and Blue lines in the popular Georgetown district in northwest Washington. However, community opposition – fueled by a fear of the system's ultimate success and potential negative consequences of rapid transit – derailed hopes of a station in that area. Today, many Georgetown business leaders and residents wish they had better access to the Metro network.

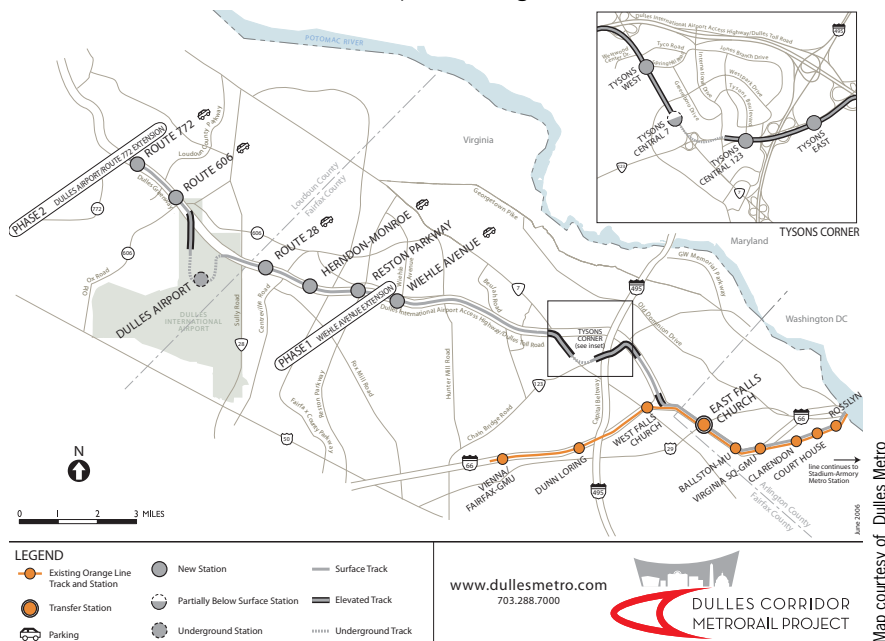




Photo by Rich Sampson

The Dulles Airport Silver line will branch off the current Orange Line route near this location in Arlington.

Presently, the Silver Line marks the only significant Metro rail extension project likely to emerge in the coming decades. However, the states, counties and cities in the region also envision other passenger rail services to complement the existing system. Among these, the District of Columbia is in the process of constructing an initial streetcar service in Southeast Washington to be centered around the Anacostia Green Line station. That route is expected to open for passengers in spring 2008. The District also has a more expansive vision of additional streetcar routes throughout the city, running along Georgia Avenue and 7th Street between the Silver Spring and Waterfront stations and from Georgetown along K Street and New York Avenue to Minnesota Avenue on the Orange Line.

Another remaining drawback of the system's initial design is an inability to move traffic around, but not through the District of Columbia. Planners originally envisioned a ridership base primarily focused on needing to reach downtown Washington from outlying areas. As a result, they designed a hub-and-spoke network of routes concentrating rail traffic into the city. But since then, suburban communities in Maryland and Virginia have grown to an extent

where much of the region's travel bypasses downtown altogether. Those trips are not ideally served by Metro, as nearly all such travel would require passing through one of the transfer hubs downtown.

Due to this, the state of Maryland is developing plans to link Metro lines in Montgomery and Prince George's counties via a light-rail route, connecting the Red Line branches at Bethesda and Silver Spring with the Green Line in College Park and the Orange Line at New Carrollton. This so-called Purple Line would create approximately one quarter of a circumferential rail route around the hub-and-spoke Metro system that exists today, mirroring the city's famously congested Beltway. The full realization of an entire loop around the network has yet to move beyond preliminary designs. Maryland is also considering a light-rail route extending from the end of the Red Line at Shady Grove to the Montgomery County communities of Gaithersburg and Germantown. Likewise, Virginia is formulating plans to build a light-rail service along Columbia Pike in south Arlington, from the Pentagon City station west to Bailey's Crossroads.

While expansions of stations and tracks mark important projects for Metro's future, it also anticipates more incremental enhancements of

its service. WMATA is completing plans for pedestrian tunnels to connect the Metro Center and Gallery Place-Chinatown stations along with those at Farragut North and West. These will allow for easier connections between lines for passengers and reduce congestion at stations. Additionally, the system is phasing-in deployment of new designs of railcar interiors that offer more space and better layout to accommodate the often-packed trains during peak hours. New technologies already provide real-time information to riders, through trip-planning on Metro's website, service announcements to email and personal data devices, and information signs on every station platform indicating train arrival times and train lengths.

"While we'll probably never again see projects the size and scope of the original Metro system implemented all-at-once, we still very much intend to always improve the service for our riders and make Metro more useable and efficient," says Metro's Francis.

Setting An Example

Not much in the Washington region could ever be considered ordinary. Its role as the nation's capital is an inherent source of distinctiveness. The same is true for its rapid transit system, the Metro. Envisioned with lofty goals and constructed with unique attributes, Metro's greatest distinction is its standing as the nation's fastest-growing rail transit operation. All of this seems entirely in keeping with the mission established for it by President Johnson 40 years ago to set an example and become the most attractive rail system in the world.

That mission is not lost on Gerald Francis and his colleagues at Metro, as he explains that, "we must strive to be nothing less than the very best transit system in the nation." **R**



historic t/es

Washington's Metro system was still more than 35 years from reality when this photo of two Capital Transit streetcars was taken in 1940. Notice the intricate lattice of trackwork necessary due to the system's use of third rail power. The location of this image at 14th & G Streets, NW in downtown Washington is significant for a couple reasons. First, Metro's Red Line now curves underneath this intersection, between Farragut North and Metro Center stations, the later of which is now one block down G street, to the right side of this picture. Additionally, the building shown in the upper left - the Colorado Building - is RAIL Magazine's home.



Finance, Administration and Oversight Committee

Information Item IV-B

December 13, 2007

Indexed Fare Policy

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

Action

Information

MEAD Number:

Resolution:

Yes No

PURPOSE

To present the Board of Directors with information on an Indexed Fare Policy to guide future fare increases for Metro.

DESCRIPTION

An Indexed Fare Policy would lead to more stable and predictable budgeting for Metro, our customers, and the jurisdictions. An independent economic index could be used to determine Metro's Transportation Index. Staff has been working with economists to develop this index which would be linked to transportation cost drivers rather than the Consumer Price Index which reports inflation for households. However, economists consulted about this index have concluded that no existing economic measures correlate well to recent (FY00 – FY07) Metro operating budgets.

IMPACT ON FUNDING

A fare policy, based on regular fare increases would be beneficial to Metro, our customers and the jurisdictions. Budget forecasting and revenue assumptions would be enhanced due to better understanding of rider behaviors leading to price setting that maximizes ridership and system utilization.

RECOMMENDATION

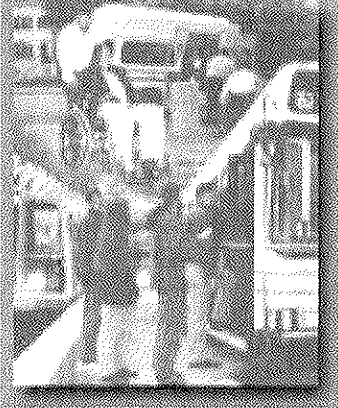
It is recommended that the Board of Directors look at future fare increases based on the most commonly recognized economic indicators in addition to adjustments tailored to specific transportation cost drivers.

Indexed Fare Policy

Presented to the Board of Directors:

**Finance, Administration and Oversight
Committee**

December 13, 2007





Indexed Fare Policy

- **Fare increases have historically occurred due to budget constraints**
- **Often occurring during downturns in the local economy**
- **Irregularly timed fare increases tend to be relatively large – “catch up”**
- **Transit customers have little time to plan and budget for them**



Indexed Fare Policy

- **A Board policy on future fare increases would lead to:**
 - **More stable and predictable budgeting for Metro, Metro's customers and the jurisdictions**
 - **Smaller future fare increases**
 - **Better understanding of rider behaviors**
 - **Better ability to set prices that maximize ridership and utilization of the existing system**



Indexed Fare Policy

- **Staff has been working with economists to develop a “Metro Transportation Index”**
- **Concern was that measures such as CPI (the Consumer Price Index) report inflation for households, not for transportation organizations**
- **Goal was to pick sub-sections of known economic indicators to track energy, labor, insurance costs...cost drivers in Metro’s budget**
 - e.g., **Producer Price Index**
 - CPI energy and transportation components**
 - Employment Cost Index**



Indexed Fare Policy

- **Conclusion from the economists:**
 - **Index becomes very complicated to track, predict and explain**
 - **Existing economic measures do not correlate well with recent budgets**

Reasons:

Rail system expansion

Rail fleet expansion

Bus service changes + and -

Impact of 9/11

Paratransit Growth

Technology changes



Indexed Fare Policy

- **Recommendation:**
Use the most commonly recognized economic indicator + an adjustment factor
- **CPI x 2**
- **In general, excluding costs for expansion, Metrorail and Metrobus expenses have grown at 6% to 7% annually since FY1999**

(see appendix)



Indexed Fare Policy

Proposed Board Policy:

- **Indexed costs grow at 2X CPI**
- **Revenue grows naturally:**
 - Ridership growth
 - Non-Passenger revenue growth (Advertising, fiber optics, etc)
- **Policy of “Constant Cost Recovery” maintains balance between riders and non-rider**
 - Proposal is to maintain 57%**
- **Fare Increases programmed annually in future budgets to create predictable results for the customers and jurisdictions**



Indexed Fare Policy

Example:

- a. Constant Cost Recovery of 57%
- b. Expenses indexed at 2X CPI
- c. 2% revenue growth assumed (prior to fare increase)
- d. Annual fare increase =

	Base Year-0	Year-1	Year-2	Year-3	Year-4	Year-5	
Revenue	\$625	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	
Expense	\$1,100	\$1,166	\$1,236	\$1,310	\$1,389	\$1,472	Indexed Increases
Cost Recovery Ratio	57%	57%	57%	57%	57%	57%	

\$ Millions

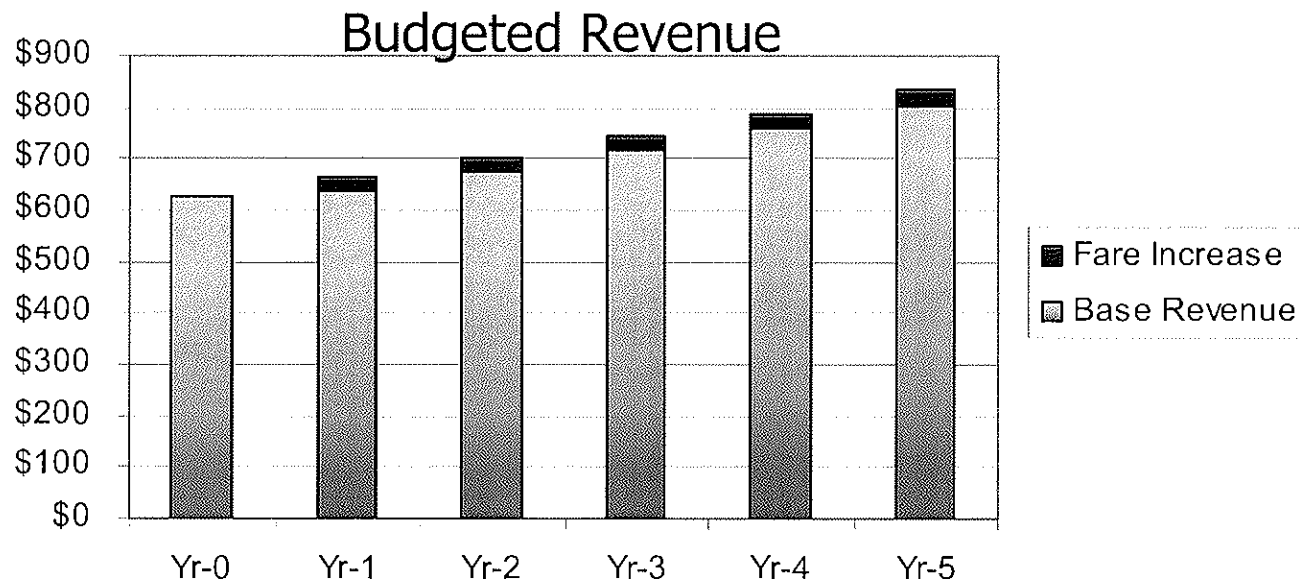
Note:

Fare increases implemented out of sync with fiscal year require additional increase in year-2



Indexed Fare Policy

Result: Small and predictable fare increases



	Base Year-0	Year-1	Year-2	Year-3	Year-4	Year-5	
Revenue	\$625	\$638	\$676	\$716	\$759	\$805	
		<u>\$25</u>	<u>\$27</u>	<u>\$28</u>	<u>\$30</u>	<u>\$32</u>	← Policy Based Fare Increases
		\$663	\$702	\$744	\$789	\$836	
Expense	\$1,100	\$1,166	\$1,236	\$1,310	\$1,389	\$1,472	
Cost Recovery Ratio	57%	57%	57%	57%	57%	57%	

\$ Millions



Indexed Fare Policy

Appendix



Indexed Fare Policy

Annual Budget Changes

	Base Year-0	Annual Change				
		Year 1	Year 2	Year 3	Year 4	Year 5
Revenue Base		\$13	\$13	\$14	\$15	\$16
Fare Increase		<u>\$25</u>	<u>\$27</u>	<u>\$28</u>	<u>\$30</u>	<u>\$32</u>
Total Revenue	\$625	\$38 6%	\$40 6%	\$42 6%	\$45 6%	\$47 6%
Expense	\$1,100	\$66 6%	\$70 6%	\$74 6%	\$79 6%	\$83 6%
Subsidy	\$475	\$28 6%	\$30 6%	\$32 6%	\$34 6%	\$36 6%

\$ Millions



Indexed Fare Policy

U.S. CPI-U all items tend to increase 3% to 4% annually
 Sub-components of CPI grow differently
 Weighted averages can be applied to Metro expense line items

CPI Category	CAGR	Metro Expense Budget	Metro Inflation
All Items	4.1%	Labor Cost	\$610 \$25
Health Insurance	7.3%	Fringes	\$212 \$15
Natural Gas & Electricity	6.4%	CNG/Train Power	\$74 \$5
Fuel & Oil	12.9%	Diesel	\$30 \$4
Goods & Services	7.0%	Non-Personnel	\$179 \$13
		<u>\$1,105</u>	\$62 = 6% Weighted Average CAGR

CAGR Compound Annual Growth Rate



Indexed Fare Policy

Series Id: CUUR0000SA0
 Not Seasonally Adjusted
 Area: U.S. city average
 Item: All items
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	159.1	159.6	160	160.2	160.1	160.3	160.5	160.8	161.2	161.6	161.5	161.3	160.5
1998	161.6	161.9	162.2	162.5	162.8	163	163.2	163.4	163.6	164	164	163.9	163
1999	164.3	164.5	165	166.2	166.2	166.2	166.7	167.1	167.9	168.2	168.3	168.3	166.6
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174	174.1	174	172.2
2001	175.1	175.8	176.2	176.9	177.7	178	177.5	177.5	178.3	177.7	177.4	176.7	177.1
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181	181.3	181.3	180.9	179.9
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185	184.5	184.3	184
2004	185.2	186.2	187.4	188	189.1	189.7	189.4	189.5	189.9	190.9	191	190.3	188.9
2005	190.7	191.8	193.3	194.6	194.4	194.5	195.4	196.4	198.8	199.2	197.6	196.8	195.3
2006	198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6
2007	202.4	203.5	205.4	206.7	207.9	208.4	208.3	207.9	208.5	208.9			
CAGR=	4.1%												
Proof ->	0.0%												
	127.23%												
	127.26%												

Series Id: CUUR0000SAT
 Not Seasonally Adjusted
 Area: U.S. city average
 Item: Transportation
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	145	144.8	144.9	144.8	144.4	144	143.7	143.8	144.3	144.5	143.9	143.2	144.3
1998	142.7	142.1	141.4	141.5	142	141.7	141.8	141.2	140.7	141.3	141.5	140.7	141.6
1999	140.4	139.8	140.6	144.3	144.2	143.4	144.7	145.7	146.5	147.3	147.6	148.3	144.4
2000	148.3	149.7	153.4	152.9	153.1	155.7	155	153.2	154.7	154.4	155.2	154.4	153.3
2001	154.4	154.9	153.9	156.1	159.2	158.3	154.4	153.3	155.5	152.3	150.2	148.5	154.3
2002	148.6	148.4	150.5	153.7	153.8	153.4	153.7	153.9	154	154.9	155.2	154.2	152.9
2003	155.5	158.9	161	159.3	157.2	156.8	156.8	158.3	159.4	157.1	155.7	154.7	157.6
2004	157	158.8	160.5	161.8	165.2	165.7	164	162.9	162.9	166.4	167.2	164.8	163.1
2005	164	166.1	168.8	173.2	172.1	171.8	174.4	177.7	186.5	184	175.6	172.7	173.9
2006	175.9	175.8	177.4	184.1	187.6	187.3	189	188.5	180.6	174.8	173.9	175.4	180.9
2007	174.5	174.8	180.3	185.2	190	189.1	187.7	184.5	184.5	185			
CAGR=	3.1%												
Proof ->	0.0%												
	120.32%												
	120.31%												



Indexed Fare Policy

Series Id: CUUR0000SAM2
 Not Seasonally Adjusted
 Area: U.S. city average
 Item: Medical care services
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	236.3	237.1	237.7	238.1	238.5	238.7	239.2	239.8	240	240.5	241.2	241.8	239.1
1998	242.9	244.2	244.8	245.4	245.9	246.5	247.4	248.2	248.4	249	249.3	249.6	246.8
1999	251.3	252.6	253.1	253.5	254	254.6	255.5	256.2	256.6	257.1	257.7	258.5	255.1
2000	260.1	262	263.2	263.9	264.4	265.6	266.7	268	268.7	269.4	269.8	270.4	266
2001	273	274.9	275.9	276.8	277.3	278.3	278.9	280.5	281	282	283	283.5	278.8
2002	286.2	287.7	288.9	290.2	291.2	291.7	293.8	294.7	295.2	297.1	298.5	299.4	292.9
2003	300.8	302.3	302.6	303.1	304.2	305.2	306.4	307.2	308.2	309.1	310.6	311.9	306
2004	313.8	316.6	318.4	319.2	319.8	321	322.3	323.1	323.7	324.8	326	327.3	321.3
2005	329.5	332.5	334.3	335.2	335.9	336.3	337.8	337.3	337.9	339.7	341.7	342	336.7
2006	342.9	346.1	348	348.8	349.7	350.3	351.2	352.1	352.7	354	355.6	356	350.6
2007	359.8	363.9	365.2	366.1	367.1	367.8	370	371.5	372.4	374.8			
CAGR=	7.3%												
Proof ->	0.0%												
	152.25%												
	152.27%												

Series Id: CUUR0000SAG
 Not Seasonally Adjusted
 Area: U.S. city average
 Item: Other goods and services
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	220	220.7	221.4	222.7	223.1	223.1	223.5	225.7	228.1	229.4	229.9	230.1	224.8
1998	231.3	233.1	232.4	234.7	236.7	236.4	237.8	238	240.4	241.3	240.5	250.3	237.7
1999	255.4	255	253.3	256.1	255.8	255.9	258.3	257.6	262.6	263.2	263	263	258.3
2000	264.7	266.7	268	271.9	270.2	269.6	272.2	271.6	274.7	273	276.2	274	271.1
2001	275.9	277.2	277.7	281.3	280.2	281.2	285.8	283.3	287.8	285.6	289.2	286.4	282.6
2002	287.2	290.2	288.5	292.9	291.5	294.4	294.5	295.9	297	295.4	295.6	295.8	293.2
2003	296.5	297.5	297.3	298.1	298.1	298.1	299.2	299.6	299.9	300.2	300	300.2	298.7
2004	301.4	302.3	303.1	303.6	303.8	304.1	305.1	305.5	306.3	306.8	307	307.8	304.7
2005	309.3	310.8	311.2	311.6	312.5	312.5	314.1	314.4	315	315.3	316.2	317.3	313.4
2006	318.2	319.1	320	320	320.2	321.5	321.2	321.7	323.3	324.3	324.3	326.7	321.7
2007	329.2	330.5	331.1	331.7	332.8	333.4	333.4	333.3	334.8	335.7			
CAGR=	7.0%												
Proof ->	0.0%												
	149.64%												
	149.65%												



Indexed Fare Policy

Series Id: CUSR0000SEHF
 Seasonally Adjusted
 Area: U.S. city average
 Item: Gas (piped) and electricity
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	126.4	126.7	125.4	124.7	123.5	124.7	124.5	123.8	125	125.2	126.5	124.1	
1998	123.3	121.6	121.9	122.3	122.3	121.7	121.3	120.9	120	119.7	120	120.1	
1999	120	120.5	120.4	120.2	120	120	120.3	120.9	122	122.2	122.3	121.4	
2000	121.6	123.1	123.3	123.8	123.8	127	129.2	129	131.5	133.8	133.5	136.6	
2001	146.8	146.8	145.7	144.7	146	145.9	144	141.8	139.2	136.2	136.1	135.3	
2002	134.4	134.1	134.4	134.4	134.4	133.5	133.5	133.5	134	135	135.5	136.5	
2003	137.4	140.5	147.7	147.1	146.8	146.5	146.3	145.8	146.7	145.9	144.5	145.8	
2004	147	149.3	147.8	148.3	149	150.7	151.5	152.2	151.2	150.5	154.5	155.5	
2005	155.8	156.8	157.3	160.3	161	160	162.3	163.9	171.4	181.5	185	182.5	
2006	189.6	187.4	185.3	182.9	181.2	179	179.4	179.7	181.4	177.4	179.7	182.2	
2007	183.1	185.8	188.2	187.7	187.3	187.1	186.2	183.8	183.9	186.3			
CAGR=	6.4%												
Proof ->	0.0%												
	144.84%												
	144.85%												

Series Id: CUSR0000SEHE
 Seasonally Adjusted
 Area: U.S. city average
 Item: Fuel oil and other fuels
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	108.3	105.6	102.4	100.3	100.1	99.6	98.2	97.6	96.5	96.9	96.7	95.2	
1998	92.8	91.3	91.6	91	91.6	91.2	91.5	91	88.8	87.8	86.9	84.2	
1999	83.7	82.9	83.4	85.6	87.3	88.8	91	93.6	97.2	99.4	101	104.9	
2000	111	141.1	125.1	120.6	120.6	122.6	125.5	126.3	138.6	140.4	141.5	144.3	
2001	145.2	138.2	131.9	130.5	130.4	131.4	128.6	127.6	129.7	124	119.7	112.6	
2002	109.7	107.3	109.5	112.7	113.9	114.5	115.8	116.6	118	120.6	122.8	125	
2003	133	149.7	164.3	144.9	136.3	134.2	135.1	135.6	133.4	132.6	136	136.5	
2004	146.4	148.8	148.4	146.8	149.7	152.9	156.2	162.9	164.8	178.7	188.1	183.4	
2005	177.5	181.3	190.6	195.9	193	197.7	209.4	216.5	239.9	242.5	233.4	227.9	
2006	225.2	222.1	224.8	232.3	238.6	242.4	249.4	252.6	240.6	229	229.1	233.9	
2007	223.7	223.3	231.1	235.9	240.3	244.9	253.3	253.9	256.3	263			
CAGR=	12.9%												
Proof ->	0.0%												
	206.56%												
	206.54%												



Indexed Fare Policy

Series Id: CUSR0000SA0E

Seasonally Adjusted

Area: U.S. city average

Item: Energy

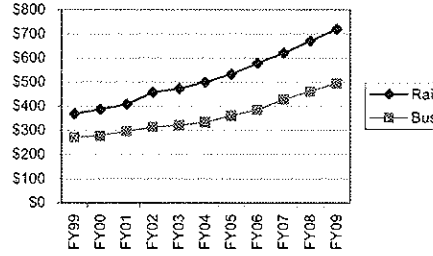
Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1997	115.2	115	113	111	108.8	110	109.1	110.9	112.4	111.8	111.4	109.8	
1998	107.5	105.1	103.3	102.4	103.2	103.6	103.3	102.1	101.3	101.5	101.1	100.1	
1999	99.7	99.2	100.4	105.5	104.9	104.5	106.7	109.5	111.8	112	111.5	113.8	
2000	115	118.8	124.3	120.9	120	126.8	127.3	123.8	129.2	129.6	129.2	130.1	
2001	135	134.1	131.7	132.3	138.4	136.9	129.6	127.3	130.9	122.9	116.9	113.9	
2002	114.2	113.5	117.6	121.5	121.9	121.6	122.4	123.1	123.7	126.9	126.7	127.1	
2003	130.2	138.5	144.8	137.2	133	132.9	133.6	137.8	142.1	138.1	134.4	135.7	
2004	140.1	143.9	145.4	144.8	152.3	155.3	153	152.5	151.8	159.1	160.1	158	
2005	154.8	158.9	163.4	169.2	167.4	166.7	174.8	183.7	205.4	206.2	189.1	184.6	
2006	193	190.9	191.7	199.2	206.5	205.4	210.6	211.4	196	182.9	182.5	190.1	
2007	187.3	189	200.2	205	216.1	214.9	212.7	205.9	206.5	209.4			
CAGR=	8.4%												
Proof ->	0.0%												
	162.62%												
	162.61%												

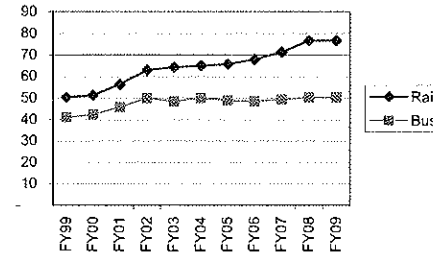


Indexed Fare Policy

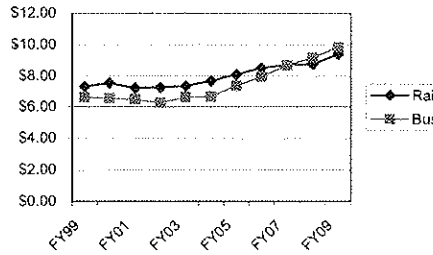
	Expense (\$ millions)		
	Rail	Bus	Total
FY99	368	272	640
FY00	386	278	663
FY01	407	297	704
FY02	457	314	771
FY03	473	321	794
FY04	499	333	832
FY05	533	360	892
FY06	578	384	962
FY07	621	428	1,049
FY08	670	461	1,131
FY09	719	494	1,213



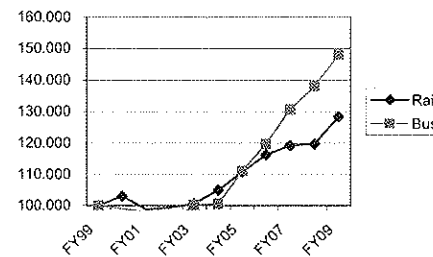
	Total Vehicle Miles (millions)		
	Rail	Bus	Total
FY99	50	41	91
FY00	51	42	94
FY01	56	46	102
FY02	63	50	113
FY03	64	48	113
FY04	65	50	115
FY05	66	49	115
FY06	68	48	117
FY07	71	49	121
FY08	77	50	127
FY09	77	50	127



	Cost per Vehicle Mile		
	Rail	Bus	Total
FY99	\$7.30	\$6.63	\$7.00
FY00	\$7.52	\$6.57	\$7.09
FY01	\$7.21	\$6.50	\$6.89
FY02	\$7.25	\$6.29	\$6.83
FY03	\$7.34	\$6.65	\$7.04
FY04	\$7.67	\$6.67	\$7.23
FY05	\$8.08	\$7.36	\$7.78
FY06	\$8.49	\$7.93	\$8.26
FY07	\$8.70	\$8.67	\$8.69
FY08	\$8.74	\$9.16	\$8.90
FY09	\$9.37	\$9.83	\$9.55



	Indexed Cost per Mile		
	Rail	Bus	Total
FY99	100.000	100.000	100.000
FY00	102.987	99.052	101.271
FY01	98.791	97.996	98.460
FY02	99.376	94.783	97.513
FY03	100.548	100.216	100.602
FY04	105.006	100.603	103.338
FY05	110.702	111.042	111.080
FY06	116.281	119.649	117.971
FY07	119.165	130.723	124.091
FY08	119.676	138.150	127.205
FY09	128.364	148.180	136.440

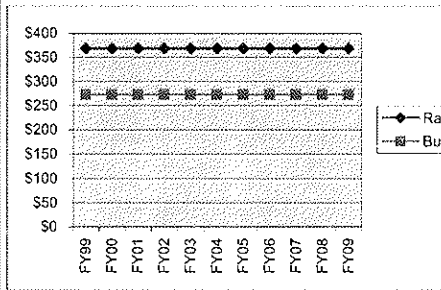


CAGR= 4.26% 4.92% 3.93%

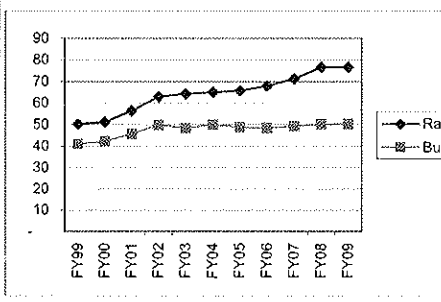


Indexed Fare Policy

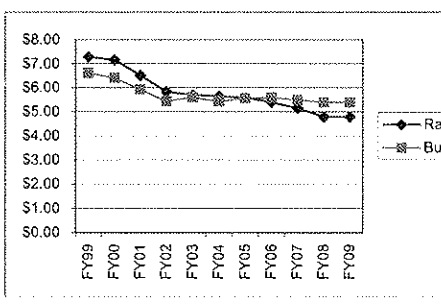
	Expense (\$ millions)		
	Rail	Bus	Total
FY99	368	272	640
FY00	368	272	640
FY01	368	272	640
FY02	368	272	640
FY03	368	272	640
FY04	368	272	640
FY05	368	272	640
FY06	368	272	640
FY07	368	272	640
FY08	368	272	640
FY09	368	272	640



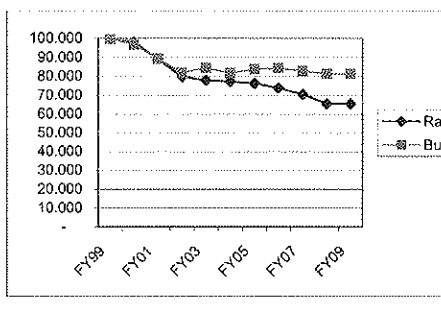
	Total Vehicle Miles (millions)		
	Rail	Bus	Total
FY99	50	41	91
FY00	51	42	94
FY01	56	46	102
FY02	63	50	113
FY03	64	48	113
FY04	65	50	115
FY05	66	49	115
FY06	68	48	117
FY07	71	49	121
FY08	77	50	127
FY09	77	50	127



	Cost per Vehicle Mile		
	Rail	Bus	Total
FY99	\$7.30	\$6.63	\$7.00
FY00	\$7.17	\$6.43	\$6.84
FY01	\$6.52	\$5.94	\$6.26
FY02	\$5.84	\$5.44	\$5.66
FY03	\$5.71	\$5.62	\$5.67
FY04	\$5.65	\$5.44	\$5.56
FY05	\$5.58	\$5.56	\$5.58
FY06	\$5.40	\$5.61	\$5.49
FY07	\$5.16	\$5.51	\$5.30
FY08	\$4.79	\$5.40	\$5.03
FY09	\$4.79	\$5.40	\$5.03



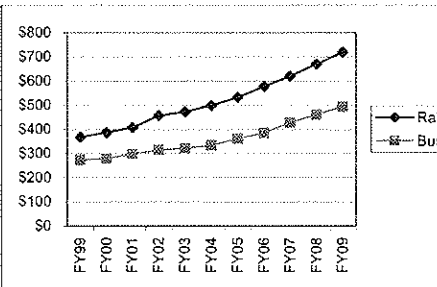
	Indexed Cost per Mile		
	Rail	Bus	Total
FY99	100.000	100.000	100.000
FY00	98.234	96.940	97.650
FY01	89.353	89.592	89.460
FY02	79.946	82.013	80.890
FY03	78.203	84.720	80.997
FY04	77.421	82.007	79.412
FY05	76.480	83.910	79.642
FY06	74.008	84.566	78.397
FY07	70.616	83.031	75.691
FY08	65.668	81.454	71.917
FY09	65.668	81.454	71.917
CAGR=	-6.77%	-1.26%	-2.75%



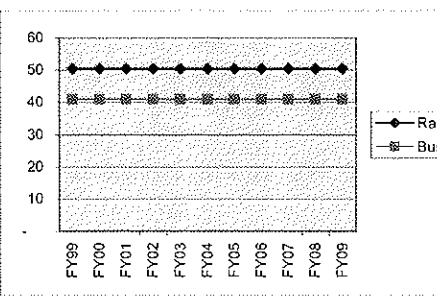


Indexed Fare Policy

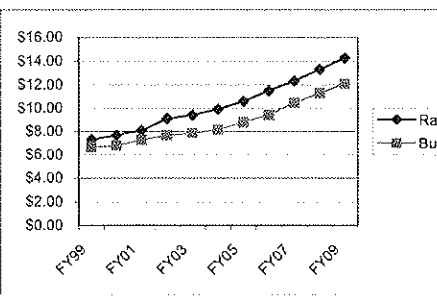
	Expense (\$ millions)		
	Rail	Bus	Total
FY99	368	272	640
FY00	386	278	663
FY01	407	297	704
FY02	457	314	771
FY03	473	321	794
FY04	499	333	832
FY05	533	360	892
FY06	578	384	962
FY07	621	428	1,049
FY08	670	461	1,131
FY09	719	494	1,213



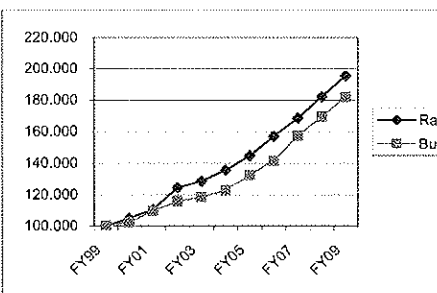
	Total Vehicle Miles (millions)		
	Rail	Bus	Total
FY99	50	41	91
FY00	50	41	91
FY01	50	41	91
FY02	50	41	91
FY03	50	41	91
FY04	50	41	91
FY05	50	41	91
FY06	50	41	91
FY07	50	41	91
FY08	50	41	91
FY09	50	41	91



	Cost per Vehicle Mile		
	Rail	Bus	Total
FY99	\$7.30	\$6.63	\$7.00
FY00	\$7.65	\$6.78	\$7.26
FY01	\$8.07	\$7.25	\$7.70
FY02	\$9.07	\$7.66	\$8.44
FY03	\$9.39	\$7.84	\$8.69
FY04	\$9.90	\$8.14	\$9.11
FY05	\$10.57	\$8.78	\$9.76
FY06	\$11.47	\$9.38	\$10.53
FY07	\$12.32	\$10.44	\$11.48
FY08	\$13.30	\$11.25	\$12.38
FY09	\$14.27	\$12.06	\$13.28



	Indexed Cost per Mile		
	Rail	Bus	Total
FY99	100.000	100.000	100.000
FY00	104.839	102.179	103.709
FY01	110.563	109.381	110.061
FY02	124.304	115.571	120.594
FY03	128.572	118.290	124.205
FY04	135.631	122.677	130.128
FY05	144.747	132.335	139.475
FY06	157.121	141.485	150.479
FY07	168.749	157.440	163.945
FY08	182.245	169.606	176.876
FY09	195.476	181.919	189.717
CAGR=	11.8%	6.3%	6.9%



Metrorail Daily Ridership By Jurisdiction of Residence, Ridership Growth, 2002 vs. 2007

Jurisdiction of Residence	2002 Weekday Trips	% of Total System Ridership	2007 Weekday Trips	% of Total System Ridership	Ridership Growth 02-07	Ridership Growth %
D.C.	164,337	25.38%	192,503	26.82%	28,166	17.14%
Maryland Compact	230,318	35.57%	249,856	34.81%	19,538	8.48%
Montgomery County	120,222	18.57%	132,544	18.47%	12,322	10.25%
Prince George's	110,096	17.01%	117,312	16.34%	7,216	6.55%
Virginia Compact	183,142	28.29%	190,740	26.57%	7,598	4.15%
Arlington County	63,767	9.85%	64,052	8.92%	285	0.45%
City of Alexandria	27,140	4.19%	30,325	4.22%	3,185	11.74%
Fairfax County	86,896	13.42%	91,152	12.70%	4,256	4.90%
Falls Church	3,034	0.47%	2,818	0.39%	-216	-7.12%
City of Fairfax	2,305	0.36%	2,393	0.33%	88	3.82%
Virginia Non-Compact	16,927	2.61%	19,286	2.69%	2,359	13.94%
Loudoun County	2,739	0.42%	4,648	0.65%	1,909	69.70%
Maryland Non-Compact	33,121	5.12%	38,456	5.36%	5,335	16.11%
Other	19,585	3.03%	26,919	3.75%	7,334	37.45%



Question C. "HOW DID YOU GET TO THE METRO STATION WHERE YOU RECEIVED THIS CARD?" 2007

A.M. Peak Respondents

	Jurisdiction of Residence									
	D.C.	Maryland	Virginia	Arlington	Alexandria	Fairfax	Falls Ch.	Ffx City	Other VA	Other
Total Responses	57,038	86,723	65,393	22,177	10,453	30,949	852	962	6,965	4,503
Walk	37,312	15,984	22,930	15,356	3,474	3,771	276	53	258	1,609
Drove and Parked	3,888	37,879	17,823	998	673	15,301	278	573	1,690	832
Passenger and Park	130	1,029	791	65	64	632	14	16	318	34
Dropped Off	2,779	10,298	6,280	1,227	1,044	3,769	103	137	1,612	323
Amtrak, MARC, VRE	76	1,129	365	13	8	344	0	0	1,665	1,209
Bus	12,475	19,419	16,595	4,340	5,077	6,836	166	176	1,417	489
Bicycle	324	689	538	166	88	262	14	8	0	0
Taxi	53	295	74	11	26	37	0	0	8	8
No Answer	429	859	3,004	133	102	2,758	11	0	493	236

Percentage of Respondents From Each Jurisdiction

Walk	65.42%	18.43%	35.06%	69.24%	33.23%	12.18%	32.39%	5.51%	3.70%	35.73%
Drove and Parked	6.82%	43.68%	27.26%	4.50%	6.44%	49.44%	32.63%	59.56%	24.26%	18.48%
Passenger and Park	0.23%	1.19%	1.21%	0.29%	0.61%	2.04%	1.64%	1.66%	4.57%	0.76%
Dropped Off	4.87%	11.87%	9.60%	5.53%	9.99%	12.18%	12.09%	14.24%	23.14%	7.17%
Amtrak, MARC, VRE	0.13%	1.30%	0.56%	0.06%	0.08%	1.11%	0.00%	0.00%	23.91%	26.85%
Bus	21.87%	22.39%	25.38%	19.57%	48.57%	22.09%	19.48%	18.30%	20.34%	10.86%
Bicycle	0.57%	0.79%	0.82%	0.75%	0.84%	0.85%	1.64%	0.83%	0.00%	0.00%
Taxi	0.09%	0.34%	0.11%	0.05%	0.25%	0.12%	0.00%	0.00%	0.11%	0.18%
No Answer	0.75%	0.99%	4.59%	0.60%	0.98%	8.91%	1.29%	0.00%	7.08%	5.24%

Question C. "HOW DID YOU GET TO THE METRO STATION WHERE YOU RECEIVED THIS CARD?" 2007

A.M. Peak Respondents

	Jurisdiction of Residence									
	D.C.	Maryland	Virginia	Arlington	Alexandria	Fairfax	Falls Ch.	Ffx City	Other VA	Other
Total Responses	57,038	86,723	65,393	22,177	10,453	30,949	852	962	6,965	4,503
Walk	37,312	15,984	22,930	15,356	3,474	3,771	276	53	258	1,609
Drove and Parked	3,888	37,879	17,823	998	673	15,301	278	573	1,690	832
Passenger and Park	130	1,029	791	65	64	632	14	16	318	34
Dropped Off	2,779	10,298	6,280	1,227	1,044	3,769	103	137	1,612	323
Amtrak, MARC, VRE	76	1,129	365	13	8	344	0	0	1,665	1,209
Bus	12,475	19,419	16,595	4,340	5,077	6,836	166	176	1,417	489
Bicycle	324	689	538	166	88	262	14	8	0	0
Taxi	53	295	74	11	26	37	0	0	8	8
No Answer	429	859	3,004	133	102	2,758	11	0	493	236

Mode Share Percentage Increase/Decrease Compared with 2002 Passenger Survey

Walk	2.14%	4.05%	5.29%	0.77%	1.35%	1.35%	8.31%	-0.76%	-1.11%	-5.50%
Drove and Parked	-1.85%	-4.88%	-2.02%	-1.50%	-2.92%	0.77%	-4.29%	-4.00%	-3.00%	0.31%
Passenger and Park	-0.08%	-0.30%	-0.29%	-0.28%	-0.24%	0.26%	-0.92%	-0.61%	0.78%	-0.13%
Dropped Off	-0.59%	0.51%	-1.32%	-0.66%	-1.45%	0.42%	2.12%	5.70%	1.41%	1.24%
Amtrak, MARC, VRE	0.11%	-5.47%	-1.90%	0.06%	0.08%	-0.33%	0.00%	-1.30%	3.28%	4.49%
Bus	1.44%	4.32%	4.35%	2.72%	4.08%	3.69%	-3.12%	1.32%	8.50%	5.96%
Bicycle	0.33%	0.27%	0.30%	-0.10%	0.39%	0.43%	-0.33%	0.83%	0.00%	0.00%
Taxi	-0.05%	0.15%	-0.07%	-0.28%	-0.10%	0.03%	0.00%	0.00%	0.11%	0.18%
No Answer	-0.70%	-0.36%	0.26%	-0.15%	-0.19%	2.28%	-0.58%	-1.08%	-2.68%	-1.27%

Average Fare by Jurisdiction of Residence, Time Period, 2007 Data

Jurisdiction of Residence	Total	AM Peak	AM Off-Peak	PM Peak	PM Off-Peak
D.C.	\$1.63	\$1.81	\$1.40	\$1.73	\$1.44
<i>% increase from 2002</i>		30%	22%	19%	18%
Montgomery County	\$2.49	\$2.83	\$1.77	\$2.73	\$1.87
<i>% increase from 2002</i>		22%	14%	18%	14%
Prince George's	\$2.30	\$2.57	\$1.76	\$2.39	\$1.79
<i>% increase from 2002</i>		27%	17%	16%	12%
Arlington County	\$1.64	\$1.80	\$1.42	\$1.70	\$1.43
<i>% increase from 2002</i>		32%	23%	19%	22%
City of Alexandria	\$1.98	\$2.21	\$1.56	\$2.04	\$1.69
<i>% increase from 2002</i>		25%	20%	20%	13%
Fairfax County	\$2.56	\$2.80	\$1.81	\$2.73	\$1.98
<i>% increase from 2002</i>		26%	19%	23%	14%
Falls Church	\$2.11	\$2.41	\$1.43	\$2.25	\$1.65
<i>% increase from 2002</i>		28%	13%	19%	15%
City of Fairfax	\$2.99	\$3.30	\$2.04	\$3.36	\$2.31
<i>% increase from 2002</i>		22%	29%	34%	23%

Average Fare by Jurisdiction of Residence, Time Period, 2002 Data

Jurisdiction of Residence	Total	AM Peak	AM Off-Peak	PM Peak	PM Off-Peak
D.C.	<i>Data not provided in 2002 Passenger Survey.</i>	\$1.39	\$1.15	\$1.45	\$1.22
Montgomery County		\$2.32	\$1.55	\$2.32	\$1.64
Prince George's		\$2.03	\$1.50	\$2.06	\$1.60
Arlington County		\$1.36	\$1.15	\$1.43	\$1.17
City of Alexandria		\$1.77	\$1.30	\$1.70	\$1.49
Fairfax County		\$2.23	\$1.52	\$2.22	\$1.73
Falls Church		\$1.88	\$1.27	\$1.89	\$1.43
City of Fairfax		\$2.70	\$1.58	\$2.51	\$1.88

AGENDA ITEM #12

TO: Chairman Snyder and NVTC Commissioners
FROM: Richard K. Taube
DATE: December 27, 2007
SUBJECT: Legislative Items

A. State.

The Virginia General Assembly will begin its 2008 session on January 10, 2008 and conclude in mid-March. NVTC's legislative agenda has been sent to the entire Northern Virginia delegation and a media release has been issued. Also, NVTC's legislative district maps have been provided, showing transit systems serving each district, total ridership for each, and the amount of additional state funding needed to achieve the statutory target of a 95% state share of eligible transit expenses.

Commissioners will be invited to discuss timely state legislative issues.

B. Federal.

An omnibus appropriations act for FY 2008 has been passed by Congress. This legislation provides \$9.5 billion in budget authority for transit programs, an increase of \$517 million compared to FY 2007. The bill prohibits US DOT from spending more than 10% of unallocated Bus and Bus Facilities money on any DOT congestion reduction initiative, since last year all of these funds went to a few winners in the congestion pricing program.

Congress also increased transit security funding to \$400 million, up by \$125 million from FY 2007.

S 2191, the Lieberman-Warner Climate Control Act of 2007, passed a Senate committee on December 5th. It reserves one percent of revenues generated from a "cap-and-trade" system for public transit. The purpose of the act is to set limits on greenhouse gas emissions that would eventually result in significant reductions (70%) below 2005 levels.



AGENDA ITEM #13

TO: Chairman Snyder and NVTC Commissioners
FROM: Rick Taube
DATE: December 27, 2007
SUBJECT: Regional Transportation Items.

A. NVTA Administrative Actions.

At its December 6th meeting, NVTA approved a lease for office space in the city of Fairfax; a public hearing on the first year of the six-year program, and recruiting a Chief Financial Officer. The public hearing will be at George Mason High School on January 10th starting at 6:00 p.m. John Mason has been selected to be NVTA's first Executive Director.

B. FAMPO Letter.

TPB staff has drafted a response that takes into account NVTA's comments on earlier drafts. A copy is attached.

C. Water Line Metro, Inc.

The attached article describes a proposal to operate a ferry commuter service on the Potomac River using hovercraft. Among the potential station sites is a floating platform on Metrorail's Yellow Line Bridge that could accommodate 30,000 passengers per day and another on Four Mile Run that could handle 20,000 each day. Details are available at www.waterlinemetro.com.

D. Editorial Praising Arlington's Metrorail Land Use Policies.

The attached article from the Virginia Pilot (Hampton Roads) cites Arlington's policies as a useful lesson for Norfolk's new light rail system.



(A)



The Authority
for Transportation in Northern Virginia

PRESS RELEASE

For Immediate Release
December 18, 2007

Contact: Kala Quintana
703/ 524-3322 ext. 104
kala@nvtdc.org

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY TO APPOINT JOHN MASON AS AUTHORITY'S FIRST EXECUTIVE DIRECTOR

NORTHERN VIRGINIA – The members of the Northern Virginia Transportation Authority (NVTDA) have selected John Mason to be its first Executive Director.

Authority members will vote formally to approve Mr. Mason's contract during their regular meeting on January 10, 2008.

"This is an important step forward for the Authority and we are pleased that Mr. Mason has agreed to accept the position. Mr. Mason brings an extensive background as both a transportation professional and a policy maker," said Authority Chairman Chris Zimmerman (Arlington Co.)

John Mason has worked for Science Applications International Corporation (SAIC) since 1978, serving as vice president and director of the Transportation Policy and Analysis Center.

Mason served on the City of Fairfax's city council from 1986 – 1990 and served as that city's mayor from 1990 to 2002. In addition to his service to the City of Fairfax, Mason has served on the National Capitol Region Transportation Planning Board (TPB), including a year as chairman in 2001; the Transportation Coordinating Council (TCC) of Northern Virginia; the Northern Virginia Transportation Commission (NVTC), including a year as chairman in 1993; the Virginia Municipal League Transportation Committee; the Governor's Commission on Rail Enhancement for the 21st Century; and the Association of Metropolitan Planning Organizations (AMPO), serving as chairman in 2000.

Mason was a career Army officer and retired with the rank of Colonel after 21 years of service, including two tours in Vietnam.

Mason holds a B.A. from the University of Massachusetts and an M.A. from New York University.

“I am honored to be offered this opportunity to work with the Authority. The work that is set before us and the transportation challenges that we are committed to addressing are important to the economic vitality of the region and for the quality of life of all Northern Virginians. I believe that the Authority has the opportunity to become an innovative national model with a unique approach to funding and executing regional transportation improvements,” said Mason.

Mr. Mason will not be giving interviews to the media until after his official appointment as Executive Director on January 10, 2008.

In the interim, all interviews regarding the Authority and its initiatives will be given by Authority Chairman Chris Zimmerman.

Item 14

**TPB Responses to FAMPO Policies on
Allocating and Sharing of Regional
Transit Funds**

Ronald F. Kirby

Director of Transportation Planning

Presentation to the Transportation Planning Board

December 19, 2007

The Context

Expansion of Urbanized Areas, 1990-2000



1990 Urbanized Area Boundary

- BALTIMORE
- WASHINGTON (DC-MD-VA)
- ALL OTHER AREAS

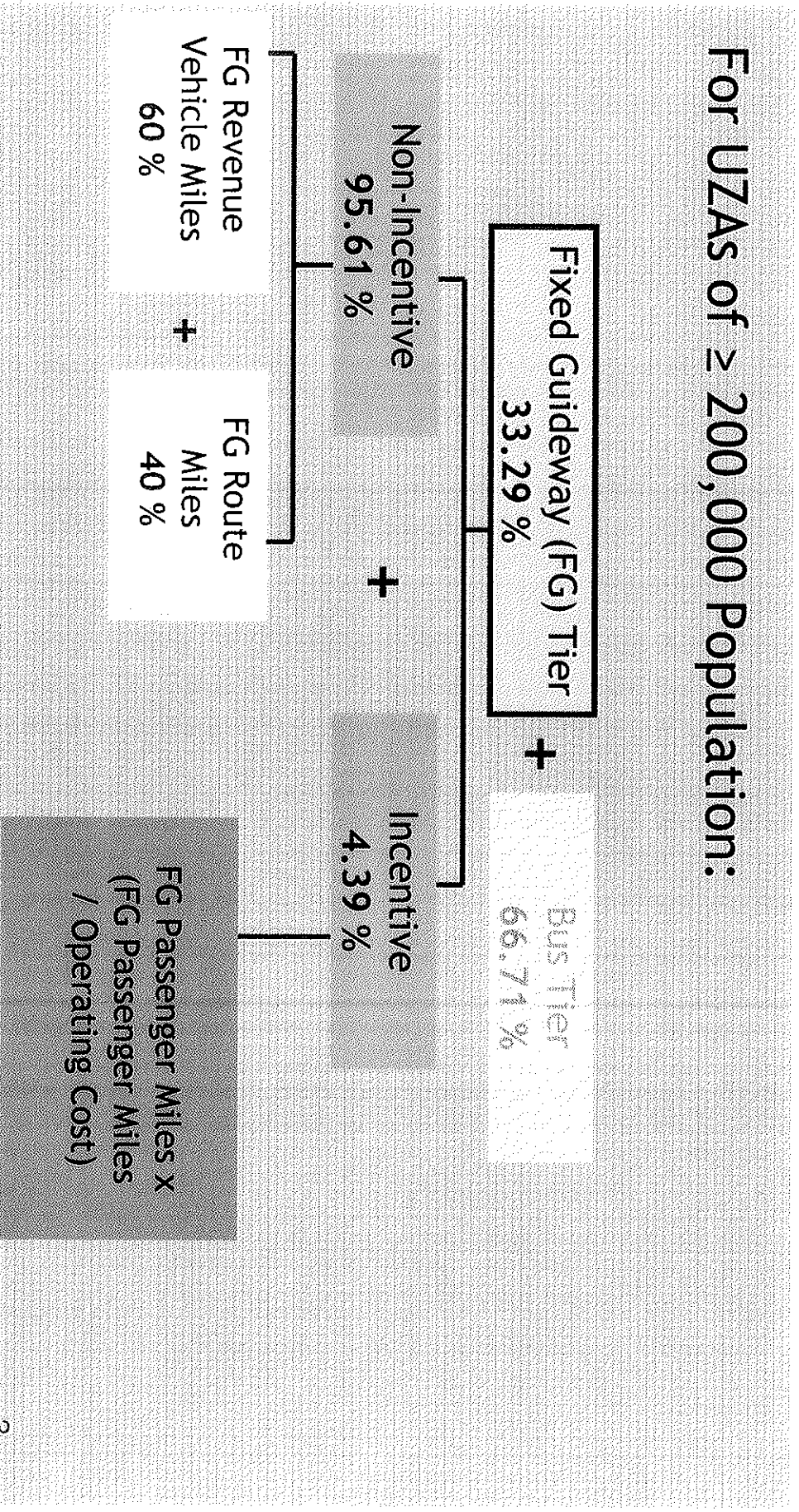
2000 Urbanized Area Boundary

- BALTIMORE, MD
- WASHINGTON, DC-MD-VA
- ALL OTHER AREAS

The Context

FTA Apportionment Formula for the 5307 Formula Program

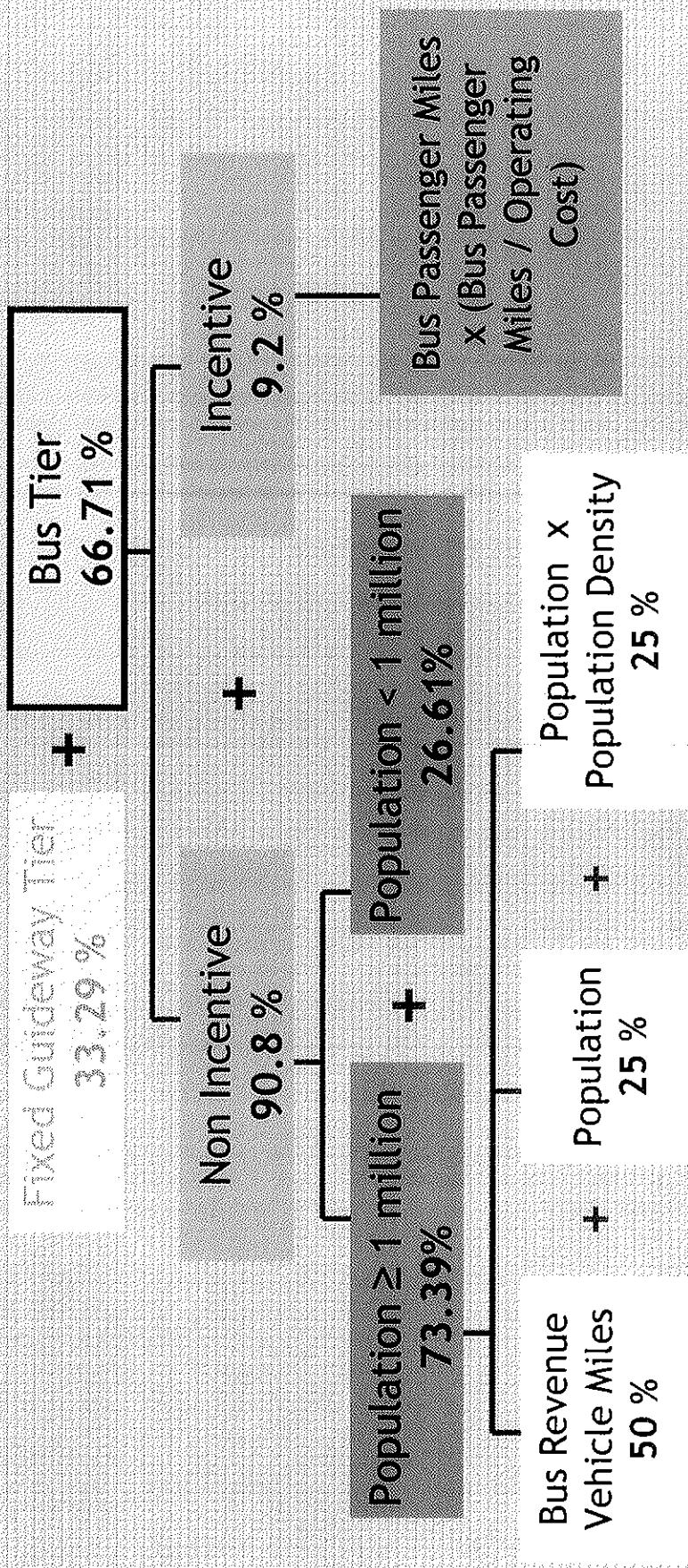
For UZAs of $\geq 200,000$ Population:



The Context

FTA Apportionment Formula for the 5307 Formula Program

For UZAs of $\geq 200,000$ Population:



FAMPO Resolutions and TPB Responses

FAMPO Resolution FY 06-32b

“FAMPO sanctions the continuation of current practices governing the award and use of federal section 5307 and section 5309 funds generated in the FAMPO region by VRE”

TPB Response

“The TPB is in agreement with FAMPO’s policy position, which conforms to current practice for allocating Section 5307 [and Section 5309]* FTA formula funds to VRE”

***Proposed Addition:**

Section 5309 provides formula funds to urbanized areas for modernization of rail systems that have been in operation for at least seven years.

FAMPO Resolutions and TPB Responses

FAMPO Resolution FY 06-32c

“FAMPO approves the method by which DRPT is apportioning Section 5307 funds among small urbanized areas in Virginia”

TPB Response

“These small urbanized area funds are in a separate category from the Section 5307 funds apportioned by the FTA formula for the Washington urbanized area, and the TPB does not intend to take any position on the apportionment of these small urbanized area funds”

FAMPO Resolutions and TPB Responses

FAMPO Resolution FY 06-32d

“FAMPO desires that the Washington and Fredericksburg UZAs remain separate as a result of the 2010 Census”

“FAMPO staff is directed to work with the TPB, the State of Virginia, the U.S. Census Bureau, and the U.S. Congress..to assure to the extent practicable that the..boundary between the two UZAs will be the political boundary between Prince William County and Stafford County”

TPB Response

“The TPB would be willing to discuss this question once the 2010 census results are available, but does not intend to take a position at this time”

FAMPO Resolutions and TPB Responses

FAMPO Resolution FY 06-32a

“FAMPO should seek the receipt of the North Stafford bus service-generated Section 5307 formula funds so these funds can be used to help defray a portion of the costs of North Stafford County transit services”

FAMPO Resolution FY 06-32e

“The Federal Section 5307 formula funds generated as a result of the population of the urbanized portion of North Stafford County should be returned to the FAMPO region for use in defraying a portion of the costs of providing transit services in that area”

FAMPO Resolutions and TPB Responses

TPB Response to FAMPO Resolutions FY06-32a and e

Guidance from the FHWA and FTA in an August 9, 2004 letter to Mr. Henry Connors, Jr., Chairman of FAMPO:

TPB, along with the FTA designated recipients in the Washington D.C. urbanized area determine how Federal transit funds are spent in that urbanized area, which encompasses northern Stafford County. Therefore, FAMPO may wish to participate in the TPB planning process, as projects and programs serving the needs of northern Stafford County are eligible for a portion of the Federal funds apportioned to the Washington D.C urbanized area.

FAMPO Resolutions and TPB Responses

TPB Response to FAMPO Resolutions FY06-32a and e (continued)

Should FAMPO wish to participate in the TPB planning and programming process, there are a number of considerations that should be kept in mind:

1. The bus service and related ridership in North Stafford contributes to the Washington urbanized area Section 5307 apportionment only if the North Stafford service and ridership statistics are reported as part of the National Transit Database clearly identified as Washington, DC urbanized area statistics, which did not happen in 2005. Consequently, the FY 2007 apportionment of Section 5307 funds does not account for the existence of bus service in North Stafford, an omission that has been brought to the Fredericksburg Regional Transit System's (FRED) attention.

FAMPO Resolutions and TPB Responses

TPB Response to FAMPO Resolutions FY06-32a and e (continued)

2. WMATA Board resolution #2000-08, adopted on January 27, 2000...states that in order to support WMATA's ability to finance projects under a TIFIA loan guarantee, "transit systems shall receive funds only if WMATA...has allocated to them Section 5307 funds directly attributable to their transit operations in the Washington urbanized area as of January 1, 2000"
3. In 2007, residents of the FAMPO region made approximately 3900 trips daily on Metrorail. WMATA estimates that Compact jurisdictions are currently paying approximately \$600,000 annually to subsidize the fares of FAMPO region riders

National Capital Region Transportation Planning Board

777 North Capitol Street, N.E., Suite 300, Washington, D.C. 20002-4290, (202) 962-3310 Fax: (202) 962-3202

DRAFT 12/7/07

Honorable Matthew Kelly
Chairman
Fredericksburg Area
Metropolitan Planning Organization
P.O. Box 863
Fredericksburg, VA 22404

RE: Allocation and Sharing of Federal Transit Administration (FTA) Section 5307
Funds for the Washington Urbanized Area

Dear Chairman Kelly:

At its September 20, 2006 meeting, the National Capital Region Transportation Planning Board (TPB) received copies of five resolutions adopted on September 18, 2006 by the FAMPO Policy Committee stating FAMPO policies with respect to the allocation of federal Section 5307 formula transit funds for the Washington urbanized area. In this letter the TPB addresses the FAMPO policy statements in each of these resolutions, and outlines its responses and recommendations on each of the topics addressed in the resolutions.

Over the past several months, TPB staff has reviewed the current procedures for allocating FTA Section 5307 formula funds within the Washington urbanized area, and has consulted with senior staff at FAMPO and other organizations potentially affected by the programming of the funds, including the Washington Metropolitan Area Transit Authority (WMATA), the Potomac and Rappahannock Transportation Commission (PRTC), the Northern Virginia Transportation Commission (NVTC), the Northern Virginia Transportation Authority (NVTA), the Virginia Department of Rail and Public Transportation (VDRPT), and the District of Columbia, Maryland, and Virginia Departments of Transportation. At its November 2 and December 7, 2007 meetings, the TPB Technical Committee was briefed on the current procedures for allocating FTA Section 5307 funds in the Washington urbanized area, the FAMPO policy statements, and proposed procedures for the allocation and sharing of these funds in the future. At its December 19, 2007 meeting, the TPB was briefed on these current procedures and the FAMPO policy statements. At its January 16, 2008 meeting, the TPB approved sending this letter to FAMPO for its consideration and further discussion.

Regarding FAMPO Resolution FY 06-32b on VRE generated funds, the TPB is in agreement with FAMPO's policy position, which conforms to current practice for allocating Section 5307 FTA formula funds to VRE. The TPB believes that this practice is working well and should continue.

FAMPO Resolution FY 06-32c addresses Section 5307 funds which are apportioned among small urbanized areas in the Commonwealth of Virginia by the Virginia Department of Rail and Public Transportation (VDRPT). These small urbanized area funds are in a separate category from the Section 5307 funds apportioned by the FTA formula for the Washington urbanized area, and the TPB does not intend to take any position on the apportionment of these small urbanized area funds.

Regarding FAMPO Resolution FY 06-32d with respect to the designation of urbanized areas as a result of the 2010 Census, the TPB acknowledges FAMPO's belief that the Washington and Fredericksburg urbanized areas should remain separate following the 2010 Census, with the boundary on the Prince William/Stafford County line. The TPB would be willing to discuss this question once the 2010 census results are available, but does not intend to take a position at this time.

Regarding FAMPO Resolutions FY 06-32a and FY 06-32e on the portions of FTA Section 5307 funds for the Washington urbanized area that are based on population, population density, and bus service factors, the TPB notes that FAMPO received the following guidance from the FHWA and FTA in an August 9, 2004 letter to Mr. Henry Connors, Jr., Chairman of FAMPO:

"TPB, along with the FTA designated recipients in the Washington D.C. urbanized area determine how Federal transit funds are spent in that urbanized area, which encompasses northern Stafford County. Therefore, FAMPO may wish to participate in the TPB planning process, as projects and programs serving the needs of northern Stafford County are eligible for a portion of the Federal funds apportioned to the Washington D.C. urbanized area."

Should FAMPO wish to participate in the TPB planning and programming process to identify transportation projects that are eligible for the 5307 funds, there are a number of considerations with respect to current funding commitments that should be kept in mind.

First, the bus service and related ridership in North Stafford contributes to the Washington urbanized area Section 5307 apportionment only if the north Stafford service and ridership statistics are reported as part of the National Transit Database (NTD) clearly identified as Washington D.C. urbanized area statistics, which did not happen in 2005. Consequently, the FY 2007 apportionment of Section 5307 funds does not account for the existence of bus service in north Stafford, an omission that has been brought to the Fredericksburg Regional Transit System's (FRED) attention. Correct reporting of these statistics in the future will make it possible to quantify the north Stafford County contribution to the Washington urbanized area Section 5307 apportionment.

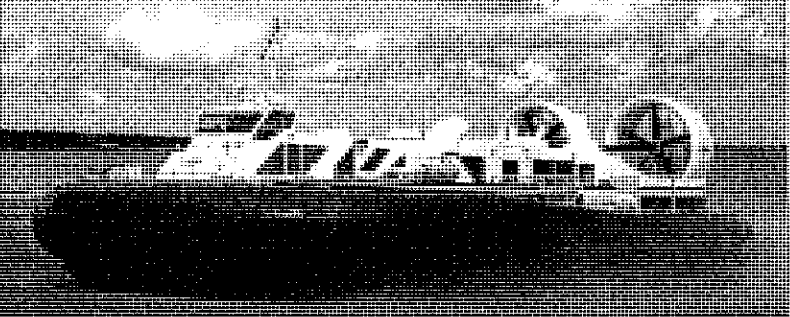
Second, the 2006 Update to Constrained Long Range Plan (CLRP) Financial Plan for the Washington region brought the region's jurisdictions together to address funding sources for highway and transit needs, including the use of 5307 funds for transit capital improvement priorities. One current commitment of 5307 funding reflected in the 2006 CLRP update is specified in WMATA Board resolution #2000-08, adopted on January 27, 2000. This resolution states that in order to support WMATA's ability to finance projects under a TIFIA loan guarantee, "transit systems shall receive funds only if WMATA, as the designated recipient, has allocated to them Section 5307 funds directly attributable to their transit operations in the Washington urbanized area as of January 1, 2000." Any changes to the allocation of those funds would require a negotiated agreement between the region's jurisdictions. (The terms of this TIFIA loan guarantee were approved by the Federal Transit Administration (FTA), and the loan guarantee used for railcar rehabilitation is still required until the current program ends in 2010.)

Finally, I would like to bring to your attention a point made by several TPB member jurisdictions during the development of this letter. WMATA provides service to many passengers who reside outside of the WMATA Compact jurisdictions, and Compact members pay the local subsidy for operating and capital expenses generated by those passengers. Any decrease in the federal capital funds available to WMATA would require an increase in capital contributions from the local Compact jurisdictions. In 2007, residents of the FAMPO region made approximately 3,900 trips daily on Metrorail. WMATA estimates that Compact jurisdictions are currently paying approximately \$600,000 annually to subsidize the fares of FAMPO region riders.

The TPB looks forward to receiving comments from FAMPO on these recommendations on the allocation and sharing of FTA Section 5307 funds for the Washington urbanized area. Please contact Ronald Kirby, staff director for the TPB, at (202) 962-3310 if you have any questions regarding this proposal.

Sincerely

Chair, National Capital Region
Transportation Planning Board



The "Solent Express" Hoverwork's latest 130 seat hovercraft, which normally operates on the isle of Wight run and now operating a two week long experimental service between Kirkcaldy and Portobello on the behalf of the Stagecoach Company. Seen here slowly making its way along the beach to come ashore for the night.

Local Developer Hopes to Improve Your DC Commute

Water Line Metro, Inc. is new venture with an outside-the-box solution to our congested roadways. The company's founder, John Donovan, will admit the solution isn't all that original; he wants to turn the Potomac River into a mass transit route for area commuters. What's new is the way Water Line Metro will get riders from ferries to their Metrorail connections. After all, it is 1,400 feet from the nearest shoreline to the nearest Metrorail station.

Past attempts have all relied on using a shuttle bus service to carry ferry riders to Metrorail. See any commuter ferries on the Potomac? No — because all past attempts have failed. The solution isn't a shuttle bus. In fact, the Virginia Department of Transportation's Ferry Feasibility Study found a solid market demand for a high-speed commuter ferry, but VDOT also found that the idea of using a shuttle bus connection was a deal killer.

What is the solution? Modern passenger hovercraft. Water Line Metro's key innovation is to use tried and true technology, safely used in the United Kingdom for almost 40 years to carry over 20 million passengers, to bring riders up the Potomac and fly them over the "land barrier" between the river's edge and the Metrorail station. If this is not an outside-the-box solution, at least it is outside the banks! Using hovercraft allows the ferry itself to double as the shuttle bus service by carrying its passengers directly to the pedestrian entrance of the Metrorail station. Now that's what you call inter-modal connectivity!

Water Line Metro, Inc. has identified three locations where its ferries could land passengers immediately, or when an in-fill station is built. The first location is at Poplar Point in Anacostia. It turns out there are federally protected wetlands between the river's edge and the Anacostia Metrorail Station. As our readers know, one cannot build on protected wetlands, even though these particular wetlands are "wet" less than three months out of the year. But one can fly over wetlands. The air space inches above the wetland can be turned into a right-of-way for passenger hovercraft. The owners of the land can't build on it, but they can allow approved

users to pass over it. The capacity of this station is estimated at 8,000 transfers per day.

The second location is mid-span on the Yellow Line Bridge across the Potomac. This would require the building of an elevated in-fill Metrorail station with escalators down to a floating platform for passenger loading and unloading. As a tidal waterway the Potomac changes height every day, and a floating platform would accommodate this natural rhythm. From this new station passengers could travel into D.C. or back toward the Pentagon and Crystal City. The capacity of this station is estimated at 30,000 passengers per day.

The third location would be ideal for a station that served both the Blue Line and Washington National Airport. The Blue Line crosses Four Mile Run just south of the airport. An in-fill station here would serve the new office buildings being built in Potomac Yards just south of Crystal City. A Metrorail-Marine Transfer terminal would take up about 50 parking spaces in the economy parking lot at the airport, but a station here could handle approximately 20,000 passengers per day, with a 200-foot walkway connecting the terminal to an in-fill station on the existing Blue Line.

In November, a local developer made a trial high-speed commuter ferry run using a catamaran passenger vessel. Press reports indicate the "high speed" catamaran reached a top speed of only 31 knots and took nearly an hour to go 30 miles, where it would then drop riders 1,400 feet from the nearest Metro. Water Line Metro promises much better performance. There are four U.S. manufacturers of true "high speed" passenger hovercraft. The slowest of these cruises at 45 knots, and any of them will be able to break the "land barrier" between the river and Metrorail. Water Line Metro estimates its average user will save up to 30 workdays in commuting time each year. The company doesn't know how much time its ferries will save for the 150,000 commuters who don't use its service, but pulling 60,000 cars out of those commuters' paths will lighten their load considerably.

For more information and news about the Water Line Metro, visit waterlinemetro.com.





Sat. Dec 8, 2007

CITY RUNNING LATE TO RIDE THE TIDE

Virginian Pilot Editorial

In Arlington County near D.C., the tallest buildings crowd the Metro stops. They're filled with a mix of offices and high-end apartments grounded by funky shops and interesting restaurants.

There aren't many places to park, mostly because there's no easy way to drive anywhere. The subway moves people, and at last count, Arlington had more than 200,000 of them, a lot more than before.

As you walk away from the Metro stops, the buildings hunch lower. A few blocks from the subway, high-rises give way to townhouses and one-story shops that give way to detached houses. You could be in any quaint neighborhood in any city.

If you live in the right part of Arlington, you can walk where you need to go - to work, to shop, to eat, to the subway - and avoid the ugly traffic of Northern Virginia.

It looks as if it just happened.

It didn't.

And that's the lesson for Norfolk and its light-rail system. When Arlington County knew that the Metro was coming its way, it did its homework.

It changed county zoning to encourage precisely the kind of development it got. Today, it is one of the most vibrant, educated, affluent and walkable cities in America.

As Norfolk prepared to welcome a light-rail line running from Newtown Road to Eastern Virginia Medical School, it did precisely nothing to its zoning. In fact, it went for years without a planning director.

"We need a smart plan now," Councilman Randy Wright told Pilot staff writer Debbie Messina. "We're not going to get the best development by letting plans happen on their own."

Wright is being too reasonable. Norfolk needed a smart plan five years ago when it got serious about light rail. It needed a smart plan three years ago when the federal government got serious about Norfolk light rail. It needed a smart plan in October, when The Tide was finally approved.

Today, as it breaks ground on one of the most important projects in its history, Norfolk still needs one. What it has instead is an insufficient plan to limit downtown parking to support its \$232 million, 11-station project that will determine the face of the city for the rest of its history.

The bad news is The Tide has already generated \$220 million in planned development. The fact that rail has spurred only \$220 million is also the good news.

According to its estimates, the 7.5-mile line could prompt \$1.4 billion in new investment. There may still be time to fix the mistake.

Take an example: City leaders would love to see a cool neighborhood of shops and apartments spring up around Harbor Park. It needs the zoning to encourage that, right now.

But this goes well beyond the ballfield, to the neighborhoods surrounding each of The Tide's stations. If Norfolk doesn't do its homework, or can't, it imperils the chances for light rail to transform the city and the region.

"There's already huge opportunities within the city of Norfolk," Wright said. "Ultimately, when we extend the line to the Navy base, there will be more opportunities. And even more if it goes into Virginia Beach."

In other words, light rail is too important to all of Hampton Roads for it to be derailed because Norfolk officials didn't study for this test.

AGENDA ITEM #14

TO: Chairman Snyder and NVTC Commissioner
FROM: Rick Taube
DATE: December 27, 2007
SUBJECT: Briefing on I-95/395 Transit /TDM Study and HOT Lanes Project

Corey Hill of DRPT will be present with consultants to brief the commission on the draft final report. Detailed surveying and forecast modeling have occurred, which should help guide policy decisions regarding the HOT Lanes project in the I-95/395 corridor.

Representatives of Fluor Transurban will also be present to brief the commission on progress on their project.

Also attached for your information is a letter from Ed Tennyson who raises several issues about the modeling results presented at previous commission meetings.

A communication is provided from VDOT which describes new operating procedures on the HOV Lanes in this corridor which will be considered by the Commonwealth Transportation Board on December 13th.



E.L. TENNYSON, P.E.
2,233 ABBOTSFORD DRIVE, RFD 55
Vienna, VA 22181

REGISTERED
PROFESSIONAL ENGINEER

(703) 281-7533

November 5, 2007

Chairman David F. Snyder,
Northern Virginia Transportation Commission
4350 North Fairfax Drive, suite 720
Arlington, VA. 22203

Dear Chairman Snyder,

Following the I-95+I-395 HOT Lane Transit presentation at the November first NVTC meeting I have reviewed the information as suggested to determine its accuracy and logic. This is a nearly one billion dollar issue.

I am sure the 3,300 person survey is about 97 % valid but I am not convinced those surveyed know what they will do with future travel services as they do not know just how the new services will work in real time. According to the survey, transit riders are the largest category of commuters, with car poolers including sluggers a close second at 29% followed by SOV at 28%. Van poolers are only 8 %. Excluding the SOV's, 47% may change their travel mode, with only 16 % likely to pay tolls and 3 % likely to use transit.

The conclusions do not match the projections of only a six percent rise in HOV by 2015 when transit use may grow 13 % over 2000. It has done that already. The finding that transit investment makes no difference is totally contradicted by actual experience. The model may not have been programmed to recognize the difference. This is traditional for models used by the Federal Transit Administration which refuses to allow any difference between projected rail and bus rider attraction.

Attached, please find a table of actual results comparing model estimates with actual ridership achieved. It shows Bus Rapid Transit typically attracted only one-third of the estimated riders but rail transit attracted 22 % more than estimated. Errors of such magnitude can not be tolerated in decision making.

You may notice that the Orange Line Bus Rapid Transit project in San Fernando Valley is missing from the table. It is missing because it is new, but it exceeded its public relations estimate by 200 %. There are two reasons for this. First, the estimate was set very low to avoid the embarrassment caused by the I-110 Harbor Freeway BusWay which promised 63,000 weekday riders but attracted only 3,300. Second, the Orange Line BusWay is a feeder to the longer Red Rapid Rail line akin to our Herndon-Reston bus service on the Dulles Toll Road to West Falls Church to put people on Metro Rail. The traffic free rail service into downtown is the attraction. It is not likely they would have approved the \$ 350 million investment in the Bus Way for only 7,500 weekday riders at a capital cost of \$ 8.33 per passenger or \$ 1.20 per passenger mile, plus 56 cents more for operations. Fares average 67

cents. The Revenue-to-Cost ratio is only 17 %. MARC, MetroRail and VRE come close to or exceed 50 %.

I have had my own personal experience with BusWay investment. I was the state official who had to sign over the state funding for Pittsburgh's South BusWay. The promise was for a ridership gain of 70% from 18,750 to 32,000 per weekday. In fact it peaked at 20,750 during the Second Energy Crisis and has since declined to 11,000 or less since a service cut in June 2007, 66 % below estimate. Coincidentally, our Shirley BusWay, now HOV, has also seen transit travel decline 67 % before MetroRail came to Springfield-Franconia. See COG graph enclosed.

As I read it, the forecast suggests there will be no money for anything, not even to pay all of the debt service. With 20,000 northbound I-95 HOV person-trips, that will be about 5,700 in the peak hour, suggesting 1,900 vehicles per hour plus 180 buses using 360 auto spaces, leaving 3,290 spaces for HOT toll payers. That may approximate 20,000 all day paying \$ 95,000 at most. That should be worth \$ 30 million per year. Debt service may be \$ 72 million per year. If so, this can't work. There will be no money for transit at all and state highways will lose money to debt service. Taxpayers may have to bail out the promoters.

California has learned the hard way. State Highway 91 gave its median to HOT lane developers who built HOT lanes in the confined canyon from Orange to Riverside counties parallel to a commuter rail line. To assure bond sales, a no competition clause was put in the contract. The tolls forced more congestion on the free lanes jamming on-off ramps. Relief was forbidden by the contract. Even so, tolls fell a bit short of fully covering debt service so Orange County had to buy out the HOT lane promoters to get relief. Only then could ramps be expanded.

The finding that MetroRail should not be extended to Potomac Mills is undoubtedly valid. This area is more economically served by Virginia Railway Express supplemented by PRTC express buses. The Blue Line needs six-car peak trains which will have very few passengers per car in Prince William County, not a WMATA member. The handout said only ten trains on MetroRail but that can in no way begin to justify a billion dollar investment. The cost per passenger would be worse than prohibitive.

The recommendation not to add two VRE stations is ill-advised. It is my understanding that developers have agreed to provide a long planned Cherry Hill station which should be expedited to minimize added traffic on I-95, less middle-eastern oil consumption and less pollution. It is too far east of Montclair to help west of I-95 but it will help some.

The recommendation against the Crossroads station at US17 in Spottsylvania County is totally in error. It is not that high a capital investment and trains must serve the area now without passengers. Even with HOT lanes on I-95, Spottsyl-

Virginia needs a station to reduce excessive parking demand in busy downtown Fredericksburg and to permit charging for the additional distance to Spotsylvania County which is free loading on VRE's supporting jurisdictions. Spotsylvania should but does not need to join VRE. The higher fare at Crossroads will pay for their service. The District of Columbia also receives VRE service but does not pay.

Transit operating costs need subsidy, Bus service at the national average cost 77 cents per passenger-mile (2005) to operate so needs 55 cents subsidy per passenger-mile. Commuter Rail averaged only 39 cents cost per passenger-mile (2005) so needs only 20.5 cents subsidy per passenger-mile. With oil becoming ever more costly and with future supply in decline, it is vital to recognize that Commuter Rail averages 51 passenger-miles per gallon of fuel but buses average only 32 and autos 23.

The total operating cost for Commuter Rail includes a higher fixed portion than for bus service so incremental costs for rail already in operation are much lower than for bus. Bus labor, benefits and fuel averaged 56 cents per passenger-mile but the same for Commuter Rail averaged only 30 cents per passenger-mile. The incremental bus service cost is 87 % more.

There is neither need nor good reason to increase VRE trains above 40 per day. Amtrak provides all-day service every day to Springfield, Woodbridge, Quantico and Fredericksburg. There is a federal and state program to upgrade this service. Virginia has set up \$ 67 million for this purpose. Amtrak has the right to use CSX tracks. Virginia can contract with Amtrak to add another mid-day train at the best time. Amtrak can accept VRE tickets with a step-up charge of hopefully \$ 1. In California, Amtrak and Metro-Link in Los Angeles County have interchangeable tickets with excellent results.

California also provides an excellent example of the actual difference between rail and bus passenger acceptance and use. In the Bay Area there are four major suburban transit systems.

1. = Bay Area Rapid Transit District (BARTD)
2. = Alameda-Contra Costa Transit District (ACTransit)
3. = The Peninsula Cal-Train
4. = Golden Gate Highway & Transit District.

From FY 1991-92 to FY 2004-5 the two suburban rail systems increased their ridership from 82.8 million to 105.8 million, up 27 %. Passenger-miles increased 36 %. The cost per passenger-mile was 32.4 cents in 2005, up 40 % over 1992.

In the same period, bus use decreased from 76.8 million to 72.5 million, a loss of six per-cent. The cost per passenger-mile was almost one dollar, up 137 % over 1992. If the 1.4 million suburban Bay Area transit passengers had used only buses at the average cost, taxpayers would be out \$ 953 million per year. That would have killed much transit in the Bay Area. Suburban rail moved 83 % of the suburban transit passenger-miles despite tolls and HOV to expedite buses on the bridge and approaches.

In Los Angeles, with no rail service prior to 1990, a similar but more subtle trend is evident. Rail use increased from 9.5 million passengers in FY 1991-92 to 79.2 million in FY 2004-5, while bus use increased only 1.9 % from 503 million annual passenger-miles to 512.5. Rail use grew from 87 million passenger-miles to 781 million, up 80 %.

Rail operating costs per passenger-mile were 35.5 cents. Bus was 57 cents. Los Angeles has the lowest cost bus operations of any major urban system with Bus Rapid Transit on Wilshire Boulevard, I-10, I-110 and in the San Fernando Valley but costs were 63 % higher than rail. Our PRTC with its long rides and efficient operation does much better than this, with bus costs only 31.4 % higher than rail in 2004. PRTC buses often serve as feeders to rail at Springfield-Franconia, Vienna and West Falls Church. PRTC moved 31 million passenger-miles in 2004 when VRE moved 104 million.

With hundreds of millions of dollars in new cars, locomotives and parking garages being invested in Virginia Railway Express, it is vital to our economic well being and mobility that we keep as many passengers on VRE as we possibly can, not only to relieve I-66, I-95, I-395 and the Fourteenth Street bridge to DC, but also to save oil and reduce pollution, accidents and travel costs. Areas far from VRE will need better bus service, either to Metro-Rail, VRE or direct to The Pentagon and Washington as costs and ridership dictate.

Much of the data quoted herein has come from the National Transit Data Base as compiled by FTA as required by law. Some has come from personal experience, trade journals and news reports.

Before any further decisions are made on HOT lanes for I-95 and I-395, it is urgent that elected officials and department heads get a much better understanding of these issues and resolve them before any HOT lanes are built. We must ensure that Virginia taxpayers do not get overburdened with funding something that private investors can not manage successfully. Recent experiences with Enron, World-Com, and Wall Street suggest the private sector has gone off half-cocked. It would appear that there will be no actual profit to support proposed transit proposals, some of which do not make good sense. We must also consider how to move people while the BusWay-HOV lanes are tied up with construction. A new system we can not afford to operate does not augur well for our future. Even now, we are unwilling to fully fund Metro, one of the very best and most efficient transit systems in North America. Our problems with oil, pollution, congestion, accidents and sprawl require that we do much better.

Respectfully suggested,

A handwritten signature in black ink, appearing to be 'D. Tennyson', written in a cursive style.

Registered Professional Engineer

Busway and LRT Ridership Estimates

BUSWAY RIDERSHIP ESTIMATES-WEEKDAYS

Project	Projection	Date of Projection	Current Actuals	Percent Change	Notes
Dan'l Boone, St. Louis	(Minimal use achieved. To be replaced by LRT.)				
Mark Twain, St. Louis	(Minimal use achieved. Has been replaced by LRT.)				
Edsel Ford I-94, Detroit	(Not successful, discontinued)				
John Lodge, Highway 10, Detroit	(Not successful, discontinued)				
Ardmore, Delaware County, PA	3,300	1967	2,800	-15.15%	1
Pittsburgh South	32,000	1977	14,500	-54.69%	
Pittsburgh East	80,000	1983	30,000	-62.50%	
Pittsburgh West	50,000	2000	9,000	-82.00%	2
Pittsburgh North (HOV)					
Shirley Highway, Northern VA	13,500	1970	4,500	-66.67%	3
LA Harbor Freeway I-110	63,000	1997	4,300	-93.17%	
San Berdo Freeway I-10	30,000	1980	21,000	-30.00%	
Totals	271,800		86,100	-68.32%	

Notes:

1. Projection equals rail performance prior to conversion to a busway.
2. Busway to be completed in 2001. Current estimate of 9,000 by 2002
3. Projection data for bus routes 17 and 18.

LIGHT RAIL RIDERSHIP ESTIMATES-WEEKDAYS

Project	Projection	Date of Projection	Current Actuals		Notes
Baltimore Central	33,000	1992-1996	29,500	-10.61%	5
Boston Highlands Branch	12,000	1959	28,500	137.50%	6
Dallas DART	30,000	1998	38,000	26.67%	7
Denver RTD Route 101	25,500	2000	28,000	9.80%	6
Los Angeles Blue	50,000	1992-1999	58,000	16.00%	46%
Portland MAX	50,000	1999	63,000	26.00%	
Sacramento RT Metro	20,500	1988-1998	28,000	36.59%	
Salt Lake City TRAX	14,000	2000	20,000	42.86%	7
Santa Clara VTA	20,000	1992-1999	23,500	17.50%	
St. Louis MetroLink	36,000	1994	38,000	5.56%	8
Totals	291,000		354,500	21.82%	

Notes:

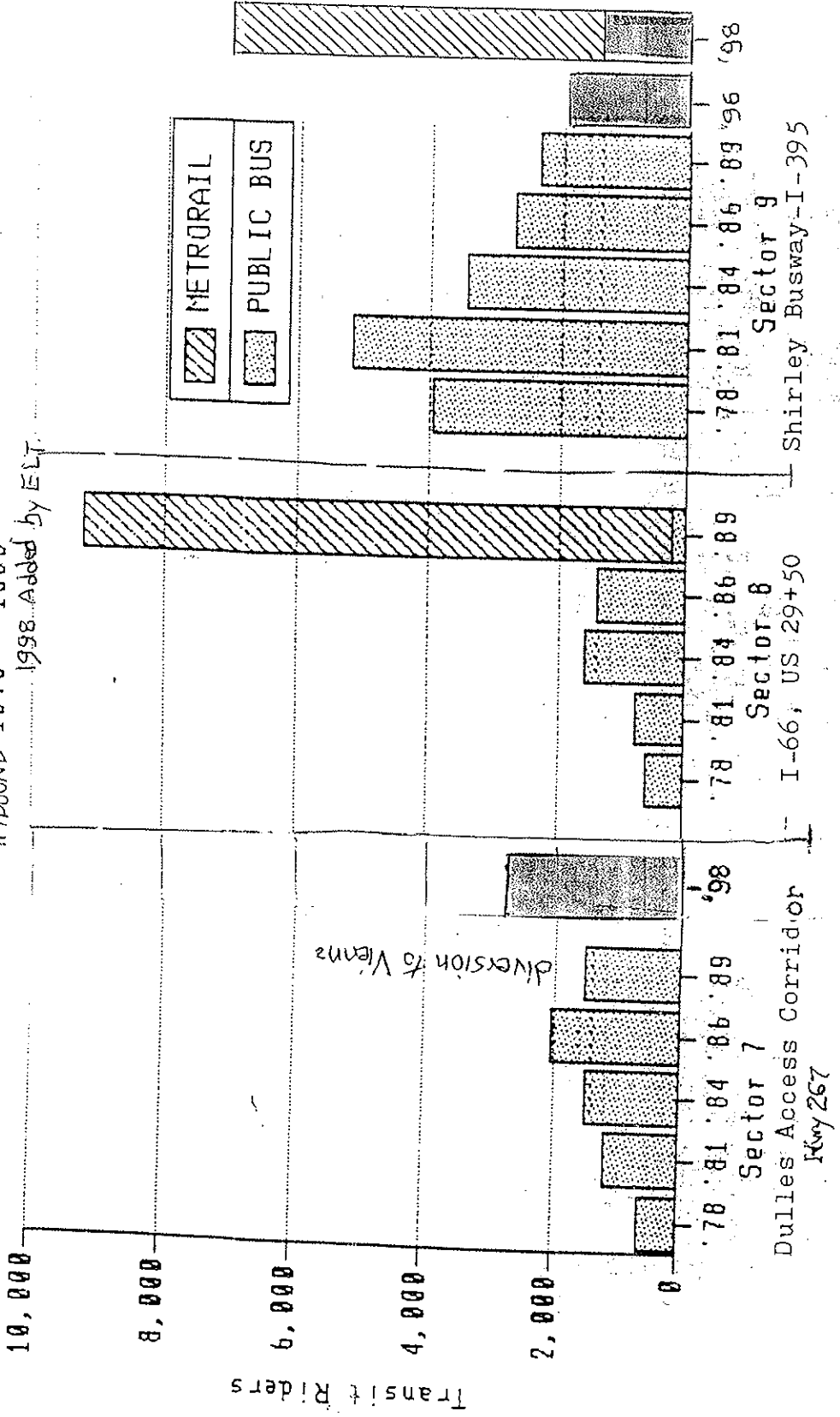
5. Four planned stations have not been provided.
6. Cars operating at an uncomfortable maximum capacity until additional cars available.
7. Cars operating at an uncomfortable capacity until additional cars available.
8. Official estimate was 17,000 but an independent estimate was 36,000.

Sources:

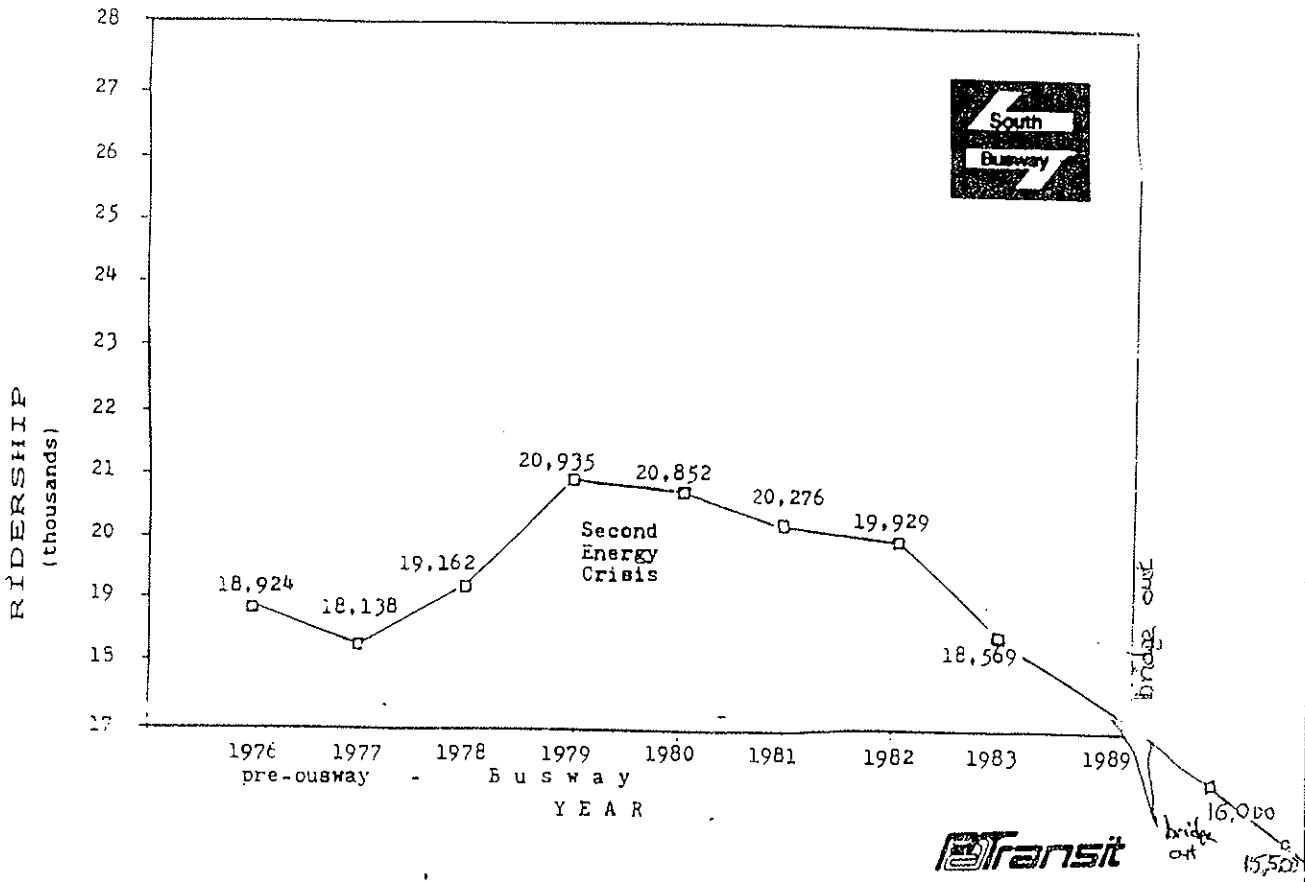
Passenger Transport of APTA
 National Transit Data Base, FTA, US DOT §15
 "Mass Transit Magazine"
 "Metro" Magazine
 Simmons-Boardman Publishing Co.
 RTD Newsletters

NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD

TRANSIT RIDER BELTWAY CORDON COUNT
SHIP FOR VIRGINIA SECTORS 7-9
UNBOUND 1978 - 1989

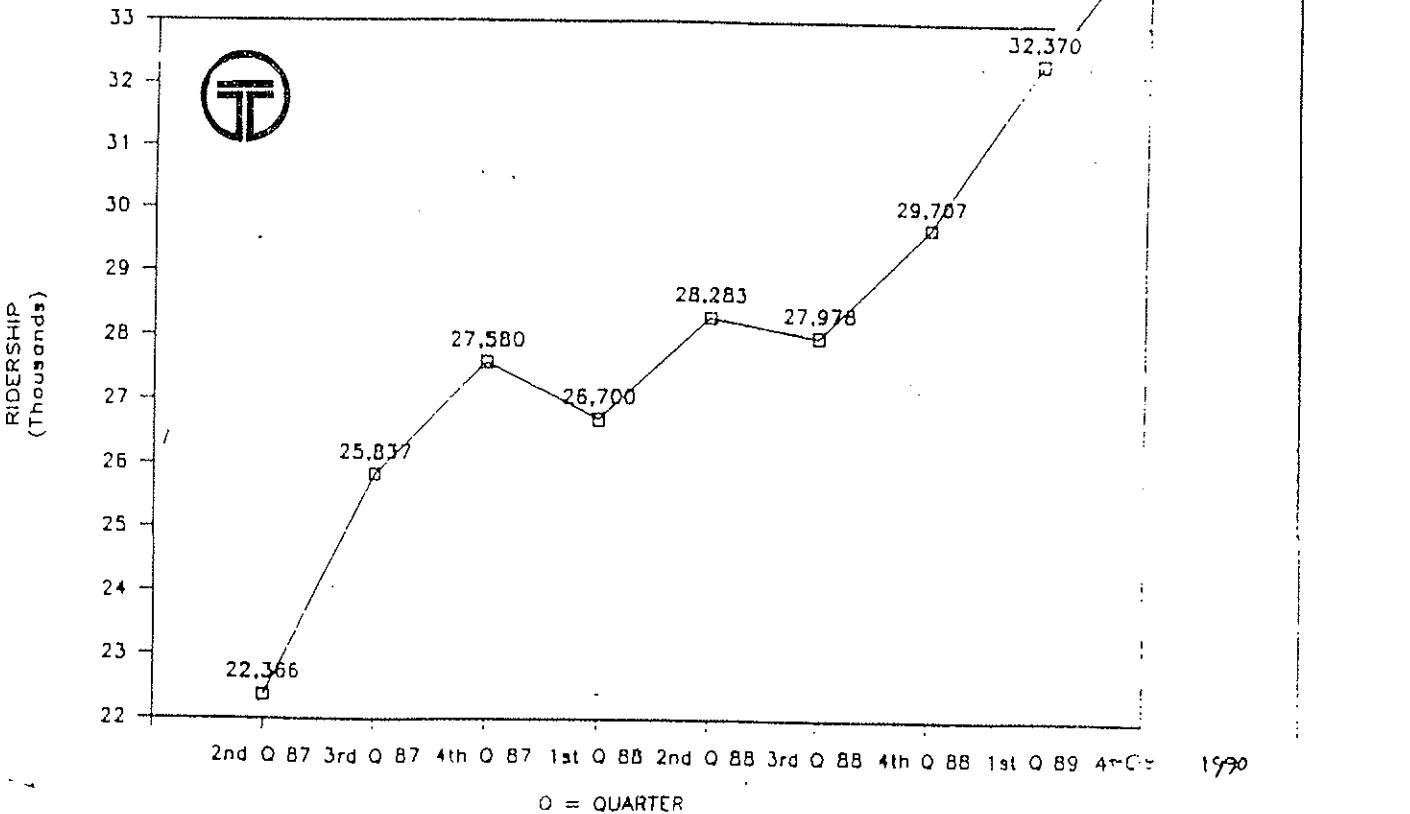


AVERAGE WEEKDAY SOUTH BUSWAY RIDERSHIP



PITTSBURGH and ALLEGHENY COUNTY

AVERAGE WEEKDAY LIGHT RAIL RIDERSHIP



Q = QUARTER



TWENTY YEARS of RAIL TRANSIT GROWTH

Year	TWENTY YEARS OF RAIL TRANSIT GROWTH				
	REGIONAL RAIL	RAPID RAIL	LIGHT RAIL	TOTAL RAIL	URBAN BUS
PASSENGER-MILES TRAVELLED in millions :					
1984	6,207.	10,111.	0.416.	16,734.	21,959.
1994	7,996.	10,668.	0.833.	19,497.	19,019.
2004	9,719.	14,354.	1,576.	25,649.	21,903.
% Growth	+ 57 %	+ 42 %	+ 279 %	+ 53 %	(-0.3 %)
VEHICLES IN SERVICE :					
1984	4,975.	9,083.	739.	13,891.	64,161.
1994	5,126.	10,252.	1,051.	16,429.	69,000.
2004	6,228.	10,858.	1,633.	18,709.	78,000.
% Increase	+ 53 %	+ 20 %	+ 121 %	+ 35 %	+ 22 %
ANNUAL PASSENGER-MILES per VEHICLE					
1984	1,523,190.	1,113,178.	567,531.	1,204,665.	342,248
1994	1,538,891.	1,040,577.	792,578.	1,186,743.	275,638.
2004	1,560,333.	1,321,975.	971,640.	1,371,038.	280,769.
% Increase	+ 2 %	+ 19 %	+ 71 %	+ 14 %	(- 18 %)
ANNUAL COST of OPERATIONS; (millions)					
1984	\$ 1,682.	\$ 2,688	\$ 126.2	\$ 4,397	\$ 10,334
1994	\$ 2,228	\$ 3,786	\$ 413.	\$ 6,429	\$ 10,277
2004	\$ 3,258	\$ 4,556	\$ 848	\$ 8,662	\$ 15,809
% Increase	+ 94 %	+ 76 %	+ 572 %	+ 97 %	+ 53 %
ANNUAL FARE REVENUE in millions :					
1984	\$ 673.	\$ 1,223	\$ 40.2	\$ 1,936	\$ 3,292
1994	\$ 1,083	\$ 1,976	\$ 135	\$ 3,194	\$ 3,304
2004	\$ 1,572	\$ 2,890	\$ 234	\$ 4,696	\$ 4,377
% Increase	+ 134 %	+ 136 %	+ 482 %	+ 142 %	+ 33 %
COST per PASSENGER-MILE (cents) :					
1984	27.1 cts	25.6 cts	30.3 cts	26.3 cts	47.1 cts
1994	27.9 "	35.5 "	49.6 "	33.0 "	54.0 "
2004	33.5 "	31.7 "	53.5 "	33.8 "	72.2 "
% Increase	+ 24 %	+ 24 %	+ 77 %	+ 28.5 %	+ 53 %
REVENUE to COST Ratio % :					
1984	40 %	47 %	32 % *	44 %	32 % *
1994	49 %	52 %	33 %	50 %	32 %
2004	48 %	63 %	28 % *	54 %	28 % *
% Change	+ 20 %	+ 34 %	(-12.5 %)*	+ 23 %	(- 12.5 %)*
* NOTE * = Transfers between Light Rail and Bus tend to obscure the specific percentage by mode					
SOURCE: U.S. DOT FTA NTDB and APTA Fact Book (2004 Preliminary)					

SCIENCE NOTEBOOK

Drive Time Raises Health Risk

You eat carefully, do not smoke, exercise regularly and think you are taking good care of yourself. But if you drive to work in a heavily congested area such as Los Angeles or Washington, the traffic may be undermining your efforts. A new study has found that while Los Angeles residents spend about 6 percent (1.5 hours) of their day on the road, drive time accounts for between 33 and 45 percent of their exposure to harmful air pollutants.

The two most common pollutants are diesel exhaust from trucks and ultrafine particles produced when car engines begin to accelerate. Both have significant detrimental health effects.

"If you have otherwise healthy habits and don't smoke, driving to work is probably the most unhealthy part of your day," said Scott Fruin of the University of Southern California.

Ultrafine particles are of particular concern, he said, because they can penetrate cell walls and spread throughout the body. Chemical particles in the air have been linked to cardiovascular disease, and the ultrafine appear to be the most toxic.

Researchers measured the roadway air pollution for three months in 2003 by outfitting an electric vehicle with instruments that collected data on the air contents, and videotaped the surrounding traffic and driving conditions on freeways and roads.

The study was done by researchers at USC and the California Air Resources Board and published this month in the journal *Atmospheric Environment*. The Washington area has some of the worst traffic and longest drive times in the nation.

— Marc Kaufman

Rick Taube

From: Pardo, Valerie [Valerie.Pardo@VDOT.Virginia.gov]
Sent: Tuesday, November 27, 2007 8:00 AM
To: Alfred Harf; Rick Taube
Subject: FW: Changes to the I-395/I-95 HOV Lane Operations

FYI. This was sent to elected officials in the corridor yesterday. You may want to include it in the info for your meetings next week.

Valerie

From: Salehi, Morteza
Sent: Monday, November 26, 2007 5:08 PM
To: 'cjcolgan@aol.com'; 'district29@sov.state.va.us'; 'district32@sov.state.va.us'; 'senhowell@aol.com'; 'jobrien5@aol.com'; 'district39@sov.state.va.us'; 'district34@sov.state.va.us'; 'jdevolites@aol.com'; 'district37@sov.state.va.us'; 'district36@sov.state.va.us'; 'tpuller@aol.com'; 'mherring@herringlawfirm.com'; 'district21@sov.state.va.us'; 'district30@sov.state.va.us'; 'pantonides@aol.com'; 'patsy@tidalwave.net'; 'vasenate35@aol.com'; 'district35@aol.com'; 'delegate@markicole.com'; 'district28@sov.state.va.us'; 'czimmerman@arlingtonva.us'; 'tom.biesiadny@fairfaxcounty.gov'; 'delaebbin@house.state.va.us'; 'delaebbin@house.state.va.us'; 'julia@brianmoran.com'; 'delccaputo@house.state.va.us'; 'deldalbo@house.state.va.us'; 'deldbulova@house.state.va.us'; 'david.marsden@cox.net'; 'david.poisson@adelphia.net'; 'deljscott@house.state.va.us'; 'deljfrederick@house.state.va.us'; 'delegate@va52.com'; 'joetmay@aol.com'; 'deljmay@house.state.va.us'; 'kenplum@aol.com'; 'delkplum@house.state.va.us'; 'delkamundson@house.state.va.us'; 'delsickes1@cox.net'; 'michele@mcquigg.com'; 'delbrink@starpower.net'; 'delbring@house.state.va.us'; 'delbobmarshall@hotmail.com'; 'delbmarshall@house.state.va.us'; 'timothymjohnson@hotmail.com'; 'delslingamfelter@house.state.va.us'; 'deltrust@house.state.va.us'; 'julie@timhugo.com'; 'delvcallahan@house.state.va.us'; 'delvwatts@house.state.va.us'; 'evemarie@cuccinelli.com'; 'cgerhartrt@pwcgov.org'; 'ecarleton@pwcgov.org'; 'lcronin@pwcgov.org'; 'ebahrans@pwcgov.org'; 'rwilson@pwcgov.org'; 'schambers@pwcgov.org'; 'skrull@pwcgov.org'; 'jstirrup@pwcgov.org'; Blaser, Tom; 'pferguson@arlingtonva.us'; 'dave.foreman@mail.house.gov'; 'gayle.reuter@mail.house.gov'; 'tim.aiken@mail.house.gov'; 'tom.davis@mail.house.gov'; 'senator@webb.senate.gov'; 'senator@warner.senate.gov'; 'rhonda.gillis@fairfaxcounty.gov'; 'steve.edwards2@fairfaxcounty.gov'; Albo, David; Amundson, Kristen; Bulova, David; Callahan, Vincent; Caputo, Charles; Englin, David; Hugo, Timothy; Hull, Robert; Marsden, David; Moran, Brian; Plum, Kenneth; Poisson, David; Rust, Thomas; Scott, James; Shannon, Stephen; Sickles, Mark; Watts, Vivian; Barg, Hilda M.; Cadditan, Maureen S.; Covington, Wally S. III; Jenkins, John D.; May, Michael C.; Nohe, Martin E.; Stewart, Corey A., Chairman; Stirrup, John T.; Cathy Hudgins; Dana Kauffman; Elaine McConnell; Gerald Connolly, Chairman; Gerald Hyland; Joan DuBois; Linda Smyth; Michael Frey; Penny Gross; Sharon Bulova
Cc: Pardo, Valerie; Morris, Joan; Sorenson, Jo Anne; Steeg, Richard W.; Sripathi, Hari K.; Gordonel, Pearl; Connally, Julia A. 'Judy'; 'dkoelemay@qorvis.com'; Ekern, David S.
Subject: Changes to the I-395/I-95 HOV Lane Operations

I wanted to make you aware of a proposed change to the I-395-I-95 HOV lane operations.

Since 1982, the Commonwealth Transportation Board (CTB) has allowed **all traffic** to use a three-mile stretch of the southbound I-395 HOV lanes during the restricted hours of 3:30 to 6:00 p.m. Now that the Springfield Interchange Improvement Project is complete, the Virginia Department of Transportation (VDOT) is recommending that this section be returned to HOV-3 only. The Northern Virginia HOV Advisory Committee, the Virginia State Police, the Federal Highway Administration, and the Department of Rail and Public Transportation also support this recommendation.

The CTB is scheduled to vote on this proposal on December 13, 2007, and if approved, the change will be implemented in

11/27/2007

mid-January 2008.

Background

Currently, non-HOVs are permitted to enter the HOV lanes at a slip ramp south of Duke Street (also known as Turkeycock) and continue to the Old Keene Mill Road exit or to the flyover to the general purpose lanes. This HOV exemption was instituted to allow traffic to bypass the congested Springfield Interchange general purpose lanes and helped smooth traffic flow through the area. With the completion of the Springfield Interchange Improvement Project, the difficult weave and merge in the general purpose lanes at the interchange no longer exists. Eleven lanes now accommodate the local and express traffic through Springfield, eliminating the general purpose lane congestion and the need for the HOV exemption.

The following information provides additional details surrounding this change:

- During evening HOV hours, about 2,500 non-HOVs use this section of the HOV lanes. An operational study demonstrated that impacts of this change on the regular travel lanes of I-395 would be minimal, as half of the diverted traffic is expected to use the regular through lanes and half the local lanes, exiting at Springfield. The peak vehicle volumes on the HOV lanes would drop by over 30 percent, while the peak vehicle volumes through the interchange would grow by about 8 percent. The traffic flow in the general purpose lanes may also improve due to the elimination of the diverge at the Turkeycock ramp and the merge back to the general purpose lanes at the flyover.
- Restricting non-HOV vehicles from the HOV lanes is an important component of managing traffic during the I-95 fourth lane widening project at Newington, scheduled to begin in early 2008. We will need all the HOV capacity we can make available to encourage drivers in the general purpose lanes to shift to transit or carpooling during construction.
- Operating this stretch of roadway as HOV-only will simplify HOV enforcement for the Virginia State Police, as the entire 28-mile facility will be HOV-only. This will also eliminate the unsafe practice of motorists waiting on the shoulders of the HOV lanes for the restricted period to end.
- This change will have a positive impact on carpoolers, vanpoolers, and transit users in the corridor, and will hopefully attract new users to the facility.
- VDOT has developed an extensive communications plan to implement this change, consisting of radio ads, press releases, the use of variable message boards and the 511 system.

If you have any questions or concerns you would like to discuss, please contact Valerie Pardo of my staff at (703) 383-2227.

Sincerely,

Morteza Salehi

Acting District Administrator

Northern Virginia District

Virginia Department of Transportation

((703) 383-2477

11/27/2007



AGENDA ITEM #15

TO: Chairman Snyder and NVTC Commissioners

FROM: Scott Kalkwarf and Colethia Quarles

DATE: December 27, 2007

SUBJECT: NVTC Financial Items for November, 2007

NVTC's financial reports are attached for November, 2007 for your information



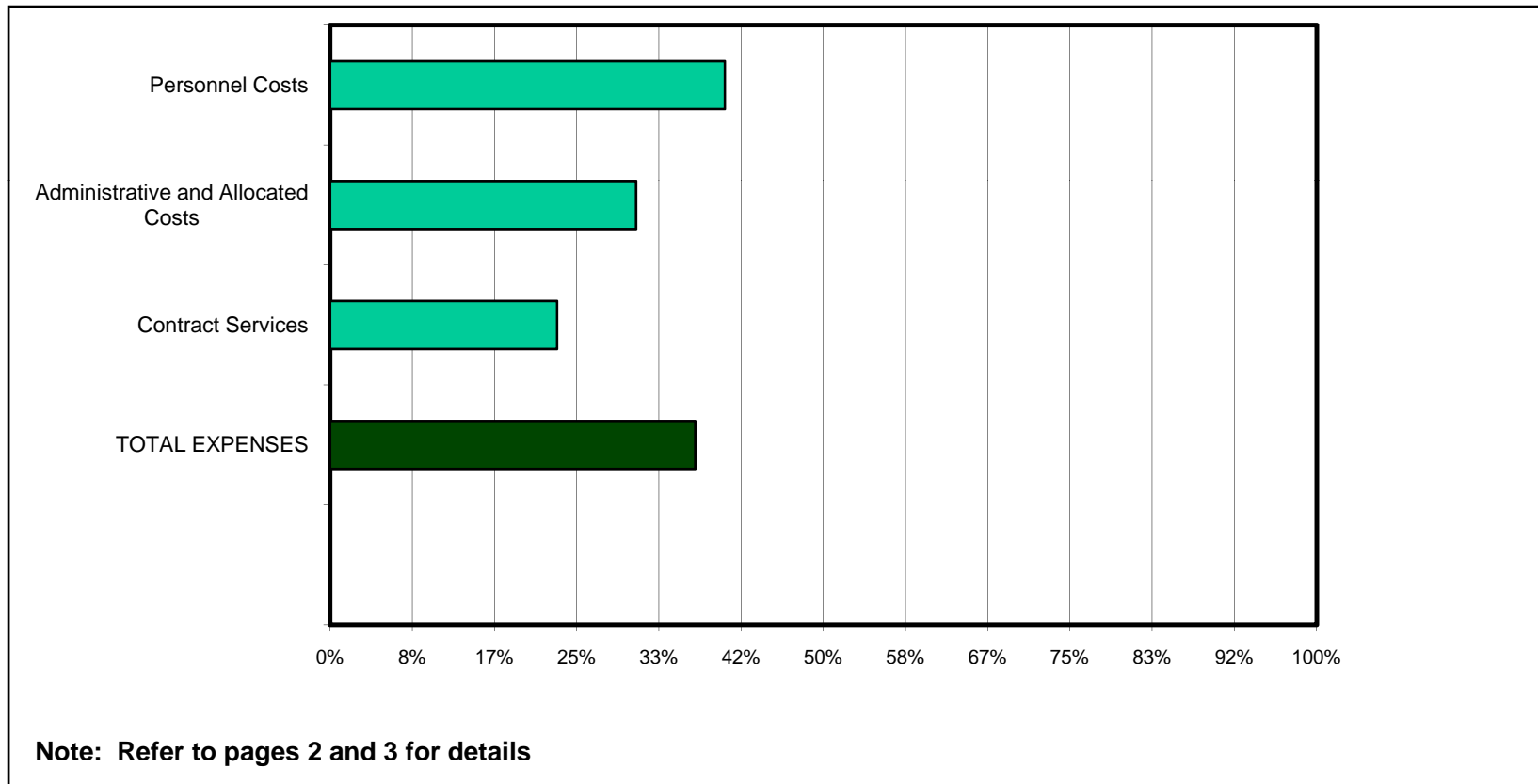
4350 N. Fairfax Drive • Suite 720 • Arlington, Virginia 22203
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120 • VA Relay Service
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

Northern Virginia Transportation Commission

Financial Reports

November, 2007

Percentage of FY 2008 NVTC Administrative Budget Used
November, 2007
(Target 41.66% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
November, 2007

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<u>Personnel Costs</u>					
Salaries	\$ 54,057.96	\$ 292,789.61	\$ 701,400.00	\$ 408,610.39	58.3%
Temporary Employee Services	-	-	1,000.00	1,000.00	100.0%
Total Personnel Costs	54,057.96	292,789.61	702,400.00	409,610.39	58.3%
<u>Benefits</u>					
Employer's Contributions:					
FICA	2,910.42	18,514.92	48,900.00	30,385.08	62.1%
Group Health Insurance	2,754.80	18,043.97	65,750.00	47,706.03	72.6%
Retirement	5,245.00	21,425.00	56,200.00	34,775.00	61.9%
Workmans & Unemployment Compensation	49.40	1,840.89	3,400.00	1,559.11	45.9%
Life Insurance	287.58	1,308.52	3,750.00	2,441.48	65.1%
Long Term Disability Insurance	254.88	1,276.60	4,450.00	3,173.40	71.3%
Total Benefit Costs	11,502.08	62,409.90	182,450.00	120,040.10	65.8%
<u>Administrative Costs</u>					
Commissioners Per Diem	800.00	4,700.00	18,400.00	13,700.00	74.5%
<i>Rents:</i>					
Office Rent	14,291.71	72,619.05	184,950.00	112,330.95	60.7%
Parking	13,661.71	68,361.05	173,050.00	104,688.95	60.5%
	630.00	4,258.00	11,900.00	7,642.00	64.2%
<i>Insurance:</i>					
Public Official Bonds	-	250.00	4,400.00	4,150.00	94.3%
Liability and Property	-	250.00	2,600.00	2,350.00	90.4%
	-	-	1,800.00	1,800.00	100.0%
<i>Travel:</i>					
Conference Registration	271.50	2,337.79	16,200.00	13,862.21	85.6%
Conference Travel	-	-	2,000.00	2,000.00	100.0%
Local Meetings & Related Expenses	154.38	444.14	4,500.00	4,055.86	90.1%
Training & Professional Development	117.12	1,198.65	6,200.00	5,001.35	80.7%
	-	695.00	3,500.00	2,805.00	80.1%
<i>Communication:</i>					
Postage	614.76	3,571.31	11,600.00	8,028.69	69.2%
Telephone - LD	26.69	832.92	4,600.00	3,767.08	81.9%
Telephone - Local	98.76	516.99	1,200.00	683.01	56.9%
	489.31	2,221.40	5,800.00	3,578.60	61.7%
<i>Publications & Supplies</i>					
Office Supplies	530.70	5,356.23	23,800.00	18,443.77	77.5%
Duplication	56.68	1,158.15	4,500.00	3,341.85	74.3%
Public Information	474.02	4,198.08	9,300.00	5,101.92	54.9%
	-	-	10,000.00	10,000.00	100.0%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
November, 2007**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	119.90	1,493.95	25,650.00	24,156.05	94.2%
Furniture and Equipment	-	-	12,650.00	12,650.00	100.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	119.90	1,493.95	12,000.00	10,506.05	87.6%
<i>Other General and Administrative</i>	313.01	2,108.10	6,800.00	4,691.90	69.0%
Subscriptions	-	-	400.00	400.00	100.0%
Memberships	-	966.00	1,700.00	734.00	43.2%
Fees and Miscellaneous	313.01	1,142.10	2,900.00	1,757.90	60.6%
Advertising (Personnel/Procurement)	-	-	1,800.00	1,800.00	100.0%
40th Anniversary	-	-	-	-	0
Total Administrative Costs	16,941.58	92,436.43	291,800.00	199,363.57	68.3%
<u>Contracting Services</u>					
Auditing	-	5,000.00	19,700.00	14,700.00	74.6%
Consultants - Technical	-	-	1,000.00	1,000.00	100.0%
Legal	-	-	1,000.00	1,000.00	100.0%
Total Contract Services	-	5,000.00	21,700.00	16,700.00	77.0%
 Total Gross G&A Expenses	<u>\$ 82,501.62</u>	<u>\$ 452,635.94</u>	<u>\$ 1,198,350.00</u>	<u>\$ 745,714.06</u>	<u>62.2%</u>

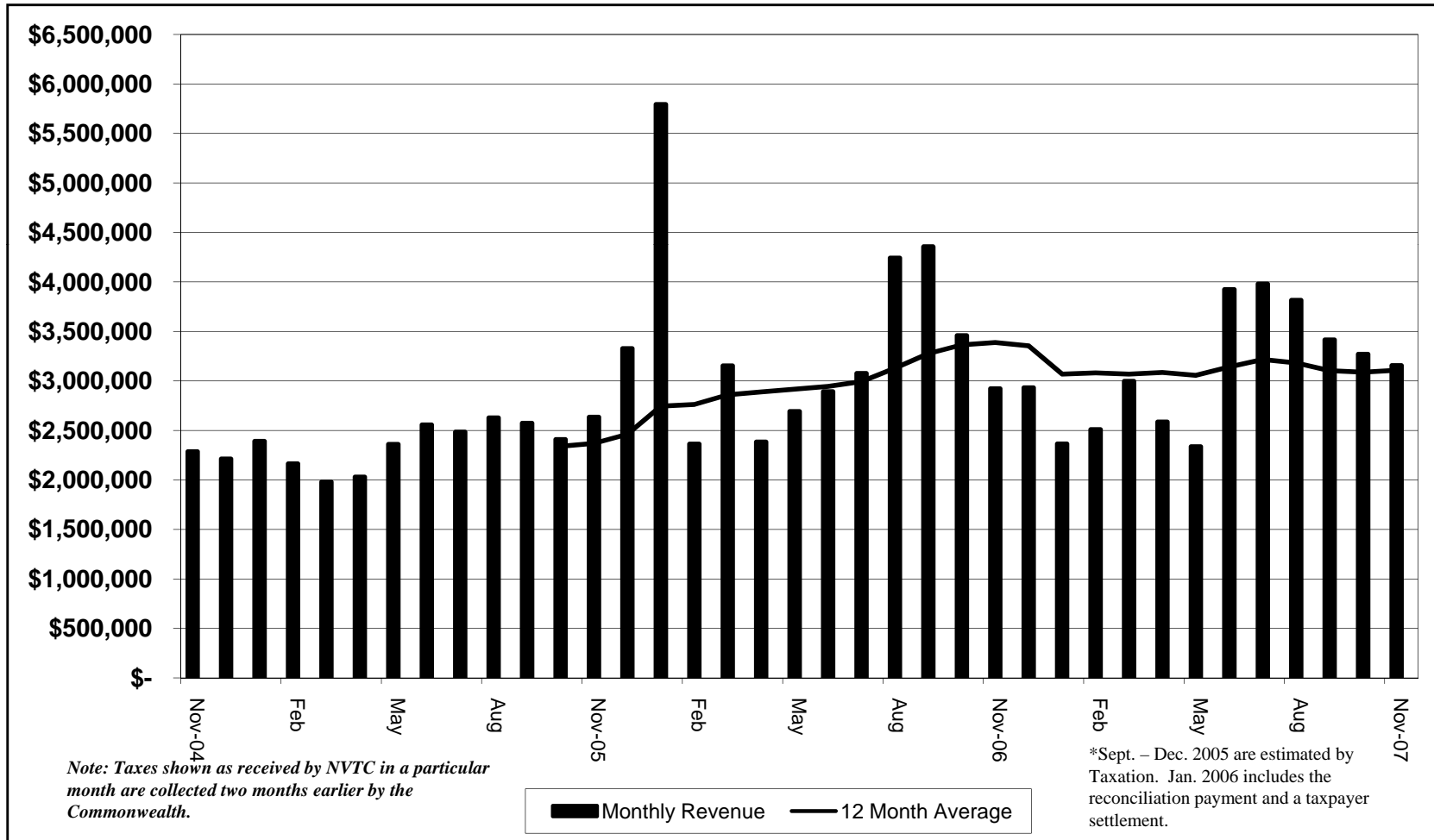
**NVTC
RECEIPTS and DISBURSEMENTS
November, 2007**

<u>Date</u>	<u>Payer/ Payee</u>	<u>Purpose</u>	<u>Wachovia</u>	<u>Wachovia</u>	<u>VA LGIP</u>		
			<u>(Checking)</u>	<u>(Savings)</u>	<u>G&A / Project</u>	<u>Trusts</u>	
RECEIPTS							
2	DRPT	Capital grant receipts					12,021,745.00
13	DRPT	GPS/AVL project grant receipt			64,380.00		
13	VRE	Staff support		6,818.27			
15	Fairfax County	SmarTrip project local contributions			187,861.50		
19	DRPT	FTM/Admin grant receipt					4,347,693.00
19	Dept. of Taxation	Motor Vehicle Fuels Sales tax receipt					3,156,385.07
30	Banks	November interest		882.09	2,861.28		410,564.80
			<u>-</u>	<u>7,700.36</u>	<u>255,102.78</u>		<u>19,936,387.87</u>
DISBURSEMENTS							
1-30	Various	NVTC project and administration	(199,043.18)				
2	Stantec	Bus data project	(10,457.38)				
8	City of Fairfax	Other operating					(124,784.09)
30	Wachovia Bank	November service fees	(57.80)				
			<u>(209,558.36)</u>	<u>-</u>	<u>-</u>		<u>(124,784.09)</u>
TRANSFERS							
2	Transfer	From LGIP to LGIP (Bus data project)			10,457.77		(10,457.77)
2	Transfer	From LGIP to checking	76,000.00		(76,000.00)		
9	Transfer	From savings to checking	50,000.00	(50,000.00)			
13	Transfer	From LGIP to checking	45,000.00		(45,000.00)		
21	Transfer	From savings to checking	50,000.00	(50,000.00)			
			<u>221,000.00</u>	<u>(100,000.00)</u>	<u>(110,542.23)</u>		<u>(10,457.77)</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ 11,441.64</u>	<u>\$ (92,299.64)</u>	<u>\$ 144,560.55</u>		<u>\$ 19,801,146.01</u>

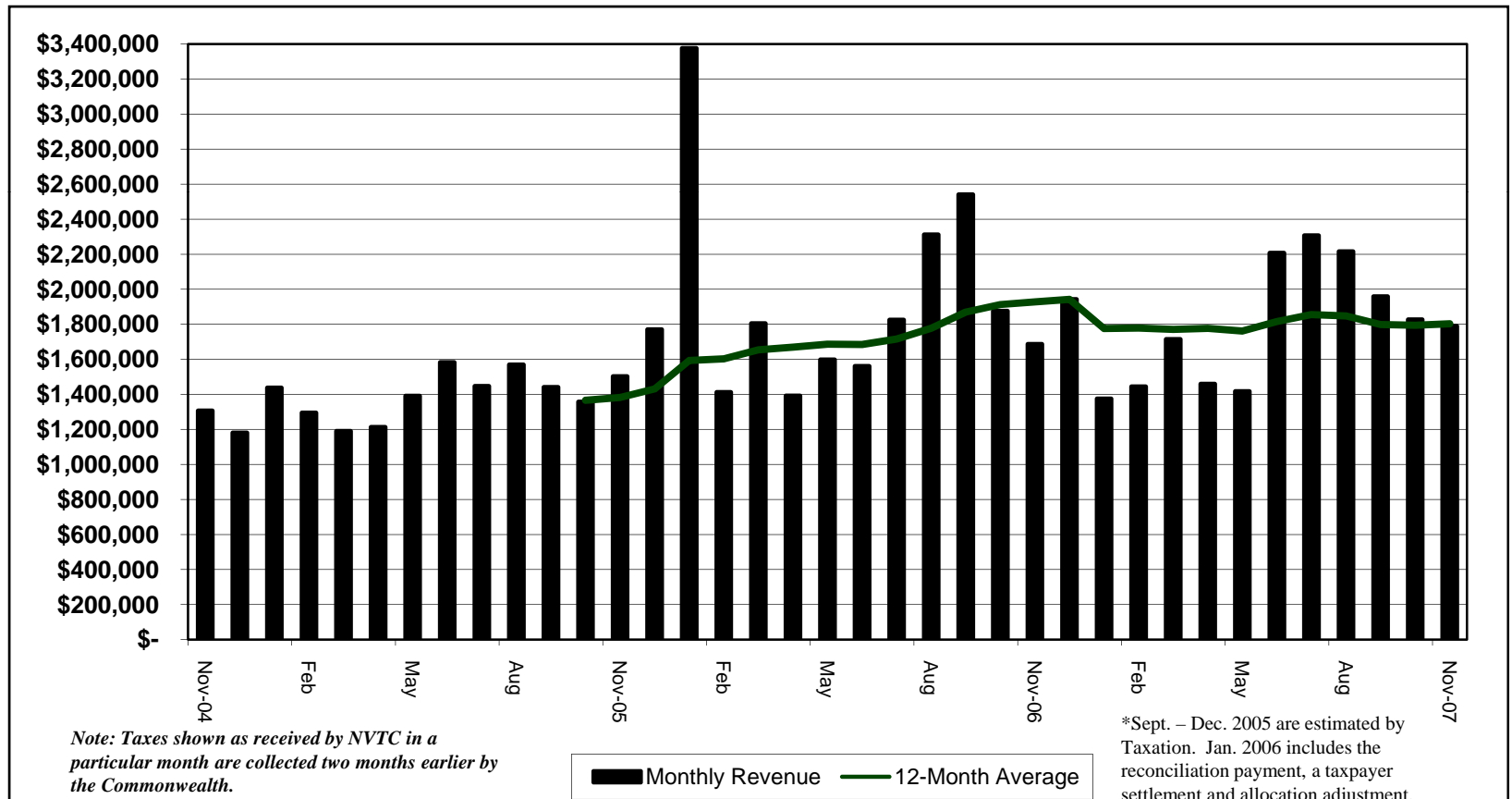
**NVTC
INVESTMENT REPORT
November, 2007**

<u>Type</u>	<u>Rate</u>	<u>Balance 10/31/2007</u>	<u>Increase (Decrease)</u>	<u>Balance 11/30/2007</u>	<u>NVTC G&A/Project</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun Trust Fund</u>
<u>Cash Deposits</u>							
Wachovia: NVTC Checking	N/A	\$ 3,554.13	\$ 11,441.64	\$ 14,995.77	\$ 14,995.77	\$ -	\$ -
Wachovia: NVTC Savings	3.60%	352,181.80	(92,299.64)	259,882.16	259,882.16	-	-
<u>Investments - State Pool</u>							
Nations Bank - LGIP	4.87%	88,769,839.50	19,945,706.56	108,715,546.06	804,098.62	76,765,883.97	31,145,563.47
		<u>\$ 89,125,575.43</u>	<u>\$ 20,009,409.11</u>	<u>\$ 108,990,423.99</u>	<u>\$ 1,078,976.55</u>	<u>\$ 76,765,883.97</u>	<u>\$ 31,145,563.47</u>

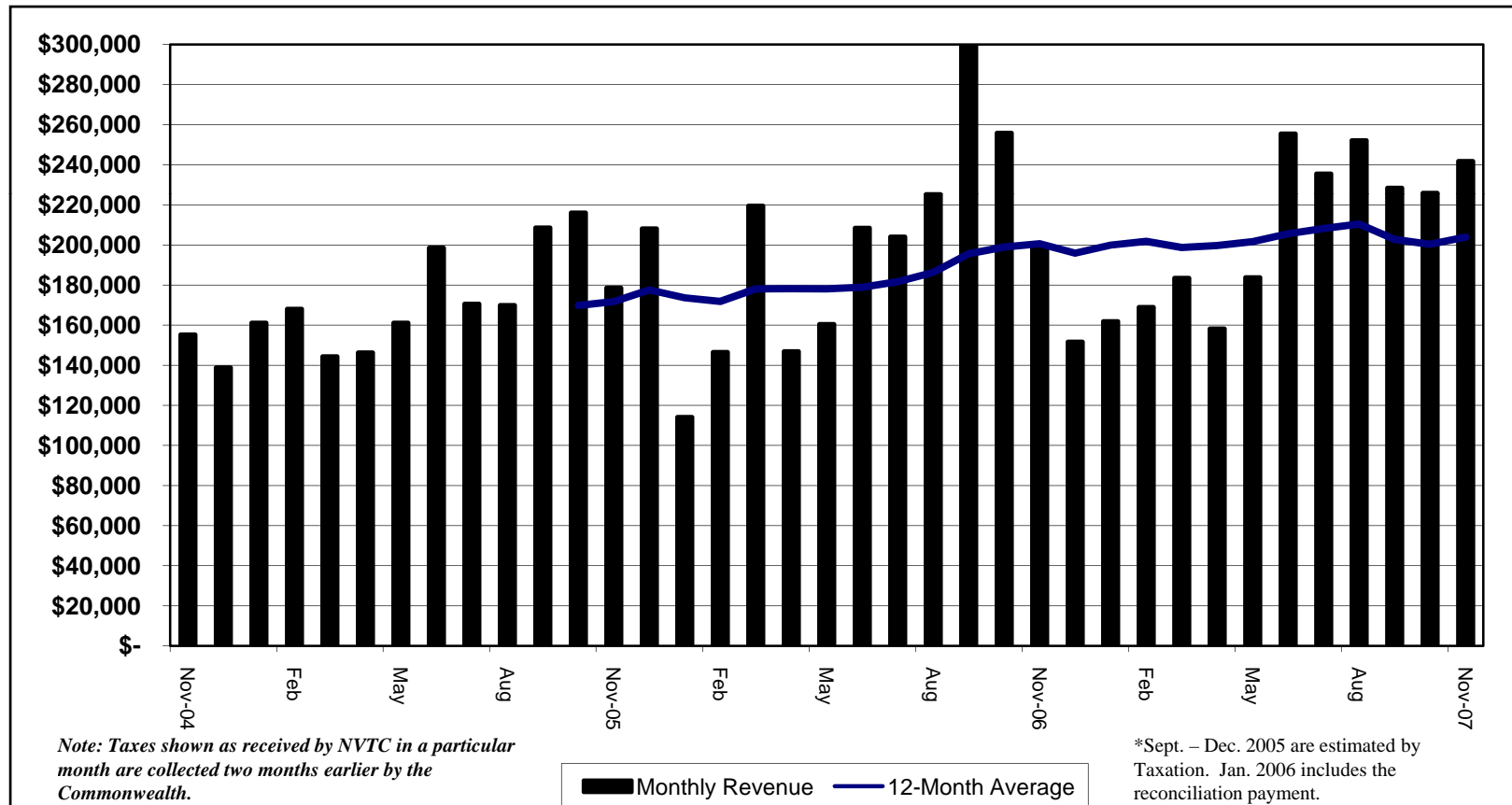
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2005-2008



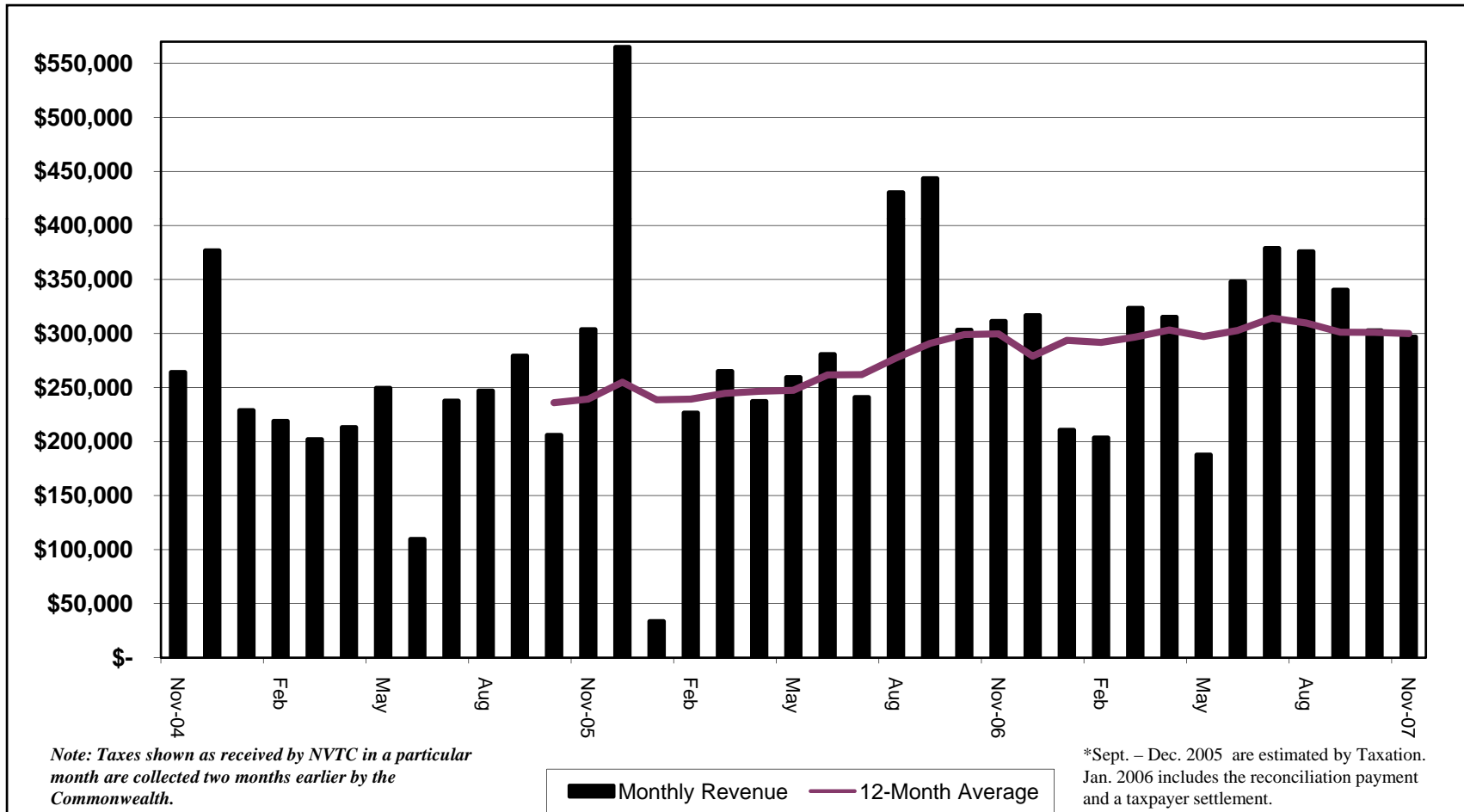
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2005-2008



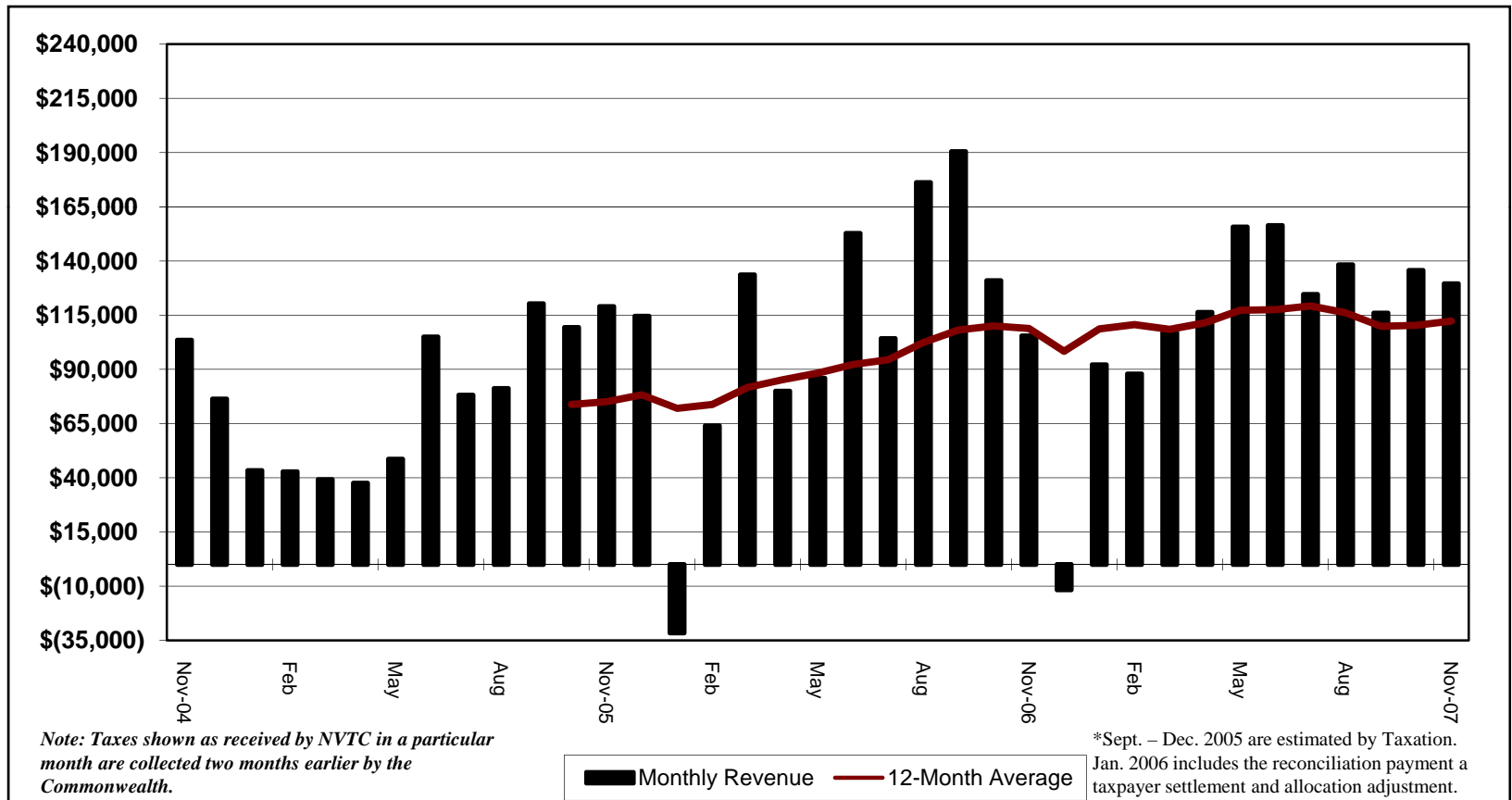
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2005-2008



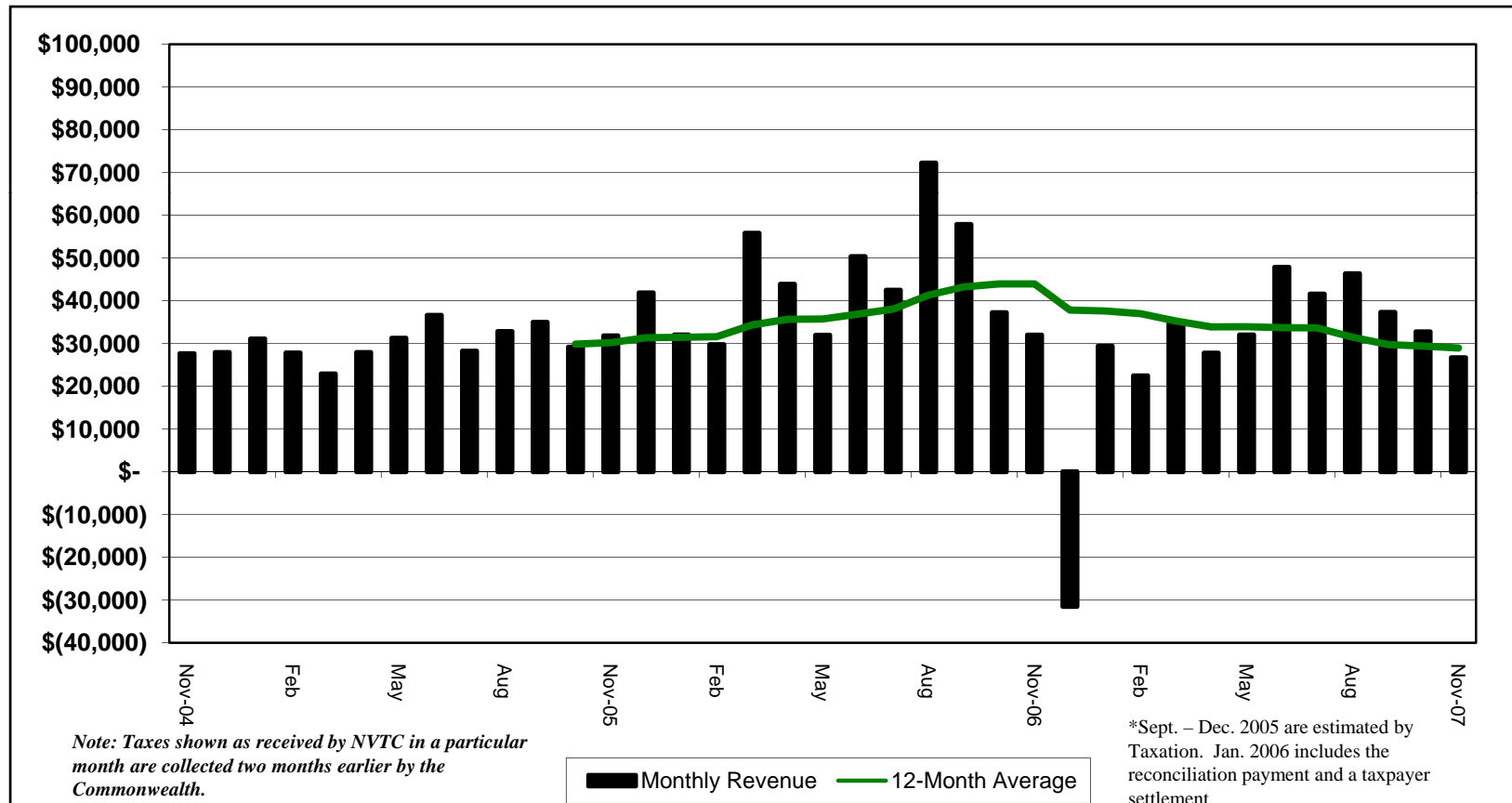
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2005-2008



NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2005-2008



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2005-2008



NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2005-2008

