



NVTC COMMISSION MEETING

THURSDAY, JULY 3 2008

NVTC CONFERENCE ROOM

6.30 P.M.

AGENDA

Note: The meeting will start earlier than usual at 6:30 P.M. A barbeque buffet supper will be provided for attendees, starting at 6:00 P.M. The Executive Committee will not meet.

1. Oath of Office for New NVTC Commissioner.

A new commissioner from the city of Fairfax may be appointed to replace Scott Silverthorne.

Recommended Action: Chairman Euille will administer the oath of office.

2. Minutes of the NVTC Meeting of June 5, 2008.

Recommended Action: Approval.

3. VRE Items.

A. Report from VRE's Operations Board and Chief Executive Officer—Information Item.

B. Extend Operating/ Access Agreement with CSXT—Action Item/ Resolution #2109.

C. Extend Operating/ Access Agreement with Norfolk Southern—Action Item/ Resolution #2110.

D. Sale of 13 Kawasaki Railcars and Purchase of 10 Gallery Cars—Action Item/ Resolution #2111.



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- E. Memorandum of Understanding with Manassas for Operation of a Parking Facility—Action Item/ Resolution #2112.

4. Contract Award for National Transit Database Consulting Assistance.

NVTC has retained a consultant to help its transit systems compile performance data and submit required reports to the Federal Transit Administration. The current contract has expired. An RFP was issued and staff has a recommendation for a new contract award.

Recommended Action: Authorize NVTC's executive director to execute a contract with the recommended firm and issue a notice to proceed for FY 2009. Costs are paid entirely by NVTC's jurisdictions using funds held in trust by NVTC. Filing the annual reports yields about \$6 million in net additional transit funding for the region.

5. Federal Grant Applications for Fairfax County and Falls Church

Fairfax County has asked that NVTC apply for a federal grant on behalf of the county to be used for Metro Matters projects. Falls Church is applying for federal funds for a multi modal transportation center.

Recommended Action: Approve Resolution #2113 which authorizes NVTC staff to apply for the grants, provides financial protection to NVTC's jurisdictions and amends NVTC's 2008 work program.

6. FY 2009 DRPT Transit Funding.

The CTB actions at their June meeting will be reviewed. DRPT responded positively to NVTC's primary concerns with the drafts.

Recommended Action: Authorize NVTC's executive director to execute the FY 2009 grant agreements with DRPT on behalf of NVTC's jurisdictions, WMATA and VRE. Authorize NVTC's Chairman Euille to send a letter thanking DRPT Director Tucker for his responsiveness.

7. Extend Agreement with Falls Church and WMATA.

NVTC originally purchased buses with federal funds for the Falls Church GEORGE system and executed effective in December, 2002 an agreement with Falls Church and WMATA regarding operation and funding of GEORGE. The agreement expired June 30, 2008.

Recommended Action: Authorize NVTC's executive director to extend the agreements so that WMATA can continue to operate GEORGE service for the next year.

8. Legislative Items.

Governor Kaine has called a special session of the General Assembly for June 23, 2008.

Recommended Action: Review the results and determine appropriate next steps.

9. Mid-Year Progress Report on NVTC's Work Program.

NVTC staff will review significant projects.

Discussion Item.

10. I-95/395 Hot Lanes Project.

The status of NVTC's request to review the bus-only lane study and safety study will be updated.

Discussion Item.

11. Metro Items.

- A. Monthly Ridership at Virginia's Metrorail Stations.
- B. Responses to Emergencies.
- C. FY 2009 Budget.
- D. Letter from Ed Tennyson on Bus and Rail Funding.

Information Item.

12. Regional Transportation Items

- A. APTA's "Benefits of Public Transportation" Brochure.
- B. Transit Versus Auto Commuting Cost Calculators.
- C. U.S. Reductions in Vehicle Miles Traveled.

Information Item.

13. NVTC Financial Items for May, 2008.

Information Item.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube

DATE: June 26, 2008

SUBJECT: Oath of Office for New NVTC Commissioner

Chairman Euille will administer the following oath to the new commissioner appointed to replace Scott Silverthorne from the city of Fairfax:

I do solemnly swear that I will support the constitution of the United States and of 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.





Agenda Item #2

MINUTES
NVTC COMMISSION MEETING – JUNE 5, 2008
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Vice-Chairman Zimmerman at 8:10 P.M.

Members Present

David Albo
Sharon Bulova
Kelly Burk
Gerald Connolly
Adam Ebbin
Jay Fisette
Mark R. Herring
Pat Herrity
Corey Hill (DRPT)
Catherine Hudgins
Mary Hynes
Joe May
Jeffrey McKay
Thomas Rust
Scott Silverthorne
Paul Smedberg
David F. Snyder
Mary Margaret Whipple
Christopher Zimmerman

Members Absent

William D. Euille

Staff Present

Rhonda Gilchrest
Scott Kalkwarf
Greg McFarland
Adam McGavock
Kala Quintana
Elizabeth Rodgers
Jennifer Straub (VRE)
Rick Taube
Dale Zehner (VRE)



Oath of Office for New NVTC Commissioner

Vice-Chairman Zimmerman announced that Senator Mark Herring has been appointed to replace Senator DeVolites-Davis. Vice-Chairman Zimmerman administered the oath of office to Senator Herring. Commissioners welcomed him to NVTC.

Minutes of the May 1, 2008 NVTC Meeting

On a motion by Mr. Connolly and a second by Mr. Smedberg, the commission unanimously approved the minutes. The vote in favor was cast by commissioners Albo, Bulova, Burk, Connolly, Ebbin, Herring, Herrity, Hudgins, Hynes, May, McKay, Rust, Silverthorne, Smedberg, Snyder, Whipple and Zimmerman.

VRE Items

Report from the VRE Operations Board and Chief Executive Officer. Mrs. Bulova encouraged commissioners to read the minutes of the May 15th VRE Operations Board meeting. Mr. Zehner reported that ridership has surged over the last two months and it is up six percent compared to last year at the same time. It is expected to continue to increase. There are now standees on some of the peak trains. He also announced that VRE had a planned service disruption on May 30, 2008, for track work to extend the third mainline track at "RO," an area just south of the Potomac River Bridge near the Crystal City station. VRE train service was terminated outside of the suspension area. Fredericksburg Line trains were terminated at the Franconia-Springfield station and Manassas Line trains ended at the Norfolk Southern facility near the Van Dorn Metrorail station where passengers were bused to the Metro station. VRE passengers were able to transfer to Metro using their VRE ticket. It went very well and Metro did a good job of handling the extra passengers.

Mr. Zehner stated that VRE is still working on improving on-time performance. Train interference is the main reason for train delays. Delegate Rust asked if there is a national standard for on-time performance. Mr. Zehner explained that there is not a national standard but VRE has set a goal of 90 percent.

Mr. Connolly stated that he has heard that a British firm is attempting to bid to purchase CSX. Mr. Zehner explained that it is a hostile bid. Mr. Connolly further stated that legislation will probably be introduced in Congress to block it, since it would be considered foreign ownership. Mr. Snyder suggested that as these CSX buy-out negotiations continue, VRE look at various strategies to leverage a better potential outcome.

Mrs. Burk asked if there is a reason why ridership is up. Mr. Zehner replied that the price of gasoline could be a contributing factor, as well as traffic congestion. VRE is more reliable day-to-day compared to commuting by automobile. Riders are also pleased with the new railcars. However, with new riders, on-time performance is even more crucial.

Delegate May asked about the status of the locomotive acquisition. Mr. Zehner replied that VRE is ready to sign a contract for locomotives; however, VRE has funding for only two locomotives, since the option for additional locomotives would have been primarily funded by HB 3202. VRE will try to exercise the option over the next four to five years using different sources of funding, unless funding can be restored during the upcoming General Assembly Special Session. Mrs. Bulova stated that locomotive performance impacts on-time performance. Vice-Chairman Zimmerman asked if the new locomotives are more efficient. Mr. Zehner explained how the new locomotives will be more efficient and environmentally friendly.

Mr. Snyder also observed that several years ago, NVTC did an economic analysis of the costs of a Metro trip from the outer suburbs to D.C. compared to driving (gas, wear and tear on vehicle, insurance, parking, etc.). With the increase in fuel costs, this type of analysis could be helpful for VRE and Metro riders to see and he asked that staff do some analysis using a couple of different scenarios. Mrs. Bulova stated that this information could be used as a marketing point.

Mr. Hill and Mr. Fisetle arrived at 8:18 P.M.

Sale of Five Gallery Cars. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #2107, which would authorize VRE's CEO to sell five Gallery cars to Chicago Metra for \$5,500 per car. These are the last five of a lot of railcars that VRE has advertised for sale. Twenty were sold previously. The sale is contingent on FTA approval. VRE has calculated that no federal or state interest will remain in these cars at the time of the sale. Mrs. Bulova stated that this transaction includes the buyer paying freight to remove the cars from VRE property. Previous Gallery car sales were approved at \$1 per car (for cars without working air conditioning) and \$4,000 per car (for cars with working air conditioning).

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2107 (copy attached).

Vice Chairman Zimmerman noted that the resolution needs to be changed to reflect that the buyer is "Metra" and not "Metro."

The commission then voted on the amended resolution and it passed. The vote in favor was cast by commissioners Albo, Bulova, Burk, Connolly, Ebbin, Herring, Herrity, Hill, Hudgins, Hynes, Fiset, May, McKay, Rust, Silverthorne, Smedberg, Snyder, Whipple and Zimmerman.

Other VRE Items. Mrs. Bulova announced that VRE will have ribbon cutting ceremonies for two new parking facilities. The Manassas parking garage ribbon cutting ceremony will be held on June 26th and the ceremony for the Burke Centre facility on June 28th. Mr. Connolly stated that signage needs to be improved around the Burke Centre station. He asked VRE to work with VDOT and Fairfax County staff on this issue. Commissioners should be receiving invitations to these events.

Legislative Items

Commissioners were provided with details about the governor's proposal of a transportation funding mechanism to be considered at the upcoming General Assembly Special Session and its implications for transit. Mr. Taube explained that Resolution #2108 has been drafted expressing NVTC's support for the governor's proposal.

Mr. Connolly moved, with a second by Mrs. Bulova, to approve the resolution.

Delegate Albo congratulated the governor for putting together a proposal; however, looking closer at the numbers, Northern Virginia would be putting in 40 percent for maintenance costs, while only receiving back 14 percent. He does not want to be on record supporting the specifics of the governor's proposal, since he and Delegate Rust will also be introducing legislation for the Special Session. Mr. Connolly observed that the resolution says that NVTC "supports the governor's proposal as a useful starting point for General Assembly consideration..." and it does not endorse the governor's entire proposal or in no way precludes other proposals. Delegate May expressed his concern that the language of the resolution could be taken out of context if not read in its entirety. He sympathizes with what NVTC is trying to convey, but would prefer to abstain from the vote.

Mr. Herrity stated that Fairfax County approved something similar, but included the principle that revenues raised in Northern Virginia need to stay in Northern Virginia. Mr. Connolly suggested changing #4 of the resolution to read: "It utilizes easily understood revenue sources and provides that the revenues raised in Northern Virginia stay in Northern Virginia." Senator Whipple observed that she is supportive of the motion, but warned that it is not realistic to think that all of the revenues will stay in Northern Virginia because of maintenance issues. Mr. Taube stated that the governor's effort would seek to balance the outflows and inflows. Maintenance funds could have a

net out flow while the transit funds could have a net in flow to Northern Virginia. Senator Whipple withdrew her concern.

In responding to Delegate May's concerns, Mr. Fisetto suggested that the resolution's subject line be changed to "Support for State and Regional Transportation Funding Proposal as a Useful Starting Point." Mr. Connolly accepted this suggestion as a friendly amendment. There were no objections.

The commission then voted on the amended resolution and it unanimously passed. The vote in favor was cast by commissioners Albo, Bulova, Burk, Connolly, Ebbin, Herring, Herrity, Hill, Hudgins, Hynes, Fisetto, May, McKay, Rust, Silverthorne, Smedberg, Snyder, Whipple and Zimmerman.

I-95/395 HOT Lanes

Mr. Taube reminded commissioners that Secretary Homer asked that discussion on this subject be deferred until the June 5th NVTC meeting. NVTC is still waiting for the information it requested, including the results of the Halcrow safety study. A letter to Secretary Homer has been drafted to remind him about these outstanding issues.

On a motion by Mr. Connolly and a second by Senator Whipple, the commission unanimously approved the letter. The vote in favor was cast by commissioners Albo, Bulova, Burk, Connolly, Ebbin, Herring, Herrity, Hill, Hudgins, Hynes, Fisetto, May, McKay, Rust, Silverthorne, Smedberg, Snyder, Whipple and Zimmerman.

Comments on DRPT Transit Policies

Mr. Taube stated that at last month's meeting the commission discussed its concerns regarding DRPT's policies on Maintenance of Effort, off-the-top DRPT administrative fees, and below average statewide matching ratio for NVTC. These concerns were included in Chairman Euille's testimony for NVTC at the Commonwealth Transportation Board hearings on May 14th. CTB will be asked to approve these policies at its June meeting.

Mr. Hill stated that DRPT received a number of comments on these policies. At this time, in regard to Maintenance of Effort, DRPT will calculate passenger fares as part of the local contribution. In regards to the other two issues, DRPT is in the process of providing a response to NVTC by June 10th. Senator Whipple stated that she is pleased to hear that the ridership revenue will be included. She suggested that these three issues be brought specifically to the attention of CTB's members, Judy Connally (At-Large Urban) and Doug Koelemay (Northern Virginia), and to ask them to shepherd these issues through the CTB discussion.

Senator Whipple moved, with a second by Mr. Connolly, to send letters to CTB members Connolly and Koelemay concerning these issues. The vote in favor was cast by commissioners Albo, Bulova, Burk, Connolly, Ebbin, Herring, Herrity, Hill, Hudgins, Hynes, Fisette, May, McKay, Rust, Silverthorne, Smedberg, Snyder, Whipple and Zimmerman.

Mr. Connolly asked Mr. Hill to convey to Mr. Tucker NVTC's appreciation that DRPT took NVTC's concerns into account. Mrs. Burk also expressed Loudoun County's gratitude to NVTC for assisting in this issue.

Metro Items

Mr. Snyder requested that in light of yesterday's delays on Metrorail due to power failures, NVTC put on an upcoming meeting agenda a discussion about incident management including a presentation on the region's efforts to create a regional transportation coordination group to handle incidents like this and how to communicate to the public. The Metro delays really inconvenienced riders. Some of it was out of Metro's control, but communication needs to be improved so riders are not left in the dark about what is happening. The region needs to have a coordinated effort. Vice-Chairman Zimmerman asked if Mr. Snyder was specifically referring to the group at TPB. Mr. Snyder replied affirmatively and stated that the group is the Metropolitan Area Transportation Operations Coordination Program Steering Committee (MATOC). He suggested inviting Dick Steed of VDOT and a Metro representative to participate in the discussion.

Monthly Ridership in Virginia's Metrorail Stations. Mr. Taube reported that Metrorail ridership at Virginia stations is very strong in FY 2008 through April compared to FY 2007 and is up eight percent on a month-to-month basis. Delegate Albo observed that there has been a surge in ridership and an increase in gasoline prices, which impacts gas tax revenues. He asked if Metro is swimming in money due to increased gas tax collections, and if so, can Metro spend it on capital improvements. Vice-Chairman Zimmerman replied that Metro is not swimming in money. Northern Virginia's gas tax revenues go to NVTC and fund a very small fraction of Metro's budget (approximately two percent). Additional passengers will result in more revenue; but on the other hand, Metro is over budget on its gas costs. Mr. Taube stated that gas tax collection charts are showing that gas consumption has gone down. Vice-Chairman Zimmerman agreed that there is some evidence that people are driving less. Mrs. Hudgins stated that it is important to look at how transit systems can make adjustments with the increases in gasoline costs. Mr. McKay announced that Metro broke ridership records last Tuesday. Vice-Chairman Zimmerman further announced that five out of the 10 highest Metrorail ridership days have been in the last two months.

Buses Operating on Shoulder Lanes. WMATA Chairman Zimmerman's proposal to consider a system of shoulder lanes on which buses could operate is being considered by VDOT. An evaluation involving new signals for existing shoulder lanes on I-66 outside the Beltway is being done.

Metrorail Capacity Needs. WMATA's Metro Matters investments need to be reallocated to respond to other urgent unfunded capital needs. The new plan defers \$109.5 million of Metro Matters projects. Combined with proposed borrowing of \$48.0 million, the \$489 million deficit of unfunded needs would be trimmed to \$332 million.

Bus Corridor Improvements. Metro has completed a new extensive study to revamp its heavily used Metrobus #30 lines operating across the District of Columbia. The process features opportunities for public input at several steps. Metro staff is proposing that the process be repeated in many other corridors in D.C., Maryland and Virginia to upgrade performance.

Regional Transportation Items

Virginia Transit Association Spring Meeting. VTA met May 19-21, 2008 at the Hilton Crystal City. VRE, Loudoun County and NVTC all received awards. NVTC received an honorable mention award from VTA in its Innovative Program category for NVTC's Senior Mobility Transit Training project.

Housing and Transportation Affordability Index. Mrs. Hynes noted that the website address listed for this index is incorrect. Mr. Taube stated that staff will provide commissioners the correct link.

NVTC Financial Items for April, 2008

Commissioners were provided with the financial reports for April, 2008. There were no questions or comments.

Award of Appreciation for Scott Silverthorne

Vice-Chairman Zimmerman noted that Mr. Silverthorne has represented the city of Fairfax on NVTC for nearly 10 years. After serving nine terms on the Fairfax City Council, Mr. Silverthorne did not seek re-election. In appreciation of his many years of service to NVTC, Vice-Chairman presented Mr. Silverthorne with an award.

Adjournment

Without objection, Vice-Chairman Zimmerman adjourned the meeting at 8:55 P.M.

Approved this 3rd day of July, 2008.

William D. Euille
Chairman

Gerald E. Connolly
Secretary-Treasurer

NVTC Northern Virginia Transportation Commission

RESOLUTION #2107

SUBJECT: Sale of Five Gallery Cars.

WHEREAS: In March, 2007 the VRE Operations Board recommended that the commission grant the VRE Chief Executive Officer authority to sell up to 25 railcars in anticipation of the new railcar delivery that began this past December;

WHEREAS: The cars were posted for public sale and 20 have been sold to date;

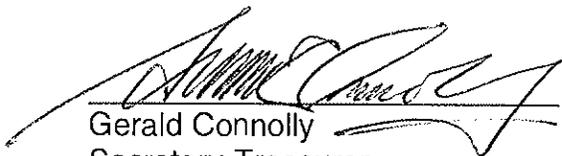
WHEREAS: VRE received an offer to purchase the last five of the gallery cars; and

WHEREAS: No federal or state interest will remain in these cars at the time of the sale.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to sell the last five Gallery cars to Chicago Metra for \$5,500 each.

BE IT FURTHER RESOLVED THAT this sale is contingent upon disposition approval from the Federal Transit Administration and will not occur until such approval is received.

Approved this 5th day of June, 2008.


Gerald Connolly
Secretary-Treasurer

William D. Euille
Chairman



NVTC Northern Virginia Transportation Commission

RESOLUTION #2108

- SUBJECT:** Support for State and Regional Transportation Funding Proposal as a Useful Starting Point.
- WHEREAS:** Governor Kaine has called a special session of the General Assembly for June 23, 2008 and has proposed a transportation funding mechanism to be considered at that session;
- WHEREAS:** The Governor's proposal would take effect for FY 2009 and would raise over \$1 billion annually of new funding by FY 2012;
- WHEREAS:** For the Northern Virginia Transportation Authority over \$300 million would be raised in FY 2009 from a new one percent retail sales tax with the proceeds allocated in the same manner as were the HB 3202 regional revenues (40 percent local, \$50 million for WMATA, \$25 million for VRE and the remaining funds for regional projects);
- WHEREAS:** Those new NVTA funds are projected to grow to \$400 million annually by 2013;
- WHEREAS:** A very important Transportation Change Fund would use \$142 million in FY 2009 of a 25-cent statewide grantors tax and be allocated 65 percent to transit capital and operating, 10 percent to rail capital and operating, 13.5 percent to the Partnership Opportunity Fund with the remainder to airports and waterports;
- WHEREAS:** NVTC jurisdictions would stand to derive substantial public transit funding from the Governor's proposal; and
- WHEREAS:** The Governor's proposal is consistent with the eight principles for solving the transportation funding crisis adopted by NVTC and NVTA.



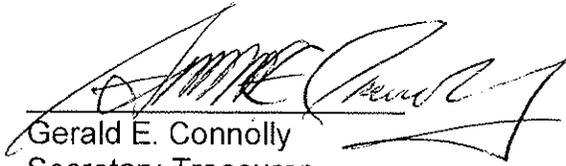
Res. #2108 cont'd

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission supports the Governor's proposal as a useful starting point for General Assembly consideration because:

1. It addresses both statewide and regional transportation funding needs;
2. It preserves the prerogatives and restores the funding of NVTA;
3. It provides dedicated funding for WMATA and VRE and helps meet federal mandates for the Dulles rail project;
4. It utilizes easily understood revenue sources and provides that the revenues raised in Northern Virginia stay in Northern Virginia.
5. With the Transportation Change Fund it emphasizes public transit, rail passenger service, ridesharing and telework;
6. It is effective in FY 2009; and
7. It is consistent with NVTC/NVTA's eight legislative principles.

BE IT FURTHER RESOLVED that NVTC urges the Governor and General Assembly to work together to agree on a plan during the special session that is at least as favorable to Northern Virginia's Transportation interests as the Governor's proposal and that clarifies the ability to issue bonds backed by NVTA revenues and that ensures fair distribution of funds to Northern Virginia from statewide revenues.

Approved this 5th day of June, 2008.


Gerald E. Connolly
Secretary-Treasurer



William D. Euille
Chairman



Agenda Item #3

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube

DATE: May 29, 2008

SUBJECT: VRE Items

- A. Report from the VRE Operations Board and Chief Executive Officer—Information Item.
- B. Extend Operating Agreement with CSXT— Action Item/ Resolution #2109.
- C. Extend Operating Agreement with Norfolk Southern—Action Item/ Resolution #2110
- D. Sale of 13 Kawasaki Railcars and Purchase of 10 Gallery Cars —Action Item/ Resolution #2111.
- E. Memorandum of Understanding with Manassas for Operation of a Parking Facility—Action Item/ Resolution #2112.



Item #3A

Report from VRE's Operations Board and Chief Executive Officer

Minutes are attached from the VRE Operations Board meeting of June 20, 2008. Also attached are reports from VRE's CEO on ridership, on-time performance, fuel costs and the Gainesville-Haymarket Facility Study. These materials are provided for your information.



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA JUNE 20, 2008

**VIRGINIA RAILWAY
EXPRESS**

BOARD MEMBERS

JOHN JENKINS
CHAIRMAN

SHARON BULOVA
VICE-CHAIRMAN

CHRIS ZIMMERMAN
TREASURER

PAUL MILDE
SECRETARY

MAUREEN CADDIGAN
WALLY COVINGTON
MARV DIXON
PATRICK HERRITY
FRANK JONES
KEVIN PAGE
GEORGE SCHWARTZ
PAUL SMEDBERG
DOUG WALDRON

ALTERNATES

MARC AVENI
JAY FISETTE
MATT KELLY
TIMOTHY LOVAIN
MICHAEL MAY
JEFF McKAY
MARTIN NOHE
BRYAN POLK
JOHN STIRRUP
MATT TUCKER

DALE ZEHNER
CHIEF EXECUTIVE
OFFICER

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MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
Charles Badger	DRPT
Wally Covington (PRTC)	Prince William County
Marvin J. Dixon (PRTC)	City of Fredericksburg
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
George H. Schwartz (PRTC)	Stafford County
Christopher Zimmerman (NVTC)*	Arlington County

MEMBERS ABSENT	JURISDICTION
Maureen Caddigan (PRTC)	Prince William County
Patrick Herrity (NVTC)	Fairfax County
Frank C. Jones (PRTC)	City of Manassas Park
Paul Smedberg (NVTC)	City of Alexandria
Doug Waldron (PRTC)	City of Manassas

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Jay Fiset (NVTC)	Arlington County
Matthew Kelly (PRTC)	City of Fredericksburg
Timothy Lovain (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
Bryan Polk (PRTC)	City of Manassas Park
John Stirrup (PRTC)	Prince William County
Matthew Tucker	DRPT

STAFF AND GENERAL PUBLIC	
George Billmyer – citizen	Peyton Onks – Sup. Herrity's office
Donna Boxer – VRE	Dick Peacock – citizen
John Duque – VRE	Mark Roeber – VRE
Dan Gentz -- Washington Examiner	Mike Schaller – citizen
Anna Gotthardt – VRE	Brett Shorter – VRE
Al Harf – PRTC staff	Jennifer Straub – VRE
Christine Hoeffner – VRE	Rick Taube – NVTC staff
Bob Leibbrandt – Prince William County	Dale Zehner – VRE
Steve Maclsaac – VRE counsel	
April Maguigad – VRE	
Betsy Massie – PRTC staff	
Sirel Mouchantaf – VRE	

** Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.

Chairman Jenkins called the meeting to order at 9:31 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Ms. Bulova moved, with a second by Mr. Dixon, to approve the agenda. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde and Schwartz.

Minutes of the May 16, 2008, VRE Operations Board Meeting – 4

Mr. Dixon moved, with a second by Ms. Bulova, to approve the minutes. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde and Schwartz.

Chairman's Comments – 5

Chairman Jenkins announced that for the last 11 consecutive months VRE has had an increase in its ridership. In May 2008, ridership was 8.4 percent higher than it was at the same time in 2007. He reminded Board Members that the ribbon cutting ceremonies for the two new parking garages are scheduled for June 26th at 11:00 A.M. for the Manassas parking garage and June 28th at 1:00 P.M. for the Burke Centre parking facility. He encouraged Board Members to attend.

Chairman Jenkins reported that another five railcars were delivered on June 19th and should go into revenue service during the week beginning June 23rd on Manassas Line trains #328 and #331. He also announced that the Board will not meet in July, but the next scheduled meeting will be August 15, 2008. Board Members were provided with a copy of a letter from Governor Kaine in response to VRE's letter concerning the Special Session and the need for transportation funding. Chairman Jenkins encouraged Board Members to lobby for transportation funding during the Special Session.

Chief Executive Officer's Report – 6

Mr. Zehner reported that June ridership is already up 10.7 percent from last year. Some peak trains have standees. Recently, VRE had a day where ridership reached a record high of 16,800 daily trips. VRE has not reached these numbers since October 2001.

Mr. Zehner stated that VRE is still trying to improve on-time performance (OTP) and most delays are occurring during afternoon service. The recent storms have resulted in downed trees and flooding, which has caused delays. One engine was significantly damaged by a large downed tree and the engine will be out of service for at least 30 days for repairs. OTP has not affected ridership because morning service has been consistently on-time. Staff continues to work with the railroads to address these issues.

In response to a question from Mr. Milde, Mr. Zehner stated that currently June OTP is two percent below last month, primarily because of the severe weather. Mr. Milde stated that communication is the key to letting passengers know why there are delays. Mr. Zehner stated that VRE passengers have been very understanding of the weather issues.

Mr. Zehner reported that the Meet the Management events are continuing every Wednesday, with an upcoming one at the Quantico Station. VRE ran trains for the 14th Annual Manassas Railway Festival on June 7th. The train consists were made up of all new Gallery railcars. He also reminded Board Members that the three percent fare increase will go into effect on June 30, 2008. Fare collection machines will be reprogrammed and Fare & Schedule posters, Riders' Guides and the website will be updated with the new rates.

Mr. Zehner reported that he and several staff members traveled to Baltimore to meet the new train dispatchers, who will be dispatching trains in VRE's service area. Several managers have shifted up to Baltimore from Jacksonville and the dispatching staff seem enthusiastic. They will begin dispatching the new service territory beginning June 21, 2008.

Mr. Schwartz stated that while he understands the explanation of the recent VRE train bypassing passengers waiting at two stations (Leeland Road and Brooke Station), there is a psychological factor that needs to be overcome for passengers. Mr. Zehner explained that there was a train delayed already by 30 minutes leaving Fredericksburg and, following VRE procedure, did not stop at these two stations. If it had stopped at both stations, it would have picked up double loads of passengers at each station. There was a train following seven minutes later that picked them up. If VRE does not separate it this way, then every train after is delayed and it clogs the rail line. VRE has explained this procedure to passengers so that they understand that it ultimately makes the delays less. It does not happen very often (maybe two times a year on each line) and it usually only happens with a catastrophic failure.

[Mr. Zimmerman arrived at 9:50 A.M.]

Ms. Bulova stated that from an operational point of view, it seems to make sense, but from a public relations point of view, it sounds disastrous. Mr. Milde asked if there is a way to communicate real-time information to passengers to let them know that another train is coming a few minutes behind the bypassed train. Mr. Zehner responded that VRE has done this but is limited to the number of words it can use with the message display board. Long-time riders understand, but new riders don't and it is important to educate them. Mr. Milde requested that VRE conduct a public information campaign to explain this procedure to passengers. Mr. Zehner stated that it only affects four stations (Leeland Road and Brooke station on the Fredericksburg Line and Manassas and Manassas Park on the Manassas Line) and staff can target these stations.

Mr. Zehner reported that the parking lot at the Brooke Station will be restriped during July, which should net an additional 70 parking spaces. Mr. Milde asked for an update

on the environmental analysis for the expansion (not just the restriping) of the Brooke Station parking lot. Mr. Zehner replied that as far as the environmental for Brooke Station and Leeland Road, both are scheduled to be completed by April 2009 as expected.

Mr. Milde also asked if there has been any recent communication with Spotsylvania County about joining VRE. Mr. Zehner replied that VRE staff stays in contact with Chairman Connors of the Spotsylvania Board of Supervisors. Chairman Jenkins stated that he has also been in personal contact with Chairman Connors, but it is his opinion that there is nothing else VRE can do at this time since it is the County's decision.

VRE Riders' and Public Comment – 7

George Billmyer reviewed some recent federal legislative activity on transportation funding and stated that he would like to see more federal funding for VRE. He suggested that the Commonwealth raise toll revenue along the I-81 corridor to fund transportation projects. He also stated that with the high cost of gasoline, people are looking for alternative ways to commute to work and he expressed his concern that they will find VRE parking lots and trains full. It is important for VRE to increase capacity.

Dick Peacock stated that he attended an event in Fredericksburg where Governor Kaine gave a very effective presentation on why the Commonwealth needs more funding for transportation. By raising different types of taxes and fees, it spreads "the pain." Mr. Peacock expressed his support for a state-wide tax on lodging. The tourism industry is big in Virginia and the people that come to visit need to help pay for part of the infrastructure. He also suggested a tax on alcoholic beverages. It is important to spread the burden on everyone who comes to our state, as well as its residents. Chairman Jenkins encouraged Board Members to read Mr. Peacock's letters in the *Free Lance-Star* and *Potomac News* advocating VRE service.

Consent Agenda -- 8

Ms. Bulova moved, with a second by Mr. Schwartz, to approve the following Consent Agenda:

Resolution #8A-06-2008: Authorization to Issue a Request for Proposals for Hazardous Waste Removal.

Resolution #8B-06-2008: Authorization to Issue a Solicitation for Construction of the Broad Run Maintenance Facilities Project.

The Board then voted on the motion and it unanimously passed. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Adopt FY 2010 Budget Guidelines – 9A

Mr. Zehner explained that Resolution #9A-06-2008 would direct staff to develop FY 2010 budget options for train operations and capital needs. He stated that VRE's financial planning process provides for early consideration of budget issues and assumptions. Each year, VRE meets with the member jurisdictions' Chief Administrative Officers (CAO) as well as Commission and jurisdictional staff to develop budget guidelines and examine the preliminary budget. The CAO Budget Task Force met on June 4th to review budget issues, including the rapidly increasing cost of fuel, Amtrak operating costs, the fleet management plan, ridership projections, and funding issues in lieu of NVTA funding.

Mr. Zimmerman stated that except for the cost recovery ratio, there is nothing that addresses budget goals, such as anticipated growth. Mr. Zehner stated that VRE usually has a four percent growth factor. Ms. Bulova observed that the resolution seems to provide more parameters rather than guidelines. Mr. Zimmerman stated that although it is important information, there doesn't seem to be guidance and direction for staff to do anything. Mr. Zehner stated that this is how it has been done in the past, where the issues are explained and how they impact the budget. Mr. Zimmerman stated that what is being presented is not an action document. His preference would be to give firmer direction of what the Board wants to see in a budget or to simply acknowledge this as a report. Ms. Bulova observed that although there is some action guidance listed in the resolution (i.e. minimize fare and subsidy increases by reducing costs), there is not much specificity. Also missing is indexing increases in growth based on inflationary factors, which the Board has previously discussed and approved.

Chairman Jenkins asked if Board Members supported the resolution. Mr. Zimmerman stated that he does not agree with the first bullet point of the resolution to "require an operating cost recovery ratio above 50 percent." Chairman Jenkins asked that a fifth bullet point be included in the resolution that would accommodate indexing based on inflationary and growth factors.

Ms. Bulova moved, with a second by Mr. Milde, to approve the amended resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde and Schwartz. Mr. Zimmerman voted no.

Approval of a Revision to the Investment Policy – 9B

Mr. Zehner stated that the VRE Operations Board is being asked to approve Resolution #9B-06-2008, which would authorize a revision to the investment policy to increase the allowable percentage of the portfolio that can be invested in money market funds from 40 percent to 60 percent. In June 2007, staff asked for an increase from 20 percent to 40 percent. The Board approved the increase and requested that staff come back after a year with any further requests. Mr. Zehner stated that staff met with the Audit and Finance Committee prior to today's Board meeting and the committee supports this action.

Mr. Zehner explained that the current 40 percent limitation is unusually restrictive compared to the policies of surrounding jurisdictions and the model policy of the Government Finance Officers Association (GFOA) and it presents some logistical difficulties, particularly in regards to bond principal and interest payments. For example, Prince William County limits money market funds to 60 percent of the portfolio; Stafford County and the City of Manassas have no percent limitation for investments; and GFOA does not recommend any percent limitation for government money market funds. Fairfax County limits money market and repurchase agreements combined to 30 percent of the portfolio, but the county relies primarily on its own securities purchases because of the size of its operation.

Mr. Covington moved, with a second by Mr. Dixon, to approve the resolution.

In response to a question from Mr. Dixon, Mr. Zehner stated that the GFOA does not have any guidelines for money markets. In response to a question from Mr. Zimmerman, Mr. Zehner explained that VRE tends to use LGIP, which is the state program, but also has funds held by a trustee for the bond payments. This action is needed because the trustee cannot use LGIP. Mr. Zimmerman asked how the decisions will be made and by whom. Mr. Zehner responded that he and Donna Boxer, VRE's Director of Finance, will make the decisions and acquire advice from PFM, VRE's financial advisor. Ms. Boxer explained that currently there is a risk that the percentage could go above 40 percent without staff being able to control it and that's why the increase is being requested. VRE has left about \$2 million in the LGIP for the 50 railcars to keep the percentage artificially below the 40 percent. VRE would rather use those grant funds first before loan funds are used but has not been able to do so because it needs to be below the 40 percent.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Enter into a MOU with the City of Manassas for the Operation and Maintenance of a Parking Facility – 9C

Mr. Zehner reported that the VRE Operations Board is being asked to recommend that the Commissions authorize him to enter into an agreement with the City of Manassas for the ownership and operation of a joint parking facility adjacent to the Manassas VRE station. Resolution #9C-06-2008 would accomplish this.

Mr. Covington moved, with a second by Mr. Schwartz, to approve the resolution.

Mr. Zehner stated that the 532-space parking garage is scheduled to open in July and a MOU for the specific operation of the garage is now needed. The MOU outlines understandings and responsibilities of each party regarding use, maintenance, landscaping, snow removal, security, parking enforcement and insurance. VRE will own 60 percent of the facility and the City will own 40 percent. VRE commuter parking (319 spaces) will be generally made available on the first three levels. The fourth and fifth levels will be primarily for Old Town parking (213 spaces). VRE will be responsible for

operation and maintenance, including trash removal, cleaning, elevator operations and inspections, and long-term capital maintenance. The City will be responsible for snow removal and landscaping after installation. Parking enforcement and periodic patrols will be provided by the City of Manassas police department. All operations, insurance and maintenance costs will be pro-rated based on the number of spaces (60 percent VRE and 40 percent City). The total cost of maintaining the facility is currently being estimated at \$60,000 per year. VRE has budgeted its pro-rated share in the FY 2009 operating budget.

In response to a question from Chairman Jenkins, Mr. Zehner stated that VRE staff has discussed this with City staff and VRE's legal counsel, Steve Maclsaac.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Extend Amended Operating/Access Agreement with CSXT – 9D

Mr. Zehner reported that the VRE Operations Board is being asked to recommend that the Commissions authorize him to execute an extension of the existing Amended Operating/Access Agreement with CSXT to January 31, 2009. Resolution #9D-06-2008 would accomplish this.

In response to a question from Chairman Jenkins, Mr. Zehner explained that VRE and CSXT have resolved all outstanding issues, except reaching 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. Both railroads, CSXT and Norfolk Southern, continue to press for higher liability insurance coverage (\$500 million). Currently, VRE has \$250 million in coverage. In response to a question from Mr. Zimmerman, Mr. Zehner stated that there have been efforts to include an insurance cap of \$200 million in the Amtrak reauthorization bill, but it does not cover third parties. Mr. Zimmerman asked if staff has been working to get an amendment to the bill to include VRE. Mr. Zehner responded that staff has been working on this issue at the federal level.

Mr. Zimmerman moved, with a second by Mr. Dixon, to approve the resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Extend Amended Operating/Access Agreement with Norfolk Southern – 9E

Mr. Zehner reported that an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to January 31, 2009, is also needed to allow time to complete negotiations for a new agreement. Resolution #9E-06-2008 would accomplish this. Following detailed negotiations with Norfolk Southern representatives, an agreement in principle was reached on all contract items with the exception of liability

coverage. An extension is needed while staff continues to attempt to resolve the insurance issue.

Mr. Zimmerman moved, with a second by Mr. Covington, to approve the resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Issue a Task Order for Daily HEP and Hot Start Inspections and Running Repairs – 9F

Mr. Zehner reported that Resolution #9F-06-2008 would authorize the CEO to issue a task order to Transportation Technologies, Inc. (TTI) to perform daily HEP and hot start inspections and running repairs through June 2009, for a cost not to exceed \$187,000. He explained that during the past two years, VRE has suffered three complete HEP failures due to deficient maintenance practices and the deterioration of locomotive hot starts. VRE conducted a trial of this maintenance program using TTI during the past three months and determined it to be of great value to the daily operation. There have been no failures since then.

Mr. Zehner explained that the proposed task order is designed to last for one year, after which the program will be reviewed for a determination if it should be continued. Funding for this program is provided in the FY 2009 operating budget.

Ms. Bulova moved, with a second by Mr. Zimmerman, to approve Resolution #9F-06-2008. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Execute a Lease Agreement for Tower Installation at the Leeland Road Station – 9G

Mr. Zehner reported that Resolution #9G-06-2008 would authorize him to execute a five-year lease agreement, with renewal options up to fifty additional years, with Mid-Atlantic Tower Holding Company for tower installation at the Leeland Road VRE station as part of the two-way VHF radio project. Back in June 2007, the VRE Operations Board approved a contract for design and construction of a VHF two-way radio communication system, which will provide VRE with an assigned railroad frequency on which information can be exchanged between VRE trains and the VRE offices in Alexandria and the Amtrak offices in Washington, D.C. VRE will also be able to monitor two Norfolk Southern and two CSXT radio frequencies to dispatch and control freight, VRE and Amtrak trains.

Mr. Zehner further explained that the radio system requires the utilization of three towers, to be located in Alexandria, Fairfax Station and Leeland Road. The Board has already approved the license agreement for the Fairfax Station antenna tower and is currently going through local permitting process for the Alexandria antenna location. This authorization will allow a small portion of unused land (approximately 6 x 6 feet) at

the Leeland Road station to be leased to Mid-Atlantic Tower Holding Company for the construction of a tower. As part of this lease, Mid-Atlantic will construct and maintain the tower at no expense to VRE. As VRE will own the tower, Mid-Atlantic will pay VRE \$2,000 per month and allow VRE space on the tower to support the VHF radio project. This revenue will be used to offset operating expenses for the project. The tower also has the added benefit of improving cellular reception in this area. Mid-Atlantic will be the recipient of any additional revenue generated from the tower.

Mr. Zehner stated that the initial lease is for a term of five years. Upon completion of the first lease term, VRE has the option to renew the lease for ten additional periods of five years each. VRE would return to the Operations Board for approval after the initial lease term. No funds are required for this agreement.

Mr. Zehner stated that currently VRE can communicate with trains by cell phone but there are areas, such as in the Leeland Road and the Clifton areas, that don't have service. In response to a question from Mr. Milde, Mr. Mouchantaf responded that the tower will be 150 feet tall. Mr. Zehner explained that Mid-Atlantic will need to go through the Stafford County approval process for all necessary permits. Mr. Milde observed that it is a standard procedure for Stafford County to receive free space on towers. Mr. Mouchantaf stated that he is unaware of any agreement with the County and Mid-Atlantic. He explained that the tower can accommodate five vendors and VRE is being given one spot. Mr. Milde asked about WiFi capabilities. Mr. Zehner replied that a cellular company could negotiate with Mid-Atlantic for space on the tower.

Mr. Schwartz moved, with a second by Mr. Milde, to approve the resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Execute a Force Account Agreement for the Cherry Hill Third Track Project – 9H

Mr. Zehner reported that the Operations Board is being asked to authorize the CEO to execute a force account agreement with CSXT for the Cherry Hill Third Track project in the amount of \$247,952, plus a ten percent contingency, for a total amount not to exceed \$272,747. A force account is needed with CSX in order to allow for reimbursement of their efforts in support of the design-phase of the project, including flagging services, engineering review and approvals, and signal and operational coordination. A separate agreement will be brought to the Operations Board at a later date for construction support. Similar to other force account agreements, CSX submits actual costs for reimbursement. Funding is provided from DRPT's Rail Enhancement Fund grant. Resolution #9H-06-2008 would accomplish this. There were no questions from Board Members.

Mr. Covington moved, with a second by Mr. Zimmerman, to approve the resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Jenkins, Milde, Schwartz and Zimmerman.

[Mr. Dixon stepped out of the room for a few minutes and was not present for the vote.]

Authorization to Execute a Lease for Available Space at the Quantico Station – 9I

Mr. Zehner reported that following a RFP process for the operation of concession and ticket sales at the Quantico station, VRE received one proposal from the Coffee Club Café Company, Inc. The proposal includes operation from 5:00 A.M. until 8:00 P.M. Monday through Friday with a payment of \$500 per month. The term of the lease is for one year, with four one-year renewal options. VRE's CEO would exercise the option years at his discretion. Resolution #9I-06-2008 would authorize the CEO to enter into a lease agreement with the Coffee Club Café Company, Inc. for the operation of concession and ticket sales at the Quantico VRE station. Board Members had no additional questions or concerns.

Mr. Covington moved, with a second by Ms. Bulova, to approve the resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Authorization to Sell 13 Kawasaki Railcars and to Purchase 10 New Gallery Style Cars – 9J

Mr. Zehner reported that the VRE Operations Board is being asked to recommend that the Commissions authorize him to sell 13 Kawasaki railcars to the Maryland Transit Administration and to concurrently purchase 10 new Gallery style cars from the Sumitomo Corporation of America. Resolution #9J-06-2008 would accomplish this.

Mr. Zehner reminded Board Members that in March of 2008, the Board authorized him to pursue the sale of the Kawasaki railcars and to issue a RFP for the purchase of 10 new Gallery cars to potentially replace the Kawasaki cars. The two transactions were linked because the Kawasaki railcars could not be sold unless sufficient funds were available to purchase replacement cars. Consequently, VRE posted both the Intent to Sell and the RFP on the VRE website. VRE received one proposal from the Sumitomo Corporation of America, which resulted in a negotiated purchase price of \$22 million for 10 Gallery style cars. The total cost of the new cars, with construction oversight and contingency is estimated at \$24,980,000. VRE staff recommends the purchase contingent upon the sale of the Kawasaki railcars. A separate action item for construction oversight will be brought before the Operations Board at an upcoming meeting.

Mr. Zehner explained that funding for the 10 new railcars would come from two sources: 1) the net cash generated by the sale of the Kawasaki railcars; and 2) the remaining available loan funds previously authorized by the Commissions and included in the Federal Railroad Administration (FRA) financing that was used for the purchase of the 50 railcar option. The increased payments for the FRA loan would then, in turn, be paid for using funding originally allocated for the repayment of the Kawasaki bonds.

Mr. Zehner further stated that FRA approved a loan to VRE for \$72.5 million in 2005. However, only \$57.5 million of the total loan amount was needed for the 50 railcar option order and subsequently approved by the Commissions. Additional grant funds were provided by the state prior to completing the purchase which further reduced the loan amount to \$55 million, leaving an available loan balance of over \$17 million.

In regards to the sale of the 13 Kawasaki cars, Mr. Zehner stated that VRE publicly posted and initiated discussions with four commuter rail agencies to stimulate interest in the sale. VRE received one written offer from the Maryland Transit Administration (MTA) for \$22 million, including associated spare parts and MTA's assumption of the remaining federal interest. MTA is requesting approval by the Commissions and jurisdictions by October 4, 2008 and would like to take delivery by October 31st. The sale is subject to final approval by the Maryland Board of Public Works. After reviewing the terms of this offer, VRE staff recommends acceptance. VRE's financial advisor, PFM, estimates that \$14.3 million is needed to defease (put funds aside to service the remaining debt) the outstanding bonds used to finance the railcars. MTA's offer provides sufficient funds to defease the bonds and pay for a portion of the replacement car purchase. The net cash remaining from the sale would be \$7.7 million. The remainder of the purchase would come from funds using the FRA loan. The FRA loan capacity is already in place and can be accessed immediately, providing that the Commissions and jurisdictions approve the assumption of this debt.

Mr. Zehner gave a detailed overview of the benefits of the Kawasaki sale. It would allow VRE to standardize its fleet with all Gallery style railcars. If the sale and purchase are approved, VRE would have 71 new Gallery style railcars and 30 older Gallery cars in the fleet. The fleet would provide sufficient railcars for up to 14 consists and 36 trains. Today VRE operates 11 consists and 30 trains. It would also reduce railcar maintenance costs, since the Kawasaki cars are more mechanically complex. Another benefit is that it would increase fleet flexibility because the Gallery and Kawasaki railcars are not interchangeable. Thus, VRE is limited to using the Kawasaki railcars in unique consists. Consequently, VRE has only a one car contingency for maintenance, which is considered too low for VRE's level of service reliability. Finally, MTA's offer provides an exceptional sales price, which is nearly what VRE paid for the railcars nine years ago. VRE staff does not believe that a higher price will be achieved in the future.

Mr. Zehner stated that the Notice to Proceed for the Gallery railcar purchase must be granted no later than September 26, 2008, with VRE's best effort made to issue the Notice by August 31, 2008. If it occurs after August 31st, it could delay the delivery of the railcars by an additional five months. MTA's offer is only valid until October 4th. As a result, the required commission and jurisdictional approvals must be secured as rapidly as possible. Mr. Zehner stated that he would like to go to the jurisdictions prior to the Commission meetings, to gain their approval contingent upon Commission approval.

In response to a question from Ms. Bulova, Mr. Zehner stated that although the overall debt amount would be higher, the annual debt costs would be less, because it would be spread out over a longer period of time.

In response to a question from Mr. Milde, Mr. Zehner stated that seat capacity (144 seats) is basically the same for the Kawasaki and Gallery railcars. Mr. Milde asked what the total cost of the purchase will be, including debt and interest. Staff was not sure of the exact amount. Mr. Milde observed that these two transactions would net a loss of three railcars and expressed his concern regarding future capacity. Mr. Zehner responded that the new railcar purchase would provide for capacity to 2015. Currently, VRE has plenty of railcars, but it is a mid-day storage issue that does not allow VRE to add more railcars.

In response to questions from several Board Members, Mr. Zehner and Ms. Boxer provided further explanation on how it would impact future bonding and jurisdictional debt limitations, as well as the overall financial benefit of this transaction.

Mr. Dixon asked what would be the implications of this decision if Spotsylvania County voted to join VRE in the near future. Mr. Zehner stated that the County would not be responsible for the debt because they did not vote for it. Mr. Harf clarified that any debt service that remains is incorporated into the annual budget, so if Spotsylvania County joins VRE they would bear their fair share, just like any other member.

Mr. Harf asked if MTA would take the Kawasaki railcars incrementally since VRE would not be receiving the new railcars until 2010. Mr. Zehner responded that MTA wants to acquire them all by October 31st. VRE will be receiving another 15 more railcars through September. There are enough railcars to meet current service.

Mr. Taube asked what would happen if the final approval was not given by the Maryland Board of Public Works and the option for the new railcar purchase was already initiated. Mr. Zehner explained that he has already asked MTA to acquire final approval from the Maryland Board of Public Works by August.

Ms. Bulova moved, with a second by Mr. Dixon, to approve the resolution. The vote in favor was cast by Board Members Bulova, Badger, Covington, Dixon, Jenkins, Milde, Schwartz and Zimmerman.

Rising Fuel Costs – 10A

Mr. Zehner stated that diesel fuel costs will be considerably higher than the amounts budgeted for both FY 2008 and FY 2009. Ridership is higher, which is resulting in additional revenue. Additional state money could also help offset these fuel cost increases. Staff is planning to come before the Board at the August meeting and provide an update. At that time the Board may need to make some adjustments, such as considering an additional fare increase and/or subsidy increase, once all other avenues have been exhausted.

Mr. Dixon observed that the average price per gallon in the FY 2009 budget, which was prepared in November 2007, is \$2.38 per gallon. Ms. Boxer stated that the purchase of fixed price contracts from VRE's fuel suppliers have served to delay the impact of the rise in fuel prices. VRE expects to save almost \$500,000 as a result of locking in these

contracts. VRE has locked in for two-thirds of its purchases through December 2008 and for about one-third through February 2009. Mr. Zehner stated that because of this hedging, VRE has been paying below market price for fuel.

Mr. Dixon asked how much the increase in ridership will offset the increase in fuel costs. Mr. Zehner stated that he will include this information in the August briefing.

Mr. Milde expressed his concern that VRE improve on-time performance before losing riders. Mr. Zimmerman reported that transit is seeing significant increases in ridership with the high fuel costs. Metro has had seven of its top 10 highest ridership days in the last seven months, with most of them being ordinary service days.

Gainesville-Haymarket Feasibility Study and Alternatives Analysis – 10B

Mr. Zehner reported that work has begun on the Gainesville-Haymarket Feasibility Study, including updating ridership and financial estimates; identification of candidate sites for stations, parking, overnight storage; feasibility analysis of proposed operations and infrastructure requirements; and preliminary environmental review. VRE staff and its consultant team will be scheduling informational interviews with key stakeholders (e.g. Prince William County, the City of Manassas, Norfolk Southern, etc.) to assist in formulating project goals and objectives. An informational meeting is being planned for July to introduce the study to the general public and solicit public opinion.

Adjournment

On a motion by Ms. Bulova, and a second by Mr. Dixon, the Board unanimously voted to adjourn. Chairman Jenkins adjourned the meeting at 11:03 A.M.

Approved this 15th day of August, 2008.

JOHN D. JENKINS
Chairman

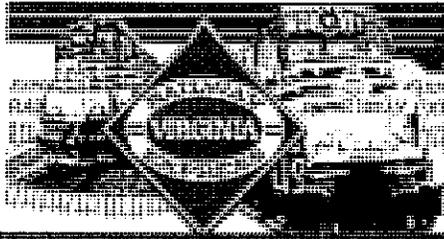
PAUL MILDE
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the June 20, 2008 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest



CHIEF EXECUTIVE OFFICER'S REPORT

June 2008

MONTHLY DELAY SUMMARY

	February 08	March 08	April 08	May
System wide				
Total delays	84	75	126	123
Average length of delay (mins.)	16	16	14	17
Number over 30 minutes	9	6	11	20
Days with Heat Restrictions/Total days	0/20	0/21	0/22	0/21
On-Time Performance	85.5%	87.7%	80.3%	80.9%
Fredericksburg Line				
Total delays	42	31	70	67
Average length of delay (mins.)	16	18	12	18
Number over 30 minutes	3	4	0	9
On-Time Performance	83.8%	88.6%	75.5%	76.8%
Manassas Line				
Total delays	42	44	56	56
Average length of delay (mins.)	16	15	17	17
Number over 30 minutes	6	2	11	11
On-Time Performance	86.9%	86.9%	84.1%	84.4%

SYSTEM RIDERSHIP

Ridership has increased for eleven consecutive months. The last time that VRE had eleven months of consecutive growth was in FY 2004. Ridership in May 2008 was 8.4% higher than in May 2007. The cumulative ridership for this fiscal year has climbed to 14,572 average daily trips and represents a 4.4% increase from last fiscal year. This is the highest that it's been since June 2006. There are now 611 more trips per day than there were a year ago. In addition, we are experiencing many more phone calls from new riders asking questions about how to ride VRE and on the peak period trains we are starting to see standees.

SYSTEM ON TIME PERFORMANCE

System wide on-time performance (OTP) remained at 80.9% in May, with an OTP of 76.8% on the Fredericksburg Line and 84.4% on the Manassas Line. The major cause of delays was train interference. Only 9 delays out of the total 115 delays for May were due to mechanical issues. Events that significantly affected on-time performance in May were a disabled freight train near Alexandria on May 6th and speed restrictions related to flash flood warnings on May 9th. Although OTP is not where I want it to be, we continue to work on improving it. First, Amtrak trains OTP is improving. Second, we have mechanical delays under control. Third, CSX dispatchers for our territory will relocate to Baltimore effective June 21st and I anticipate the

dispatchers will gain a more intimate knowledge of the territory and VRE crews. Both will ensure more direct and personal dispatching – a direct benefit to CSX, VRE and Amtrak.

CSX THIRD TRACK INSTALLATION

On Friday, May 30th, VRE experienced planned service disruptions on both lines due to CSX tying in a new portion of third main track at “RO”, an area just south of the Potomac River Bridge near the Crystal City Station. CSX began the process on Thursday evening, May 29 after VRE service and completed it on Sunday, June 1.

During that day, VRE terminated Fredericksburg line trains at Franconia/Springfield and passengers transferred to Metrorail using their VRE ticket. Manassas line trains terminated at the Norfolk Southern facility near the Van Dorn Street Metrorail station where they were bused to the Metro Station. This process was reversed in the afternoon. VRE staff was on location at both Metro stations to assist passengers. While ridership was low - 7,037 passenger rides-ample notification helped minimize this temporary inconvenience. WMATA station managers provided exceptional customer service to our riders.

CSX RAIL REPLACEMENT

The CSX R3 rail team will work on the RF&P subdivision from Sunday, June 1st through Thursday, June 26th. The team will work eight straight days beginning on Sunday, June 1st through Sunday, June 8th, followed by six days off . Work will resume from Sunday, June 15th and run through Thursday, June 26th, with no work on Friday, June 20th. While most work will occur overnight, some daylight hours are needed for work on the Long Bridge. Work will start at milepost CFP 60.87, near Dahlgren, VA and work north to milepost CFP 112.3, near Virginia Avenue, DC. A total of 85,931 linear feet of rail will be installed during this period.

MANASSAS RAILWAY FESTIVAL

On Saturday, June 7th, the Fourteenth Annual Manassas Railway Festival was held at the Manassas VRE station from 10:00 a.m. until 5:00 p.m. VRE ran excursion train rides every hour on the hour starting at 10:00 a.m. with the last one departing at 3:00 p.m. The train consist was made up entirely of VRE’s new Gallery cars. The festival also featured a variety of model railroads, railroad history and memorabilia, live bands, children’s rides and activities, and plenty of food. The train service expenses were paid by Historic Manassas up front, so no costs were incurred by VRE.

MEET THE MANAGEMENT

For the month of June, Meet the Management events will take place at Manassas, Brooke, Manassas Park and Quantico. We will meet all morning trains with refreshments and answer any questions.

NEXT DELIVERY OF NEW RAIL CARS

The next five new Gallery cars (31st through 35th cars) are scheduled to arrive on Thursday, June 19th. They will be tested over the weekend and are scheduled to be in service the week of June 23rd on the Manassas line.

VRE FARE INCREASE

The approved 3% fare increase will go into effect on June 30, 2008. Fare collection machines will be reprogrammed and Fare and Schedule posters, Rider's Guides, and the web site will be updated with the new rates.

MONTHLY PERFORMANCE MEASURES – MAY 2008

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
May Fredericksburg OTP Average	76.8%
May Manassas OTP Average	84.4%
VRE MAY OVERALL OTP AVERAGE	80.9%

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2008 Passenger Totals	3,300,410
VRE FY 2007 Passenger Totals	3,155,216
PERCENTAGE CHANGE	4.6%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
MAY 2008	305,560
MAY 2007	310,046
PERCENTAGE CHANGE	8.4% (NORMALIZED)
SERVICE DAYS (CURRENT/PRIOR)	20/22

Monthly Ridership and OTP: May 2008

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	3,477	3,631	7,108	88%	3,864	4,140	8,004	92%	15,112	90%
2	2,846	2,823	5,669	81%	3,465	3,625	7,090	77%	12,759	79%
3										
4										
5	3,597	3,574	7,171	88%	3,821	4,081	7,902	69%	15,073	79%
6	3,313	3,414	6,727	50%	3,979	4,298	8,277	46%	15,004	48%
7	3,466	3,538	7,004	94%	3,970	4,063	8,033	77%	15,037	86%
8	3,641	3,610	7,251	88%	4,006	4,054	8,060	92%	15,311	90%
9	2,870	2,461	5,331	44%	3,631	3,514	7,145	23%	12,476	34%
10										
11										
12	3,147	3,060	6,207	88%	3,692	3,788	7,480	69%	13,687	79%
13	3,599	3,545	7,144	100%	4,050	4,220	8,270	92%	15,414	97%
14	3,509	3,599	7,108	88%	4,223	4,295	8,518	92%	15,626	90%
15	3,702	3,706	7,408	75%	3,892	4,049	7,941	77%	15,349	76%
16	2,949	3,148	6,097	88%	3,855	3,775	7,630	77%	13,727	83%
17										
18										
19	3,474	3,492	6,966	88%	3,762	3,959	7,721	100%	14,687	93%
20	3,537	3,615	7,152	100%	4,226	4,379	8,605	62%	15,757	83%
21	3,918	3,743	7,661	81%	4,091	4,165	8,256	69%	15,917	76%
22	3,619	3,759	7,378	100%	3,911	4,333	8,244	85%	15,622	93%
23	2,627	2,451	5,078	100%	3,695	4,210	7,905	92%	12,983	97%
24										
25										
26										
27	3,552	3,681	7,233	88%	3,775	4,355	8,130	77%	15,363	83%
28	3,757	3,683	7,440	100%	4,214	4,472	8,686	100%	16,126	100%
29	3,696	3,781	7,477	50%	4,158	4,348	8,506	46%	15,983	48%
30*	977	951	1,928	38%	2,545	2,564	5,109	67%	7,037	52%
31	65,796	65,634	138,538	82%	76,961	80,547	165,512	75%	304,050	78%
	Adjusted total:		136,634		Adjusted Total:		161,889	Adjusted Total:	298,523	

# of Service Days:	20	Total Trips This Month:	305,560	Adjusted Total:	298,523
Manassas Daily Avg. Trips:	6,597	Prior Total FY-2008:	2,994,850		
Fred'burg Daily Avg. Trips:	7,882	Total Trips FY-2008:	3,300,410		
Total Avg. Daily Trips:	14,479	Total Prior Years:	39,969,773		
		Grand Total:	40,270,183		

Note: Adjusted Averages & Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days. * designates scheduled service disruption and is not included in adjusted totals.

Monthly Ridership Changes: Fiscal Year 2007 vs. 2008

Current Month	MANASSAS			FREDERICKSBURG				
	Avg Daily FY2007	Avg Daily FY2008	% change	Avg Daily FY2007	Avg Daily FY2008	% change	Current Total	% change
July	6310	6513	3.22%	7337	7393	0.76%	13906	1.90%
August	6319	6405	1.36%	7070	7379	4.37%	13784	2.95%
September	6451	6847	6.14%	7232	7652	5.81%	14499	5.96%
October	6820	6973	2.24%	7513	7754	3.21%	14727	2.75%
November	6695	6894	2.97%	7626	7707	1.06%	14601	1.96%
December	5823	6081	4.43%	6813	7235	6.19%	13316	5.38%
January	7158	6978	-2.51%	7862	8148	3.64%	15126	0.71%
February	6921	6842	-1.14%	7465	8018	7.41%	14860	3.29%
March	6842	6812	-0.44%	7218	8050	11.53%	14862	5.70%
April	6467	6988	8.06%	7259	8324	14.67%	15312	11.55%
May	6600	6832	3.52%	7493	8094	8.02%	14926	5.91%
June	6647			7560			0	
Average growth			2.53%			6.06%		4.37%

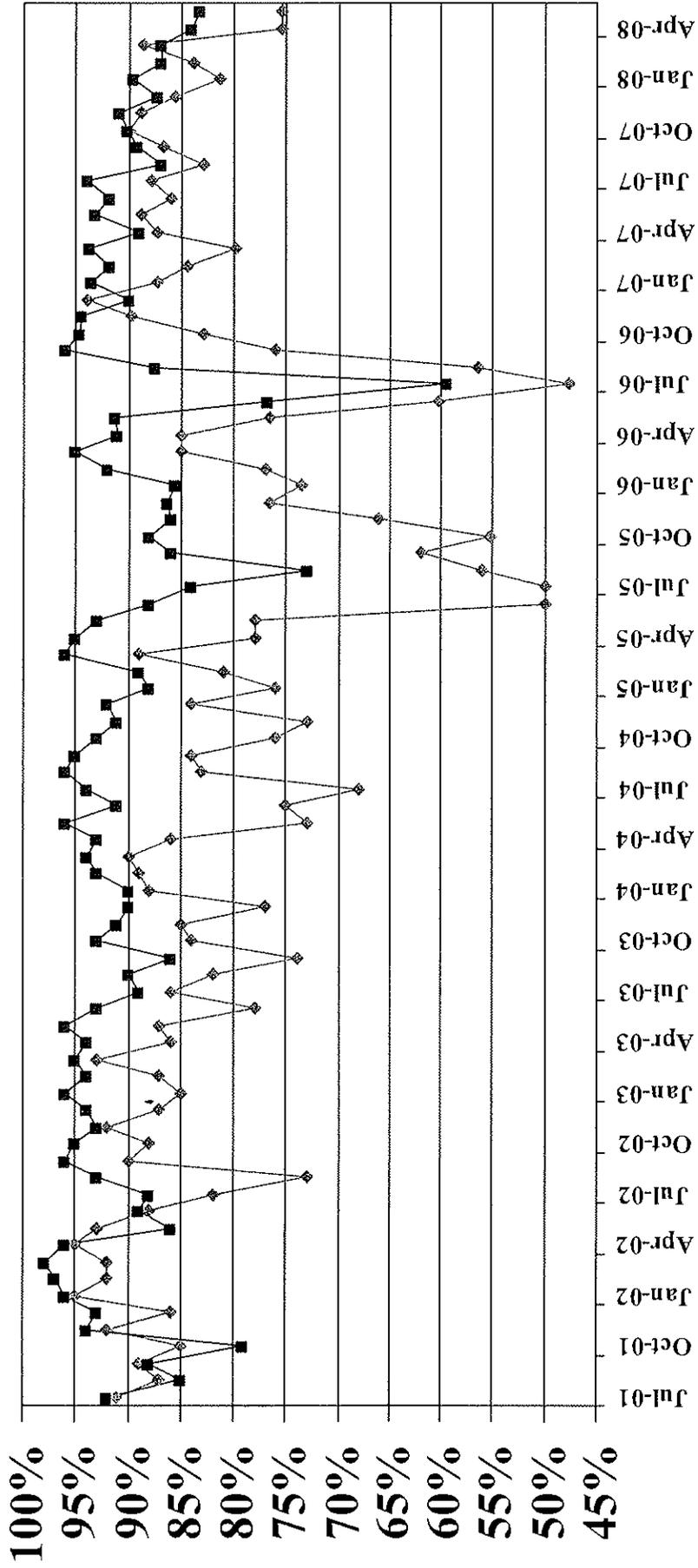
*Ridership figures are shown in passenger trips. Includes Amtrak cross honor train riders.

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

***Average daily ridership for May 2008 does not include 5/30/08 due to planned service disruption.

On-Time Performance

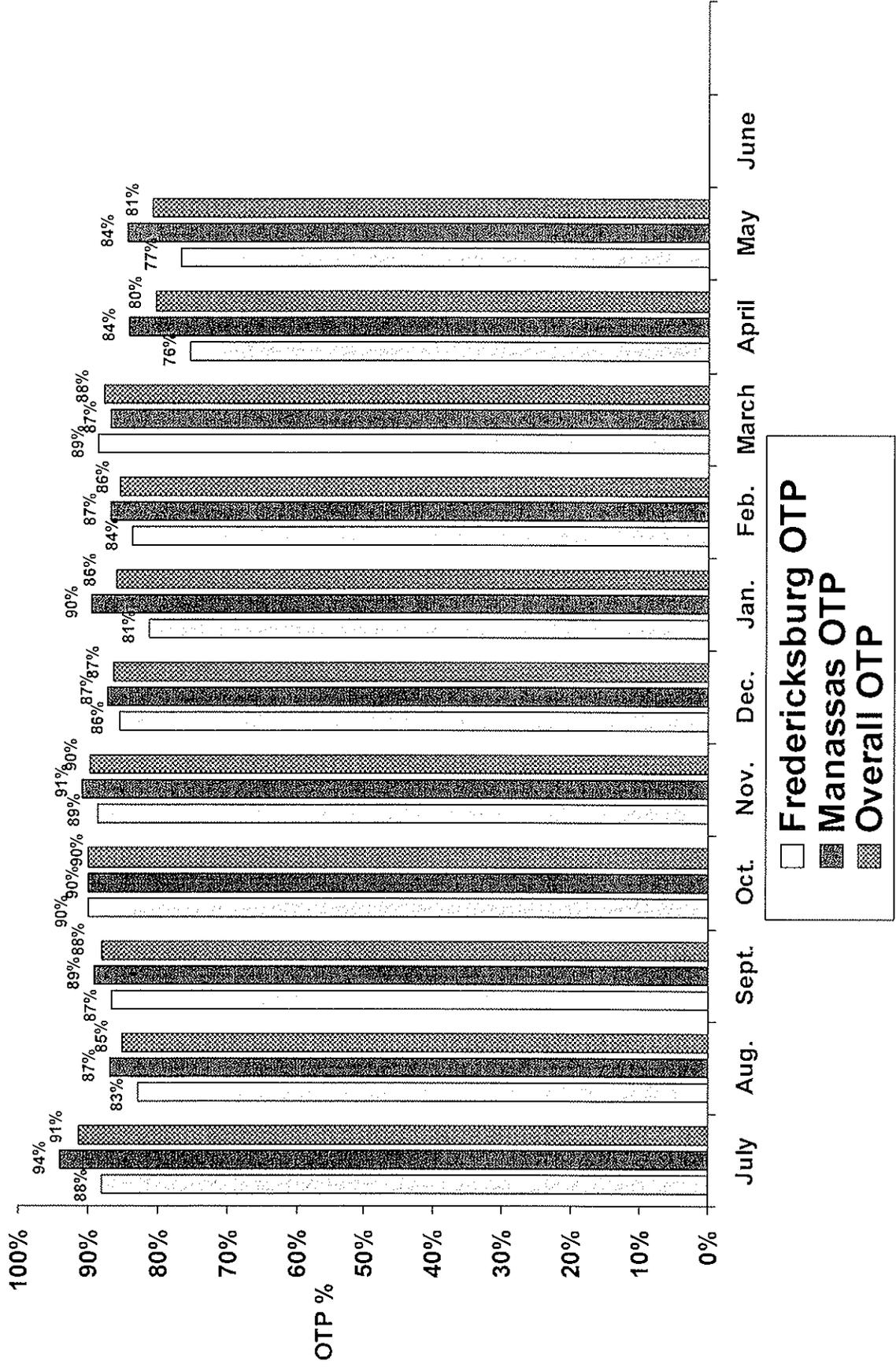
July 2001 – May 2008



◆-- Frederickburg Line ■-- Manassas Line

Average On-Time Performance

FY-2008



FINANCIAL STATISTICS FOR MAY 2008

Copies of the May 2008 Operating Budget Report are attached.

Fare income for the month of May 2008 was \$72,554 above the budget – a favorable variance of 4.03%. The cumulative variance for the year is 1.78% or \$347,408 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 eleven months of FY 2008 is up 10.4% over FY 2007.

A summary of the financial results (unaudited) as of May 2008 follows. Detail on the major revenue and expense categories are provided in the attached Operating Budget Report. This report is consistent with the year-end financial projection that was presented to the Board in April, which estimated a net income loss from operations of approximately \$2 million. Major factors contributing to this loss are higher than anticipated diesel fuel costs, Amtrak contract settlement costs, equipment repair costs, and less than budgeted revenue from older state grants with lower match reimbursement rates. The report also reflects that a portion of debt service payments for the gallery cars was paid with the remaining loan proceeds in accordance with the financing agreement.

Measures		Goal	Actual	Trend
Operating Ratio		55%	64%	↑
Budgeted Revenue	61,499,872			
Budgeted Revenue YTD	57,395,703			
Actual Revenue YTD	54,036,265			
Cumulative Variance	(3,359,438)		(3,359,438)	↓
Percent Collected FY 07 YTD		93.33%	87.86%	
Budgeted Expenses	61,499,872			
Budgeted Expenses YTD	55,191,208			
Operating Expenses YTD	53,457,074			
Cumulative Variance	1,734,134		1,734,134	↑
Percent Collected FY 07 YTD		89.74%	86.92%	
Net Income (Loss) from Operations			(1,625,304)	↓

These figures are preliminary and unaudited.

VIRGINIA RAILWAY EXPRESS
FY 2008 Operating Budget Rreport
May 31, 2008

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE \$	%	TOTAL FY08 BUDGET
OPERATING REVENUE							
Passenger Ticket Revenue	1,871,838	1,799,284	19,882,493	19,535,085	347,408	1.8%	21,334,369
Equipment Rental and Other	7,914	43,330	387,320	470,445	(83,125)	-17.7%	513,775
Subtotal Operating Revenue	1,879,752	1,842,615	20,269,813	20,005,529	264,284	1.3%	21,848,144
Jurisdictional Subsidy (1)	-	-	12,836,166	12,836,166	-	0.0%	12,836,166
Federal/State Subsidy	1,817,674	2,243,842	20,551,368	24,361,719	(3,810,351)	-15.6%	26,605,562
Appropriation from Reserve	-	-	-	-	-	0.0%	-
Interest Income	28,453	17,711	378,918	192,289	186,629	97.1%	210,000
Total Operating Revenue	3,725,879	4,104,168	54,036,265	57,395,703	(3,359,438)	-5.9%	61,499,872
OPERATING EXPENSES							
Departmental Operating Expenses	3,854,622	3,672,997	39,059,879	40,055,502	995,623	2.5%	43,866,359
Debt Service	279,074	917,448	9,423,345	10,091,925	668,580	6.6%	12,409,373
Insurance	-	35,000	4,950,000	4,985,000	35,000	0.7%	5,160,000
Other Non-Departmental Expenses	92	(6,396)	23,850	58,781	34,931	59.4%	64,140
Total Operating Expenses	4,133,788	4,619,049	53,457,074	55,191,208	1,734,134	3.1%	61,499,872
NET INCOME (LOSS) FROM OPERATIONS	(407,909)	(514,881)	579,191	2,204,495	(1,625,304)		-
CALCULATED OPERATING RATIO							
						64%	

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



Virginia Railway Express Operations Board

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AGENDA ITEM 10-A INFORMATION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 20, 2008

RE: RISING FUEL COSTS

As the Operations Board is aware, diesel fuel costs will be considerably higher than the amounts budgeted for both FY 2008 and FY 2009. The costs currently projected for FY 2009 are so much higher than the amount budgeted that an additional fare increase and/or an increase to local subsidy contributions may need to be considered, once all other avenues have been exhausted. Staff will provide additional information at the August meeting.

Prices are extremely volatile and, as a result, our projections are constantly being revised. The following information is based on data from VRE's fuel risk management consultant as of June 6, 2008:

- Fuel costs for FY 2008 are estimated to be approximately \$4.58 million, an increase of \$680,000 above the revised budget. The market price over the last several weeks under VRE's supplier agreements has ranged from \$3.93 to \$4.20 with wide swings both up and down on a daily basis.
- Fuel costs for FY 2009 are estimated to be \$6.7 million, **an increase of \$2.92 million or 78% above the adopted budget.**
- The average price per gallon in the FY 2009 budget, which was prepared in November 2007 is \$2.38. The current projection, based on the futures market, is \$4.23 per gallon. VRE's projected costs per gallon for FY 2009 are \$4.02 as the result of the purchase of fixed price contracts for a

portion of the year prior to the most recent round of dramatic cost escalations.

- VRE expects to pay 115% more for diesel fuel in FY 2009 than we did in FY 2007. In FY 2007, fuel was 6% of the operating budget; in FY 2009 it is projected to be 10%.
- The purchase of fixed price contracts from our fuel suppliers have served to delay the impact of the precipitous rise in fuel prices. VRE expects to save almost \$500,000 as the result of purchasing these contracts in FY 2008; \$125,000 in June alone. We have locked in for two-thirds of our purchases through December 2008 and for about one third through February 2009. However, only the contracts for the first several months are substantially lower than current market pricing.
- As fuel prices and projections for FY 2009 have swung wildly up and down over the last several weeks, the moderating effect of our hedging strategy has been apparent. The following chart compares week to week changes in benchmark prices and VRE's expected price, which accounts for the gallons that have been locked in at a fixed price:

Projection Date	Benchmark Average FY09	Change Per Gal	VRE Projected Aver. FY09	Change Per Gal
05/23/2008	4.13		3.97	
05/30/2008	3.96	(.17)	3.85	(.12)
06/06/2008	4.23	.27	4.02	.17



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AGENDA ITEM 10-B INFORMATION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 20, 2008

**RE: GAINESVILLE-HAYMARKET FEASIBILITY STUDY AND
ALTERNATIVES ANALYSIS**

Work has begun on the Gainesville-Haymarket Feasibility Study following the December Operations Board approval of a contract with Vanasse Hangen Brustlin, Inc. (VHB). The feasibility study expands upon the work completed in the 2005 Gainesville-Haymarket Implementation Plan. Specific tasks to be completed as part of the study include:

- Updated ridership and financial estimates
- Identification of candidate sites for stations, parking, overnight storage
- Feasibility analysis of proposed operations and infrastructure requirements
- Preliminary environmental review

The consultant team is currently collecting data and documenting existing conditions within the Manassas to Haymarket corridor. VRE staff and the consultant team will be scheduling informational interviews with key stakeholders (e.g., Prince William County staff, City of Manassas staff, Norfolk-Southern, etc.) to assist in formulating project goals and objectives. An informational meeting is being planned for July to introduce the study to the general public and solicit public opinion.

The study is scheduled to be completed in March 2009. Once complete, the next step in the project planning process is to conduct a National Environmental

Policy Act (NEPA) analysis of proposed extension alternatives and preliminary engineering.

Item #3BExtend Operating / Access Agreement with CSXT

The VRE Operations Board recommends approval of Resolution #2109. This resolution extends the operating agreement to January 31, 2009. The most recent extension expires on July 31, 2008. The parties have been unable to agree on liability issues.



RESOLUTION #2109

SUBJECT: Extend Operating/ Access Agreement with CSXT.

WHEREAS: The commissions currently have an amended Operating/ Access Agreement with CSXT relating to VRE operations in the Fredericksburg to Washington corridor, with said agreement extension ending on July 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 Amended Operating/Access Agreement;

WHEREAS: A proposal to extend the existing agreement to January 31, 2009, without any changes to the current terms is expected from CSXT;

WHEREAS: The purpose of this extension is to allow time to negotiate and resolve the outstanding liability issues related to a new agreement; and

WHEREAS: Necessary funding has been incorporated into the FY 2009 VRE 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 Amended Operating/Access Agreement with CSXT to January 31, 2009.

Approved this third day of July, 2008.

William Euille
Chairman

Gerald E. Connolly
Secretary-Treasurer





Virginia Railway Express Operations Board

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AGENDA ITEM 9-D ACTION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 20, 2008

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 January 31, 2009.

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 December, with an agreed upon extension to July 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 have been included in the FY 2009 budget, including an escalation of 4% annually.

Item #3CExtend Operating/Access Agreement with Norfolk Southern

The VRE Operations Board recommends approval of Resolution #2110. This resolution extends the operating agreement to January 31, 2009. The most recent extension expires on July 31, 2008. The parties have been unable to agree on liability issues.



RESOLUTION #2110

SUBJECT: Extend Operating Access Agreement with Norfolk Southern.

WHEREAS: The commissions currently have an Operating/ Access Agreement with Norfolk Southern related to VRE operations in the Manassas to Washington corridor, with said agreement due to expire on July 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: A proposal to extend the existing agreement to January 31, 2009, without any changes to the existing agreement is expected from NS;

WHEREAS: The purpose of this extension is to 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 2009 VRE budget to allow VRE to continue its operation 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 Amended Operating/Access Agreement with Norfolk Southern through January 31, 2009.

Approved this third day of July, 2008.

William Euille
Chairman

Gerald E. Connolly
Secretary-Treasurer





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AGENDA ITEM 9-E ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 20, 2008

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 January 31, 2009.

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 December, with an agreed upon extension to July 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.

FISCAL IMPACT:

Funding for the Norfolk Southern track access fees have been budgeted in the FY 2009 budget, including an escalation of 4% annually.

Sale of 13 Kawasaki Railcars and Purchase of 10 Gallery Cars

The VRE Operations Board recommends approval of Resolution #2111. This resolution authorizes VRE's CEO to undertake several actions in order to:

- 1) Sell VRE's 13 Kawasaki rail cars to the Maryland Department of Transportation for \$22 million;
- 2) Purchase 10 new Gallery railcars from Sumitomo Corporation for \$25 million, including contingency and construction oversight;
- 3) Use \$14.3 million of the \$22 million Kawasaki sale proceeds to defease the outstanding 1997 bonds used by VRE originally to purchase those cars;
- 4) Borrow an additional \$17,280,000 from the Federal Railroad Administration from a previously approved loan, which together with the remaining \$7,700,000 of the Kawasaki sale proceeds will cover the \$25 million for the new Sumitomo cars;
- 5) Contact VRE's participating and contributing jurisdictions to urge them to approve the debt transactions prior to August 31, 2008.

The reasons for and benefits of these actions are described in the attachment, and include standardization of VRE's fleet, reduced maintenance costs, increased fleet flexibility and an exceptional sales price for the used Kawasaki railcars.



RESOLUTION #2111

SUBJECT: Sale of 13 Kawasaki Railcars and Purchase of 10 Gallery Cars.

WHEREAS: The Northern Virginia Transportation District Commission (“NVTC”) and the Potomac and Rappahannock Transportation District Commission (“PRTC,” and, together with NVTC, the “Commissions”) jointly own and operate the Virginia Railway Express (the “VRE”) commuter rail service in Northern Virginia and the District of Columbia pursuant to the “Master Agreement for Provision of Commuter Rail Services in Northern Virginia – Establishment of the Virginia Railway Express” dated as of October 3, 1989, as amended (the “Master Agreement”), among the Commissions and the Participating and Contributing Jurisdictions described in such Master Agreement;

WHEREAS: The Commissions have been presented with a unique market opportunity to sell the Kawasaki railcar fleet, which could standardize VRE’s railcar fleet and reduce overall railcar maintenance costs;

WHEREAS: The requirements for VRE’s fleet size can be sustained through the acquisition of ten more Gallery style railcars to replace the Kawasaki railcars;

WHEREAS: Through competitive advertising and solicitation, buyers and sellers have been identified and two separate, but linked transactions are recommended by VRE staff;

WHEREAS: The VRE Operations Board makes several recommendations regarding the sale of the Kawasaki railcars, purchase of the Gallery style railcars and method of financing such transactions in that certain Resolution 9J-06-2008 adopted on June 20, 2008, a copy of which is attached hereto;

WHEREAS: The Northern Virginia Transportation District Commission Commuter Rail Revenue Bond, Series 1997 (Virginia Railway Express Project) (the “1997 Bonds”), were issued on June 1, 1997 to finance the acquisition of the Kawasaki railcar fleet;

WHEREAS: NVTC has previously obtained financing for the acquisition of 50 Sumitomo railcars in the form of a Federal Railroad Administration Railroad Rehabilitation and Improvement Financing Program Loan (the “FRA Loan”);



WHEREAS: The Master Agreement provides that the Commissions shall utilize reasonable debt financing to the extent that such financing is advantageous to the VRE and is in the interest of the parties to the Master Agreement, but requires that the Commissions not incur debt related to the VRE, other than the initial debt, without the consent of all Participating and Contributing Jurisdictions; and

WHEREAS: The Commissions have determined that the purchase of the Gallery style railcars can be financed advantageously through the sale of the Kawasaki railcars and certain incurrence of additional debt by NVTC by increasing the FRA Loan in an amount not to exceed \$17,350,000, for a term not to exceed 25 years, at an annual rate of interest not to exceed 4.74% and a credit risk premium of 1.88%.

NOW, THEREFORE, BE IT RESOLVED BY NORTHERN VIRGINIA TRANSPORTATION DISTRICT COMMISSION, AS FOLLOWS:

1. The Commissions hereby authorize VRE's Chief Executive Officer to execute a sales agreement for the sale of thirteen Kawasaki railcars and associated spare parts to the Maryland Department of Transportation for \$22,000,000 and their assumption of the remaining federal interest.
2. The Commissions hereby authorize VRE's Chief Executive Officer to purchase ten new Gallery style railcars from Sumitomo Corporation of America for \$22,000,000 million, plus a contingency of \$660,000, for a total amount not to exceed \$22,660,000.
3. The Commissions hereby authorize an increase to the FRA loan in an amount not to exceed \$17,350,000, with a term not to exceed 25 years, an interest rate of 4.74%, and a credit risk premium of 1.88%.
4. The Commissions hereby authorize VRE's Chief Executive Officer to negotiate, complete, execute and deliver documents required to achieve an increase in the FRA Loan and pay any associated financing costs to a related payee.
5. The Chairman, Vice Chairman or Executive Director of NVTC is authorized to determine and approve the final details of the increase of the FRA Loan, including, without limitation, the aggregate principal amount of the FRA Loan, the interest rates on the FRA Loan, the dates (including payment dates) of the FRA Loan documents and the amounts and prices of any optional or mandatory prepayments, provided, however, that the aggregate principal amount of the FRA Loan shall not exceed \$17,350,000, its term shall not exceed 25 years, its annual rate of interest shall not exceed 4.74%, and its credit risk premium shall not exceed 1.88%. The increase in the FRA Loan may require that the Commissions grant the FRA security interests in the Gallery style railcars and/or the jurisdictional payments under the Master Agreement. The approval of the Chairman, Vice Chairman or Executive Director of NVTC of such details shall be

conclusively evidenced by the execution and delivery of the loan documents for the increase of the FRA Loan, which FRA Loan documents shall be prepared or reviewed by VRE's counsel. The increase of the FRA Loan shall be subject to the consent of the Participating and Contributing Jurisdictions as described in the recitals to this Resolution.

6. The Commissions authorize VRE's Chief Executive Officer to negotiate, complete, execute and deliver documents required for redemption and/or defeasance of the 1997 Bonds and pay any associated financing costs to a related payee.
7. The Chairman, Vice Chairman or Executive Director of NVTC is authorized to approve, execute and deliver on behalf of NVTC, and, if required, the Secretary or any Assistant Secretary of NVTC is authorized to affix and attest the seal of NVTC to, the FRA Loan documents described above, documents required for the redemption and/or defeasance of the 1997 Bonds, documents required to sell the Kawasaki railcars and purchase the Gallery style railcars, and such other documents, instruments or certificates as they deem necessary or appropriate, in consultation with VRE's bond counsel and general counsel, to carry out the increase of the FRA Loan, redemption and/or defeasance of the 1997 Bonds, sale of the Kawasaki railcars and purchase of the Gallery style railcars as authorized by this resolution. The approval of the Chairman, Vice Chairman or Executive Director of NVTC shall be conclusively evidenced by the execution and delivery of such documents, instruments or certificates. Such officers of NVTC and the Executive Director are further authorized to do and perform such other things and acts as they deem necessary or appropriate, in consultation with VRE's bond counsel and general counsel, to carry out the increase in the FRA Loan, redemption and/or defeasance of the 1997 Bonds, sale of the Kawasaki railcars and purchase of the Gallery style railcars as authorized by this resolution. All of the foregoing previously approved, executed, delivered, done or performed by such officers of NVTC or the Executive Director are in all respects hereby approved, ratified and confirmed.
8. This resolution shall take effect immediately upon its adoption.

Adopted this 3rd day of July, 2008.

William D. Euille
Chairman

Gerald E. Connolly
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-J ACTION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 20, 2008

**RE: AUTHORIZATION TO SELL THIRTEEN KAWASAKI RAILCARS
AND TO PURCHASE TEN NEW GALLERY STYLE CARS**

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the VRE Chief Executive Officer to sell thirteen Kawasaki railcars to the Maryland Transit Administration and to concurrently purchase ten new Gallery style cars from the Sumitomo Corporation of America.

BACKGROUND:

In March of 2008, the Operations Board authorized the Chief Executive Officer to pursue the sale of thirteen Kawasaki railcars and issue an RFP for the purchase of ten new Gallery cars to potentially replace the Kawasaki cars. The two transactions were linked because the Kawasaki railcars could not be sold unless sufficient funds were available to purchase replacement cars.

Following that authorization, VRE posted both the Intent to Sell and RFP on the VRE web site. In response to the RFP for new cars, VRE received one proposal from the Sumitomo Corporation of America. VRE and Sumitomo Corporation of America negotiated a purchase price of \$22,000,000 for ten Gallery style railcars. The total cost of the new cars, with construction oversight and contingency is estimated at \$24,980,000. VRE recommends the purchase contingent upon the sale of thirteen Kawasaki railcars under the terms described below. A separate

action item for construction oversight of the manufacture will be brought before the Operations Board at an upcoming meeting.

The funding for the ten new railcars would come from two sources: (1) the net cash generated by the sale of the Kawasaki cars; and (2) the remaining available loan funds previously authorized by the Commissions and included in the Federal Railroad Administration (FRA) financing that was used for the purchase of the 50 railcar option. The increased payments for the FRA loan would then, in turn, be paid for using funding originally allocated for the repayment of the Kawasaki bonds.

The FRA approved a loan to VRE for \$72.5 million in 2005. However, only \$57.5 million of the total loan amount was needed for the 50 railcar option order and subsequently approved by the Commissions. Additional grant funds were provided by the state prior to completing the purchase which further reduced the loan amount to \$55 million, leaving an available loan balance of over \$17 million. FRA has approved the addition of ten cars to the current loan in principle and the paperwork is forthcoming.

With respect to the sale of the thirteen Kawasaki railcars, VRE publically posted and initiated discussions with four commuter rail agencies to stimulate interest in the sale and received one written offer from the Maryland Transit Administration (MTA) for \$22 million, inclusion of associated spare parts, and their assumption of the remaining federal interest. After reviewing the terms of that offer, VRE staff recommends acceptance. PFM, VRE's financial advisor, estimates that \$14.3 million is needed to defease (put funds aside to service the remaining debt) the outstanding Series 1997 bonds used to finance the Kawasaki railcars. The MTA offer provides sufficient funds to defease the bonds and pay for a portion of the purchase price of the replacement cars. The remainder of the purchase price will be funded using the FRA loan. Loan payments will be made via federal formula funds currently used for the debt service on the Series 1997 Kawasaki bonds.

Total funding for the ten new railcars will be provided for as follows:

Cash remaining from sale of Kawasaki railcars	\$ 7,700,000
FRA loan	<u>17,280,000</u>
Total	\$24,980,000

The financial details of both transactions are provided in the attached chart. The FRA loan capacity is already in place and can be accessed immediately, providing the Commissions and jurisdictions have approved the assumption of this debt. The loan carries a 4.74% interest rate and allows prepayment at any time without penalty.

Benefits of Kawasaki Sale

- a. Standardizes VRE's fleet to all Gallery style railcars. If the sale and purchase is approved, VRE will have 71 new Gallery style railcars and 30 older Gallery style railcars in the fleet. The fleet would provide sufficient railcars for up to 14 consists and 36 trains. Today VRE operates 11 consists and 30 trains. Replacing 13 Kawasaki railcars with 10 new Gallery style railcars does not impede VRE's ability to expand the service to 36 trains as outlined in our fleet plan through FY 2016 as more of the Pullman gallery fleet is being retained.
- b. Reduces railcar maintenance costs. The 13 Kawasaki railcars are more mechanically complex than the Gallery railcars. Historically, these cars have had an average of 11% higher maintenance costs than VRE's Gallery railcars. They are designed for 125 mph service and have dual braking systems compared to the Gallery coaches which are rated at 79 mph and have a single brake system. Currently, both CSX and NS limit VRE's operating speed in the corridor at 79 mph.
- c. Increases fleet flexibility. Currently, the Kawasaki railcars have limited compatibility with the Gallery railcars and are functionally, a stand-alone fleet. Thus, VRE is limited to using the Kawasaki railcars in unique consists and can only achieve two six-car consists or one eight-car and one four-car consist. In either configuration, VRE only has a one car contingency for maintenance – which is considered too low for VRE's level of service reliability.
- d. Provides exceptional sales price for the Kawasaki railcars. The total sales price for the Kawasaki railcars is nearly what we paid for the railcars nine years ago. VRE staff does not believe a higher price will be achieved in the future. Thus, the time to sell the railcars is now.

NEXT STEPS

The Notice to Proceed (NTP) for the Gallery railcar purchase must be granted no later than September 26, 2008, with VRE's best effort made to issue a Notice by August 31, 2008, under the terms of Sumitomo's response to the RFP. In addition, the Amended Offer from MTA for the purchase of the Kawasaki cars is only valid until early October. As a result, the required Commission and jurisdiction approvals must be secured as rapidly as possible.

The requests for authorization to sell the Kawasaki cars, defease the associated debt, purchase the Gallery cars and increase the loan amount for this purpose will be presented to the Commissions at their July meetings. In order to expedite the process, the Operations Board is being asked to authorize the Chief Executive Officer to approach each jurisdiction following Operations Board approval to attempt to gain jurisdictional approval for the purchase of the Gallery cars and the issuance of additional debt prior to August 31, 2008.

Finally, prior to the sale of the Kawasaki railcars, FTA must approve the transfer of remaining federal interest in these railcars to MTA. Preliminary discussions with FTA have occurred and formal approval for the transfer will be sought. These discussions would resume with urgency following Operations Board approval.

FISCAL IMPACT:

The financial impact of the sale of thirteen Kawasaki railcars and purchase of ten new Gallery railcars is projected as follows:

Decrease in outstanding debt	\$13,535,000
Increase in new debt	<u>17,280,000</u>
Net increase in total debt	\$3,745,000
Decrease in annual debt service costs	\$712,151

An analysis was done which compared the costs of debt repayment and maintenance for the 15 year period from FY 2009 to FY 2023 for the purchase of the new railcars and the retention of the existing railcars. The decrease in gross costs for the period, as a result of the requested purchase, is estimated at approximately \$4.0 million. The decrease in costs on a net present value basis for the same period is approximately \$5.3 million, as both the maintenance and financing costs are lower in the near term if the new Gallery railcars are purchased.

Sale of Kawasaki Railcars and Purchase of New Gallery Railcars

Sale of Kawasaki Railcars

Comments

Series 1997 Bond Issue

Amount of issue - 7/1/1997	23,000,000
Amount outstanding after 7/1/2008	13,535,000
Cost of defeasance	14,300,000

Proceeds from Sale

Estimated sale price	22,000,000
Cost of defeasance	14,300,000
Cash remaining after defeasance	7,700,000

Current Loan Costs for Kawasaki Railcars

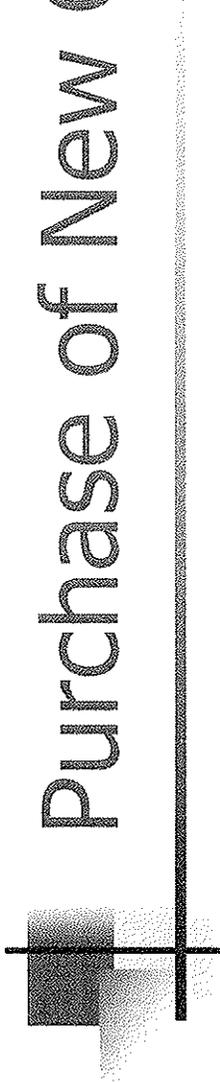
Current annual debt service costs	1,950,000	Varies each year; \$1.95 is aver.
Number of years remaining	9	Last payment on 7/1/2017
Amount outstanding after 7/1/2008	13,535,000	

Purchase of New Gallery Railcars

Number of cars needed	10	
Base Price per car	2,200,000	
Total cost for railcars	22,000,000	
Oversight of construction	2,100,000	
Contingency	880,000	
Total cost for new railcars	24,980,000	
Amount to be financed	17,280,000	Provided by FRA RRIF Loan
Annual debt service, RRIF loan	1,237,849	
Number of years based on existing loan origination date	23	Last payment on 3/19/2033

Cost Comparison - Result of Sale of Kawasaki Cars and Purchase of Gallery Cars

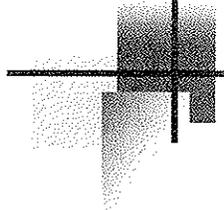
(Decrease) to annual debt service costs	(712,151)	
Increase to total debt	3,745,000	
For 15 year period - FY 2009 to FY 2023:		
(Decrease) to gross costs	(4,038,234)	NPV limited to 15 years as projections beyond this term are extremely uncertain. VRE's financial advisor concurred.
(Decrease) to costs - net present value	(5,277,472)	



Sale of Kawasaki Railcars Purchase of New Gallery Railcars

Dale Zehner

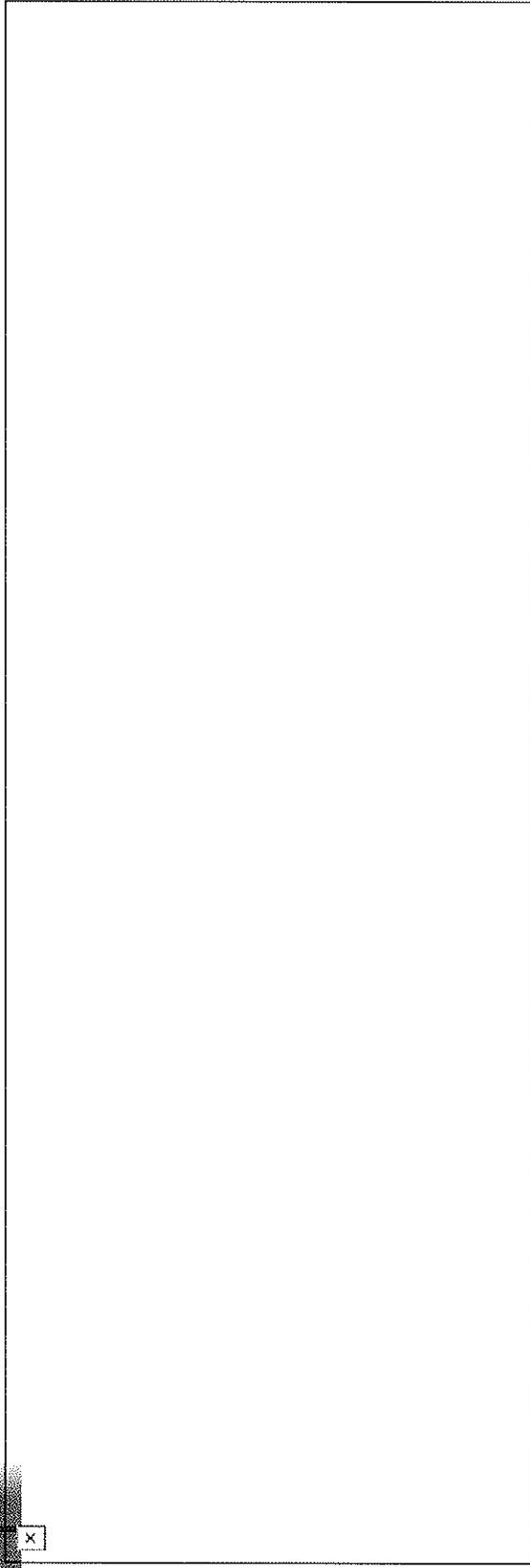
June 20, 2008



Recommendation

- Asking the Operations Board to authorize two concurrent transactions:
 1. Sale of 13 Kawasaki railcars to Maryland Transit Administration (MTA)
 2. Purchase of 10 new Gallery railcars from Sumitomo

Kawasaki Railcar

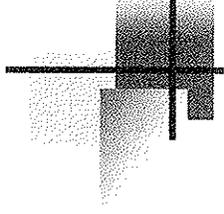


- Purchased 13 railcars in 1997 for \$23 million
- In service for eight years
- Originally purchased as option under MTA contract

Gallery Railcar

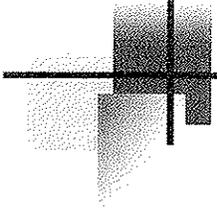
- Received 11 railcars in 2006/2007
- Will complete option order for 50 railcars in Sept 2008





The Sale

- Received written offer from MTA to:
 - Purchase the 13 Kawasaki railcars for \$22M
 - Include any remaining spare parts
 - Assumes all remaining federal interest
 - Requires approval by October 4, 2008 with delivery by October 31, 2008
 - Sale subject to final approval of Maryland Board of Public Works



Details of the Sale

Series 1997 Bond Issue

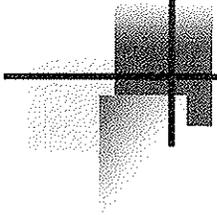
Amount of issue - 7/1/1997	\$23,000,000
Remaining Debt	\$13,535,000

Cost of Defeasance	\$14,300,000
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Proceeds from Sale

MTA Sales Price	\$22,000,000
Cost of Defeasance	\$14,300,000

Cash after Defeasance	\$7,700,000
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The Purchase

Number of cars needed	10
Base Price per Railcar	\$2,200,000
Total Cost for Railcars	\$22,000,000
Oversight of Construction	\$2,100,000
Contingency/Fees	\$880,000
<i>Total Purchase Cost</i>	<i>\$24,980,000</i>

Available FRA Financing

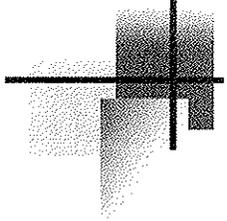
- In 2005 FRA approved a total loan amount of \$72.5M for purchase of railcars
- Needed only \$57.5M for 50 railcar option order
- Subsequently reduced to \$55M by state grants
- Have unused loan balance of \$17.5M

Financing for 10 Railcars

Total Purchase Cost of Railcars	\$24,980,000
Proceeds from Sale of Kawasakis	\$7,700,000
Amount of FRA financing	\$17,280,000
Annual debt service, FRA loan	\$1,237,849
Number of years	23

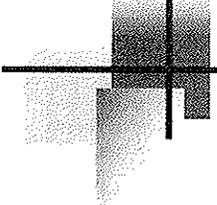
Overall Outstanding Debt

Decrease in debt from Kawasaki sale	\$13,535,000
Increase in debt for Gallery railcar purchase	\$17,280,000
Net increase in overall debt	\$3,745,000
Decrease in annual debt service costs	\$712,151



Overall Financial Benefit

- For the period FY 2009 to FY 2023
 - Decrease in gross costs: \$4.0M
 - Decrease in NPV costs: \$5.3M
- Major factors for the decrease:
 - In first ten years, debt service is significantly lower with the sale
 - Major reduction in railcar rehabilitation when Kawasaki and Gallery railcars are compared



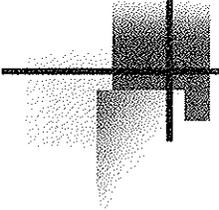
Benefits of Kawasaki Sale

1. Standardizes VRE Fleet

- With the sale, fleet would consist of 71 new galleries and 30 older galleries
- Sufficient railcars to expand service to 36 trains per fleet plan through FY 2015

2. Reduces railcar maintenance costs

- Kawasaki railcars more complex – dual braking system, rated at 125 mph
- Maintenance costs 11% higher



Benefits of Kawasaki Sale

3. Increases fleet flexibility
 - Kawasaki railcars have very limited compatibility with Gallery railcars
 - Functionally a stand-alone fleet
 - Kawasaki railcars limit our ability to sustain 6 car consists
4. Provides exceptional sales price
 - Paid \$23 million for railcars in 1997
 - Do not believe a higher price can be obtained in the future

Benefits of Kawasaki Sale

5. Decreases overall expenses:
 - Reduces debt service by \$1.3M in FY 2009 and \$700K/year for following 9 years
 - Reduces maintenance costs in FY 2009 – 13 less railcars to maintain
6. Provides some relief to FY 2009 operating budget by offsetting increasing fuel costs

Fleet Plan w/o Kawasakis

	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Railcar Fleet								
Kawasaki (Trailer + Cabs)	13	0	0	0	0	0	0	0
Souder (Trailer + Cabs)	0	0	0	0	0	0	0	0
Old Galleries (Trailers only)	35	30	30	30	30	30	30	30
New Galleries (Cabs)	18	21	21	21	21	21	21	21
New Galleries (Trailers)	28	40	50	50	50	50	50	50
Total Railcars on Hand	94	91	101	101	101	101	101	101
Revenue Service								
Assigned to Trains	67	70	82	82	90	90	90	90
Spares	27	21	19	19	11	11	11	11
Total Passenger Coaches	94	91	101	101	101	101	101	101

Steps to Complete Transaction

- For sale of Kawasaki railcars and defeasance of debt: need approval by Commissions
- For purchase of Gallery railcars
 - Approval by Commissions
 - Approval of all jurisdictions for assuming increased debt – requires unanimous approval
- For sale and transfer of federal interest:
 - Gain FTA approval

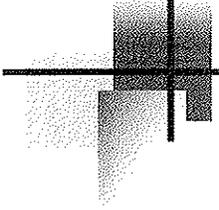
Steps to Complete Transaction

- VRE recommends NTP for Gallery purchase by August 31st
 - Ensures delivery of new Gallery railcars by February 2010
 - MTA sales offer valid until October 4, 2008
- Requires rapid Commission and jurisdiction approvals
- Requires approval for VRE to meet with jurisdictions prior to Commission meetings

Jurisdiction Board Meetings

Jursidiction	Meeting Date(s)
Arlington	July 19
Alexandria ✓	June 24
Fairfax	August 4
Fredericksburg ✓	July 8
Manassas	July 16 (finance) / July 28
Manassas Park ✓	July 15
Prince William	July 22
Stafford ✓	July 1

✓ Prior to Commission meetings on July 3rd and 17th



End of Presentation

Questions?

Item #3EMemorandum of Understanding with Manassas for Operation of a Parking Facility

The VRE Operations Board recommends approval of Resolution #2112. This resolution authorizes VRE's CEO to execute a memorandum of understanding with Manassas for joint ownership and operation of a parking garage, following approval by VRE's attorney. Manassas and VRE's jointly funded construction of the 532-space facility. VRE will own 60 percent and will be responsible for 60 percent of maintenance costs.



RESOLUTION #2112

SUBJECT: Memorandum of Understanding with Manassas for Operation of a Parking Facility.

WHEREAS: Manassas and VRE opted to combine two parking facility projects into one garage;

WHEREAS: The facility will be jointly owned and used; and

WHEREAS: A memorandum of Understanding (MOU) is required to outline understandings and responsibilities for each party to facilitate the operation and maintenance of the parking facility.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to enter into an agreement, after approval by VRE's attorney, with the city of Manassas for the ownership and operation of a joint parking facility adjacent to the VRE Manassas station.

BE IT FURTHER RESOLVED THAT NVTC authorizes conveyance of ownership of 40% of the garage to Manassas once construction of the garage is complete.

Approved this third day of July, 2008.

William Euille
Chairman

Gerald E. Connolly
Secretary-Treasurer





Virginia Railway Express Operations Board

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Web Site: <http://www.vre.org> • E-Mail: gotrains@vre.org

AGENDA ITEM 9-C ACTION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 20, 2008

**RE: AUTHORIZATION TO ENTER INTO A MOU WITH THE CITY OF
MANASSAS FOR THE OPERATION AND MAINTENANCE OF A
PARKING FACILITY**

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to enter into an agreement with the City of Manassas for the ownership and operation of a joint parking facility adjacent to the VRE Manassas station.

BACKGROUND:

On November 17, 2006, the VRE Operations Board approved a Memorandum of Understanding (MOU) with the City of Manassas for the construction and operation of the joint VRE-City parking garage. As the 532 space garage is scheduled to open in July, a MOU for the specific operation of the garage is now needed. The aforementioned MOU will remain in effect and be supplemented by this agreement.

The proposed MOU outlines understandings and responsibilities of each party regarding use, maintenance, landscaping, snow removal, security, parking enforcement, and insurance. Specifics elements of the MOU include:

- VRE will own 60% of the facility and the City will own 40% of the facility.

- Allocation of sixty percent of the parking spaces (319 spaces) will be generally made available on the first three levels for VRE commuter parking.
- Allocation of forty percent of the parking spaces (213 spaces) will be generally made available on the fourth and fifth levels for Old Town parking.
- Commuter spaces will also be available for use in the off peak commuter times for Old Town parking.
- VRE will be responsible for the operation and maintenance of the Parking Facility, including routine maintenance, such as trash removal, cleaning, elevator operations and inspections, and long term capital maintenance.
- The City will be responsible for snow removal and landscaping after installation at the Parking Facility.
- Parking enforcement and periodic patrols will be provided by the City of Manassas police department as part of normal patrol duties.
- All operations, insurance and maintenance costs will be prorated based on the number of spaces (60% VRE & 40% City).

FISCAL IMPACT:

While there is no explicit financial impact regarding the execution of this MOU, maintenance responsibilities will be included in the annual approval of the VRE facilities maintenance contract. The total cost of maintaining the facility is currently being estimated at \$60,000 per year. VRE has budgeted its prorated share in the FY 2009 operating budget.



Agenda Item #4

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube and Greg McFarland

DATE: June 26, 2008

SUBJECT: Contract Award for National Transit Database Consulting Assistance

NVTC has retained a consultant (George Hoyt and Associates, Inc., now Stantec) for the past five years to help its local jurisdictions compile performance data for their local bus systems to be submitted to the Federal Transit Administration's National Transit Database. Submitting those annual reports results in approximately \$6 million additional funding for WMATA from FTA's formula programs.

The contract term has expired and NVTC staff issued a Request for Proposals for a new term of three years with an option for two additional years. Proposals are due June 27, 2008. A team of state and local staff will review the proposals and recommend the award of a contract.

The commission is asked to authorize its executive director to execute a contract with the recommended firm, to issue a notice to proceed for FY 2009 and to execute the option at his discretion after conferring with local staff. Costs are covered entirely by NVTC's jurisdictions using funds held in trust at NVTC.

Each year the local bus systems develop a precise scope of work with the consultant to match the needs of each system. Accordingly, the costs for each year may vary.





Agenda Item #5

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube and Elizabeth Rodgers

DATE: June 26, 2008

SUBJECT: Authorization to Apply for Federal Grant Funds for Fairfax County and Falls Church

The commission is asked to approve Resolution #2113. This resolution authorizes NVTC's executive director to apply for federal transit grant funds on behalf of Fairfax County to help cover its Metro Matters billings. The amount of the grant will be \$1,318,000 federal plus \$300,000 state match. Also, the resolution authorizes NVTC's executive director to apply for federal funds for Falls Church for a multi-modal transportation center. Earmarks from FY 2006 through 2009 total \$2.085 million including state match.

The resolution also adds those projects to NVTC's work program.

The Federal Transit Administration (FTA) requires certification by the Department of Labor that NVTC has a labor protection agreement that is satisfactory to organized labor (under Section 13(c) of the Urban Mass Transportation Act, as amended). Theoretically NVTC could be responsible for claims from employees that their conditions of employment have been worsened as a result of the activities funded by the grant, although such claims are exceedingly rare. Accordingly, jurisdiction staff at NVTC's Management Advisory Committee developed the approach that is included in the resolution. The jurisdiction requesting that NVTC apply for the federal funds on its behalf will protect NVTC's other jurisdictions against 13(c) claims by agreeing to provide from state aid held by NVTC whatever claims and related costs may be incurred. Local jurisdiction attorneys have had the opportunity to review this approach and have offered no objections.





RESOLUTION #2113

SUBJECT: Authorization to Apply for Federal Grant Funds for Fairfax County and Falls Church.

WHEREAS: The Northern Virginia Transportation Commission is eligible to apply for, receive and manage federal transit grants;

WHEREAS: NVTC, as a service to its member jurisdictions, can also apply for, receive and manage federal transit grants on behalf of those members;

WHEREAS: The Federal Transit Administration (FTA) requires grant recipients to comply with all grant requirements, including a certification from the Department of Labor regarding labor protection (Section 13(c)); and

WHEREAS: Staff of Fairfax County and Falls Church have asked NVTC to apply for federal transit funds on their behalf and indicated that their jurisdictions are willing to protect NVTC against any and all 13(c) labor protection claims and related expenses using state transit assistance funds held in trust by NVTC.

NOW, THEREFORE BE IT RESOLVED that NVTC authorizes its executive director to apply to FTA for CMAQ transit funding and complete all required certifications on behalf of Fairfax County in the amount of \$1,318,000 federal (plus \$300,000 state match) for Metro Matters;

BE IT FURTHER RESOLVED that NVTC authorizes its executive director to apply to FTA for federal funds and complete all required certifications on behalf of the city of Falls Church in amounts up to \$2.085 million (including state match) for a multi-modal transportation center;

BE IT FURTHER RESOLVED that NVTC authorizes its staff to amend the commission's 2008 approved work program to include these grant applications;

BE IT FURTHER RESOLVED that NVTC authorizes its executive director as trustee of state transit assistance received by Fairfax County and Falls Church at NVTC, to use funds from their accounts at NVTC and/or from future receipts of such funds, to pay any and all expenses arising from 13(c) labor protection claims and related costs (including legal fees) associated with these federal grants, after first informing those jurisdictions and providing appropriate documentation of the expenses.

Approved this 3rd day of July, 2008

William Euille
Chairman

Gerald E. Connolly
Secretary-Treasurer





Agenda Item #6

TO: Chairman Eulle and NVTC Commissioners
FROM: Rick Taube
DATE: June 26, 2008
SUBJECT: FY 2009 DRPT Transit Funding

The CTB has approved the final FY 2009 DRPT transit assistance program. The commission is asked to authorize NVTC's executive director to execute a standard grant agreement for FY 2009 with DRPT on behalf of NVTC's jurisdictions' local transit systems, WMATA and VRE. The amount of aid to be available during FY 2009 is summarized on an attachment.

Upon receipt of the draft FY 2009 DRPT program and a draft set of policies, NVTC adopted a set of comments. The comments were communicated to DRPT and CTB. Prior to action on the final version by CTB, DRPT recognized NVTC's most significant concerns and proposed acceptable remedies. See the attached letter dated June 17, 2008.

First, the maintenance of effort provision was clarified to include passenger revenue as part of local effort, among other modifications. The immediate result was to eliminate any loss of state aid for NVTC jurisdictions in FY 2009.

Second, NVTC staff was able to clarify its grant application for complex Metro Matters items and as a result, DRPT will ask CTB during the next few months to provide an increased level of funding using lapsed grant funds. If sufficient funds are not available this year, DRPT will identify additional funding for this purpose next year. Prior to next year's grant application deadline, DRPT expects to provide written guidance so that NVTC and other applicants can be certain to provide all required information with the initial application.

Third, DRPT reduced its off-the-top administrative deduction to 2.4 percent from 2.6 percent, thereby reducing the statewide amount to \$4.6 million from \$5.0 million.



Finally DRPT is holding its draft policy document until some time this fall before asking CTB to act on it. This will allow the development of more of its components and give DRPT the opportunity to respond further to comments from NVTC and others.

NVTC staff asks that the commission authorize Chairman Euille to send the attached letter to DRPT Administrator Tucker thanking him for his responsiveness and that of his staff.



NVTC

Northern Virginia Transportation Commission

July 3, 2008

Chairman

Hon. William D. Euille

Vice Chairman

Hon. Christopher Zimmerman

Secretary/Treasurer

Hon. Gerald E. Connolly

Commissioners:

City of Alexandria

Hon. William D. Euille
Hon. Paul Smedberg

Arlington County

Hon. Mary Hynes
Hon. Jay Fissette
Hon. Christopher Zimmerman

Fairfax County

Hon. Sharon Bulova
Hon. Gerald E. Connolly
Hon. Catherine Hudgins
Hon. Pat Herrity
Hon. Jeffrey McKay

City of Fairfax

Hon. Scott Silverthorne

City of Falls Church

Hon. David F. Snyder

Loudoun County

Hon. Kelly Burk

**Virginia Department of Rail
and Public Transportation**

Charles M. Badger

Virginia General Assembly

Sen. Mary Margaret Whipple
Del. David B. Albo
Del. Joe T. May
Del. Thomas D. Rust

Executive Director

Richard K. Taube

Matthew Tucker

Director

Virginia Department of Rail and Public Transportation

1313 East Main Street

Suite 300.

Richmond, VA 23219

Dear Mr. Tucker:

The Northern Virginia Transportation Commission voted unanimously at its July 3, 2008 meeting to thank you for your efforts and those of your staff to address NVTC's concerns with the draft FY 2009 DRPT program. The final version adopted by CTB and the additional remedial actions outlined in your letter of June 17, 2008 were responsive to NVTC's most serious concerns.

We also appreciate your decision to hold the draft transit policy document to allow more time to develop its components and respond to comments from NVTC and others.

We appreciate your effective leadership and the hard work of your staff and look forward to continuing to work with you to provide funding for transit services that relieve congestion, reduce air pollution, conserve fuel and boost the economy. Keeping the lines of communication open is something we value highly as a means to facilitate mutual cooperation.

Sincerely,

William Euille
Chairman

cc: Honorable Pierce Homer



COMMONWEALTH of VIRGINIA

MATTHEW O. TUCKER
DIRECTOR

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION
1313 EAST MAIN STREET, SUITE 300
P.O. BOX 590
RICHMOND, VA 23218-0590

(804) 786-4440
FAX: (804) 786-7286
VIRGINIA RELAY CENTER
1-800-828-1120 (TDD)

June 17, 2008

The Honorable William Euille, Chairman
Northern Virginia Transportation Commission
301 King Street, Suite 2300
Alexandria, Virginia 22314

The Honorable Frances Jones, Chairman
Potomac and Rappahannock Transportation Commission
14700 Potomac Mills Road
Woodbridge, Virginia 22192

Dear Mr. Euille and Mr. Jones:

This letter is in response to the Northern Virginia Transportation Commission's (NVTC) and the Potomac and Rappahannock Transportation Commission's (PRTC) comments regarding the Draft Fiscal Year 2009 Six-Year Improvement Program. Your comments are always welcomed and appreciated.

The 2007 transportation initiative adopted by Governor Kaine and the Virginia General Assembly increased transit operating funding by 42 percent, and the maintenance of effort requirement is intended to ensure that this new transit investment supports the expansion of transit service. We received helpful feedback regarding the implementation of this provision.

Specifically, the following process has been recommended:

- The first test will establish if local operating funding has been maintained from the previous year, and farebox revenue will be included as part of local funding.
- The second test will establish if the level of local capital funding has been maintained from the previous year.
- The third test will establish whether or not transit miles operated have been maintained from the previous year.

If any of these requirements has been met, then the operator will receive the full increase in available funding for the next year. If all of these requirements are unmet,

The Smartest Distance Between Two Points
www.drpt.virginia.gov

The Honorable William Euille, Chairman
The Honorable Frances Jones, Chairman
June 18, 2008
Page Two

then the operator's funding allocation will be reduced until at least one of these requirements has been met. These steps, upon approval by the Commonwealth Transportation Board (CTB), will be incorporated into the transit sustainability and investment policy to be recommended for action at the October 2008 CTB meeting. Our analysis indicates that as a result of this modification, no operators in the Northern Virginia region would be impacted by this provision in FY 2009.

Regarding WMATA eligibility for the bond program, subsequent review and further clarification of the FY 2009 Metro Matters application by NVTC staff has resulted in the determination that a portion of the capital request is eligible for bond funding. We will work closely with NVTC staff and WMATA to determine an exact dollar amount for eligible bond funding in the next month, and a supplemental allocation will be brought to the CTB for approval.

Finally, the timing of bond sales will not adversely impact the availability of transit funds through DRPT programs. DRPT will ensure that cash flow is sufficiently managed to enable prompt payment and fulfillment of the agency's financial obligations for approved transit grants.

Thank you for your comments and feel free to give me a call if you have any additional questions.

Sincerely,

A handwritten signature in black ink that reads "Matt O. Tucker". The signature is written in a cursive, slightly slanted style. The "M" is large and loops around the "O". The "Tucker" part is written in a more fluid, connected script. A long horizontal line extends from the end of the signature to the right.

Matthew O. Tucker
Director

**FY 2009 STATE TRANSIT CAPITAL AND OPERATING
STATE ASSISTANCE THROUGH DRPT FOR NVTC SYSTEMS
(in millions)**

(Includes only funding from current year funds for current year budgeted expenditures)

	<u>MTTF</u> <u>@ 50%(capital)</u>	<u>MTCF</u> <u>@ 80%</u>	<u>TTF</u> <u>@ 100%</u>	<u>Total</u>	<u>Effective</u> <u>State %</u>	<u>Shortfall</u> <u>(see note)</u>
CAPITAL						
WMATA	\$ 25.6	\$ -	\$ -	\$ 25.6	50%	\$ (23.0)
Local	0.5	31.9	1.4	\$ 33.7	80%	(6.3)
Subtotal	<u>26.0</u>	<u>31.9</u>	<u>1.4</u>	<u>59.3</u>	<u>64%</u>	<u>(29.3)</u>
VRE	4.8	3.2	0.2	\$ 8.1	55%	(5.8)
Subtotal	<u>30.8</u>	<u>35.1</u>	<u>1.5</u>	<u>67.4</u>	<u>62%</u>	<u>(35.1)</u>
FTM/ADMIN						
WMATA/Local	76.4			76.4	45%	(84.3)
VRE	10.1			10.1	55%	(7.5)
Subtotal	<u>86.5</u>			<u>86.5</u>	<u>46%</u>	<u>(91.8)</u>
COMBINED CAPITAL /						
FTM/ADMIN						
WMATA/Local	102.4			135.7	52%	(113.6)
VRE	14.9			18.2	55%	(13.3)
TOTAL	<u>\$ 117.3</u>			<u>\$ 153.9</u>	<u>52%</u>	<u>\$ (126.9)</u>

Notes:

MTTF - Mass Transit Trust Fund. Funds are allocated by statute to the FTM/Admin Program (73.5%), the Capital Program (25%) and the Special Projects Program (1.5%). The statutory target percentage for the Capital Program is 95% of non-federal costs, while the target percentage for the FTM/Admin (formula) Program is 95% of certain operating expenses. The actual capital percentage and FTM/Admin funding are products of the state-wide needs and funds available in the subprograms.

MTCF - Mass Transit Capital Fund. \$60 million state-wide bond funds for select capital categories to be funded at 80%. To be eligible for this program, the funding must be directly linked to a specific asset with a significant useful life. Items such as debt service, preventative maintenance, and leases are not eligible.

TTF - Transportation Trust Fund. The required match to SAFETEA-LU, CMAQ and RSTP is funded at 100% from the TTF.

Rail Enhancement Fund - An additional \$2.7 million has been programmed for the VRE Gainesville-Haymarket Extension, Cherry Hill Station, and Fredericksburg-DC Third Main Track projects. The funding includes FY09 revenue, carryover funds from prior years, and reprogrammed Rail Bond Funding. The average state percentage for these projects equals 67%. VRE may also benefit from other rail projects included in this program, however these projects are not included on this schedule since VRE will not be the direct recipient of this assistance.

NVTC will be utilizing \$5 million from a FY08 special appropriation for a portion of the FY09 Metro Matters subsidy. These funds are provided at 80% of costs, and have not been reflected in the above table.

Capital shortfall assumes target rate of 95% for all programs.



Agenda Item #7

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: June 26, 2008
SUBJECT: Extend Agreement with Falls Church and WMATA

NVTC originally purchased the four buses used by WMATA to provide GEORGE bus service in the city of Falls Church. NVTC also helped pay operating costs during a demonstration period using grant funds. An agreement between Falls Church, WMATA and NVTC was effective in December, 2002 and has now expired as of June 30, 2008.

The commission is asked to authorize its executive director to execute a modification to the original agreement that will allow WMATA to continue to provide GEORGE bus service for another year with funding provided entirely by Falls Church. NVTC would retain the right to repurchase the buses for \$1 each if WMATA ceases to operate this service. The modification clarifies that NVTC's role has changed since the original agreement was signed. It also specifies that WMATA and Falls Church will adhere to all federal grant requirements since NVTC purchased the buses originally with federal funds.

Copies of the original agreement and the proposed modification are attached. The modification has been reviewed by local counsel for NVTC.



**MODIFICATION NO. 1
TO THE OPERATING AGREEMENT
AMONG
THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
THE CITY OF FALLS CHURCH, VIRGINIA
AND
THE NORTHERN VIRGINIA TRANSPORTATION COMMISSION**

WHEREAS, the Washington Metropolitan Area Transit Authority (hereinafter "WMATA"), the City of Falls Church, Virginia (hereinafter, "the City of Falls Church") and the Northern Virginia Transportation Commission (hereinafter, "NVTC") entered into an Operating Agreement (hereinafter "the Agreement"), effective December 15, 2002 through June 30, 2008, where the parties agreed that the City of Falls Church and NVTC would fully fund and WMATA would operate experimental transit service in the City of Falls Church using clean-fuel buses.

WHEREAS, the City of Falls Church, NVTC and WMATA now wish to modify the Agreement in order to continue the service for one year; now, therefore, be it

RESOLVED, that the parties do mutually agree on the following modifying actions:

1. Term of Agreement: The Agreement shall be extended for one year and end on June 30, 2009.

2. It is the parties' intent that the terms of the original agreement shall remain in effect, including Section 6, which provides for an automatic adjustment in the platform hour rate for reimbursable service for the applicable fiscal year once approved by the WMATA Board; here, the applicable fiscal year is July 1, 2008 – June 30, 2009.

3. It is further the parties' intent that, notwithstanding the terms of the original Agreement, NVTC shall remain a party to the Agreement only for the purpose of retaining the right to repurchase the buses for \$1 as described in Section #2 of the Agreement. Falls Church

and WMATA agree to continue to adhere to all of the federal requirements of the grants by which NVTC procured the buses.

This agreement shall be effective as of July 1, 2008

THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

By: _____ Date: _____
John B. Catoe, Jr.
General Manager

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

By: _____ Date: _____
Richard Taube
Executive Director

CITY OF FALLS CHURCH, VIRGINIA

By: _____ Date: _____
Wyatt Shields
City Manager

OPERATING AGREEMENT

This Agreement is effective as of December 15, 2002, and is among the Washington Metropolitan Area Transit Authority ("WMATA"), the City of Falls Church, Virginia and the Northern Virginia Transportation Commission ("NVTC").

WHEREAS, NVTC is interested in providing experimental transit service using clean diesel buses on a regularly scheduled basis in order to evaluate the usefulness of such buses in serving the transportation needs of Northern Virginia;

WHEREAS, The City of Falls Church wishes to provide bus service to its citizens using clean-fuel buses; and

WHEREAS, WMATA has experience providing safe, reliable and efficient bus service using conventional buses to the citizens of Northern Virginia and intends to provide equally safe, reliable and efficient service to the citizens of the City of Falls Church using clean-fuel; and

WHEREAS, NVTC and the City of Falls Church have asked WMATA to operate the experimental transit service using clean-fuel buses on behalf of NVTC and the City of Falls Church; and

WHEREAS, WMATA shall operate the experimental transit service and NVTC and the City of Falls Church shall fully fund the experimental transit service at no cost to WMATA.

NOW, THEREFORE, the parties agree as follows:

1. Term of Agreement. This Agreement shall be for an initial term commencing with the start of service, which began on December 15, 2002, and ends on June 30, 2004. This agreement shall be renewed automatically on a yearly basis for four years, through June 30, 2008, subject to adjustments in the price for such service as provided in Section 6 hereunder, unless terminated earlier in accordance with the provisions in Section 13.
2. Procurement of Buses. NVTC shall purchase four clean-fuel buses for use in the service that shall meet the specifications provided in Exhibit 1 hereto. The buses shall be purchased solely at the expense of NVTC and shall be transferred for \$1.00 each to WMATA, which shall own the buses for the life of this Agreement or until service is discontinued. At the end of this Agreement, either by expiration of its terms or for any other reasons authorized herein, NVTC may repurchase any or all of the buses transferred to WMATA for consideration of \$1.00 each. During the course of this Agreement, title to the buses shall remain in WMATA. The City of Falls Church will have control over the logo and exterior graphics to be placed on the buses.
3. Liability. WMATA shall maintain insurance on such buses in an amount equal to the amount of insurance provided on its conventional buses, which complies with all

applicable FTA or other legal requirements, with the costs of such insurance to be reimbursed to WMATA as provided in section 6 hereunder. The nature and extent of such coverage is described in Exhibit 2 attached hereto. WMATA shall be solely liable for any damages, whether arising in tort or contract, and whether caused by the negligent or intentional conduct of WMATA, its employees, or its agents, if WMATA would be liable for such damages under its Compact. WMATA shall not be liable for any damages for which it would not otherwise be liable under its Compact, including any liability for design defects or defective manufacture of the buses. WMATA will purchase insurance on behalf of NVTC or Falls Church to insure those parties against any damages for which they might remain liable at the expense of NVTC or the City of Falls Church if NVTC or the City of Falls Church so elect.

4. Sufficiency of Funds. All payments made by NVTC and/or the City of Falls Church to WMATA pursuant to this agreement shall be derived solely from funds available for the service contemplated in this agreement. To that end, at the beginning of each project year (no later than July 1 of each year), NVTC and/or the City of Falls Church (depending on which entity is funding the service for the project year) agree that either or both shall provide WMATA with a letter of commitment stating the amount of funds that are available for the service contemplated in the project year. WMATA agrees to provide to NVTC and/or the City of Falls Church, depending on which party is funding the service at the time, with the earliest possible notice when WMATA determines that it will incur previously unanticipated costs or adjust prices for providing service consistent with the terms of this agreement. All parties agree to cooperate to adjust service and/or fares if NVTC and/or the City of Falls Church determine(s) based on notice from WMATA that funds would otherwise be insufficient to pay WMATA's costs for future billing periods under the terms of this agreement. Adjustments for this purpose shall require forty-five (45) days' notice from NVTC and/or the City of Falls Church of the terms of such adjustment unless such adjustment in service and/or fares triggers a public hearing under the standards set out in WMATA Board Resolution # 96-51, as may be later amended or superceded, where the adjustment will become effective after such public hearing. See Board Resolution #96-51, attached as Exhibit 3. If agreement is not reached, NVTC and/or the City of Falls Church has/have the right to terminate the agreement on terms described in Section 13. In any case, WMATA shall be reimbursed for all costs incurred, as specified in Section 6, and shall not be obligated to provide service in the absence of available funds.
5. Service; Fares. It is intended that the buses shall be operated by WMATA along the routes described in Exhibit 4 hereunder for the number of platform hours specified therein, during the hours of operation specified therein. However, the City of Falls Church may, after obtaining concurrence from WMATA and NVTC, which shall not be unreasonably withheld, and upon forty-five (45) days' notice to WMATA after obtaining such concurrence, reduce, modify, or add service or reduce or increase fares, during the life of this Agreement; provided, however, that any proposed reduction in service which triggers a public hearing under the standards set out in WMATA Board Resolution # 96-51, as may be later amended or superceded, or any

proposed increase in fare above \$1.20 per one-way trip or the maximum, regular bus fare per one-way trip established by the WMATA Tariff, whichever is higher, shall require ninety (90) days notice to give WMATA the opportunity to hold a public hearing, and in addition, shall require the approval of the WMATA Board of Directors. Provided, further, that if platform hours of operation are reduced below 7.5 platform hours per operational day, WMATA may, with the concurrence of NVTC and the City of Falls Church, terminate this Agreement or may, in its sole discretion, require a renegotiation of the operating price hereunder to insure that all of WMATA's costs of providing service with the clean-fuel buses are fully reimbursed as required hereunder. WMATA will operate this service in a safe, reliable, professional, and efficient manner with emphasis on customer service. WMATA will attempt to monitor customer levels and service and to verify the collection of revenues in the same manner in which it monitors customer levels and service and verifies revenue in the normal course for other buses it operates on its own behalf.

6. Price. It is the parties' intent that WMATA shall fully recover all costs, both direct and indirect, as defined in federal Office of Management and Budget Circular A-87, of operating this service. WMATA has determined that its direct and indirect costs of operating conventional bus service from December 15, 2002 to June 30, 2003 was \$62.77 per platform hour, which includes the cost of labor, maintenance, insurance, fuel and overhead. Initially, then, WMATA shall charge, and NVTC and/or the City of Falls Church shall pay, \$62.77 per platform hour for the service provided hereunder. Between July 1, 2003 and June 30, 2004, the rate shall be \$65.00 per platform hour, which is the rate for all new/reimbursable service estimates as approved by the WMATA Board for FY 2004. For each subsequent year, the new rate will be the amount per platform hour for reimbursable service approved by the WMATA Board for the applicable fiscal year.

Furthermore, because the clean-fuel buses that use Exhaust Gas Recirculation (EGR) technology are experimental, it is possible that maintenance and/or fuel costs on these vehicles may exceed the amount of fuel costs incurred and/or maintenance normally performed on a conventional bus. Therefore, WMATA will charge NVTC and/or the City of Falls Church for all documented fuel and maintenance costs incurred that are specifically attributable to the clean-fuel buses in excess of the maintenance and/or fuel costs that would have been required for a conventional bus. WMATA shall charge these additional costs to NVTC and/or the City of Falls Church on a quarterly basis and NVTC and/or the City of Falls Church shall fully reimburse WMATA for any and all additional documented maintenance costs as part of the quarterly reimbursement. Provided, however, that based on its annual review of maintenance and fuel costs, WMATA may, upon 30 days notice to the parties, request a renegotiation of the price charged hereunder if WMATA determines that the price so charged does not fully reimburse it for the cost of operating the clean-fuel buses. In no event shall the amount paid by the parties to WMATA be less than the fully reimbursable cost of operating this service.

Thirty days before execution of this Agreement, WMATA will provide NVTC and the

City of Falls Church with the bill for all costs that WMATA has incurred from the beginning of the Program up to the date of execution. This initial bill will include start-up costs as well as operational costs to date of execution. Such operational costs will be offset by farebox receipts collected to date of execution. At that time, WMATA shall also provide NVTC and the City of Falls Church with an estimated bill for allowed costs it expects to incur for the quarter (following the execution of the Agreement) offset by farebox receipts anticipated for the upcoming quarter. Subsequent invoices shall reflect any adjustments for actual costs and revenues for the previous quarter that may differ from the amounts estimated by WMATA in the previous invoice. On the date of execution, based on the bill WMATA provided to NVTC and the City of Falls Church for expenses incurred from the beginning of the Program up to the date of execution, NVTC and/or the City of Falls Church shall pay WMATA in full for all allowed expenses that WMATA incurred up to the date of execution. At that time, NVTC and/or the City of Falls Church, depending on which entity is funding the operation of the program for the following quarter, shall also provide WMATA with its matching non-federal funds for the upcoming quarter. If only non-federal funds are used, then NVTC and/or the City of Falls Church shall provide WMATA with all of the non-federal funds allocated for the program for the upcoming quarter.

From the date the Agreement is executed through the end of the Program, WMATA shall continue to provide NVTC and the City of Falls Church with an estimated bill for expenses to be incurred thirty (30) days in advance of each subsequent quarter. The bill will reflect WMATA's estimated allowed costs for the upcoming quarter offset by farebox receipts anticipated for the quarter. The estimated bills shall be either postmarked or hand-delivered within two business days of date of bill. Non-federal funds shall be provided to WMATA in advance of each subsequent quarter and Federal payments shall be made subsequent to the end of the quarter when costs have been incurred. NVTC and/or the City of Falls Church shall remit payment to WMATA within 30 days of date of bill from WMATA. Failure to pay a bill which is submitted consistent with the terms of this Agreement within 30 days shall require NVTC and/or the City of Falls Church to pay interest on the outstanding balance in an amount equal to that imposed by WMATA's interest policy attached hereto as Exhibit 5. Failure to pay within 90 days shall permit WMATA to terminate this Agreement and/or to take any and all other legal action as may be necessary, with all costs of collection, including attorneys' fees and court costs, to be paid by NVTC and/or the City of Falls Church. All payments made hereunder, and all interest rates charged, as well as the right of WMATA to terminate this Agreement for non-payment shall be in accord with any policy for reimbursable projects adopted by WMATA's Board of Directors as amended from time to time. A copy of the current policy is attached hereto as Exhibit 6.

7. Records; Costs. WMATA shall maintain in good faith and make available to NVTC, the City of Falls Church, and such other persons, institutions, researchers or other persons if the parties agree, records showing:

- the maintenance and/or repair performed on the buses furnished hereunder, the cost of that maintenance and/or repair,
- parts used in maintaining or repairing the buses, and the costs of any of those parts,
- the costs of maintaining insurance required by this Agreement, the amount and the costs of diesel fuel for the buses, compared to that used by conventional buses
- records of periods when the buses are not available for regularly scheduled service, and the reasons therefore,
- the costs of labor for operation of the buses,
- such other records as the parties agree would be useful in determining the safety, efficiency, reliability, and performance characteristics of these buses,
- such records as may be necessary to maintain warranties on the buses, their parts or the equipment thereon in effect or to comply with any federal requirements, and
- passenger ridership and revenue data.

The records of maintenance and repair costs, fuel costs, and other direct costs maintained hereunder shall furnish the basis for calculating the direct costs of operation for purposes of the adjustments in price specified in section 6 above. WMATA's sole obligation shall be to maintain records in good faith using established procedures for the maintenance of those records, and WMATA does not warrant that the records are 100% accurate.

8. Substitute Buses. In the event the clean-fuel buses provided hereunder are unavailable in sufficient numbers to provide the regularly scheduled service, WMATA shall endeavor in good faith to substitute buses from its own fleet to provide the scheduled service. The cost for such substitute buses shall be \$100 per day in addition to the normal platform hour rate then in effect.

9. Annual Reconciliation and Payments. WMATA shall collect fares on the service provided hereunder. WMATA shall maintain sufficient records of the fares recovered hereunder and all other information required by law or regulation to be maintained hereunder to permit the City of Falls Church or NVTC to verify the amount owing under this Agreement and such other information. At the end of the initial contract term, WMATA shall calculate, based on the amount agreed upon in section 6 of this agreement, whether WMATA owes any amounts to NVTC and/or the City of Falls Church where revenues exceed costs or whether NVTC and/or the City of Falls Church owes WMATA any amounts where costs exceed revenues. Any additional maintenance costs above normal that NVTC and/or the City of Falls Church will have to pay for will be included in this documentation regarding which entity owes money to the other. At the end of the initial contract term, if WMATA owes any amounts to NVTC and/or the City of Falls Church, WMATA shall pay NVTC and/or the City of Falls Church the amount outstanding within sixty (60) days of the date of a letter that WMATA will send indicating the calculated amount, subject to the availability of funds.

WMATA shall also submit copies of the records of fares recovered for the Program as well as allowed costs incurred. If at the end of the Program, NVTC and/or the City of Falls Church owe(s) WMATA any amounts where allowed costs incurred have exceeded revenues, NVTC and/or the City of Falls Church shall pay WMATA the amount outstanding within sixty (60) days of the date of a letter that WMATA will send indicating the calculated amount, subject to the availability of funds. Failure to pay within 60 days shall require WMATA or NVTC and/or the City of Falls Church to pay interest on the outstanding balance in an amount equal to that imposed by WMATA's interest policy, attached hereto as Exhibit 5.

Payment to NVTC shall be made by ACH (Automated Clearinghouse) and only to:

Bank of America
ABA 0260-0959-3
For credit to LGIP
Account #00000 2236801
FBO: Northern Virginia Transportation Commission
LGIP Fund Number: 6303218000

Payment to the City of Falls Church shall be made by check payable to the City of Falls Church and sent to:

Finance Department
City of Falls Church
300 Park Avenue
Falls Church, VA 22046

Payment to WMATA shall be made by ACH and only to:

Wachovia Bank
WMATA Revenue Funds
Account #: 002000035167097
ABA #: 054001220
McLean, Virginia

or by check made payable to WMATA, and sent to:

WMATA
Treasurer's Office
600 Fifth Street, NW
Washington, DC 20001

10. Federal Reporting. WMATA shall include all appropriate operating and cost information and data in any reports made to the National Transit Database

maintained by the Federal Transit Administration.

11. Dispute Resolution: Any disputes between NVTC or the City of Falls Church and WMATA arising out of this Agreement may be disposed of by the parties by written agreement and/or amendment of this Agreement. If the parties cannot resolve the dispute, then the party seeking a resolution shall provide written notice of the nature of the dispute and the issue(s) to the other party. The other party may respond within thirty (30) days. If the dispute is not resolved within thirty (30) days following the response, the dispute will be resolved in accordance with Section 12.

12. Alternative Dispute Resolution ("ADR") and Court Jurisdiction.

(A) ADR: The parties agree to make their best good faith efforts to resolve any disputes which relate to or arise under this agreement. Absent resolution, the parties agree to pursue any type of alternative dispute resolution procedure which appears to have a likelihood of successfully resolving any dispute. Any party may propose and the parties may agree to any type of dispute resolution procedure, including, but not limited to, mediation, arbitration, mini-trial, etc.

(B) Court Jurisdiction. In the event the parties do not jointly elect to use the procedure set forth in subsection (A) of this section, any party may commence a civil action for resolution of the dispute in a court of competent jurisdiction.

13. Termination. This Agreement may be terminated by NVTC, the City of Falls Church or WMATA at any time during the life of the Agreement. NVTC and the City of Falls Church may effect termination only after giving 90-days notice to WMATA of an intent to terminate to permit WMATA to hold a public hearing on the termination if one is deemed to be required.

WMATA may terminate this agreement after giving 90-days notice to NVTC and the City of Falls Church of an intent to terminate to permit WMATA to hold a public hearing on termination if one is deemed to be required.

Even if NVTC terminates its participation in the Program, the buses will remain with the Program and title with WMATA for as long as the bus service remains in effect. When the bus service terminates, title for the buses shall be transferred back to NVTC for consideration of one dollar (\$1.00) for each bus.

14. Governing Law. This Agreement shall be governed by the law of Virginia, except that when that law conflicts with the WMATA Compact, WMATA shall be bound by its Compact.

15. Federal and State Grant Provisions. The parties incorporate herein and agree to be bound by all applicable required provisions of the federal and state grants

used to fund this contract.

16. Further Assurances. The parties shall use the utmost good faith in ensuring that this Agreement is carried out in accord with its intent.
17. Counterparts. This Agreement may be executed in counterparts, which shall have the full force and effect of an original document.
18. Notices. Notices required hereunder shall be sent to:

WMATA:

Chief Operating Officer, Bus Services
Washington Metropolitan Area Transit Authority
600 Fifth Street, Northwest
Washington, D.C. 20002

The City of Falls Church:

City Manager
City of Falls Church
300 Park Avenue
Falls Church, VA 22046

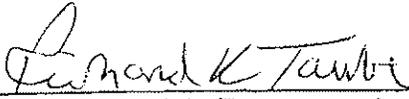
NVTC:

Executive Director
Northern Virginia Transportation Commission
4350 N. Fairfax Drive, Suite 720
Arlington, VA 22203



Washington Metropolitan Area Transit Authority
By: Richard A. White
Chief Executive Officer

Date: 4/23/04



Northern Virginia Transportation Commission
By: Richard Taube
Executive Director

Date: 4/21/04



City of Falls Church, Virginia
By: Daniel E. McKeever
City Manager

Date: 4/19/04

LIST OF EXHIBITS

1. Clean-fuel bus service specifications (referenced in Section 2)
2. WMATA insurance coverage (referenced in Section 3)
3. WMATA Board Resolution #96-51 (referenced in Sections 4 and 5)
4. Clean-fuel bus routes (referenced in Section 5)
5. WMATA Billing Procedures and Interest Policy (referenced in Section 6)
6. WMATA Reimbursable Project Policy (referenced in Section 6)



Agenda Item #8

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: June 26, 2008
SUBJECT: Legislative Items

State

The General Assembly's Special Session began on June 23rd. Opening salvos included a speech by the Governor to the joint special session and a press release from Speaker Howell (both attached). Governor Kaine's proposal was introduced in the House (HB 6026 Armstrong) and Speaker Howell announced his intention to wait for a proposal from the Senate.

Other bills of interest affecting transportation funding include:

- HB 6029 (Albo) which replaces NVTA's regional fees, adds statewide fees for maintenance and includes an audit of VDOT;
- HB 6017 (Rust) which permits a local food and beverage tax up to 4 percent for transportation construction;
- HB 6021 (Rust) which defines the allocation of highway funds given a shortfall in maintenance funding;
- HB 6042 (Albo) and HB 6055 (Hamilton) which restore regional funding;
- SB 6009 (Saslaw) which provides statewide and regional funding using several funding sources including an increase in the statewide gas tax (an amended version passed the Senate on June 25th by a vote of 21-16);
- SB 6010 (Colgan) provides statewide gas tax funding with a simultaneous reduction in the sales tax on food; toll incentive fund; \$100 million transit capital bond issue; and restores NVTA regional funding including a half-cent sales tax.



At the commission meeting, commissioners and staff will review progress. The commission should then instruct staff regarding any desired actions.

Federal

The attached Legislative Alert from the American Public Transportation Association reports on several important issues, including:

- 1) The Amtrak reauthorization bill continuing new federal funding for WMATA and;
- 2) Senate consideration of ways to fix the shortfall in the U.S. Highway Trust Fund.

NVTC offers transportation advice to legislators

At its meeting on June 5, the Northern Virginia Transportation Commission (NVTC) unanimously approved Resolution #2108 demonstrating support for Gov. Tim Kaine's State and Regional Transportation Funding Proposal as a "useful starting point" for the Transportation Special Session, which begins June 23.

The NVTC commissioners encourage legislators to:

- support funding that addresses both statewide and regional transportation funding needs;
- preserve and restore funding for the Northern Virginia Transportation Authority;
- provide dedicated funding for WMATA and VRE, as well as meeting the mandates for the Dulles Rail project;
- utilize easily understood revenue sources and ensure that regional revenues raised in Northern Virginia, stay in Northern Virginia;
- support the Transportation Change Fund which emphasizes investment in public transit, rail passenger service, ridesharing and Telework;
- ensure that the plan is implemented in FY2009 (which begins July 1, 2008);
- ensure that any transportation funding solution is consistent with the "Eight Principles" as outlined by the Northern Virginia Transportation Commission and Authority.

"Our hope is that the General Assembly will set aside partisanship and act quickly to provide the necessary funding for Northern Virginia's transportation infrastructure. Daily, Northern Virginians are mired in the nation's second worst congestion. We cannot afford for the General Assembly to delay any longer. Legislators need to act now," said William Euille, NVTC Chairman and Mayor of the city of Alexandria.

NVTC is the leading source of information about public transportation issues in Northern Virginia. NVTC is a regional agency with the mission of managing traffic congestion, restoring clean air, boosting the economy and improving the quality of life for all of Northern Virginia's citizens through effective public transit and ridesharing networks. NVTC includes the counties of Arlington, Fairfax and Loudoun and the cities of Alexandria, Fairfax and Falls Church covering over 1,000 square miles with a population of 1.6 million. The agency manages over \$120 million of state and federal grant funds each year for public transit and serves as a forum for its board of 20 state and local elected officials to resolve issues involving public transit and ridesharing.

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Rick Taube

From: Kala Quintana
Sent: Monday, June 23, 2008 2:18 PM
To: Rick Taube
Subject: FW: Governor's News Release

FYI

From: Governors Update Mailing List [mailto:govupdate@governor.virginia.gov]
Sent: Monday, June 23, 2008 1:15 PM
To: GovernorsUpdate mailing list
Subject: Governor's News Release

COMMONWEALTH OF VIRGINIA
Office of the Governor

Timothy M. Kaine
Governor

FOR IMMEDIATE RELEASE
June 23, 2008

Contact: Gordon Hickey
Phone: (804) 225-4260
Cell Phone: (804) 291-8977
Internet: www.governor.virginia.gov

**TEXT OF GOVERNOR KAINE'S SPEECH TO THE JOINT SPECIAL
SESSION OF THE GENERAL ASSEMBLY**

RICHMOND – Governor Timothy M. Kaine today addressed the 2008 Joint Special Session of the General Assembly:

“Mr. Speaker, Mr. President, Members of the General Assembly:

2008 has already been a challenging year and remarkable year for this legislature. We have wrestled with a national economic slowdown that has reduced state revenues, forcing us to make tough choices about cuts and reductions in state and local government programs.

But, we haven't let our short-term challenges block our progress toward a better Virginia. Working together—Democrat and Republican, House and Senate—we have transformed the delivery of mental health services, advanced an ambitious effort to improve service to troubled youngsters through foster care reform and agreed upon the most significant capital investment in higher education in the Commonwealth's history.

Our focus on measurable progress—even in a challenging time—recently led *Governing* magazine to recognize Virginia, once again, as the top performing state government in America.

We know there remains an important issue before us in 2008—an issue that calls on our best

6/23/2008

thinking to find common ground in moving Virginia forward. We must find reliable investments for a 21st century transportation system in our Commonwealth. We have worked to find that solution for many years, but definitive action has eluded us. The special session I have called today gives us the opportunity to get this right.

Magnitude of the Problem

Starting just ten days after my election in November 2005, I have traveled around the state and talked to thousands of Virginians about transportation. Since you adjourned sine die on March 13, I have conducted 20 town hall meetings and talked to numerous business groups, gatherings of local elected officials and everyday people in every corner of the Commonwealth. Let me tell you something that you already know—citizens and businesses believe that our current transportation network isn't meeting their needs. They are correct. They also expect us to do something about it.

I've heard from frustrated commuters in Northern Virginia and Hampton Roads whose quality of life deteriorates as they spend hours sitting in traffic every week.

Parents are missing family dinners and soccer games. Businesses that move goods and services on the road network can't set reliable work schedules. Firefighters and EMTs who race to fires, accidents and health emergencies lose precious time as congestion blocks their paths. And working families already struggling with the price of gas feel frustrations rise when a short commute turns into hours of stop and go traffic, while the gas burns out of their tanks.

According to the 2007 Annual Urban Mobility Report by the Texas Transportation Institute, in Northern Virginia, 81% of travelers are trapped in congestion during their drive to work – wasting more than a 2-week vacation each year. In Hampton Roads, congestion costs taxpayers \$467 million each year in lost time and fuel costs. And the problem will get worse.

I've heard from people who want more public transportation options—commuters, senior citizens and our disabled. They are frustrated that we aren't doing a better job planning growth so that it doesn't make traffic worse.

In rural Virginia, citizens are waiting for new roads that will help bring new jobs to revive their local economies. I work on economic deals all the time—and nearly every project requires a state financial commitment to land a prospect or expand an existing business.

All Virginians care about basic safety issues—what will we do to maintain safety on the state's nearly 20,000 bridges, with an average age of 47 years? How can we pave rural dirt roads that school buses navigate if the state's unpaved road fund keeps being reduced? As you know from our annual budget, we have experienced a deficit in road maintenance funding each fiscal year since 2002. This coming fiscal year, our maintenance fund will be short by nearly \$400 million, and if we do nothing, that shortfall will grow to nearly \$600 million in the next 6 years.

I've heard from business groups that are concerned about the impact a crumbling transportation infrastructure will have on the state's economy. For example, Dulles Airport and the Port of Virginia are directly or indirectly responsible for an estimated 375,000 jobs and \$895 million in state revenue, nearly 6% of our total economic product. These are our two most valuable connections with the global economy, but they depend upon a network that will allow easy movement of people and goods to and from these critical transportation hubs.

Local elected officials are worried about the dramatic reductions in Virginia's road construction

as they see needed local improvements cancelled or pushed into the distant future. Just last week, the Commonwealth Transportation Board announced that nearly 600 projects across the state—many that were already underway—have been dropped from our six year plan, stopped or delayed indefinitely.

At a town hall meeting in Hopewell last week, one Southside supervisor told me “Governor, the state’s six-year plan is turning into a sixty-year plan.” Many are worried that, with all of the focus on traffic congestion in the more densely populated areas, their region’s transportation needs will be forgotten.

As of today, the elected representative of 55 cities, counties and towns have passed resolutions asking us to solve this problem now. In addition, more than 40 other organizations—VML, VACO, First Cities, the AARP, the Virginia Chamber of Commerce and many local Chambers, numerous other business groups, public safety agencies and others—have added their voices in support of immediate action for transportation relief.

Each of these groups is concerned about increasing taxes at a time when the economy has created serious challenges for many Virginians. But I’ve also heard Virginians tell me that they understand how desperately we need to invest in our transportation network—that we cannot grow our way out of a tough economy with a declining infrastructure. Virginians are responsible people. They don’t demand a free lunch. Our constituents are open to a reasonable, moderate plan to raise the revenues we need. They appreciate the economic stimulus that road and rail construction can bring.

The Need for Action

It is clear that this problem is real, significant and growing. Our public expects us to act.

The vast majority of you have acknowledged the need for a transportation solution and have taken steps to address it. After an extended regular session and two special sessions in 2006 produced no meaningful advance on this problem, both houses passed House Bill 3202 in 2007 by strong margins. That bill contained significant land use reforms, regional packages of taxes and fees to provide congestion relief in Northern Virginia and Hampton Roads, dedicated funding for public transit and a bond package for new road infrastructure.

While the land use reforms, public transit investment and bond package remain viable, the biggest injection of reliable new revenue in HB 3202—the regional packages—was struck down by the Virginia Supreme Court in February. This created a gap of nearly \$500 million annually in these two regions’ plans for fighting congestion. And, we abandoned last year’s decision to rely on civil abuser fees to fill the growing maintenance gap, leaving that deficit widening every day. Finally, the slowing economy and changes in driving habits due to high gas prices have further reduced existing transportation revenues.

Since you just acted in 2007 to solve these financing problems, there is no reason we should not act right now to make sure that the promised regional relief materializes and that our maintenance problem is solved. In fact, a failure to act is essentially backtracking on the commitment that we made last year to truly address this issue.

That’s why I proposed a simple 3-part plan 6 weeks ago, a plan that addresses these needs and does so with some of the same revenue sources that you identified and were willing to support just one year ago. It is not perfect—no plan is—but it addresses the basic needs of our citizens and puts us on a path to solve the transportation problem that has festered for over two decades. It is simple, sustainable and statewide.

My first step is to fix the maintenance deficit. We can do it by raising the annual vehicle registration fee by \$10 and increasing the sales tax on automobiles (in two steps) from 3% to 4%. These increases are modest—our auto title tax would still be significantly below the national average. And, both houses voted for these identical tax and fee increases as part of the now-defunct regional packages in HB 3202.

My second step is to fix the regional packages by imposing a 1% regional sales tax on goods other than food, medicine or automobiles. This is a different approach than the regional packages from last year—it is easier to collect—but it produces essentially the same amount for regional projects in Hampton Roads and Northern Virginia, projects that will be chosen and financed at the local level. Why do I propose regional sales taxes? I have followed discussions by the regional delegations and believe this approach—discussed with approval by Democratic and Republican legislators in both areas—is a good idea. This approach has also been received warmly by local elected officials in the two regions.

The third step builds upon last year's land use and public transit reforms to promote transportation change going forward. The system of the future will not be the same we have had in the past. We must invest more heavily in rail and public transit, carpooling, teleworking and other innovative strategies for enabling people to get where they need to go with less reliance on automobiles. We also need new industries and the infrastructure to attract them to Virginia. Thus, I propose a Transportation Change Fund, with 75% of the revenue going for new transit strategies and 25% dedicated to projects that have a direct tie to economic development of the Commonwealth. This would be funded by a grantors' tax on property sale proceeds—25 cents for each \$100 in value. As you will recall, you overwhelmingly voted for a 40 cent grantors' tax as part of the stricken regional packages in HB 3202.

So, my plan fixes maintenance, addresses regional congestion and positions us for a more balanced transportation future. It relies on 3 revenue sources that each house voted for just last year and an additional source—regional sales taxes—that has been publicly discussed by many of you in recent weeks. Each of these revenue sources will expire if any of the funds are used for any purpose other than the advertised transportation use.

Let me stress one point that I made when I introduced this plan on May 13. This is a solid plan that gets the job done. But, if you want to make improvements, amendments and changes, I will work cooperatively with you to do so. Any who advance a legitimate proposal will find a friend in me, willing to join in a solution to our needs. But, none of us should tolerate inaction—evasion of responsibility should not be a character trait of this body. We didn't become the "best managed state" and the "best state for business" by shirking our duties. We've gotten to where we are by making hard choices and smart investments.

Addressing Your Concerns

As you wrestle with this bill, and seek to propose your own solutions, let me offer a few thoughts based on conversations with many of you.

First, some have suggested that the problem needs more study. Bluntly, I think that's a dodge. We know what we need to know. The citizens and businesses of this Commonwealth are begging for relief and it is insensitive to people to suggest that we don't know of their legitimate needs. In fact, the very action of this body in passing a bill last year demonstrated that all were aware of the pressing need.

Second, some argue that the primary relief is to be found in reforming VDOT. We must always look for ways to improve all our agencies—that's why I championed a provision last year requiring VDOT to submit reports on its maintenance needs and budget to JLARC. In response to this

requirement, VDOT has provided JLARC with a report dealing with the conditions of Virginia's roads and bridges, the agency's growing maintenance needs, workforce reductions and our increasing reliance on private contractors. Let me share with you a few facts about the agency.

In fiscal year 2002, approximately 20 percent of Virginia's highway construction projects were delivered on time and 51 percent on budget. By the end of fiscal year 2007, VDOT successfully completed almost 90 percent of projects on time and on budget, exceeding all of its performance targets for the first time ever. This is a remarkable turnaround.

Since 2002 at VDOT, we've eliminated \$867 million in project deficits, reduced the size of the agency by approximately 2,000 employees, and reduced the number of maintenance facilities from 335 to 248. The agency has also been the subject of at least 8 audits and performance reviews by JLARC and the APA since 2001, all of which have been helpful.

And, VDOT has been evaluated by outside groups as well. The most recent report on state highway systems by the Reason Foundation contains much good information about our state-maintained road system. We have the third largest road system in America. But, on a per mile basis . . .

- We have the second lowest level of expenditures for construction and bridges in America.
- Road maintenance expenditures are less than the national average
- Administrative expenditures are less than half the national average (in fact, the entire VDOT administrative budget is more than \$100 million less than the current maintenance deficit).
- Total road expenditures are the seventh lowest in America.

The Reason Foundation summarizes VDOT and our road system this way "Virginia has good system condition managed on a thin budget."

A prominent transportation commentator, Ken Orski, recently rendered this opinion about VDOT in his newsletter "Innovation Briefs," focusing specifically on our progressive use of public-private financing opportunities:

The Commonwealth of Virginia and its Department of Transportation (VDOT) have long been recognized as being on the forefront of transportation innovation. The State's longstanding tradition of partnering with the private sector, its recent cutting-edge public-private venture to develop a network of HOT lanes on the Capital Beltway and I-95, its ambitious projects to reconstruct the Wilson Bridge and the Springfield and Gainesville interchanges, have clearly established VDOT's leadership as bold and creative problem solvers.

So, while we can all agree that a culture of continuous improvement must be the goal, the notion that we can kick VDOT as the all-purpose excuse to do nothing is transparent and irresponsible. VDOT has come a long way and is performing at a high level on a "thin budget." We are leaders in public-private partnerships. But, we are unable to avoid some fundamental laws of math—if we set the 3 largest revenue sources for transportation (gas tax, auto title tax and general sales tax) significantly below the average levels in other states, we will have a sub-standard system.

Some have suggested that we need only replace the revenue that HB 3202 dedicated to the two most congested regions. But if we don't address the maintenance deficit statewide, whatever funding we provide for Northern Virginia and Hampton Roads will start to evaporate as soon as we commit it. In fiscal year 2009, \$74 million of the \$388 million we are diverting from highway construction to maintenance is from construction in Northern Virginia and \$80 million is coming out of Hampton Roads

construction projects. So, without a maintenance fix, the regional plans just don't do the job as advertised.

Just as important, we shouldn't perpetuate the notion that the needs of the rest of Virginia just aren't that important. I've spoken all over this state in recent weeks—Danville, Hopewell, Marion, Radford, Staunton, Winchester, Fredericksburg. I've read the resolutions from local governments—urban, suburban and rural. The word from our public is clear. We need a statewide solution.

Finally, I know that many of you support a constitutional lockbox for transportation funds, just as I do. But, there is no reason to wait for the completion of the constitutional amendment process to find transportation relief. The structure of my bill guarantees that all new revenues will only be used for transportation. And I have pledged to amend any transportation revenue bill that reaches my desk with the same structure. We can take this protective step now while we begin the constitutional amendment process.

Conclusion

In conclusion, what I've proposed to address our transportation funding needs are modest tax and fee increases that keep our transportation taxes (and total tax burden) significantly below our neighboring states. The proposal uses your ideas from last year's legislation and also leverages public-private partnerships to ensure we are using the most innovative financing methods available. We can solve this problem if we want to.

Do we want to solve this problem? I sense that the willingness is there to do it. We all come here to serve, but the reality is that other concerns begin to intrude—concerns about electoral or caucus politics, concerns that willingness to compromise might be frowned on or interpreted as weakness. If we let our actions be dictated by the insular concerns of Capitol Square, the problem could well be evaded until infinity. But, let's fit our actions to the standards that prevail outside Capitol Square—the standards of our citizens who send us here to solve problems and get things done.

In Virginia, we don't make our reputations or improve our communities by delay or inaction. We rise and fall by our results. In the words of Cervantes, "good actions ennoble us and we are the children of our deeds."

Good luck as we work together in the days ahead. Our action to solve Virginia's transportation crisis can be an ennobling accomplishment for the good of all our citizens. They are waiting. They deserve our best. Let's not let them down."

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Rick Taube

From: Kala Quintana
Sent: Thursday, June 19, 2008 2:14 PM
To: Rick Taube
Subject: FW: Governor's News Release

FYI—GOOD for us!!

From: Governors Update Mailing List [mailto:govupdate@governor.virginia.gov]
Sent: Thursday, June 19, 2008 1:36 PM
To: GovernorsUpdate mailing list
Subject: Governor's News Release

COMMONWEALTH OF VIRGINIA
Office of the Governor

Timothy M. Kaine
Governor

FOR IMMEDIATE RELEASE
June 19, 2008

Contact: Gordon Hickey
Phone: (804) 225-4260
Cell Phone: (804) 291-8977
Internet: www.governor.virginia.gov

GOVERNOR KAINE UNVEILS TRANSPORTATION LEGISLATION

~ Legislation provides simple, sustainable statewide solution ~

RICHMOND – Governor Timothy M. Kaine today stood with members of the House and Senate and released his proposed transportation legislation to be considered during the upcoming special session of the General Assembly. The Governor’s legislation will provide much-needed funding for our growing highway maintenance needs; fund congestion relief in Northern Virginia and Hampton Roads; and invest in more innovative, energy-efficient transportation solutions.

“Since January of 2006, I have worked closely with the General Assembly to improve the coordination of transportation and land use, to provide needed funding and budget reforms to how we spend transportation dollars, and to improve accountability and efficiency at VDOT and the other transportation agencies,” Governor Kaine said. “The legislation I am introducing will continue those reforms and provide funding to sustain and improve Virginia’s critical transportation infrastructure.”

The Governor was joined at the announcement by Delegate Ward Armstrong, who will patron the bill in the House, Senator Charles Colgan, and other members of the House and Senate.

“In May the governor presented his proposal for a comprehensive statewide solution to Virginia's transportation crisis. Over the past weeks he has worked with legislators and leaders from around the state to incorporate new ideas and address concerns," said Del. Armstrong. "I'm hopeful that our colleagues in the General Assembly will take this crisis seriously and come together on a transportation solution now."

“Clearly there is a need for an adequate transportation solution,” Senator Charles Colgan said. “That’s why the Prince William County Board of Supervisors – among many others – unanimously adopted a resolution calling for the General Assembly to adequately fund the transportation and transit needs of the state.”

The Governor has held nine town hall meetings across the Commonwealth over the last six weeks to talk to

Virginians about his transportation plan. The tenth and final meeting is tonight in Fredericksburg. The Governor's bill includes the same basic structure and revenue streams that he first announced on May 12th, but also includes more detailed proposals to improve land use and transportation planning, to employ innovative technology to reduce congestion, and to invest in mass transit.

The Governor's bill:

- Incentivizes more efficient land use patterns by providing dedicated funding for transportation improvements in urban development areas;
- Provides start-up grant funding to increase passenger rail service through the Transportation Change Fund;
- Clarifies local government flexibility to use secondary and urban road funding for transit projects;
- Provides incentives for cities and towns to take responsibility for their road construction programs; and
- Provides funds for innovative public-private technology projects to improve traffic flow and reduce congestion on existing roads.

Governor Kaine's bill addresses the highway maintenance deficit, increasing local road construction funding and restoring support for construction projects statewide; invests in targeted projects to reduce traffic congestion in Northern Virginia and Hampton Roads; and creates a Transportation Change Fund. The Transportation Change Fund will increase investment in transit, rail, and innovative solutions to reduce traffic congestion, like expanded ridesharing. The fund also makes dollars available for transportation projects to support economic development through aviation, port, and innovative highway investments.

The Governor's bill:

- Increases the existing statewide motor vehicles sales tax from 3% to 4%, with a ½ percent increase in January 2009 and another ½ percent in July 2009, and dedicates all motor vehicle sales tax funds to maintenance;
- Increases the statewide annual vehicle registration fee by \$10 and dedicates those funds to maintenance;
- Increases the retail sales tax in Northern Virginia and Hampton Roads by 1% (excluding food and drugs) for targeted projects, dedicating the funds to the Northern Virginia Transportation Authority, consistent with current law, and to seven regional projects in Hampton Roads, including the Hampton Roads Bridge Tunnel, with the regional revenues to be held by a trustee in the region;
- Abolishes the Hampton Roads Transportation Authority;
- Increases the statewide grantor's tax by 25 cents, dedicating the funds to the Transportation Change Fund.

Consistent with past proposals, all funds that the Governor proposes for transportation include a lockbox mechanism, specifying that the fund shall expire if it is used for any purpose other than transportation.

More information on the Governor's transportation plan can be found at www.transportation.virginia.gov.

To view the Governor's bill, please click [here](#).

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Governor Kaine's 2008 Transportation Plan

Statewide Maintenance Funding						
	FY09	FY10	FY11	FY12	FY13	FY14
1% Motor Vehicle Sales and Use Tax (phased 1/2% in January 2009 and in July 2009)	39.2	184.4	195.1	202.6	212.7	212.0
\$10 Annual Registration Fee	72.5	76.2	76.4	76.8	77.2	77.4
Rededicate existing 1% Motor Vehicle Sales and Use Tax to Highway Maintenance (other 2% already dedicated)	188.2	192.5	195.1	202.6	212.7	212.0
Rededicate Existing \$35 Minimal Motor Vehicle Sales and Use Tax to Highway Maintenance*	14.3	14.5	14.7	15.1	15.6	15.5
Total Funding Dedicated to Highway Maintenance	\$314.2	\$467.6	\$481.3	\$ 497.1	\$ 518.2	\$ 516.9

Regional Northern Virginia Funding						
	FY09	FY10	FY11	FY12	FY13	FY14
1% Retail Sales and Use Tax	\$306.3	\$351.1	\$368.3	\$ 384.2	\$ 400.3	\$ 414.3
<ul style="list-style-type: none"> - Local Projects --- 40% - Virginia Railway Express --- \$25m - Dedicated Metro Funding --- \$50m - Regional Projects -- Remaining Funds 						

Regional Hampton Roads Funding						
	FY09	FY10	FY11	FY12	FY13	FY14
1% Retail Sales and Use Tax	\$167.9	\$192.5	\$201.9	\$ 210.6	\$ 219.4	\$ 227.1
<ul style="list-style-type: none"> - I-64 Widening on Peninsula & Southside - Midtown/Downtown Tunnel - Southeastern Parkway/Dominion Blvd - I-664 Widening on Peninsula & Southside - Third Crossing - Hampton Roads Bridge Tunnel - Route 460 						

Transportation Change Fund						
	FY09	FY10	FY11	FY12	FY13	FY14
25 Cent Grantor's Tax	\$142.0	\$155.0	\$152.5	\$ 152.5	\$ 152.5	\$ 155.0
<ul style="list-style-type: none"> - 65% Transit Capital & Operating - 10% Rail Capital & Operating - 13.5% Transportation Partnership Opportunity Fund - 4% Airports - 7.5% Ports 						

TOTAL NEW TRANSPORTATION FUNDING						
	FY09	FY10	FY11	FY12	FY13	FY14
	\$727.9	\$959.2	\$994.2	\$1,026.7	\$1,062.1	\$1,085.8

*Law requires a \$35 tax or the payment of a 3% motor vehicle sales & use tax, whichever is greater

Local Government Transportation Resolutions

The following localities have passed resolutions urging the General Assembly to pass a statewide, sustainable transportation plan:

Cities (11)

Alexandria
Bristol
Buena Vista
Charlottesville
Falls Church
Galax
Harrisonburg
Hopewell
Newport News
Portsmouth
Richmond

Counties (29)

Albemarle
Arlington
Augusta
Bath
Buchanan
Buckingham
Clarke
Essex
Floyd
Greene
Greensville
Isle of Wight
King George
Lee
Loudoun
Mecklenburg
Montgomery
Nelson
Northumberland
Page
Powhatan
Prince William
Roanoke
Rockingham
Shenandoah

Washington
Wise
Wythe
York

Towns (7)

Christiansburg
Farmville
Leesburg
Middleburg
Quantico
Vienna
Wytheville

Organizations

Virginia Municipal League
Virginia Association of Counties
Virginia First Cities

HOUSE OF DELEGATES

RICHMOND



**WILLIAM J.
HOWELL**
SPEAKER

COMMITTEE ASSIGNMENTS:
RULES (CHAIRMAN)

TWENTY-EIGHTH DISTRICT

For Immediate Release:

June 23, 2008

Contact: G. Paul Nardo
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williamjhowell.org

Senate Action Needed to Demonstrate Special Session is more than just a Political Ploy

- Kaine's Failure to Submit Legislation in Senate Displays Lack of Support for Tax Plan --
- Onus on Senate Democrats to Advance Legislation, Send Plan to House --
- General Assembly Republicans Pledge to Protect Taxpayers in Tough Economic Times --

RICHMOND, VA – In preparation for Special Session II of the 2008 General Assembly on transportation, Speaker of the Virginia House of Delegates William J. Howell (R-Stafford), House Majority Leader H. Morgan Griffith (R-Salem), House Majority Whip M. Kirkland Cox (R-Colonial Heights), House Majority Caucus Chairman Samuel A. Nixon, Jr. (R-Chesterfield), Senate Minority Leader Thomas K. Norment, Jr. (R-James City), and Senate Minority Leader Pro Tempore Kenneth W. Stolle (R-Virginia Beach) today announced a proposed procedural schedule to coordinate the flow of legislation in Special Session II. Virginia Republican leaders determined their course of action after learning three days ago that Governor Timothy M. Kaine, who called the Special Session, decided to not even bother to find a patron to submit his tax package in the Democrat-controlled Senate of Virginia.

“We will gladly work together with Governor Kaine when his positions are sound and constructive – as we did last year on the Comprehensive Transportation Funding and Reform Act, and this year on mental health reform and higher education construction,” noted Speaker Howell. “But when it comes to protecting hard-pressed families from onerous new taxes on gas, vehicles and homes in tough economic times, our duty as representatives compels us to place the interests of the people we serve ahead of cooperating with the Governor. While Republicans are continuing to advance substantive ideas on how to address Virginia’s transportation challenges, it is obvious to everyone that, since a Democrat Governor called this special session, the body controlled by his party should act first on his legislation. When the Governor’s allies in the Senate send us a bill that they have passed and that he will sign, then we will give it full and fair consideration.”

“Many have suggested that the Governor’s real goal for this session is not to pass a bill, but to create an election issue for next year’s campaign,” remarked Delegate Griffith. “His lack of serious effort in preparing for this special session suggests that may well be true. Now we have a special session on transportation being convened today – at taxpayer expense – by a political Governor who has not even done the most basic legislative homework. We have a Governor who talks about bipartisan cooperation but has not led effectively

even within his own party. Since the Governor called us into this special session, the onus is on him to deliver to the House a bill from the new Senate Democrat majority whose victories he underwrote.”

“It would be easy enough for us to quickly dispatch the Governor’s proposal in the House of Delegates, and in so doing, reject not only his ill-conceived tax scheme, but this whole special session gambit with its ‘gotcha’ brand of politics as taxpayers foot the bill,” said Delegate Cox. “Instead, we are going to wait for action by the Senate and then appropriately consider whatever they send us. The Governor campaigned across this state last year telling everyone how much more effective he would be if his party controlled the Senate. Well, now they do. So we will see if he is serious about legislating or is content to politically posture for the next election.”

“As a candidate, Tim Kaine repeatedly pledged not to raise taxes,” recalled Delegate Nixon. “Then, just six days after his inauguration he unveiled his first proposal for a billion-dollar tax hike. That effort failed. Now, he is back again with basically the same proposal. Never mind the severe economic stress now on working family finances. Never mind the fact that the historic statewide funding plan for transportation approved just last year remains largely intact. Governor Kaine insists on hiking taxes during a period of economic uncertainty. You have to ask yourself why he would make this proposal again now. It makes no sense until you consider that his real consuming passion this year is not governing, it’s vice-presidential politics. Unfortunately for Virginia taxpayers, Governor Kaine has spent more time out-of-state campaigning for the Obama ticket than he has spent in-state trying to garner support among Senate Democrats to introduce and pass his transportation proposal.”

“We have been listening to our constituents, and they do not want higher statewide taxes, especially in the middle of a severe economic downturn, with pocketbooks already pinched by high gas and food prices,” observed Senator Stolle. “They tell us that higher taxes now would only add insult to injury.”

Senator Stolle has proposed placing tolls on interstate highways to provide the \$500 million of interstate maintenance costs and dedicating a portion of growing future revenues generated by the Port of Virginia to Hampton Roads projects.

“Senate Republicans believe it is entirely appropriate that action on a transportation tax plan be taken first by the Senate,” stated Senator Norment. “In the absence of a patron for Governor Kaine’s own tax plan, it is incumbent upon his party in the Senate to offer legislation the Governor is willing to sign.”

“Unlike his predecessors who called prior special sessions, Governor Kaine has not even bothered to introduce his bill in the Senate,” concluded Speaker Howell. “Consequently, a sensible schedule for this special session is one that requires Senate action first. The Democrats, who control the Senate and the Governor’s Mansion, need to demonstrate they are serious by sending us a real piece of legislation to consider. As we await such action, House committees are prepared to advance our innovative agenda and expedite their work on other bills that do not include statewide tax increases. When the Senate sends over whatever tax plan they ultimately approve, we stand ready to act swiftly on the tax bills offered by the Senate, House members, and the Governor. If they cannot or will not send an approved bill the Governor will sign, then it will be apparent that this special session is just a ploy to score political points at taxpayer expense.”

###

Rick Taube

From: APTA Legislative Update [legislativeupdate@apta.mmsend.com] on behalf of APTA Legislative Update [legislativeupdate@apta.com]
Sent: Monday, June 16, 2008 5:40 PM
To: Rick Taube
Subject: APTA Legislative Alert - June 16, 2008

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<http://www.commpartners.com/website/white-listing.htm>



U.S. SENATE DEBATES CLIMATE CHANGE LEGISLATION

U.S. HOUSE OF REPRESENTATIVES PASSES AMTRAK AUTHORIZATION BILL, ADVANCES TRANSIT SECURITY FUNDING LEGISLATION

COMMENTS DUE THIS WEEK ON FEDERAL TRANSIT ADMINISTRATION'S PROPOSED REVISION TO SCHOOL BUS TRANSPORTATION POLICY GUIDANCE

U.S. SENATE RENEWS EFFORTS TO FIX HIGHWAY TRUST FUND

JUNE 16, 2008

LIEBERMAN-WARNER CLIMATE CHANGE BILL CONSIDERED, THEN WITHDRAWN FROM THE SENATE FLOOR; HOUSE CLIMATE BILLS UNDER DEVELOPMENT

The Senate began debate on the Lieberman-Warner Climate Security Act (S. 3036) during the week of June 3, but Democratic leaders withdrew the measure after four days of debate. The legislation was pulled from consideration after a procedural vote failed to prevent a filibuster by the bill's opponents. While Lieberman-Warner was not expected to pass this year, the Senate debate on the bill was shorter than expected because of partisan differences over the amendment process and an unrelated dispute concerning judicial appointments. The version of Lieberman-Warner brought to the Senate floor by Environment and Public Works Committee (EPW) Chairman Barbara Boxer (D-CA) would have provided \$171 billion to transit between 2012 and 2050.

Since its introduction last year, the Lieberman-Warner bill's provisions related to transit and transportation-related greenhouse gas emissions have improved significantly. As introduced, the legislation did not include funding for transit-related solutions and only addressed transportation sector emissions through vehicle and fuel technology. At the EPW Committee markup of the bill last December, Senator Ben Cardin (D-MD) proposed to dedicate roughly \$38 billion for public transportation investment between 2012 and 2050, the span of Lieberman-Warner's cap-and-trade system, and the Committee adopted his proposal.

Since markup, APTA worked with Senators Cardin, Tom Carper (D-DE), Banking Committee Chairman Christopher Dodd (D-CT) and others to urge EPW Chairman Boxer to increase transit investment. On May 22, Boxer released a new version of the bill, which included the \$171 billion funding level for transit.

For a summary of all transit-related provisions in the bill considered by the Senate, [click here](#). During last week's debate, Senators Cardin, Carper and Dodd filed amendments to the Lieberman-Warner bill to provide additional transit investment, but the failed cloture vote precluded consideration of any amendments.

Climate change legislation is not expected to return to the Senate floor this year, but EPW Chairman Barbara Boxer has already begun meeting with Senators in an effort to expedite consideration of a bill next year and address any adverse impact of a cap-and-trade system on consumer energy prices. Presumptive Presidential nominees Senators John McCain (R-AZ) and Barack Obama (D-IL) were absent from last week's debate, but both expressed support for the cap-and-trade concept and stated that they would have voted to continue debate, a signal of their interest in pursuing legislation next year.

APTA will continue to work with the Senate to increase public transportation investment in next year's Senate climate change bill. One-third of CO2 emissions in the U.S. are produced in the transportation sector, but the Lieberman-Warner bill dedicated less than 5 percent of cap-and-trade revenue to investment in transit and other strategies that reduce transportation-related emissions. APTA recommended that Lieberman-Warner direct no less than 6 percent of its revenue for investment in transit and no less than 4 percent to local, regional, and state efforts to curb growth in vehicle travel. To view APTA's recommendations for Lieberman-Warner, [click here](#).

In the House of Representatives, the Energy and Commerce Committee, which has primary jurisdiction over climate change issues, is evaluating options to address global warming, but has not yet introduced legislation. Representative Ed Markey (D-MA), Chairman of the House Select Committee on Energy Independence and Global Warming, recently introduced the outline of a bill to address climate change. Markey's "Investing in Climate Action and Protection Act" (H.R. 6186) utilizes a cap-and-trade system and provides roughly 2.5 percent of revenues from its cap-and-trade system to transit investment and other strategies that curb growth in vehicle travel. Several members of the House, including Speaker Nancy Pelosi (D-CA), have expressed support for increasing investment in public transportation to address climate change. APTA is working to promote transit investment when climate change legislation advances in the House.

Contact Homer Carlisle of APTA's Government Affairs Department at (202) 496-4810 or email hcarlisle@apta.com for additional information regarding climate change legislation.

HOUSE APPROVES AMTRAK REAUTHORIZATION LEGISLATION

On June 11, the House of Representatives approved H.R. 6003, the "Passenger Rail Investment and Improvement Act of 2008" by a vote of 311-104. The measure authorizes \$14.4 billion in Amtrak and passenger rail over a five-year period. In addition to substantial funding increases for Amtrak operating and capital expenses, the legislation includes a number of provisions advocated by APTA to promote the development of passenger rail. The bill authorizes \$2.5 billion for grants to states to pay for capital costs of facilities and equipment necessary to provide new or improved intercity passenger rail. It also authorizes \$1.75 billion for grants to states and/or Amtrak to finance the construction of new high-speed rail corridors. In addition, the bill directs the Secretary of Transportation to seek proposals for high-speed rail projects operating between Washington, D.C. and New York City, and establishes a process at the Surface Transportation Board (STB) to help mediate disputes between commuter rail providers and freight railroads over the use of freight rail tracks or rights-of-way.

Last October, the Senate passed a version of the legislation that authorizes \$11.4 billion for Amtrak and intercity passenger rail. The legislation does not include the House-passed provisions promoting high speed rail or the non-binding mediation process at STB. The sponsors of the legislation in both chambers hope to convene a conference soon to work out the differences in the two versions, and to send a final package to the President by the end of the year. The President has threatened to veto the measure, however, because of its "high cost and lack of meaningful reforms in Amtrak's governance or operations without allocating resources based on the demand for passenger rail service," according to the Administration's statement of policy on the bill. For a copy of APTA's testimony on the Amtrak legislation please [click here](#).

Contact Tom Yedinak of APTA's Government Affairs Department at (202) 496-4865 or email tyedinak@apta.com for additional information regarding the Amtrak legislation.

HOUSE SUBCOMMITTEE APPROVES TRANSIT SECURITY FUNDING

On June 11, the House Subcommittee on Homeland Security Appropriations approved the fiscal year (FY) 2009 Department of Homeland Security (DHS) Appropriations bill. Included in the legislation is \$400 million for transit and rail security grants, the same level of funding as last year. This level of funding is \$225 million more than the Administration requested in their budget, but \$350 million short of the level authorized in H.R. 1, the 9/11 Commission Recommendations Act of 2007. The full committee will consider the legislation next week. It is not yet clear when the Senate will consider their version of the DHS funding bill. For a copy of APTA's written testimony regarding transit security funding please [click here](#).

Contact Tom Yedinak of APTA's Government Affairs Department at (202) 496-4865 or email tyedinak@apta.com for additional information regarding transit security legislation.

COMMENTS DUE THIS WEEK ON FEDERAL TRANSIT ADMINISTRATION'S PROPOSED REVISION TO SCHOOL BUS TRANSPORTATION POLICY GUIDANCE

The Federal Transit Administration (FTA) has proposed changes to its policy guidance regarding school bus service that threatens the ability of public transportation providers to transport students. The policy guidance would limit a transit agency's ability to design bus routes to accommodate students and school schedules. The proposed changes could have a severe economic impact on school districts that rely on public transportation to deliver students to schools. APTA has joined with the National School Boards Association (NSBA), the American Association of School Administrators (AASA), the Council of Great City Schools (CGCS), and the National Association of Secondary School Principals (NASSP), to oppose the proposed changes through the submission of joint comments for the docket. The draft comment can be found [here](#).

Please consider drafting your own comments and submitting them to the FTA docket, then work with your local school systems and encourage them to submit comments to the FTA on the negative impact of this proposed change to long established policy and practice. Comments are due on Wednesday, June 18.

ACTION ALERT

- Draft and submit for the docket a comment to FTA opposing the proposed changes to the policy guidance regarding the provision of school bus service by Wednesday, June 18.
- Contact your Senators and Representatives and ask them to contact the FTA to oppose the proposed changes.

U.S. SENATE RENEWS EFFORTS TO FIX HIGHWAY TRUST FUND

A coalition of Senators led by Transportation, Housing and Urban Development Appropriations Subcommittee Chairman Patty Murray (D-WA), Finance Committee Chairman Max Baucus (D-MT) and Finance Committee Minority Ranking Member Charles Grassley (R-IA) are proposing to add language to an extension of the Federal Aviation Administration (FAA) law that would address projected shortfalls in the Highway Trust Fund in FY 2008. The proposed amendment would transfer up to \$8 billion from the general fund to the trust fund, allowing the Appropriations Committee to fully fund the Highway program at SAFETEAU-LU approved levels next year. The transfer would reimburse the trust fund from amounts transferred from the Highway Trust Fund to the general fund in 1998, and would result in no net cost to the federal government. APTA supports this fix as a preferable alternative to transferring funds from the Mass Transit Account to the Highway Account to cover the shortfall, as proposed by the Administration. Senators Murray and Baucus have asked transportation stakeholders to contact their Senators to urge them to support the Highway Trust Fund fix as part of the FAA extension bill,

which must pass Congress by the end of this month.

ACTION ALERT

- Call your Senators and urge them to support the Baucus-Grassely-Murray Highway Trust Fund Fix as part of the FAA extension act, which must pass Congress by the end of the month.
- Explain to your Senator that the legislation is a preferable alternative to transferring funds from the Mass Transit Account, and would result in no net cost to the federal government.

American Public Transportation Association
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1666 K St., NW. Washington, DC 20006
(202) 496-4800 | www.apta.com



Agenda Item #9

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube and NVTC Staff

DATE: June 26, 2008

SUBJECT: Mid-Year Progress Report on NVTC's 2008 Work Program

Attached is a Power Point presentation highlighting progress on NVTC initiatives during the past six months and indicating next steps.





MID-YEAR PROGRESS REPORT ON NVTC'S 2008 WORK PROGRAM

--July 3, 2008--



Motor Vehicle Fuels Sales Tax

- Gas tax collections for FY 2008 equals \$41.5M, up from \$37.7 million in FY 2007.
- Monitor gas tax collections by maintaining detailed database of collections on taxpayer level. Unusual activity provided to Department of Taxation's gas tax auditors for follow-up.
- Prepare analysis of collections in total and by jurisdiction, adjusting activity to the correct periods.





Scott Kalkwarf



- Insert gas tax adjusted collections chart on this slide (to be provided at commission meeting)

3



Scott Kalkwarf



State Capital and Operating Assistance

- NVTC receives state capital and operating assistance for local systems and Virginia's share of WMATA.
- FY 2008 received \$67 million in capital assistance and \$63 million in operating assistance, total of \$130 million.
- FY 2009, DRPT's final program includes \$135 million of capital and operating assistance for NVTC.
- Revenue held in trust for jurisdictions' payments of WMATA subsidies and local systems' needs.
- Ongoing cooperation with DRPT, WMATA and local financial staffs to ensure capturing maximum available grant funding



4



Scott Kalkwarf



NVTA and NVTC Accounting Services

- Maintain accounting records for the NVTA starting in FY 2008.
- Allocate and track revenues, calculate and track NVTA refunds.
- Accounting for general and administrative activity, tax filings, and assistance to the executive directors.
- Preparation of year end financial statements and footnotes for required annual audits.
- Lead financial staff person for the annual audits.



5



Kala Quintana Director of Public Outreach



E-Schedules

- Continued to expand use of Electronic Schedules for all of Northern Virginia's bus systems.
 - Managing contract to keep the e-schedules current with an additional \$14,000 budget for promotion.
 - Monthly requests for schedule pages is peaking in May and June of each year.
 - Overall, the e-schedules page are consistently among the top requested pages on CommuterPage.com with the majority of the requests for e-schedules coming directly from Google.com & WMATA.com.
 - Use to date in 2008 (January – June)
 - Successful requests for schedules : 1,624,894
 - Average successful requests per day: 9,193
 - For the same period in 2007 (January to June)
 - Successful requests: 1,377,201
 - Average successful requests per day: 7,608
- A 17% INCREASE in usage over the same period last year!!**



6



Kala Quintana



NVTC & NVTA Outreach

- Continue to act as Public Information Officer for NVTA in addition to duties with NVTC
- Craft public relations strategies, as well as manage website development, and web maintenance for both organizations.
- Managed various events, press conferences, outreach efforts for both organizations.
- Prepared over 25 press/e-mail releases, set up over 50 TV & radio interviews, worked with reporters on over 150 articles in support of transit funding and initiatives for both organizations.
- Appear periodically as a guest speaker before regional interest groups to discuss the needs for transit improvements and dedicated funding.
- Serving fifth term as Transportation Association of Greater Springfield (TAGS) Secretary; received award for Outstanding Service to TAGS.
- Support of VTA's Annual meeting agenda; hosted second annual roundtable on PR/Communication strategies for transit systems.

7



Elizabeth Rodgers Project Manager



Ride Free on Forecast Bad Air Quality Days

- The program is designed to encourage citizens to ride the bus on days that are forecast to have excessive pollution during the summer season. It is an essential part of the region's overall plan to improve air quality.
- NVTC manages the grant funds, system contracts, and reimbursal process.
- Last year the program was extended to include forecast Code Orange days. There were 16 forecast Code Orange days and no Code Red days for the Summer 2007 Ozone Season.
- An onboard survey was administered in June and August of 2007, showing that 4% of riders were diverted from an automobile on the Ride Free day.
- An evaluation showed the program reduced pollution at a cost of about \$1 per pound.



8



Elizabeth Rodgers



Ride Free on Forecast Bad Air Quality Days

- On March 12, 2008 the EPA revised its Air Quality Index (AQI) for ozone to reflect changes to the national ambient air quality standards for ground-level ozone. Double the amount of forecast Code Orange days and several forecast Code Red days were predicted for Northern Virginia.
- For the Summer 2008 Ozone Season the Ride Free program offers free bus rides on forecast Code Red air quality days.
- On April 30, 2008 a Ride Free kick-off event was held to promote the summer season. Free bus rides were offered for the entire day on all Northern Virginia bus routes.
- The first forecast Ride Free day occurred on June 9, 2008.



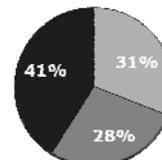
Elizabeth Rodgers



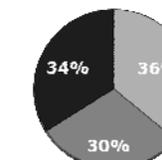
Mode Share Corridor Analysis

- NVTC obtained grant funding from VDOT for MWCOG to add an extra day of screenline counting on I-95/395 at South Glebe Road for the AM peak period and NVTC coordinated transit counts for those days.
- This is the second of five corridors to be completed at the rate of one per year. The first was I-66 outside the Beltway. The third report is due in fall of 2008 covering I-95 just south of the Beltway.
- Initial findings show 6 out of 10 inbound AM peak period travelers in Northern Virginia's I-95/395 corridor inside the Beltway are using transit or HOV(2+) for their northbound travels. Metrorail Blue and Yellow Lines carry approximately 18,000 people during the AM peak period.
- This is the only program in Northern Virginia providing statistically significant mode share measures and essential data to guide future allocations of limited resources.

AM Peak Period
(5:00AM-10:00AM)



AM Peak Hour
(7:30AM-8:30AM)



■ Transit ■ HOV(2+) ■ SOV



Elizabeth Rodgers



Northern Virginia Transit Ridership

- Each year NVTC compiles and posts on its website performance data from eight transit systems serving Northern Virginia.
- On average bus ridership increased by 2% from FY 2006 to FY 2007.
- Arlington County Transit reported the highest ridership increase of 14%.
- FY 2008 ridership data should be available by December 2008.



Elizabeth Rodgers



NVTC Website

- Maintenance and improvements are performed in house, at about $\frac{1}{4}$ of the cost of an outside firm.
- In one year, the website has had almost 9,000 visitors. The most popular page on the site is "Using the Region's Transit System."
- The website is establishing NVTC as a "data organization," housing annual and monthly performance data for Northern Virginia transit agencies.
- The website design is current being updated. The new design should be unveiled at the September 2008 meeting.

www.thinkoutsidethecar.org

12



Elizabeth Rodgers



NVTA Website

- Design and maintain NVTA's website.
- In one year, the site has received over 33,000 visitors. In addition to the homepage, the most popular page is the "Projects" page.

www.thenovaauthority.org



13



Elizabeth Rodgers



RIDE FREE Website

- Design and maintain the Ride Free website.
- Provides commuters with information on the program, the region's air quality, Northern Virginia's bus systems, how to plan a bus trip and how to ride the bus.
- Since April, the site has received over 3,300 visitors.

www.ridefreenova.org



14



Adam McGavock Director of Planning



SmarTrip

- \$6.1 million contract to purchase and install 484 SmarTrip fareboxes on local buses in Northern Virginia
- Fareboxes have been installed and in service for one year, very successful implementation, market penetration of 25% at DASH, over 95% at Loudoun
- Data System Integrity Test completed in April 2008:
 - 97-98% reconciliation accuracy considered acceptable for transit operations
 - WMATA required 99% accuracy during RMAT testing
 - NVTC required 99.5% accuracy for DSIT testing
 - System proved 99.9% accurate during DSIT testing
- All NVTC agencies provided final approval in May 2008, NVTC issued Final Acceptance to Cubic in June 2008, contract now being closed out

15



Adam McGavock



MARTHA Project

- \$200,000 contract to develop software that utilizes GPS-enabled cell phones and a simple IVR system to deliver real time bus departure information to transit riders
- Bench testing completed in December of 2007
- In-service demonstration and testing began in May 2008, will continue for three months.
- System currently meeting WMATA performance requirements



16



Adam McGavock



HFI Demonstration

- \$52,000 contract to install Hydrogen Fuel Injection kits on four City of Fairfax CUE buses, and evaluate the performance
- Final kit installation completed in January of 2008
- Problems with adapting the kit to transit environment
- Evaluation delayed until late Summer/Fall of 2008



17



Adam McGavock



Alexandria Real-Time Bus Information Project

- \$738,000 project to develop a system for providing real-time bus information to transit patrons in the City of Alexandria
- Will provide info via IVR, web-based maps, and at selected stops for DASH and Metrobus
- Funding in place as of July 2008
- RFP to be issued later this month



18



Adam McGavock



NVTC Grants Management

- WMATA is out of the construction business, no longer applying for FTA grants for construction projects in member jurisdictions
- NVTC managing twelve FTA grants for the City of Alexandria, City of Falls Church, Fairfax County, and Arlington County totaling over \$9 million

19



Rick Taube Executive Director



Public Transit Travel Instruction Program for Seniors

- Final report completed in April, 2008
- Used classroom, group trips, and one-on one trips with several innovative new techniques such as Bus Bingo
- Detailed survey evaluations after three and six months found:
 - 90% strongly recommend the program to others
 - 90% now comfortable using transit Won Virginia Transit Association award
- Eligible to be implemented using new DRPT funding program



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TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube

DATE: June 26, 2008

SUBJECT: I-95/395 HOT Lanes

At NVTC's April 3, 2008 meeting, commissioners reiterated several concerns to Virginia's Secretary of Transportation, including:

1. Beltway HOT Lanes will provide new capacity but the I-95/395 HOT Lanes in the northern segment will use existing publicly funded facilities. Accordingly, there is an obligation in the I-95/395 corridor not to diminish the performance of the existing facilities.
2. NVTC board members have asked repeatedly for an analysis of the benefits and costs of a bus-only lane in the I-95/395 corridor. To date, three drafts have been reviewed internally at VDOT/DRPT. Secretary Homer stated the release of the study could come as early as April 7th. It has not been released yet.
3. NVTC has written Secretary Homer to ask for clarification that FHWA will not be asked to approve the I-95/ 395 HOT Lanes project before the results of a safety analysis by Halcrow, Inc. are completed. Further, clarification was requested in the minimum average speeds to be permitted on the HOT Lanes since federal law allows 45 mph but the facility as currently operated achieves over 55 mph. NVTA acted on April 10th to send a very similar letter. NVTC has received no response.
4. NVTC staff has asked that the Halcrow safety study examine the bus-only lane concept and that the draft of the Halcrow study be shared with local and regional staff for comment before it is released in final form.

Following NVTC's June 5th meeting, Chairman Euille sent a letter to Secretary Homer reminding him of the Commission's interest in reviewing the bus-only lane study and the Halcrow safety study. If a response is received it will be shared with the commission.





NVTC

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and Public Transportation**

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Virginia General Assembly

Sen. Mary Margaret Whipple

Del. David B. Albo

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Del. Thomas D. Rust

Executive Director

Richard K. Taube

June 6, 2008

The Honorable Pierce Homer
Secretary of Transportation
Patrick Henry Building 3rd Floor
111 East Broad Street
Richmond VA 23219

Dear Secretary Homer:

The Northern Virginia Transportation has discussed the proposed HOT Lane project in the I-95/395 corridor at virtually every monthly meeting for well over a year. We have written several times to you expressing our concerns and have also discussed those concerns with you in person. As you know, the overriding issue for us is the need to protect the level of service for transit and HOV commuters in the existing HOV lanes. To that end, we have requested from Fluor-Transurban an analysis of a bus-only lane on the facility. We have also written to you to ask that the bus-only lane concept be reviewed in conjunction with the ongoing Halcrow safety study.

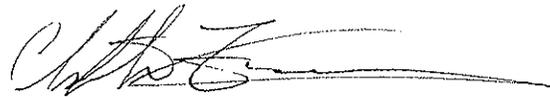
We understand that the bus-only lane analysis has been prepared and that it has undergone at least three reviews by VDOT and DRPT staff. You told us at our April 3rd NVTC meeting that you have seen the study. You mentioned it would be released soon, perhaps as early as April 7th. We note with deep concern that the study has still not been shared with us.

We firmly believe that local staff will have valuable insights to contribute to the analysis of the bus-only lane as well as the Halcrow safety study. We urge you not to wait until a finished product is available that fully satisfies the commonwealth's perceived interests before seeking local input.

We applaud your prompt and positive responses to our earlier requests to include local transit systems in service planning and to perform independent safety analyses. We are simply asking that you continue this positive approach by releasing the draft bus-only lane analysis now for our review and comment.

Please feel free to contact me with any questions about our request to review the bus-only lane materials.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Zimmerman', with a long horizontal flourish extending to the right.

Christopher Zimmerman
Vice Chairman

Rick Taube

From: Alfred Harf [aharf@omniride.com]
Sent: Monday, June 23, 2008 11:10 AM
To: Badger, Chip; Benson, Jean; Caddigan, Maureen; Covington, Wally; Dixon, Marvin; Hill, Corey; Jenkins, John; Jones, Frank; Kelly, Matthew; LaMarca, Peter; Lasch, Lorraine; Lingamfelter, Scott; May, Michael; Milde, Paul; Miller, Jackson; Nohe, Martin; Parrish, Hal; Polk, Bryan; Potvin, Brian; Preli, Sorine; Principi, Frank; Puller, Toddy; Rodenberg, Phillip; Schwartz, George; Stewart, Corey; Stirrup John; Tucker, Matthew; Wren, Bill; Wren, William R.
Cc: Rick Taube; robinson@gwvregion.org; reanizales@pwv.gov.org; mdudenhefer@co.stafford.va.us; Althea Evans; Betsy Massie; Doris Lookabill; Eric Marx; Joyce Embrey
Subject: FYI



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Historic financing completed on Northern Virginia project

\$589 million issued to fund I-495 congestion-relief project
 June 16, 2008

Capital Beltway drivers are one step closer to a smoother commute June 12 after \$589 million in tax-exempt private activity bonds were issued for the first time ever by sponsors of the I-495 Capital Beltway High Occupancy Toll (HOT) Lanes Project in Northern Virginia, announced Transportation Secretary Mary E. Peters.

"This financial transaction represents a historic turning point not only for the way we finance highway projects but also for the thousands of drivers who lose precious time stuck in traffic on one of the nation's most congested highways," Secretary Peters said.

The \$589 million in private activity bonds, issued by the Capital Beltway Funding Corporation, a non-profit Virginia corporation, is part of an estimated \$1.9 billion finance package to fund the 14-mile project. It includes two new variably priced HOT lanes in each direction to be added to the Capital Beltway between Georgetown Pike and the Springfield Interchange. Once construction is finished in 2012, there will be two additional lanes on each side of the Beltway. The two existing middle lanes would then be converted to HOT lanes with prices that vary depending on traffic volume, ensuring that traffic in these lanes keeps moving at all times.

Two private companies, Transurban and Fluor Enterprises, will finance, operate and maintain the express lanes using facility revenues to repay the \$589 million in private activity bonds as well as a \$589 million U.S. DOT direct loan. The loan was made through the Department's Transportation Infrastructure Finance and Innovation Act loan program, which encourages private sector participation in the financing of highway projects with flexible repayment terms. The Commonwealth of Virginia is also providing significant resources to this historic public-private partnership.

As part of the surface transportation legislation signed in August 2005, private companies building and operating public use facilities are authorized to borrow up to \$15 billion nationwide on a tax-exempt basis to build highways and certain freight facilities. So far, the Department has authorized the issuance of \$5.6 billion in these private-activity bonds to seven projects around the country, including the Capital Beltway HOT Lanes. However, this is the first time such bonds have actually been issued.

Source: *U.S. DOT* June 16, 2008

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- DOT announces more than \$133 million in funding to fight traffic in Texas Cities
- Cal. Navistar gain focus
- Senators announce plan to address TIF shortfall
- ODOT honored for I-5 environmental work
- Transportation projects honored by AAA, AASHTO and U.S. Chamber of Commerce
- ARTBA applauds Utah's request to assume authority for environmental review
- Gasoline prices reach national average of \$4 a gallon
- Senate consideration of climate change legislation likely ended
- ARTBA says state bill offers opportunity to expand bridge construction and repair market
- Rising asphalt prices delay roadwork
- Wyo. still waiting for that loan
- U.S. DOT unveils new program to fight border congestion
- Third Minnesota bridge closed
- Transportation receives mixed reviews in Va.
- Private resistance in Florida
- Not even close
- Attorney General demands end to free rides in New York
- Georgia looking at toll option
- Anticipating driving at historic lows
- Private group may run Turnpike
- VDOT releases emergency response report
- Debate on FAA authorization bill postponed
- Oberstar presses for I-5W hearing
- MetDOT engineers find no bridge damages so far after earthquake
- Penna. plans to realize itself for privatization
- Vermont agency may have to scale back \$5 million
- Florida may suspend its gas tax
- AGC protests McCain's proposed gas tax increment
- Legislators reject one toll bill, accept another
- Congressman subpoenas EPA for greenhouse gas

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube, Adam McGavock and Elizabeth Rodgers

DATE: June 26, 2008

SUBJECT: Metro Items

A. Monthly Ridership at Virginia's Metrorail Stations

An attached chart shows ridership up again in May. A new chart tracks cumulative ridership through fiscal year 2008 compared to the two previous years.

In the past two and half months Metrorail has achieved seven of its all time Top 10 ridership days.

B. Responses to Emergencies

Several Items are attached that address WMATA's recent issues with communicating during emergencies:

1. A Washington Post Article (06/22/08) listing steps taken recently by WMATA;
2. An article from the Examiner (06/20/08) describing MWCOG/TPB's MATOC committee which is focusing on region wide multi-agency responses (NVTC staff is arranging a briefing on the work of this committee for the commission's September 4, 2008 meeting);
3. A Washington Post article (06/13/08) describing Metrorail incidents and the resulting WMATA Board discussion, with a reference to NVTC's emergency response plans for key Virginia Metrorail stations;
4. A Power Point presentation (06/12/08) by WMATA staff to its Board describing steps taken to improve communications;
5. A Washington Post article (06/10/08) on a Metrorail derailment;



6. A WTOP news story (06/10/08) on WMATA's failure initially to offer free bus fares on a forecast Code Red day; and
7. A Washington Post editorial (06/18/08) on the consequences of a Metrorail Orange Line disruption due to a storm.

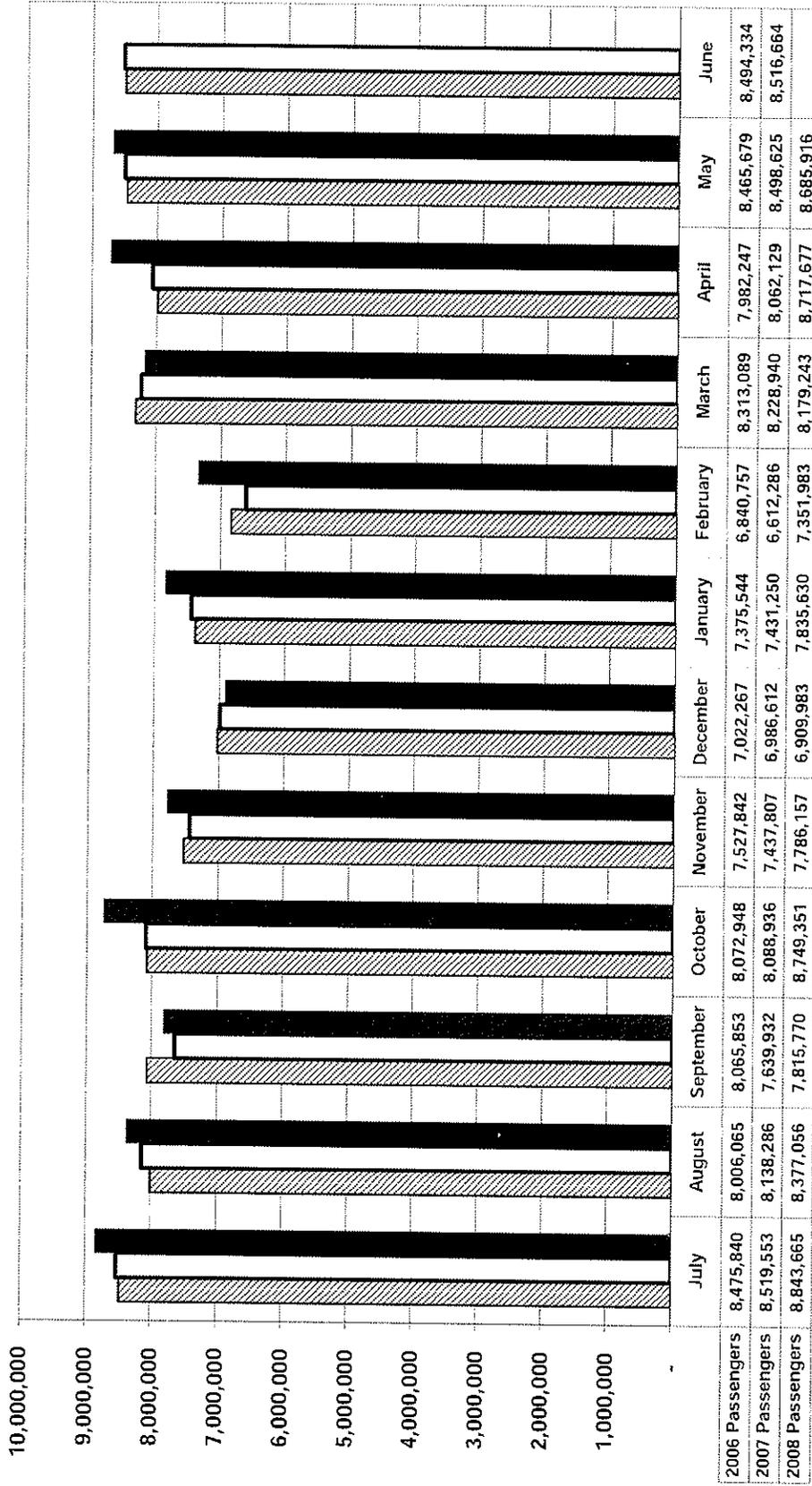
C. FY 2009 WMATA Budget

The Metro Board will consider the budget on June 26, 2008. It totals \$1.9 billion, of which \$1.3 billion is for operations and \$0.5 billion is for capital. The remainder is for reimbursable projects, debt service and reserves. Highlights are shown in the attachment, including the requested contributions from each of NVTC's jurisdictions.

D. Letter from Ed Tennyson on Bus and Rail Funding

The letter is attached for your information.

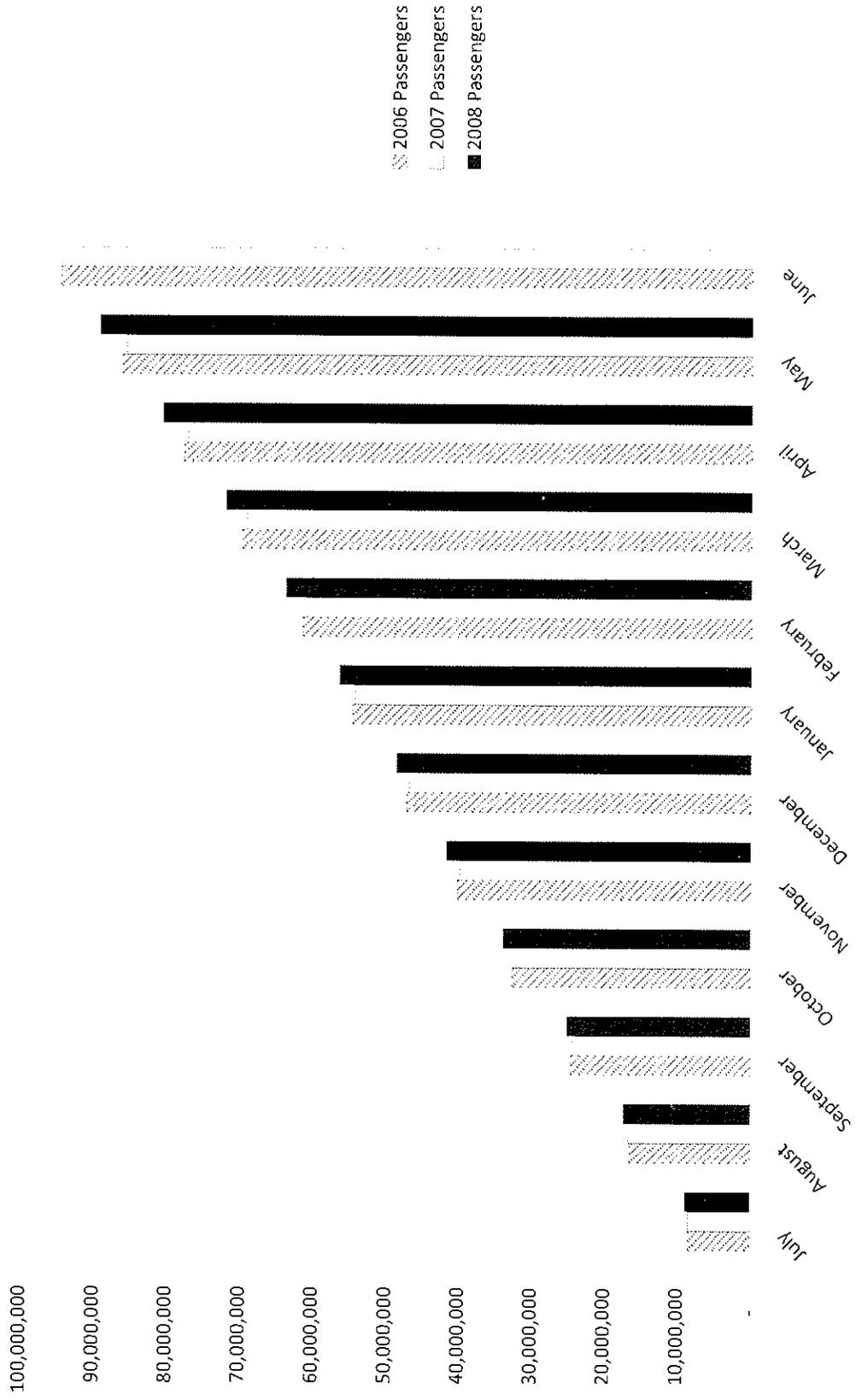
Figure 9: Metrorail Monthly Northern Virginia Passenger Trips, FY2006 - FY2008



2006 Passengers
 2007 Passengers
 2008 Passengers



Metrorail Cumulative Monthly Northern Virginia Passenger Trips, FY2006 - FY2008





washingtonpost.com

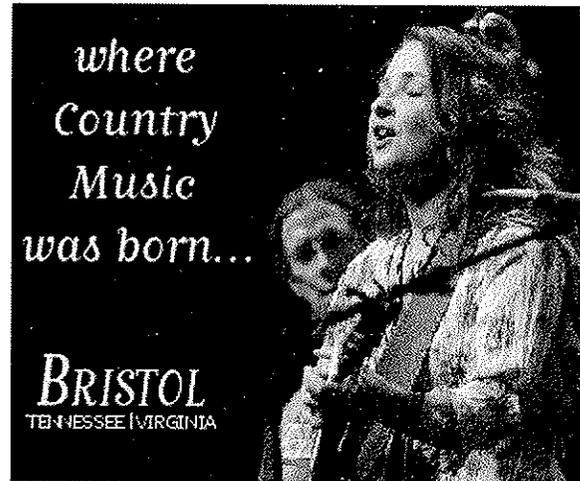
Failure to Communicate

Sunday, June 22, 2008; C02

Rider complaints about poor communication during mishaps are longstanding. Metro began developing its "Communication Initiatives" last year and unveiled the plan after a string of disruptions raised those issues again this month. Metro officials think the system does relatively well communicating about planned events. In emergencies, however, it has tended to focus on solving the problem rather than telling riders what's going on, often creating unrealistic expectations during service disruptions.

This week's Commuter graphic takes a close look at the transit authority's plans to address rider's concerns.

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BY BILL STEARNS — THE WASHINGTON POST

Tough Two Weeks

- June 4** — At 3:30 p.m., storms brought down power lines on Orange Line tracks between the East and West Falls Church Metro stations, and Metro suspended service between the stations. Metro set up shuttle service between the stations, but riders complained that the setup was confusing, the number of buses was inadequate and service was slow. Metro was able to muster 15 buses, which hold about 50 people each, to transport about 2,000.
- June 9** — A six-car Orange Line train heading for Vienna derailed between Rosslyn and Court House at 2:45 p.m. A transit supervisor who was on the train and its operator found that the wheels had derailed and notified the control center. A rescue train evacuated the train's 412 passengers by 4:25 p.m. Orange Line trains had to share a single track around the derailment, and passengers were bused between Foggy Bottom and Court House. Orange and Blue line passengers experienced lengthy delays and crowding.
- June 11** — An Orange Line train operator heading toward New Carrollton noticed a kink in a track between East Falls Church and Ballston-MU. Trains had to share a single track around the problem, and a bus bridge was established to link the stations between Ballston and Vienna. Again, passengers faced crowding and lengthy delays.
- June 13** — During the morning rush, five Metro stations lost power and had to operate on emergency lighting; two stations temporarily closed because of the widespread outage downtown. The outage caused a surge in Metro's power grid, which led to two small fires on the Red Line tracks at Metro Center, forcing trains to share a single track around the problems. Metro set up a bus bridge for Red Line riders, but maneuvering in traffic was difficult because many traffic signals weren't working. Delays and crowding were significant.

Metro's Initiatives

The transit authority says it has done, or will soon do, several things to address riders' concerns:

- If a train or bus is stopped for anything other than a scheduled stop, the operator will immediately make an announcement and provide updates every two minutes if necessary. Operators will be in contact with the control center via radio.
- Metro has created customer liaison positions to have people directly responsible for communicating with the public about delays.
- E-mail alerts about Metrorail delays of more than 10 minutes are sent to all subscribers, and alerts for Metrobus will be in effect by next month. Electronic message boards will be updated every three minutes with information about delays.
- Upgrading of public-address systems in 29 of 38 underground stations have been completed; the others will be done by December. Portable, handheld radios have been assigned to every rail station kiosk so that station managers can move throughout their stations and communicate with riders while remaining in touch with the control center.
- Station managers will receive emergency response training.
- New station-specific maps will show all buses serving the area as well as landmarks near the station.
- New signs will be available to place on fare gates to warn riders that the line faces a major delay.
- Metro will provide realistic information about delays likely to occur when bus bridges are formed. Gathering points for the emergency shuttles will be standardized and marked.



Riders are directed to shuttle buses after the train derailment on the Orange Line in Arlington. Among Metro's new initiatives will be standardizing and marking bus-bridge gathering points.

What's Your Opinion?

Does Metro's plans address your concerns? Do you have other ideas? Write to us at commuter@washpost.com.

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Local

D.C. region to coordinate on traffic, transit information

Taryn Luntz, The Examiner

2008-06-20 07:00:00.0

Current rank: # 55 of 7,670

WASHINGTON –

Washington's transportation leaders are preparing to unveil a system that would give Virginia, the District of Columbia, Maryland and Metro unprecedented access to each other's traffic and transit information, revolutionizing how the region communicates and responds to major disruptions.

"Almost every week we have new reminders that the region needs a more coordinated transportation response and public communication capability," said David Snyder, vice chairman of the Metropolitan Washington Council of Governments Transportation Planning Board, which is developing the new system.

Officials said they hoped to have the program running in some form by December and in full form by July 2009.

Commuters have been foiled by several incidents in the last month alone, including a Metro derailment, severe weather that splayed trees and power lines across major roadways and a massive downtown power outage that shut down traffic signals in the city's busiest hub.

While the state and local jurisdictions have strong informal working relationships, they have no standard procedure for communicating about such incidents and no centralized place for commuters to access up-to-the-minute, regional information.

"The local agency tends to be very focused on working with the local police to get the situation resolved, but they don't say, 'Geez, maybe we ought to be diverting traffic — what do we need to do, who do we have to call so that folks can make better decisions?'" said Richard Steeg, a Virginia Department of Transportation operations administrator and chairman of the COG committee.

Since 2006, COG has been working with representatives from the Maryland State Highway Administration, the Maryland, Virginia and D.C. departments of transportation and Metro to establish an independent group that would oversee transportation communication among the jurisdictions.

The program centers on a database, developed by the University of Maryland's Center for Advanced Transportation Technology in 2002, that is able to automatically collect and display the information that the transportation agencies enter into their respective systems.

Maryland, Virginia, D.C. and Metro's Operations Control Center now all have the required software, and Virginia and Maryland already are using the system to share information.

The agencies have yet to determine whether the database would be available for public viewing, but officials said it seemed likely.

"It makes sense if you think about it," Steeg said. "Anybody at anytime ought to be able to go to [the program] Web site and see what's going on in the region."

tluntz@dcexaminer.com

Examiner

washingtonpost.com

Communication In Derailment Is Criticized

By Lena H. Sun
Washington Post Staff Writer
Friday, June 13, 2008; B02

Metro took too long to notify emergency officials when an Orange Line train derailed this week and failed to heed advice from Arlington transportation officials about maneuvering shuttle buses around rush-hour traffic, board Chairman Chris Zimmerman said yesterday.

Metro's difficulty in communicating quickly and clearly with riders during major incidents is one of riders' most common and long-standing complaints. But Metro's response during the derailment and other Orange Line disruptions this week highlights a broader and more troubling issue, Zimmerman said: the transit agency's problems communicating and coordinating effectively with other agencies during emergencies.

"There seem to be communication issues not only with our customers, but also between jurisdictions and within Metro itself," he said.

During a review of the incidents yesterday, Metro Deputy General Manager Gerald Francis acknowledged that agency managers need to get information to riders and emergency personnel more quickly. He also acknowledged that the Metro operations center should be requesting shuttle bus service sooner than it has during recent disruptions. And, he said, Metro officials will meet with local fire and police departments to improve coordination and notification.

Francis also apologized to customers for the service disruptions that resulted in major rush-hour backups this week along the Orange Line, Metro's second-busiest. To improve communication, he said, station managers are receiving better training, and station kiosks now have portable radios to allow managers to stay in touch with the operations center. In addition, starting July 1, Metro will install station-specific maps that show all bus service for individual stations.

But board members were in no mood for Metro officials' promises to do better next time.

Metro cannot control the weather, and it has little control over heat-related problems such as a rail kink, a bend in the track that halted service during Wednesday's afternoon hour, said Zimmerman, an Arlington County Board member. "But we can control how we respond to those incidents, and that's what riders will hold us responsible for."

Monday's derailment outside the Court House Station occurred at 2:45 p.m. Metro officials said they notified Arlington fire officials at 3:02 p.m., after the train operator had stopped the train, gotten out of the cab and inspected the track and train.

But Arlington personnel in charge of emergency response for major incidents were not notified by Metro until 3:15 p.m., Zimmerman said. If there had been multiple injuries in the derailment -- none

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mat 2 months long.



were reported -- that delay could have been critical. "If you lose 15 minutes, that might really matter in the future," he said.

Zimmerman said Arlington personnel were unable to communicate by phone with the station manager at Rosslyn, so "someone had to run down the street to find him."

As Metro set up shuttle buses to ferry stranded passengers to their destinations, Arlington transportation staff gave Metro routes that the buses could take, "but they weren't followed," Zimmerman said.

One rider who posted an e-mail on The Washington Post's Web site said his shuttle bus from Rosslyn to Ballston took local roads with stoplights instead of Interstate 66.

The bottom line, Zimmerman said, was that local officials who could have helped Metro were hobbled. "This is basic coordination among people who can help you do your job," he said.

Metro expects to issue a preliminary report on the derailment in mid-July.

After last week's storm-related disruption at the East Falls Church and West Falls Church stations, Metro set up shuttle buses at East Falls Church. But plans drawn up by the Northern Virginia Transportation Commission recommend that bus bridges be staged from the Ballston-MU Station, which is bigger and can handle larger crowds, Zimmerman said.

Metro spokeswoman Lisa Farbstein said those plans were drafts that have yet to be adopted.

Board member Peter Benjamin said Metro needs to be as clear and blunt with riders "as early as possible and as far away as possible" from the incident location that it might take the agency two or three hours to move all the riders and suggest alternatives for them.

Riders need to realize that Metro has only 20 to 25 buses during peak hours to transport stranded passengers during service disruptions, officials said. One bus carries 50 people; a six-car train during rush-hour might have 900 to 1,000 riders. During rush hour, two to three trains are typically backed up in both directions if service is disrupted. That means the first 20 shuttle buses to arrive can pick up only one out of six trainloads of riders, Benjamin said.

Metro was able to resume Orange Line service yesterday after a heat kink Wednesday caused major delays. Trains were running at reduced speeds of 15 mph on a section between the East Falls Church and Ballston stations, after personnel replaced 1.5 inches of track that caused several feet of rail to buckle, rail chief Dave Kubicek said.

Staff writer Daniela Deane and researcher Meg Smith contributed to this report.

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Communication Initiatives

Presented to the WMATA Board of Directors:

June 12, 2008





Background

- The Committee was briefed in October 2007 on WMATA's assessment of our communication to customers:
 - Planned events: relatively smooth with shared expectations
 - Unplanned service interruptions: focus on incident not customers
 - WMATA created unrealistic expectations: shuttle bus service
- We re-focused our efforts on clear, consistent, and accurate communication with our customers during any type of service interruption
- Critical component is being accurate about what WMATA "can" and "cannot do"
- During the past months, WMATA has pursued a culture change and taken into consideration:
 - Customer complaints
 - Communication Matrix Team
 - RAC comments
 - Board member comments
 - Employee comments

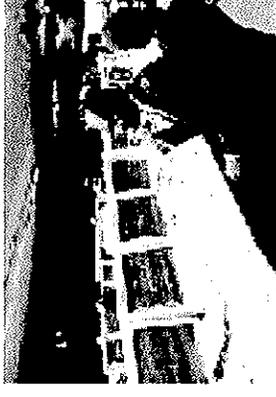




Prompt Communication

Comment:

Customers not promptly being told what is occurring in the Metro System



Implemented:

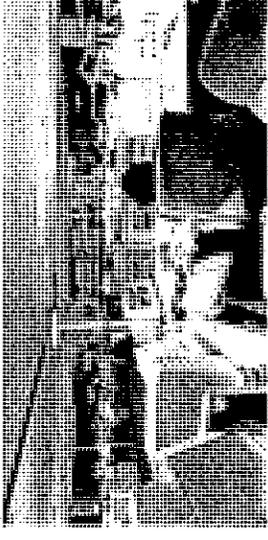
- "We Stop We Tell" - System wide procedure published October 2007 to all employees
- If a train is stopped for any reason that is not a scheduled stop, an announcement is made immediately by the train operator
- If a bus is stopped for any reason that is not a scheduled stop, an announcement is made immediately by the bus operator

Goal:

- Customers informed of all unscheduled stops that result in service disruptions
- Updates given every two minutes for the duration of the unscheduled stop
- Basic accurate information provided to customers based upon what is known at the time
- Operators maintain communication with Operations Control Center via radios



Customer Liaisons



Comment:

No one directly focused on communicating with public

Implemented:

- Created customer liaison positions for Operations Control Center
- Staffed core hours and special events
- Directly responsible for communicating and/or creating messages to the public regarding any delay on the Metro System

Goal:

- 100% focus on accurate and professional communication to customers
- Prompt dissemination of Metrorail service disruption notices to internal and external clients using Regional Incident Communication Command System (RICCS)
- Provide current Metrorail and Metrobus status information and elevator outages on the WMATA media hotline
- Improve bus communications regarding incident impact and establishment of bus bridge



E-alerts and Website Messaging

Comment:

Timeliness and accuracy of E-alerts and website notifications



Implemented:

- Matrix team reviewed E-alert procedure and frequency November 2007
- E-alert is transmitted for all Metrorail service disruptions resulting in a 10-minute delay; sent immediately if disruption is severe in nature (e.g. person on the tracks)
- E-alerts for Metrobus will be in effect by July 2008
- E-alert is transmitted for MetroAccess major service disruptions
- Metrorail line delays posted at the top of WMATA's website
- Metrobus major service disruptions (i.e. unscheduled street closures) posted at the top of WMATA's website

Goal:

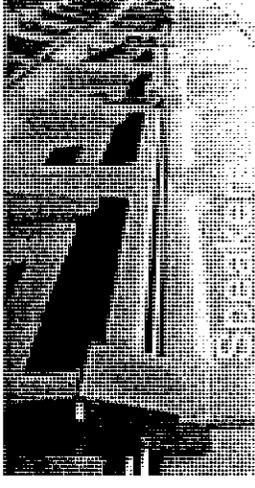
- Service Disruption Reporting System updated so the delay message scrolls across WMATA's webpage
- Same message distributed to E-alert subscribers
- PIDS updated; delay message sent to all mezzanines/platform displays at a frequency of once every three minutes



Public Address Upgrade

Comment:

Poor quality of station announcements

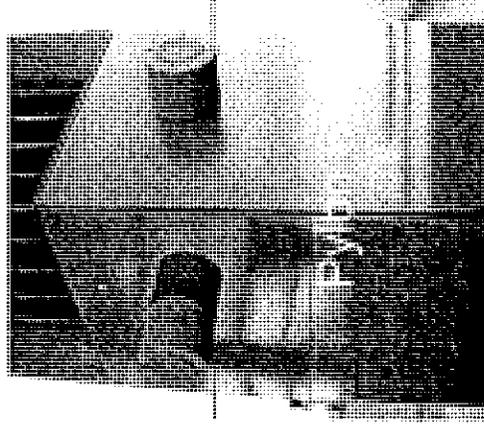


Implementing:

- Upgrading the Public Address System in 38 underground stations
- Completed 29 of 38
- Remaining 9 to be completed by December 2008

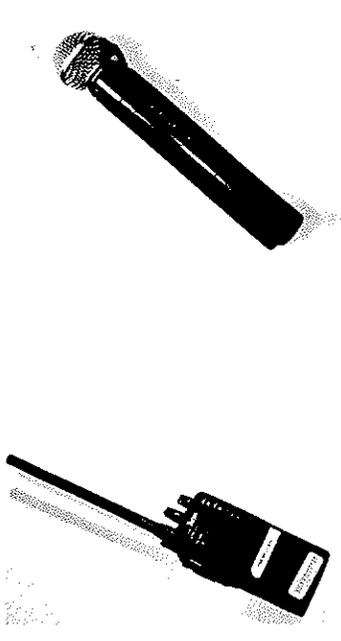
Goal:

- Clear announcements in upgraded stations
- Ability to use wireless microphones





Station Manager Tools



Comment:

Station Managers lack communication tools

Implemented:

- All stations with the completed Public Address System upgrade have been equipped with microphones - published operating procedures and guidelines October 2007
- Portable handheld radio assigned to every Metrorail kiosk – completed January 2008
- Standard operating procedures and guidelines on the use of the radios published January 2008 to Station Managers
- Station Managers are responsible for monitoring appropriate radio channels while on duty and promptly respond when called by OCC

Goal:

- Station Manager flexibility to make announcements from anywhere in the station and stay in touch with OCC outside of the kiosk
- Facilitates communication with customers during special events, major delays and crowded conditions – demonstrated effectiveness during Papal visit, Nationals opening, Cherry Blossoms
- Handheld allows the Station Manager to obtain information from OCC which is then communicated to customers via the microphone



Station Manager Interaction



Comment:

Increase Station Managers assistance

Implemented:

- Training for all Station Managers to ensure they are always ready to effectively and efficiently monitor, communicate and take action
- Station Managers Emergency Response training classes commenced June 4, 2008

Goal:

- Consistent approach by all Station Managers
- Hands on training to ensure Station Managers are prepared to confidently address all situations



Station Specific Maps/ Evacuation Maps

Comment:

Lack of geographical area information and transportation alternatives for customers



Implementing:

- Using updated bus map information developed station specific “take-one” pads that shows all buses that service the area and points of interests near the station Public address announcement made at affected station
- Reviewed draft with RAC April 2008 and incorporated their comments

Goal:

- Maps in stations by July 1
- Provide customers with bus route information, landmarks and points of interest in the vicinity of the station

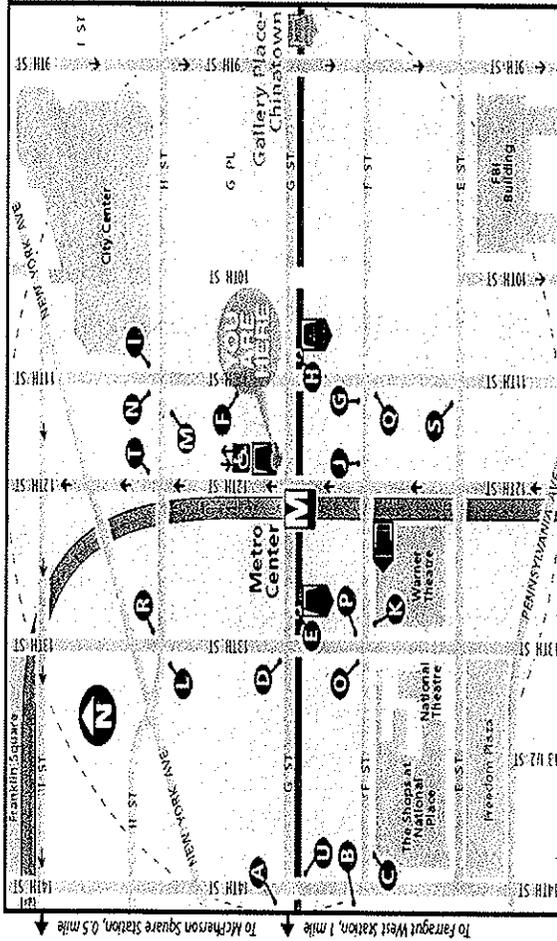


Evacuation Map



Emergency Evacuation Map Mapa De la Evacuación De la Emergencia

Metro Center Station 12th & G Sts Exit



Map Legend

- Bus Stop
- Bus Route
- Bus Route
- Bus Route
- Escalator
- Elevator
- Metro Station and Lines

Notes: The lettered red discs on this map will help you find the bus stops near this station. Be advised they are not displayed at the bus stops.

Walking Distance from this Metro Station

Approx. 3 mph walking distance

Walking Distance to Next Metro Station from Metro Center

Destination	Distance	Walking Time
Federal Triangle	0.4 mile	8 mins
Gallery Pl-Chinatown	0.25 mile	5 mins
McPherson Square	0.5 mile	10 mins

Walk 3 blocks south on 12th St to the station
Walk 3 blocks east on G St to the station
Walk 3 blocks west on G St, 3 blocks north on 14th St then one block to the station.

Bus Service available from Metro Center

Rte	Destination	Stops
11Y	Mt Vernon	A, B
42	Mt Pleasant	H, J
52-53	Takoma	C
54	Takoma	J, P
52	L'Enfant Plaza	A, B
53	Federal Triangle	A, B
54	L'Enfant Plaza	K, Q
66, 68	Georgia Ave	H, J
66, 68	Federal Triangle	F, G
80	Fort Totten	L, O
80	Kennedy Center	A, B
P6	Anacostia	E
P17	Fert Washington	D, O
P19	Park & Ride	D, O
S2	Silver Spring	H, I
S2-S4	Federal Triangle	G, L
S4	Silver Spring	H, I
W13	Silver Spring	D, O
X2	Lafayette Square	N, R
X2	Minnesota Ave	M, L
P6	Rhode Island Ave	H

check schedule at stop for service information

Rte	Destination	Stops
Mnry/lnmd	MIA	
90-1	Le Plata	Q
90-2	St. Leonard	M, S
90-4	North Beach	M, S
90-5	Charlotte Hall	Q
90-9	California	M, S
91-5	Columbia	M, S
91-5	Columbia	M, S
92-2	Annapolis Kent Isl	U
Leontun County Transit		
PRTC	Parcellville	R
B/H		B, H

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Signs

Comment:

No mechanism to let customers know a station is experiencing problems prior to spending the fare

Implemented:

- Procuring additional magnetic signs that can be placed on the fare gates to let customers know that there is a situation and customers cannot enter

Goal:

- Prevent customers from spending funds to enter a Metrorail station when we are experiencing a significant service interruption

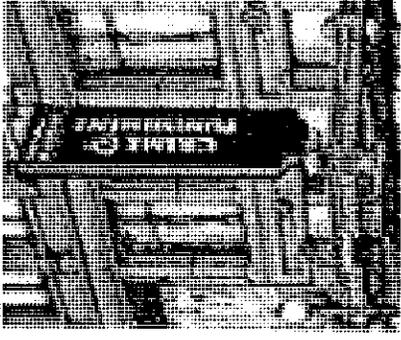




Outreach to Organizations

Comment:

Additional assistance for customers during a major service disruption

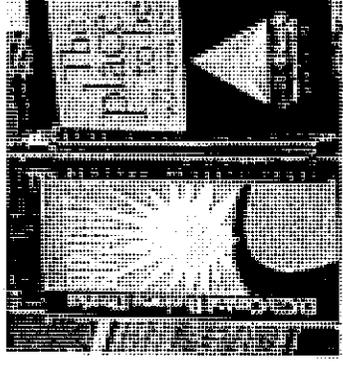


Implementing:

- WMATA is partnering with:
 - Downtown DC Business Improvement District “Downtown SAMs” specially trained safety, hospitality and maintenance teams, uniformed in red, white and blue. They provide a roving concierge service, assisting visitors, residents and workers with maps, directions and other pertinent information.
 - Golden Triangle Business District – hospitality ambassadors who create a friendly and welcoming neighborhood for workers and visitors in the central business district of DC.

Goal:

- Additional personnel available to assist with our customers





Bus Shuttles

Comment:

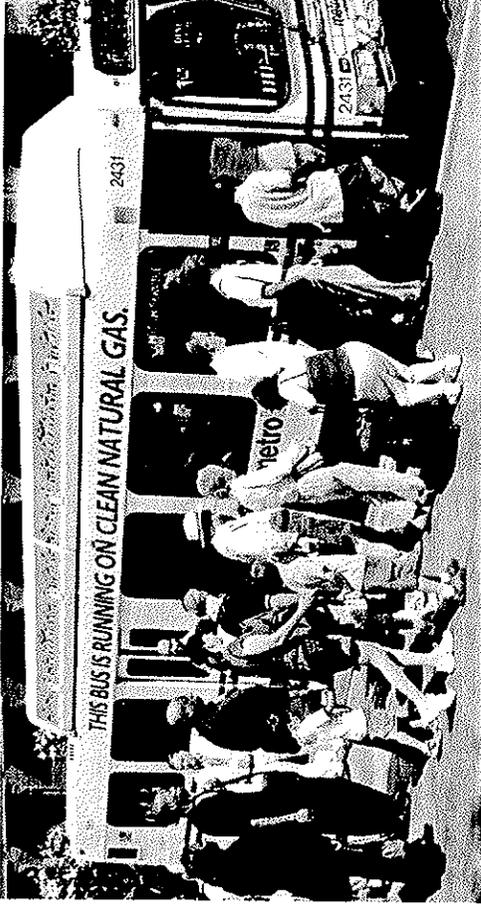
No standard/permanent location for bus shuttles in Metrorail System

Implementing:

- Analyzing standard/permanent location and identifying mechanism for bus bridges at Metrorail stations (e.g. orange pole, etc)

Goal:

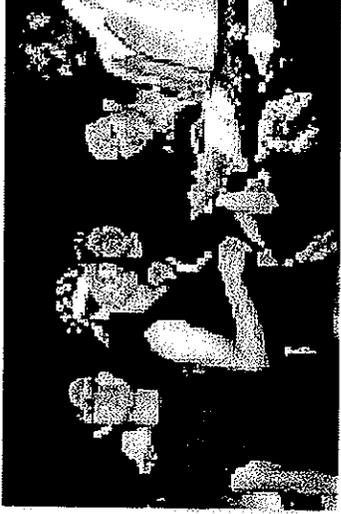
- Provide clear direction for customers and bus drivers





Evaluations

- How are we evaluating our progress
 - Debriefs after disruptions and events to obtain lessons learned
 - Level and type of customer complaints
 - Media coverage
- We will continually work to improve our communication with the riding public



washingtonpost.com

Metro Train Derails, Causing Major Delays

412 Evacuated but No One Injured on Orange Line; Disruptions Likely Today

By Lena H. Sun and Daniela Deane
Washington Post Staff Writers
Tuesday, June 10, 2008; B01

An Orange Line train heading toward Vienna derailed yesterday in the tunnel between the Rosslyn and Court House stations, causing major backups and delays of up to an hour on Metro's second-busiest line just before the afternoon rush and persisting into the evening. Delays were expected to continue this morning.

There were no reports of injuries, but a pregnant passenger was sent to a hospital for observation, Metro officials said. Metro used a rescue train to evacuate 412 passengers from the derailed train, including a man in a wheelchair, officials said.

Metro was operating free shuttle buses at the Foggy Bottom-GWU, Virginia Square-GMU and Court House stations along the Orange Line, but each bus held only about 50 people.

As the investigation continued last night, Metro General Manager John B. Catoe Jr. instructed rail personnel to distribute fliers about the problems and said they should urge riders to avoid the Orange Line entirely.

Today's morning rush will be disrupted because of "significant damage" to track components and infrastructure, including the automatic train control equipment that keeps the trains moving at safe intervals, spokeswoman Lisa Farbstein said. Riders should build an extra 30 minutes into their morning commutes, she added. Blue Line trains will not be affected.

Catoe said officials do not know what caused the front wheels of the third car of the six-car train to derail 1,100 feet from the Court House station. Until personnel can determine what caused the derailment -- whether it was track-related or train-related, for example -- the agency will not allow trains to use that section of track.

"We're going to fix whatever caused this," said Catoe, who was at the Court House station just after the train derailed at 2:45 p.m. "We will do what it takes for as long as it takes to fix this. We will not open this track until then."

Personnel were planning to work at the derailment site through the night, officials said.

Unlike the January 2007 derailment of a Green Line train at the Mount Vernon Square station that injured 20 people, yesterday's incident appeared to be less serious. It happened on a 2000-Series car, not the troubled 5000-Series cars that have been involved in at least five derailments since they went into service in 2001. The 2000-Series car is one of the older model rail cars.

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COVERED BY YOUR
HOME OWNER
INSURANCE**



And unlike last week, when severe thunderstorms caused power lines and trees to fall onto tracks between East Falls Church and West Falls Church and passengers complained about poor communication by Metro, riders yesterday said the evacuation process was relatively smooth.

The evacuation took about an hour and 45 minutes. By 4:25 p.m., the rescue train had pulled into the Court House station. Some passengers got off at Court House, but most riders stayed on the rescue train, which made stops at every station on the Orange Line to Vienna, officials said.

Nina Janopaul, 50, who was on the derailed train, described some riders as laughing and cheerful as she walked through the train to reach the rescue train, escorted by Arlington County firefighters.

Jack Lambert, 29, was heading from Foggy Bottom to Clarendon. "It was obnoxious, but there are worse situations you can be in," he said. The derailed train lost its air conditioning for a period of time, but although the heat on the train was uncomfortable, it was "almost the same as it is outside."

Sarah Fitzgerald, a retired education technology consultant, said there was "no great thwump or crash sensation" when the derailment occurred. She was in a car toward the back of the train.

"We seemed to be going pretty fast, and then we heard a screeching noise, brakes being applied or whatever, and then sort of a very acrid smell, but there was never smoke in our compartment," she said. "We just came to a stop."

Eventually, the train operator and other personnel walked through the train to explain that it had derailed and that a rescue train would take them off, she said. Rescue crews gave riders bottled water provided by the Red Cross.

Officials said they did not believe heat was a factor in the incident. The tracks between Rosslyn and Court House are underground, so they are less likely to be affected by outside temperatures.

But just outside the Rosslyn station is a switch that separates the Orange Line and Blue Line trains, a piece of equipment that could cause rail cars to vibrate if the switch were far enough out of position, according to a Metro source who spoke on condition of anonymity because he is not part of the official investigation.

Asked whether the wheels that derailed had rough patches, Catoe said he did not know and said he did not want to speculate about possible causes until the investigation is completed.

In the Mount Vernon Square incident, federal investigators said Metro's failure to keep up with basic maintenance and refusal to take safety steps recommended for years by internal and external reviews were the likely causes of the derailment.

In that incident, investigators for the National Transportation Safety Board found that shoddy maintenance had left rough surfaces on rail car wheels that made them more likely to jump the tracks.

Track walkers were inspecting the track yesterday to look for cracks and other possible damage to rail and other track-bed equipment.

The train that derailed yesterday was made up of 2000-Series and 3000-Series rail cars, all manufactured by Breda Costruzioni Ferroviarie. The Breda cars make up about a third of Metro's fleet. All are being overhauled, a process that is more than two-thirds complete.



Home Page > News > Local > Local Stories

Riders stiffed; Metro buses weren't free Monday morning

June 9, 2008 – 1:57pm

Neal Augenstein, WTOP Radio

WASHINGTON -- Those free rides for Metro buses apparently weren't free for early morning riders in Northern Virginia and Montgomery and Prince George's counties.

WTOP found the Metro buses were charging riders Monday, even though a Code Red air quality day had been issued by the Metropolitan Council of Governments over the weekend.

COG's e-mail alert went out Sunday afternoon, and other transportation agencies in Virginia and Montgomery County received it and began promoting the free rides on their buses.

"We offer those rides when we get notified by COG," says Metro spokeswoman Lisa Farbstein. "That is something the jurisdictions pay for, and until we get notification from COG, we charge normal fares."

First, Metro said it received notification after making follow-up calls to COG Monday morning. Metro notified its bus drivers around 7:28 a.m. Monday.

Now Metro does say it received an e-mail Sunday, warning of unhealthy air quality levels, but it made no mention of Code Red or Council of Governments.

"We did receive notification and didn't recognize it as official notification from COG," Farbstein says. "The e-mail that we received did not indicate that it was from COG, nor did it indicate it was Code Red."

Metro says its staff will do better in the future.

"Now we know...and it won't happen next time," Farbstein says.

Customers who want refunds can call Metro's customer care center at 202-637-1328.

WTOP has seen a copy of that e-mail and Metro characterizes that correctly, but it appears there might be a computer compatibility problem, so it didn't appear correctly.

"Well, I'm surprised. We have a system set up where we do forecasts every day during the summer, including the weekends, and the forecast for today was made yesterday," says Joan Rohlfs, chief of air quality planning for the Metropolitan Council of Governments.

The forecast since Friday has indicated that Monday would be a dangerously hot day. A heat

advisory is in effect, and it could feel as though it's 105 degrees both Monday and Tuesday.

For years, COG has promoted the free bus rides as a way to cut down on emissions. It promotes the free rides on its Web site.

The Council of Governments' Web site over the weekend had posted that Monday and Tuesday were Code Red days.

The following buses are supposed to be free on Code Red days, COG says:

- Fairfax Connector
- Arlington Transit ART
- PRTC OmniRide
- Fairfax City CUE
- Alexandria DASH
- Loudoun County Transit commuter bus service
- Loudoun Transit fixed route service
- PRTC OmniLink
- Falls Church GEORGE buses
- Ride On
- Prince Georges County THE BUS
- Frederick County TransiT
- Metro buses in Northern Virginia, Montgomery County and Prince George's County

Ironically, on its Web site, Metro promotes finding out in advance about Code Red days.

The Metro site says, "You also can find out in advance when Code Red days are in the forecast by visiting www.mwcog.org/environment/air/forecast. The cost of Code Red free ride days in Virginia and Maryland is paid for by those jurisdictions."

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Metro Mess

Advertisement

In Falls Church the rains -- but not the trains -- came fast and furious, leaving helpless commuters in a lurch.

Sunday, June 8, 2008; B06

THE POUNDING downpours of Wet and Windy Wednesday last week wrecked countless routines of the homeward-bound, with time and spontaneous tides taking their toll on motorists across the region. But little did Metrorail riders heading to the Falls Church stations know what pandemonium they would encounter thanks to a flubbed emergency response by the transit system. At the height of the storm, electrical wires fell on the tracks between the West Falls Church and East Falls Church stations on the Orange Line, unleashing a string of horrors that left hundreds of riders stranded and clueless.

Those riders who could decipher Metro's notoriously slurred and audio-impaired messages perhaps heard the alert about the track problem as well as a somewhat soothing if untrue announcement that shuttle buses would be available to unite the suddenly divided east and west sectors of Falls Church. But for too many people too many times, no buses were in sight, gates out of the East Falls Church Station were inexplicably shut tight and those who could break through to soggy freedom slogged somewhat aimlessly onward, left to their own devices with no guidance from any signs or voices of Metro. As readers have written on this page, the scene was chaotic.

In its defense, some of Metro's best laid emergency planning could not counter the extraordinary string of events that transpired. The wires that fell on the tracks belonged to the Virginia Department of Transportation and were out of Metro's jurisdiction to move. Emergency shuttle buses, including some from other carriers, were called into service from around the region but got stuck in traffic. According to Metro spokesman Steven Taubenkibel, 15 buses did carry 2,040 people between 3:30 and 6:45 p.m. but consider the math: A Metro bus can carry 50 people; a six-car train carries between 900 to 1,000 riders. So just to move one trainload, Metro would need 18 to 20 buses.

Metro's greatest problem in emergencies is its inability -- over trouble-riddled decades -- to inform its riders, clearly and honestly, of what they can expect on the rails. New speaker systems being installed in trackside pylons should help, and more explicit signage should be displayed. The all-too-familiar booming, garbled, incomplete advisories only make bad days worse.

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Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100049	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

Approval of the FY09 Budget

PURPOSE:

The purpose of this action is to request Committee approval of the FY09 Budget and to forward the budget to the full Board of Directors for approval.

DESCRIPTION:

The FY09 Metro budget totals \$1.9 billion. The Operating Budget of \$1.3 billion. The \$0.5 billion Capital Budget provides a focus on state-of-good-repair, eight-car trains, clean technology buses and improved maintenance facilities. The remainder consists of reimbursable projects, debt service and reserves.

FUNDING IMPACT:

The details of the sources of funding for the operating and capital budgets are provided in the attachments.

RECOMMENDATION:

That the Committee approve the FY09 Budget and forward to the Board of Directors for approval.

PRESENTED AND ADOPTED:

SUBJECT: APPROVAL OF FY09 BUDGET

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSPORTATION AUTHORITY

WHEREAS, The Board of Directors has received and considered the General Manager's \$1.9 billion proposed FY09 budget; now, therefore, be it

RESOLVED, That the Board of Directors approves the FY09 budget of \$1.9 billion with jurisdictional funding of \$760 million, as detailed in Attachment A; and, be it further

RESOLVED, The FY09 operating portion of the budget totals \$1.3 billion with operating revenue and expenses as detailed in Attachment B; and, be it further

RESOLVED, The FY09 Metro Matters capital portion of the budget totals \$0.5 billion as detailed in Attachment C, including \$62 million for urgently needed infrastructure renewal projects as detailed in Attachment C-1, and assuming full expenditure of the FY08 budget, and is in conformity with the Metro Matters Funding Agreement; and, be it further

RESOLVED, That \$109 million of Metro Matters funding reallocation and reprogramming has been identified as detailed in Attachment C-2; and, be it further

RESOLVED, That to fund urgently needed capital infrastructure renewal projects, \$87 million of funding for existing infrastructure renewal projects as detailed in Attachment C-2, will be reallocated to the urgent projects by deferring the existing projects to beyond FY10; and, be it further

RESOLVED, That \$22 million of funding for the Metro Matters eight-car train initiative as detailed in Attachment C-2, can be reduced with no detrimental impact to that project allowing \$22 million to be reprogrammed from Metro Matters Program Element B (eight car train initiative) to Program Element A (infrastructure renewal) in support of the urgently needed infrastructure renewal projects as detailed; and, be it further

RESOLVED, That FY09 Metro Matters Safety and Security projects totaling \$11 million will only be executed upon receipt of federal funding for those projects; and, be it further

RESOLVED, That the FY10 Metro Matters capital budget is presented for planning purposes; and, be it further

RESOLVED, The 103 mile rail construction debt service portion of the FY09 budget totals \$28 million; and, be it further

RESOLVED, The FY09 reimbursable projects portion of the budget totals \$20 million as detailed in Attachment D; and be it further

RESOLVED, That Board Resolution #2006-44 established streamlined policies and procedures for Board of Director approval of contract actions and that for FY09 the terms of that resolution shall be extended to include the approval of contracts in Attachment E; and, be it further

RESOLVED, That during development of the FY09 budget the Board of Directors approved a fare increase that was implemented during FY08 and \$36.2 million of revenue actually collected and recognized for accounting purposes during FY08 shall be applied to the FY09 budget; and, be it further

RESOLVED, That the policy clarified in Board Resolution #2007-24, of funding a claims reserve with a year-end balance equal to twenty percent (20%) of the actuarially forecasted claims payout in the upcoming fiscal year remains in force; however, updated claims cost information supports an action to reduce the FY09 reserve contribution by \$6 million less than the actuarial forecast; and, be it further

RESOLVED, That as a matter of financial policy Metro does not choose in FY09 to create a trust and pre-fund other post employment benefits as defined by the Government Accounting Standards Board; and, be it further

RESOLVED, That Metrobus Routes 79 (peak service only) and J4, as well as the Metrorail Yellow Line extension to Fort Totten and the elimination of off-peak turnbacks at Grosvenor on the Red Line are hereby incorporated into the regional operating budget with the corresponding subsidies to be allocated to all jurisdictions in accordance with the appropriate subsidy allocation formula; and, be it further

RESOLVED, That Board Resolution #2008-15 results in a FY09 requirement for the District of Columbia to provide \$4.8 million in funds necessary to offset operating costs being incurred due to the closure of the Southeastern bus garage; and, be it further

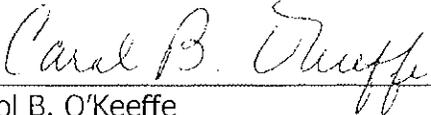
RESOLVED, That the District of Columbia and Fairfax County have enacted special bus fares and at the conclusion of each fiscal year the actual revenue loss will be calculated and added to the audit adjustments to these two jurisdictions; and, be it further

RESOLVED, That in order to implement the elements of the Capital Improvement Program, the General Manager or the Chief of Staff is authorized to 1) conduct public hearings; and 2) file and execute grant applications on behalf of Metro for funds from the federal government and any other public or private entity consistent with the Capital Improvement Program; and be it further

RESOLVED, That the Infrastructure Renewal Program element of Metro Matters is the same program as the Capital Improvement Program referenced in the TIFIA Loan Guarantee Agreement and related documentation, and be it finally

RESOLVED, That this Resolution will be effective immediately.

Reviewed as to form and legal sufficiency.



Carol B. O'Keeffe
General Counsel

Attachment A
Jurisdictional Funding

	FY09 TOTAL	District of Columbia	Montgomery County	Prince George's County	City of Alexandria	Arlington County	City of Fairfax	Fairfax County	City of Falls Church
Metrobus									
Regional Metrobus	\$ 270,236,900	\$ 115,854,356	\$ 41,218,223	\$ 44,583,322	\$ 12,990,002	\$ 20,555,082	\$ 522,137	\$ 33,381,491	\$ 1,132,251
Non-Regional Metrobus	78,045,400	32,773,861	8,166,129	23,875,251	875,245	1,302,680	-	11,052,227	-
Operating Subsidy	\$ 348,282,300	\$ 148,628,217	\$ 49,384,352	\$ 68,458,574	\$ 13,865,247	\$ 21,857,762	\$ 522,137	\$ 44,433,718	\$ 1,132,251
Metrotrail									
Base Allocation	\$ 117,949,700	\$ 40,700,439	\$ 22,051,682	\$ 21,273,406	\$ 5,373,761	\$ 11,283,830	\$ 351,800	\$ 16,619,626	\$ 295,205
Max Fare Allocation	5,389,400	263,643	3,110,261	769,041	97,448	51,441	44,026	1,045,057	8,444
Operating Subsidy	\$ 123,339,100	\$ 40,964,082	\$ 25,161,943	\$ 22,042,447	\$ 5,471,209	\$ 11,335,271	\$ 395,826	\$ 17,664,683	\$ 303,649
MetroAccess									
Operating Subsidy	\$ 63,621,100	\$ 13,443,074	\$ 15,863,582	\$ 25,248,360	\$ 600,735	\$ 701,189	\$ 132,695	\$ 7,565,419	\$ 66,080
Total Operating Subsidy	\$ 535,242,500	\$ 203,035,372	\$ 90,409,877	\$ 115,749,381	\$ 19,937,191	\$ 33,894,222	\$ 1,050,658	\$ 69,663,820	\$ 1,501,979
Debt Service Expense	27,484,200	10,331,300	4,867,500	4,872,900	1,418,200	2,740,200	46,700	3,168,900	38,500
Metro Matters Capital	178,661,000	65,435,000	30,445,000	33,654,000	7,924,000	15,527,000	346,000	24,828,000	502,000
Reimbursable Projects	18,923,000	16,424,000	506,000	703,000	133,000	261,000	6,000	417,000	473,000
Total Local Funding	\$ 760,310,700	\$ 295,225,672	\$ 126,228,377	\$ 154,979,281	\$ 29,412,391	\$ 52,422,422	\$ 1,449,358	\$ 98,077,720	\$ 2,515,479

Attachment B
FY09 Operating Budget

Line Item Description	Total	Metrobus	MetroRail	MetroAccess
REVENUE:				
• Passenger				
Passenger Revenue	\$ 618,876,800	\$ 110,951,800	\$ 504,025,000	\$ 3,900,000
DC Schools	5,000,000	2,866,200	2,133,800	-
Parking	51,500,000	-	51,500,000	-
• Non-Passenger				
Advertising	39,000,000	26,130,000	12,870,000	-
Fiber Optics	13,400,000	-	13,400,000	-
Joint Development	7,219,900	-	7,219,900	-
Other	13,035,300	3,724,100	9,311,200	-
Interest	4,700,000	\$3,003,000	\$1,697,000	-
• Special				
Fare Increase Reserve	36,200,000	400,000	35,800,000	-
SE Garage Offset	4,800,000	4,800,000	-	-
Total Revenue	\$ 793,732,000	\$ 151,875,100	\$ 637,956,900	\$ 3,900,000
EXPENSE:				
• Personnel				
Payroll & Fringe Benefits	\$ 925,081,100	\$ 382,059,500	\$ 539,130,200	\$ 3,891,400
• Non-Personnel				
Services	143,536,300	24,308,600	56,618,000	62,609,700
Materials & Supplies	79,860,400	33,559,700	46,059,300	241,400
Fuel & Propulsion Power	108,984,900	45,389,700	63,595,200	-
Utilities	42,776,200	8,135,800	34,560,700	79,700
Casualty & Liability	43,298,600	21,500,900	21,689,700	108,000
Leases & Rentals	4,526,300	1,306,300	2,678,200	541,800
Miscellaneous	5,550,700	1,969,400	3,532,200	49,100
• Preventive Maint & Reimbursements				
	(24,640,000)	(18,072,500)	(6,567,500)	-
Total Expense	\$ 1,328,974,500	\$ 500,157,400	\$ 761,296,000	\$ 67,521,100
SUBSIDY:	\$ 535,242,500	\$ 348,282,300	\$ 123,339,100	\$ 63,621,100

Attachment C

Metro Matters Expenditures
\$ Millions

	FY05 Actual	FY06 Actual	FY07 Actual	FY08 Estimate	FY09 Budget	FY10 Projection	FY05-10 Subtotal	FY11-24 Projection	FY05-24 Total
A. Infrastructure Renewal Program									
• Rolling Stock: Bus	\$ 20.9	\$ 50.5	\$ 15.8	\$ 18.4	\$ 124.8	\$ 61.5	\$ 291.9	\$ 13.6	\$ 305.5
• Rolling Stock: Rail	2.6	0.4	0.3	2.6	10.5	8.4	24.9	0.8	25.7
• Passenger Facilities	60.6	16.1	31.2	48.7	35.8	26.7	219.2	53.0	272.2
• Maintenance Facilities	32.8	4.6	14.7	36.5	26.1	20.5	135.2	38.0	173.2
• Systems	73.0	10.1	17.1	41.9	28.8	25.7	196.6	179.1	375.8
• Track and Structures	19.7	10.7	22.5	35.2	34.4	25.7	148.1	28.9	177.0
• Information Technology	4.2	2.4	8.6	43.8	14.4	10.0	83.5	-	83.5
• Preventive Maintenance	20.7	20.7	20.7	20.7	20.7	20.7	124.2	-	124.2
• Transfer to Beyond MM	30.7	-	-	-	-	-	30.7	-	30.7
• Urgent Capital Needs	-	-	-	-	61.8	95.2	157.0	-	157.0
	\$ 265.4	\$ 115.6	\$ 131.0	\$ 247.6	\$ 357.4	\$ 294.4	\$ 1,411.3	\$ 313.4	\$ 1,724.7
B. Eight-Car Train Initiative									
• Rail Cars	\$ 24.0	\$ 6.1	\$ 69.9	\$ 101.8	\$ 8.0	\$ 11.1	\$ 220.9	\$ 8.2	\$ 229.1
• Facilities	-	51.6	70.1	41.0	12.3	3.1	178.2	-	178.2
• Systems	2.8	25.9	56.7	49.4	31.4	5.2	171.3	-	171.3
	\$ 26.7	\$ 83.6	\$ 196.7	\$ 192.1	\$ 51.8	\$ 19.5	\$ 570.4	\$ 8.2	\$ 578.6
C. Bus Improvement Initiative									
• Buses	\$ -	\$ 0.2	\$ 9.5	\$ 1.5	\$ -	\$ -	\$ 11.1	\$ 83.5	\$ 94.6
• Garage	-	1.1	9.1	21.5	2.9	-	34.5	1.5	36.0
• Customer Facilities	-	2.8	7.8	7.8	4.4	5.2	28.0	-	28.0
	\$ -	\$ 4.1	\$ 26.3	\$ 30.8	\$ 7.2	\$ 5.2	\$ 73.6	\$ 85.0	\$ 158.6
D. Other Project Expenses									
• Program Mgmt. & Support	\$ 11.4	\$ 5.8	\$ 6.0	\$ 11.7	\$ 11.5	\$ 6.4	\$ 52.8	\$ 5.3	\$ 58.0
• Expenses Backed by TIFIA	6.6	182.3	165.8	167.5	75.5	8.0	605.7	-	605.7
Total Project Expenditures	\$ 310.0	\$ 391.3	\$ 525.9	\$ 649.8	\$ 503.3	\$ 333.5	\$ 2,713.8	\$ 411.9	\$ 3,125.7
Financing Expense:									
• Debt Service Expense	-	-	-	-	-	-	-	570.9	570.9
• Short-Term Borrowing Expense	-	0.3	2.2	13.0	13.2	138.8	167.5	-	167.5
Total	310.0	391.6	528.1	662.8	516.5	472.2	2,881.3	982.8	3,864.1
• Security Program	-	8.5	7.0	11.0	11.0	-	37.5	-	37.5
Grand Total	310.0	400.1	535.1	673.8	527.5	472.2	2,918.8	982.8	3,901.6

Attachment C

Metro Matters Funding
\$ Millions

	FY05 Actual	FY06 Actual	FY07 Actual	FY08 Estimate	FY09 Budget	FY10 Projection	FY05-10 Subtotal	FY11-24 Projection	FY05-24 Total
Federal Funding:									
• Formula Grants									
> Section 5307 Grant	\$ 100.2	\$ 111.0	\$ 113.5	\$ 120.6	\$ 127.8	\$ 135.5	\$ 708.5	\$ 40.0	\$ 748.5
> Section 5309 Grant	59.2	58.4	70.4	81.8	86.7	91.9	448.3	-	448.3
• Bus Funds	-	12.5	-	1.5	1.3	-	15.3	-	15.3
• Discretionary Funds	-	-	-	35.0	35.0	34.0	104.0	-	104.0
	\$ 159.4	\$ 181.9	\$ 183.9	\$ 238.8	\$ 250.8	\$ 261.3	\$ 1,276.1	\$ 40.0	\$ 1,316.1
State and Local Funding:									
• District of Columbia	\$ 37.6	\$ 48.4	\$ 51.9	\$ 60.4	\$ 65.4	\$ 72.5	\$ 336.2	\$ 345.3	\$ 681.5
• Montgomery County	17.2	16.3	30.4	28.1	30.4	33.7	156.1	160.7	316.8
• Prince Georges County	19.7	14.7	36.8	31.0	33.7	37.3	173.2	177.6	350.8
• Alexandria	4.3	5.9	6.3	7.6	7.9	8.8	40.7	41.8	82.5
• Arlington County	8.3	11.5	12.3	14.8	15.5	17.2	79.6	81.9	161.5
• City of Fairfax	0.2	0.3	0.3	0.3	0.3	0.4	1.8	1.8	3.6
• Fairfax County	13.3	18.3	19.7	23.8	24.8	27.5	127.5	131.0	258.5
• Falls Church	0.3	0.4	0.4	0.5	0.5	0.6	2.6	2.6	5.2
	\$ 100.8	\$ 115.6	\$ 158.1	\$ 166.4	\$ 178.7	\$ 198.0	\$ 917.6	\$ 942.8	\$ 1,860.4
Other Funding:									
• Long-Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 445.9	\$ 445.9
• Short-Term Borrowing	25.5	88.1	180.2	251.6	61.1	6.9	613.4	(445.9)	167.5
• Miscellaneous Funding	24.2	6.0	6.0	6.0	26.0	6.0	74.2	-	74.2
	\$ 49.8	\$ 94.1	\$ 186.2	\$ 257.6	\$ 87.1	\$ 12.9	\$ 687.6	\$ -	\$ 687.6
Total	\$ 310.0	\$ 391.6	\$ 528.1	\$ 662.8	\$ 516.5	\$ 472.2	\$ 2,881.3	\$ 982.8	\$ 3,864.1
• Security Funds	-	8.5	7.0	11.0	11.0	-	37.5	-	37.5
Grand Total	\$ 310.0	\$ 400.1	\$ 535.1	\$ 673.8	\$ 527.5	\$ 472.2	\$ 2,918.8	\$ 982.8	\$ 3,901.6

Attachment C-1
Urgent Capital Needs
\$ Millions

Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
1	Voltage Detectors/Hot Stick	To indicate level and type of voltage	Detector will have a series of LCD displays on the handle that will show relative voltage i.e. between 75 to 100. Received prototype; will order 24 to test and ensure that they will meet needs before ordering the 800 needed.	\$ 0.5	\$ -	\$ -	\$ -	\$ -	\$ 0.5
2	Transformers	Spare universal transformers in case of catastrophic failure	4 spare universal transformers in case of catastrophic failure to existing transformers. Metro has multiple types of transformers - these spares can be installed in any of traction power substation.	1.5	-	-	-	-	1.5
3	Station Platforms	Replacement of station platform structural slabs	Phase one replacement of station platform structural slabs at 3 above-ground stations (\$6M each). Deterioration of structural concrete platform slabs beneath station paver and granite edging has resulted from water and delicing infiltration. To ensure continued structural integrity platforms must be replaced.	4.5	7.5	5.0	1.5	-	18.5
4	Track Fasteners	Replacement of track fasteners to prevent fires	Replacement of 120,000 track fasteners to prevent fires. Existing fasteners were installed during initial construction and are old technology. Current generation of fasteners provides more extensive isolation of metal thereby providing less pathway for stray current.	0.5	1.5	2.0	2.0	2.0	8.0

Attachment C-1
Urgent Capital Needs
\$ Millions

Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
5	Railcar Safety Enhancement Commitment to NTSB – manual emergency door exterior release	Commitment to NTSB regarding manual emergency door exterior release on the entire fleet of railcars. Currently, only door release is from inside the railcar. Add an emergency release on the outside of the railcar so that emergency personnel can open the door.	1.8	1.8	1.5	-	-	-	5.0
6	Railcar Safety Enhancement Commitment to FTA/TOC to prevent derailments	Commitments FTA/TOC to prevent derailments - Wheel / rail interface, condition assessment, wheel profile and lubrication, car-borne flange lubrication on 50% of the total fleet to help with noise, wear and to further reduce potential derailments.	1.3	1.3	-	-	-	-	2.6
7	Railcar Safety Enhancement Roll-back prevention on railcars	Roll-back prevention on 1k, 4k, and 5k railcar fleets to ensure all railcars regardless of fleet type have this protection in place.	1.0	2.0	-	-	-	-	3.0
8	Railcar Safety Enhancement 1K fleet shells to meet extended life-cycle	Structural reinforcement of 1K railcar fleet shells to meet extended life-cycle. Will require additional welding and reinforcements.	1.0	2.0	-	-	-	-	3.0
9	Bond Cable Replacement Replace bond cables with negative return cables	Replace existing bond cables with new negative return cables system-wide. The running rails provide a path for return current through the negative cables to the traction power sub-stations. These cables have deteriorated over the years and are in need of replacement.	1.5	1.5	1.5	1.5	-	-	6.0

Attachment C-1
Urgent Capital Needs
\$ Millions

Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
10	Track Feeder Cable Complete cable replacement	Complete cable replacement in the remainder of traction power substations and tiebreaker stations. This is needed because of water infiltration and deterioration of old, worn-out cables. The positive cables provide traction power to the 3rd rail for operation of the railcars. These cables have deteriorated over the years and are in need of replacement.	4.8	1.8	1.8	1.8	-	-	10.0
11	ROW Structural Rehabilitation Complete final design of the Stadium-Armory aerial structure	This project will rehabilitate the aerial structure at Stadium Armory by replacing 52 deteriorated elastomeric bearing pads at five piers, painting steel girders at decks joints and re-routing high voltage electrical conduits from inside the girder to outside. Deteriorated bearings are causing track anchor wear and failure. Electrical conduits are arcing inside the steel girder causing safety concerns.	-	2.5	-	-	-	-	2.5
12	Track Cable for 3rd Rail Transition rails/cable replacement for crossovers and transition areas	Third Rail expansion joints are causing the loss of shoes on the railcars, install transition rails/cable replacement for crossovers and transition areas. In long continuous sections of the 3rd rail between traction power sub-stations expansion joints were installed in the 3rd rail. Movement of the 3rd rail has caused irregularity in the expansion joint resulting in damage to the railcar shoes which affects power to the train and reliability.	3.5	0.4	3.0	3.0	-	-	9.9

Attachment C-1
Urgent Capital Needs
\$ Millions

Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
13	Mid-Life Rehabilitation Automatic Train Control	Rehabilitation of Silver Spring Train Control Room	-	6.0	-	-	-	-	6.0
14	Traction Power Switchgear	Traction Power Switchgear & cabling replacement	-	-	12.0	-	-	-	12.0
15	Un-Interruptible Power (UPS) System Replacement	Ensure emergency backup of power is consistent	-	-	2.0	2.0	-	-	4.0
16	Electrical System Rehabilitation	Rehabilitation Electrical System for ROW	-	-	4.0	-	-	-	4.0
17	Mid-Life Rehabilitation	Rehabilitation Electrical System for ROW	-	-	4.0	-	-	-	4.0
18	Rail/Bus Structures Field Offices and Yards	Rehabilitation of bus, rail and administrative facilities.	2.0	2.0	-	-	-	-	4.0
19	Infrastructure Requirements for 75% 8-car train operation	Design of: infrastructure for 75% 8-car train operation, additional storage capacity for railcars and additional maintenance space in shops	1.0	5.0	-	-	-	-	6.0

Attachment C-1
Urgent Capital Needs
\$ Millions

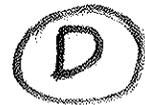
Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
20	APTA Bus Peer Review Recommendation Renovation of facilities, upgrade of bus repair equipment including some paint booths	Investment in bus and administrative facilities through the years has been lacking. Upgrades are badly needed to provide a better work environment and improve service.	3.0	3.0	11.7	11.0	5.0	-	33.7
21	Cameras on Buses** Onboard surveillance systems on remaining 570 buses without cameras ** Currently pursuing FY08 grants	This system will support safety and security initiatives by providing high quality, technologically advanced onboard surveillance and recording systems. Onboard bus camera systems can reduce the frequency and detrimental impact of fraudulent claims, reduce or eliminate vandalism and graffiti, protect patrons by deterring crime, effectively prosecute perpetrators when crimes are committed and effectively handle customer concerns and/or complaints.	3.0	3.0	3.0	3.9	-	-	12.9
22	MetroAccess Fleet Replacement of MetroAccess vehicles that have exceeded their useful life	Replace MetroAccess vehicles which have exceeded their useful life. Ensures continued provision of mandatory MetroAccess service.	5.0	-	-	2.0	5.5	4.0	16.5
23	Locomotives-Prime Movers-Heavy Duty Rail Borne Equipment Replace equipment for track and systems maintenance	Replace/rehab equipment for track and systems maintenance including: self-propelled rail borne vacuum equipment, production tampers, cross-tie replacers, speed-swings, flat cars, locomotives, 100-ton crane and ballast buggies, locomotives, prime movers, de-icers and specialty equipment.	-	4.0	10.0	60.0	-	-	74.0

Attachment C-1
Urgent Capital Needs
\$ Millions

Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
24	Rehab Bus Garages Reconstruction of two existing bus facilities at their current location	Reconstruct two existing bus facilities at their current locations. The current status of Southern and Western bus garages requires immediate attention to correct deficiencies. A complete reconstruction of Southern is required due to age and condition of the structure. A major rehabilitation is required for Western to bring facility up to today's standards.	3.0	6.0	30.0	30.0	21.0	-	90.0
25	Station Chiller Rehabilitation Replace rail station air conditioning systems	Replacement of air handling units in rail stations and replacement of chilled water air handling units at 56 stations and under platform duct work at 14 stations.	-	1.0	3.0	4.0	4.0	4.0	16.0
26	Replacement Paver Tiles Replace above-ground platform tiles with stamped concrete	Replacement of above-ground platform station paver tiles with stamped concrete. Chronic problems exist with quarry tile. Installation of stamped concrete will improve slip resistance, maintainability and result in cost savings over the life of the rail system.	1.0	3.0	7.2	9.0	8.6	7.2	36.0
27	Ceiling Tile Replacement and Kiosk Expansion Replace ceiling tile in underground stations	Replacement of ceiling tile in underground stations and kiosk expansion. Ceiling systems in most stations are 20 to 30 years old. Ceiling grid has corroded and must be replaced. Expansion of kiosks is necessary for functionality.	-	6.0	8.0	6.0	6.0	6.0	32.0

Attachment C-1
Urgent Capital Needs
\$ Millions

Subject	Description	Explanation	FY09	FY10	FY11	FY12	FY13	FY14	Total
28	Railcar Safety Enhancement Fleet fix for railcar doors (4k fleet not needed)	Additional mechanical and technical fix for railcar doors, 1-2-3-5-6K series railcar, 4K not needed. To ensure all mechanical and technical resolutions are implemented regarding doors.	-	3.0	3.0	1.5	-	-	7.5
29	Railcar Reliability Replacement current equipment with oil-less compressors	Replace existing compressors on the 2-3K series railcars with oil-less compressors to reduce high maintenance costs and the number of railcars out of service.	-	2.8	3.8	-	-	-	6.5
30	Right of Way (ROW) Structural Rehab Complete track rehabilitation with concrete ties	Complete track rehabilitation program for concrete ties. Originally installed special track work has wood ties. To reduce the occurrence of fires it is necessary to replace all above grade wood ties.	-	5.0	5.0	5.0	5.0	5.0	25.0
31	Right of Way (ROW) Structural Rehab Rehab underground structures	Structural rehabilitation for underground station vaults from Farragut North to Union Station.	-	3.0	-	-	-	-	3.0
32	Bumpy Tiles Installation of ADA compliant truncated domes at remaining 20 Metrorail stations	Installation of ADA compliant truncated domes at remaining 20 Metrorail stations. To make all Station platforms ADA compliant and safe for Metro's customers with visual impairment.	-	2.0	2.5	3.0	2.5	-	10.0



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REGISTERED
PROFESSIONAL ENGINEER

(703) 281-7533

The Honorable William D. Euille, Chairman
Northern Virginia Transportation Commission
4350 North Fairfax Drive, suite 720
Arlington, VA. 22203

June 17, 2008

Dear Chairman Euille and Commissioners:

At the May NVTC Board meeting, Metro Agenda Item 7-E reported on Metro staff studies of Bus Corridor Improvements which will require an estimated expenditure of \$ 326 million. Every bus rider knows we need all possible improvements in bus service to improve on-time performance thus reducing crowding, but we also have too many underperforming bus routes which need more passengers. Agenda Item 7-D cited the MetroRail crisis in capital funding shortfall of \$ 109,5 million immediately, \$ 48 million of borrowing and \$ 332 million remaining unfunded. Congressman Davis is working on this but even so, we will need local matching money.

There is a major unbridgeable difference between rail and bus capital funding here. The bus funding would be nice to have but is a frill. The rail funding is necessary to keep the system running safely or even at all. With rail service covering 80 % of its operating costs from fares, and with 1.5 Billion annual passenger-miles of travel, it must be a very high priority. The bus system, with only 450 million annual passenger-miles and covering only 30 % of its much higher unit costs from fares, must be maintained but can not expect additional capital funds until rail needs are fully funded. Capital is limited. We are short. First things must come first. Metro staff must not waste valuable staff time on dreams than can not be funded in the foreseeable future.

Roger Snoble is the Chief Executive Officer of Los Angeles Metropolitan Transit Authority. He has suffered under a ten-year Court Order to improve bus service. Two years ago he told the court that he (and his predecessor) had spent a billion dollars to improve bus service and had no more passengers to show for it. The Court Order expired. During those ten years rail service attracted thousands of new riders daily and at lower operating cost. More recent data continues that trend. From 2005 through 2007, as Rapid Bus Service was expanded greatly in Los Angeles, ridership grew only 3 %. Rail service grew 9.5 %. We can not cope with our energy crisis if we do not do what we know works best. We must invest our funds where they earn the greatest return. If we do not, we will go broke. The sinking value of our dollar should warn everyone that we face financial ruin if we do not shape up our fiscal responsibility. Metro Rail has brought our automobile energy consumption down 25 % saving us \$ 1.5 billion per year. We must protect and preserve that saving. We cannot afford to go off on tangents we can not fund. We need the best bus service we can afford and adding supervisors may be the best way to get that. Repairing the rail system, though, must be the highest priority.

Respectfully suggested,

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	400, -15.15%	1
Pittsburgh South	32,000	1977	14,500	10,500 -54.69%	
Pittsburgh East	80,000	1983	30,000	28,000 -62.50%	
Pittsburgh West	50,000	2000	9,000	9,000 -82.00%	2
Pittsburgh North (HOV)				2,500	
Shirley Highway, Northern VA	13,500	1970	4,500	3,500 -66.67%	3
LA Harbor Freeway I-110	63,000	1997	4,300	3,300 -93.17%	
San Berdo Freeway I-10	30,000	1980	21,000	28,000 -30.00%	
Totals	271,800		86,100	85,200 -68.32%	-1.0% additional

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	Percent Change	Notes
Baltimore Central	33,000	1992-1996	29,500	26,000 -10.61%	5
Boston Highlands Branch	12,000	1959	28,500	25,000 137.50%	6
Dallas DART	30,000	1998	38,000	32,000 26.67%	7
Denver RTD Route 101	25,500	2000	28,000	66,000 9.80%	6
Los Angeles Blue	50,000	1992-1999	58,000	73,000 16.00%	46%
Portland MAX	50,000	1999	63,000	11,000 26.00%	
Sacramento RT Metro	20,500	1988-1998	28,000	36,000 36.59%	
Salt Lake City TRAX	14,000	2000	20,000	47,000 42.86%	7
Santa Clara VTA	20,000	1992-1999	23,500	36,000 17.50%	
St. Louis MetroLink	36,000	1994	38,000	60,000 5.56%	8
Totals	291,000		354,500	562,000 21.82%	+58.5% additional

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

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube, Adam McGavock, Greg McFarland and Elizabeth Rodgers

DATE: June 26, 2008

SUBJECT: Regional Transportation Items

A. APTA's "Benefits of Public Transportation" Brochure

The attached copy of an APTA brochure summarizes important benefits of public transportation in improving air quality, reducing greenhouse gases and conserving fuel.

B. Transit Versus Auto Commuting Cost Calculations

As the cost of motor fuels skyrockets, the relative price advantage of transit continues to improve. Several convenient on-line tools are available to calculate the relative prices of commuting by transit versus auto. These include:

- 1) APTA's (www.apta.com/services.transit_calculator.Index.cfm);
- 2) AAA's (www.aaaexchange.com);
- 3) MWCOG Commuter Connections's (www.mwcoq.org/commuter2/resources/commutingcalc.html); and
- 4) WMATA's (www.wmata.com/riding/cost_calculator.cfm); and
- 5) Santa Cruz County Regional Transportation Commission's (www.commutesolutions.org/calc.htm).

Copies of these worksheets are attached for your information. Also attached is a graphic to emphasize the advantage of using transit versus pumping gas into automobiles.



APTA's calculator allows the gas price to vary as well as parking and miles per gallon. It uses the AAA cost of owning and operating an automobile. It includes transit fares and calculates annual savings from using transit.

AAA's calculator uses a set cost of owning and operating a car that varies by miles driven and size of car. The composite average for 2008 is 54.1 cents per mile. This does not include parking and does not offer a comparison to transit. The assumed price of gas is \$2.94 per gallon.

MWCOG's calculator uses AAA's cost of owning and operating an automobile and allows parking to be included. It does not include transit.

WMATA's calculator uses the General Services Administration's rates for owning and operating an automobile (slightly lower than AAA's) and includes parking for both the auto commute and the comparative transit trip.

Finally, the calculator of the Santa Cruz County Regional Transportation Commission adds estimates of social costs of commuting by automobile (accidents, travel time delays, construction and maintenance of highways, air pollution, land use impacts, etc.) and arrives at a cost per mile for auto travel about three times as great as AAA.

A table is attached showing the results of four of the calculators. In three the cost of parking is omitted (only in the SCCRT calculator is parking included). Comparisons are shown for three typical trips in Northern Virginia. As can be seen, auto costs excluding parking are typically two to three times greater than the costs of using transit. The SCCRT calculator shows auto costs three to six times greater.

C. U.S Reductions in Vehicle Miles Traveled

The Federal Highway Administration reports that vehicle miles traveled (VMT) on all roads and streets in the U.S. fell 4.3 percent in March, 2008 compared to March, 2007. In Virginia, the drop was 1.7 percent. For the first quarter of 2008, US VMT fell 2.3 percent. The drop continued in April (down 1.7 percent) for the sixth consecutive month. The attached chart shows how startling that drop is when viewed in historical context.

One serious consequence is a \$3 billion shortfall in the U.S. Highway Trust Fund which Congress has yet to resolve. The Bush Administration has proposed a transfer of funds from the Mass Transit Trust Fund.

At the same time, the American Public Transportation Association (APTA) reported that transit trips rose by 3.3 percent in the final quarter of 2008.

Bob Poole of the Reason Foundation computed the extent to which transit has absorbed trips previously made by cars and trucks as follows:

- 1) Total additional transit trips (85 million) yield 2.6 billion passenger miles at 5.3 miles per trip.
- 2) A 3.3 percent increase in transit trips yields an increase of 450 million passenger miles.
- 3) A reduction of 2.3 percent in VMT yields 31 billion passenger miles at 1.1 persons per vehicle.
- 4) Therefore, transit absorbed only 1.45 percent of reduced VMT.

This method illustrates the peril of failing to recognize that transit is not available everywhere. VMT on rural roads comprises a third of all travel and VMT on those rural roads is dropping faster than on urban roads (an average reduction of 2.8 percent on rural roads in the first quarter of 2008 versus 2.0 percent on urban roads). Considering only the VMT reduction on urban roads, transit may be capturing 4.3 percent of the VMT reduction.

While this share of VMT may seem small, the clean air benefits are substantial and transit shares would be significantly larger in peak commuting hours in corridors in which good transit service is available.



Public Transportation Reduces Greenhouse Gases and Conserves Energy

The facts are clear

Public transportation is reducing energy consumption and harmful carbon dioxide (CO₂) greenhouse gas emissions that damage the environment.

Traveling by public transportation uses less energy and produces less pollution than comparable travel in private vehicles. To make progress in reducing our dependence on foreign oil and impacting climate change, public transportation must be part of the solution.

The Benefits of Public Transportation



Using Public Transportation Reduces Greenhouse Gases and Conserves Energy

The transportation sector produces one-third of all greenhouse gas emissions in the United States.¹

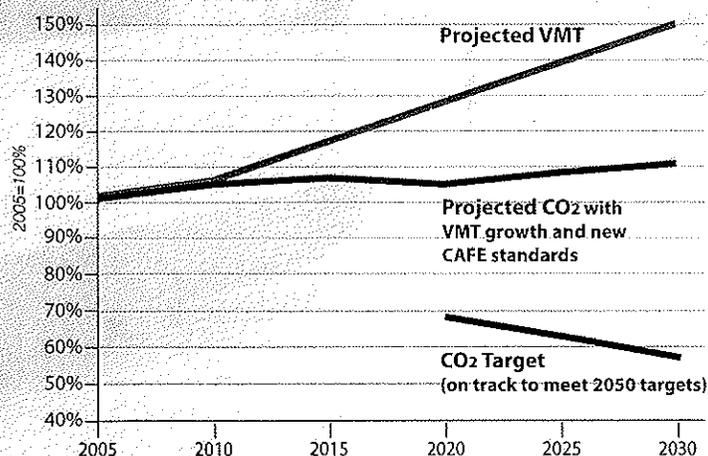
Between 1990 and 2006, emissions in the transportation sector increased by more than 25%, representing almost half of the total national growth in greenhouse gas emissions during this period.

- Approximately 85% of transportation sector emissions are related to the surface transportation system.¹
- An effective strategy to reduce greenhouse gas emissions must include improved fuel economy, reduced carbon content in fuels, and reductions in the growth of vehicle miles of travel.

By reducing the growth in vehicle miles of travel, easing congestion and supporting more efficient land use patterns, public transportation can reduce harmful CO₂ emissions by 37 million metric tons annually. These savings represent the beginning of public transportation's potential contribution to national efforts to reduce greenhouse gas emissions and promote energy conservation.²

Projected increases in vehicle miles of travel will negate any improvements in fuel economy resulting from recently approved changes in Corporate Average Fuel Economy (CAFE) standards. Increased investment in, and use of, public transportation can mitigate this trend. Experts indicate we need to reduce total CO₂ emissions to 60%-80% of 1990 levels by 2050.²

CO₂ Reduction Targets Cannot Be Met with Recently Enacted CAFE Standards



Projected emissions from cars and light trucks assuming newly adopted nationwide vehicle and fuel standards and current projected VMT growth. Source: Growing Cooler Report²

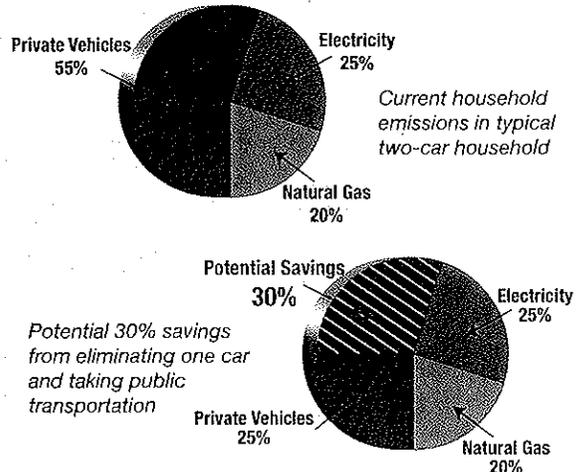
Benefits of a Strategy that Embraces Public Transportation

Public transportation use reduces travel by private vehicles.

Those who choose to ride public transportation reduce their carbon footprint and conserve energy by eliminating travel that would have otherwise been made in a private vehicle. Households within close proximity of public transportation drive an average of 4,400 fewer miles annually compared to those with no access to public transportation.⁶

A single person, commuting alone by car, who switches a 20-mile round trip commute to existing public transportation, can reduce his or her annual CO₂ emissions by 4,800 pounds per year, equal to a 10% reduction in all greenhouse gases produced by a typical two-adult, two-car household. By eliminating one car and taking public transportation instead of driving, a savings of up to 30% of carbon dioxide emissions can be realized.⁴

The Private Vehicle is the Largest Contributor to a Household's Carbon Footprint—Using Public Transportation Reduces Household Carbon Emissions



Source: Public Transportation's Contribution to U.S. Greenhouse Gas Reduction⁴

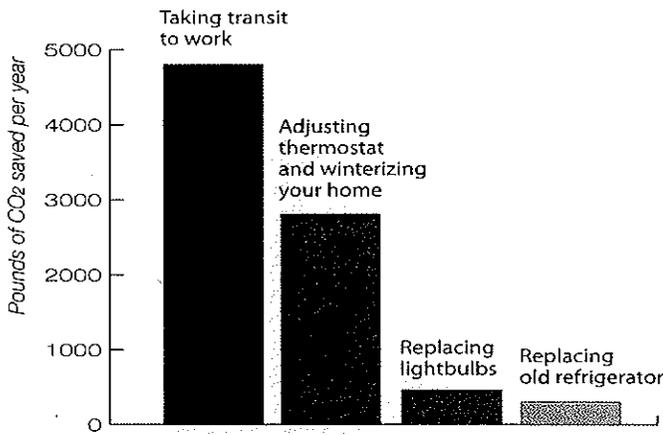
Public transportation use reduces congestion.

Public transportation serves some of the most congested travel corridors and regions in the country. Increased use of public transportation in these areas eases congestion; as a result, automobiles traveling in these same corridors achieve greater fuel efficiency.⁸

Public transportation use is one of the most effective actions individuals can take.

Public transportation offers an immediate alternative for individuals seeking to reduce their energy use and carbon footprints. This action far exceeds the benefits of other energy saving household activities, such as using energy efficient light bulbs or adjusting thermostats.

Commuting by Public Transportation—One of the Most Significant Actions to Reduce Household Carbon Emissions



By taking existing public transportation instead of driving a car, a single person saves 4,800 pounds of CO₂ per year. Source: Public Transportation's Contribution to U.S. Greenhouse Gas Reduction ⁴

Public transportation gives people energy efficient choices.

Public transportation reduces overall greenhouse gas emissions without reducing the mobility so vital to our nation's economic health and our citizens' quality of life.

The increasing cost of fuel makes driving private vehicles even more prohibitive for many. Public transportation households save an average of \$6,251 every year³—even more as the price of fuel rises.

Public transportation is essential to energy efficient land use patterns.

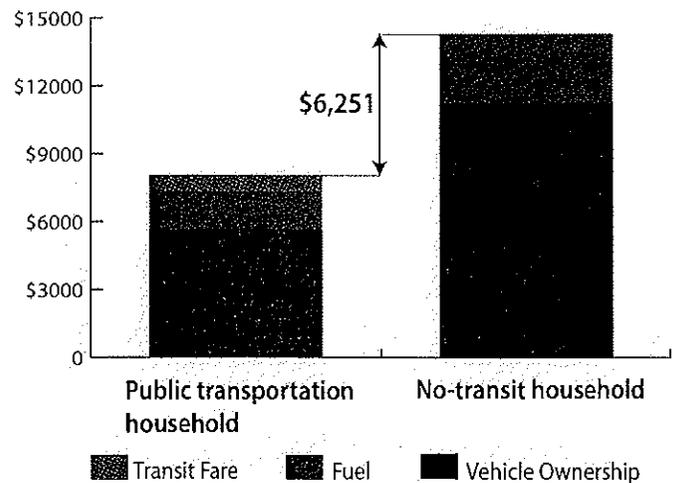
Efficient land use produces results far beyond the immediate benefit of increased use of public transportation. It has the potential to significantly change the way we live and travel, reducing our individual carbon footprints while preserving and enhancing our mobility.

- Higher densities allow for closer proximity of housing, employment and retail, reducing driving distances and enabling communities to plan for and support alternative travel options.
- In many central business districts, trips taken for shopping, dining or other non-commuting purposes are often made on foot—even by those who drive to work.
- Higher density development—including transit-oriented development (TOD), multi-use buildings, and compact apartments and office space—is more energy efficient and extends public transportation's contribution by integrating it with other sectors of our economy.

Public transportation with its overarching effects on land use is estimated to reduce CO₂ emissions by 37 million metric tons annually.

This indirect "leverage effect" of public transportation is estimated, conservatively, at three to four times the direct effect of transit service. With this leverage effect, transit is estimated to reduce CO₂ emissions by 37 million metric tons annually, equal to the electricity used by 4.9 million households. In addition, public transportation reduces energy consumption by 4.2 billion gallons of gasoline each year, more than three times the amount of gasoline refined from the oil we import from Kuwait.⁶

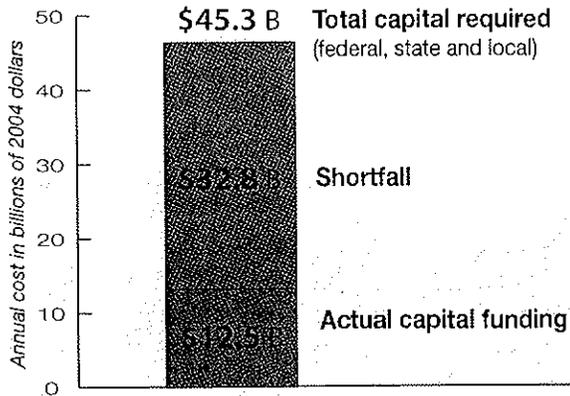
Average Annual Household Savings from Using Public Transportation



By taking public transportation instead of driving a car, a two-worker household can save \$6,251 annually. Source: Public Transportation and Petroleum Savings Report ³

We all have a stake in expanding public transportation.

Annual Capital Investment Needs for Public Transportation



In order to improve physical conditions and improve service performance, the U.S. must make a sizable investment in public transportation. Source: State and National Transit Investment Analysis ⁵

Public transportation agencies are reducing their carbon footprints—even more can be done with additional investment.

- The Los Angeles County Metropolitan Transportation Authority is investing in improvements to several maintenance facilities that will use solar energy.
- In Portland, OR, Tri-Met has implemented procedures to reduce idling and improve vehicle maintenance, lowering vehicle fuel use by 10%.
- Throughout the country, bus systems are adding hybrid diesel-electric vehicles.
- In Grand Rapids, MI, The Rapid was the first system to construct a LEED-certified facility.
- Metro in Cincinnati, OH, runs its entire 390-bus fleet on a blend of 50% soy-based biodiesel and 50% regular diesel fuel.

- In the New York metro region, the MTA's Sustainability Commission is developing a master set of recommendations that will help reduce the ecological footprint of MTA operations and capital programs. The commission will look at everything from energy use and waste management to transit-oriented development and green, high-performance buildings.

Sources

1. **Department of Energy**, Energy Information Administration, 2007.
2. **"Growing Cooler: The Evidence on Urban Development and Climate Change,"** Don Chen, Reid Ewing and Steve Winkelman, January 2008.
3. **"Public Transportation and Petroleum Savings in the U.S.: Reducing Dependence on Oil,"** ICF International, January 2007.
4. **"Public Transportation's Contribution to U.S. Greenhouse Gas Reduction,"** Science Applications International Corporation, September 2007.
5. **"State and National Transit Investment Analysis,"** Cambridge Systematics, Inc., 2006.
6. **"The Broader Connection between Public Transportation, Energy Conservation and Greenhouse Gas Reductions,"** ICF International, February 2008.
7. **American Housing Survey for the United States: 2005**, U.S. Department of Commerce, Economic and Statistics Administration, U.S. Census Bureau, August 2006.
8. **2007 Annual Urban Mobility Report**, Transportation Institute, Texas A&M University, 2007.

For more information on the many benefits of public transportation, visit www.publictransportation.org or call 202.496.4800.



Climate change and energy legislation should specifically target public transportation as a national priority.



Public Transportation

Public Transportation Requires Investment to Further Reduce CO₂ Emissions and Conserve Energy

Protect and preserve public transportation service where it exists today.

Public transportation ridership has increased by 30% since 1995—a growth rate more than twice that of population, and greater than vehicle miles of travel. As transit ridership has increased, a number of systems are struggling to maintain the quality of assets and consequently the quality and reliability of service. Systems must be adequately funded to allow people who are choosing public transportation, more than 10 billion trips annually, to stay on public transportation.

Expand capacity of existing public transportation services.

In many parts of the country, public transportation systems are operating beyond their design capacity. With future ridership growth projected at 3.5% annually, it will be difficult for a number of these systems to carry additional riders without significant new investment.

Systems that are investing to expand capacity and attract new riders include:

- Charlotte, NC, recently opened its first modern light rail system.
- The New York Metropolitan Transportation Authority (MTA) is in the process of constructing the Second Avenue Subway Line to relieve severe crowding.
- Cleveland's bus rapid transit system is expected to open in late 2008.
- Salt Lake City is expanding its light rail and will soon add commuter rail.

Expand the geographic coverage of public transportation services.

According to U.S. Census data, 46% of American households do not have access to any public transportation.⁷ Public transportation must expand geographically to capture shifts in population, both within regions and across the country. Individuals cannot be asked to reduce their vehicle miles of travel without options. On a national scale, those regions experiencing rapid increases in population must have the resources available to enable public transportation to viably serve local travel demands.

(Continued on back panel)

■ **is estimated** to reduce CO₂ emissions by 37 million metric tons annually, equivalent to the electricity used by 4.9 million households. To achieve a similar reduction in carbon emissions, every household in New York City, Washington, DC, Atlanta, Denver and Los Angeles combined would have to completely stop using electricity.

■ **provides** an immediate option individuals can take to reduce their greenhouse gas emissions and conserve energy. In fact the most energy efficient households in America that produce the least amount of carbon are located within close proximity of a bus or rail line. Households near public transportation drive an average of 4,400 fewer miles annually compared to those with no access to public transportation.

■ **saves fuel**, reduces an individual's carbon footprint, and reduces congestion. Households near public transportation travel 12 fewer miles per day, or 27% less, than households with no access to public transportation. This equates to an individual household reduction of 223 gallons of gasoline a year.

■ **use by** a solo commuter switching his/her commute from a private vehicle can reduce CO₂ emissions by 20 pounds per day—more than 4,800 pounds in a year.

■ **use saves** the U.S. the equivalent of 4.2 billion gallons of gasoline annually—more than 1.1 million gallons of gasoline per day.

■ **provides** an affordable alternative to driving. Households that use public transportation save an average of \$6,251 every year.

■ **ridership** has increased 30% since 1995, with more than 10 billion trips taken annually.

■ **is a national priority** that should be specifically targeted by climate change and energy legislation. We all have a stake in expanding public transportation use.

What do you want to pay [®]
for your commute?

GAS

Regular 4.07⁹/₁₀

Plus 4.32⁹/₁₀

Supreme 4.49⁹/₁₀

Diesel 4.79⁹/₁₀

BUS

Regular 1.25⁰/₀₀

Senior
Disabled 0.60⁰/₀₀

Code
Red 0.00⁰/₀₀

Express 3.00⁰/₀₀

Commuting Cost Analysis: Driving vs. Transit

Commuting Distances		The Cost of Driving				Daily One-Way Cost of Commute			
		Per Mile Cost Per Mile to Operate Automobile	MWCOG	AAA	WMATA	SCRTC	Transit		
Leesburg to Falls Church	32 Miles		\$0.55	\$0.54	\$0.48	\$1.01	\$6.00	Loudoun Commuter Bus	
Woodbridge to Pentagon	18 Miles		\$9.92	\$9.74	\$8.64	\$18.16	\$5.50	PRTC OmniRide	
Annandale to Old Town	8 Miles		\$4.63	\$4.54	\$4.03	\$8.48	\$1.25	Metrobus 16A	



MY APTA

June 13, 2008

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WHAT'S NEW

APTA > Services & Programs > Transit Calculator

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Calculate Your Savings by Riding Public Transportation

This calculator will help you compare the price of using public transportation with the price of paying at the pump and then parking your car in town. This calculator has been set with default values based on national averages for June, 2008; however, you may set variables such as the price of gas and the length of the round trip to match the price of gas in your area and the length of your round trip.

Public transportation agencies are encouraged to add a link for this calculator to their websites.

Your Car's Gas Mileage (MPG)	20
Price of Gas per Gallon	\$ 4.00
Number of Miles in Your Round Trip Commute	24.22
Size of Your Car	Medium Car *
Daily Parking Cost for Your Car	\$ 5 **
Daily Round Trip Commute Cost Using Public Transportation	\$ 3.50
Totals:	
Yearly Cost of Commuting by Automobile	Yearly Cost of Commuting by Public Transportation
\$ 2683.43	\$ 840.00
You saved	
\$ 1843.43 ***	
<input type="button" value="Calculate"/>	<input type="button" value="Reset"/>

Find Public Transportation In Your Community

- | | | | |
|------------|-----------|---------------|-----------|
| Alabama | Indiana | Nevada | Tennessee |
| Alaska | Iowa | New Hampshire | Texas |
| Arizona | Kansas | New Jersey | Utah |
| Arkansas | Kentucky | New Mexico | Vermont |
| California | Louisiana | New York | |

Colorado	Maine	North Carolina	Virginia
Connecticut	Maryland	North Dakota	Washington
Delaware	Massachusetts	Ohio	West Virginia
Dist. of Columbia	Michigan	Oklahoma	Wisconsin
Florida	Minnesota	Oregon	Wyoming
Georgia	Mississippi	Pennsylvania	
Hawaii	Missouri	Rhode Island	Puerto Rico
Idaho	Montana	South Carolina	Territories
Illinois	Nebraska	South Dakota	

Footnotes

* Based on the following estimates for increased costs of maintenance and tire replacement per mile.

	Small Car per mile	Medium Car per mile	Large Car per mile	Mini-Van per mile	SUV per mile
Maintenance	3.98 cents	4.67 cents	5.07 cents	4.76 cents	5.47 cents
Tires	0.55 cents	0.85 cents	0.77 cents	0.67 cents	0.93 cents

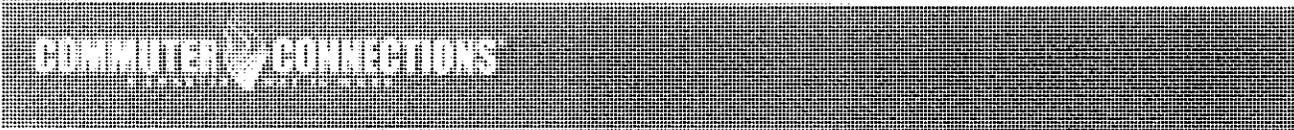
** Those who receive free parking may instead be entitled to a public transit subsidy up to \$115 per month. Click on It Pays To Ride Public Transportation to find out more.

*** If you are able to eliminate a vehicle in your household, you save an additional \$5,576 in car ownership cost (full-coverage insurance, license, registration, taxes, depreciation and finance charge).

The ownership, maintenance and tire replacement cost are from the *AAA 2008 Your Driving Costs*.

Some of these pages may include links to documents in the Adobe PDF format. Please download the Adobe PDF reader if you have not already done so.





Home > [Commuting Resources](#) > [Commuting Costs Calculator](#)

- COMMUTING RESOURCES**
- TELEWORK CENTERS
- VANPOOL SERVICES
- RIDESHARE PROGRAMS
- TRANSIT SALES
- CARSHARING
- REGIONAL TMA'S
- OTHER ORGANIZATIONS
- DOWNTOWN D.C.
- FAQ

COMMUTING COSTS CALCULATOR

Calculate Your Cost of Commuting

Fill out this form to figure out your monthly commute cost!

(Press TAB to move to the next field and SHIFT+TAB to move back one field.)

A. What is your daily round trip commute distance from home to work (in miles)?	0
B. How many days per month do you normally work?	0
C. Cost per mile of owning and operating a vehicle: *	.551
D. How much do you pay for monthly parking?	0
<hr/>	
<i>Your estimated Monthly cost of commuting is</i>	\$0.00
<i>Your estimated Yearly cost of commuting is</i>	\$0.00

* Based on AAA's 2008 estimate for owning and operating a vehicle. The estimate figures in the average fuel cost, maintenance, tires, insurance, license and registration and depreciation for a small sedan. Larger vehicles' cost will increase accordingly. See the table at the bottom of AAA's page, [Your Driving Costs](#).



Washington Metropolitan Area Transit Authority

Search



ALERTS: There are no service alerts at this time.

[All Advisories](#)

[Elevator Status](#)

- Home
- Maps & stations
- Schedules & fares
 - Fares & passes
 - Bus timetables
 - Rail schedules
 - Service changes
 - Online fare purchases
 - Sales stores & outlets
 - SmartBenefits
 - Promotions
- Alerts & advisories
- Accessibility
- How to travel
- About Metro
- Board of Directors
- General Manager
- Inspector General
- Outreach
- Metro calendar
- Metro career center

Schedules & fares Fares & passes

Metro savings calculator

Have gas and parking prices got you down? See how much you could save riding Metro instead of driving. Please note that the Metrorail fares shown are for rush-hour periods. You can save even more on Metro with reduced fares during off-peak travel and the tax-free or pre-tax federal transit benefit. See the TripPlanner for full door-to-door Metro itineraries and fares.

1. Calculate your cost to drive:	
Enter commute days per month:	20
Enter parking costs per day:	10
Miles driven each way	10
Average vehicle costs per mile: (CSA rate for gas, insurance, depreciation and maintenance)	0.505
Monthly cost to drive:	
2. Calculate your cost riding Metro:	
Metrorail fare (one way)	
Departing from...	0
Arriving at...	
Park at departure station	
<input type="radio"/> Yes <input checked="" type="radio"/> No	
Miles driven each way to Metro	0
Average vehicle costs per mile: (CSA rate for gas, insurance, depreciation and maintenance)	0.485
Metrobus fare (one way paying with SmarTrip, cash price 10¢ more)	0.00
<input checked="" type="radio"/> None <input type="radio"/> Regular <input type="radio"/> Express	
Fare type	
<input checked="" type="radio"/> Regular <input type="radio"/> Senior/disabled/Medicare cardholder	
Monthly cost to ride Metro: Note: Total fare for combined bus/rail commutes assumes the use of a cost-saving transfer from rail to bus using SmarTrip. (Rail-to-bus transfers paid with cash cost 10¢ more.) See transfer details. Total fare also includes parking, if specified.	\$0.00
<input type="button" value="Submit"/>	

[Home](#) | [Trip Planner](#) | [Alerts](#) | [Contact Us](#) | [Careers](#) | [Privacy Policy](#) | [Environmental Policy](#) [Printer friendly](#)

version

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Translate:

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Powered by Systran

MWCOG's Commuter Connections relies on AAA's 2008 estimate for owning and operating a small sedan for 10,000 miles/year of \$0.551 per mile.

<http://www.mwcog.org/commuter2/resources/commutingcalc.html>

AAA's calculator is more nuanced, with estimates broken down by vehicle type and number of miles driven per year. Their composite average for 2008 is \$0.541 per mile. However, their calculations use late-2007 gas prices of \$2.941 per gallon.

<http://www.aaaexchange.com/Main/Default.asp?CategoryID=16&SubCategoryID=76&ContentID=353>

WMATA uses the GSA rate of \$0.48 per mile:

http://www.wmata.com/riding/cost_calculator.cfm

Santa Cruz County Regional Transportation Commission has a unique "True Cost of Driving" calculator that includes externalities like accidents, cost delays, and other costs like residential and paid parking. Their costs are \$1.01 per mile for direct driver's cost, and \$1.43 per mile for direct plus indirect costs:

<http://www.commutesolutions.org/calc.htm>

Direct Driver's Expense

Fixed Costs (insurance and registration)	\$ 0.112
Finance Charge	\$ 0.055
Depreciation	\$ 0.261
Fuel (based on \$4.364 per gallon as of June 5, 2008)	\$ 0.175
Maintenance and Tires	\$ 0.119
Residential Parking	\$ 0.064
Parking and Tolls	\$ 0.023
Travel Time (average delays)	\$ 0.119
Accidents (personal costs of injury and property)	\$ 0.081
Total Direct Driver's Expense per mile	\$ 1.009

Indirect Costs

Accidents (government-paid cleanup, lost economic activity, etc.)	\$ 0.046
---	----------

State and Local Construction, Improvements and Repair	\$ 0.011
State and Local Highway Maintenance and Operations	\$ 0.006
Parking (commercial and employer-paid, including government tax)	\$ 0.064
Waste Disposal (highway cleanup, tire and oil removal)	\$ 0.003
Air Pollution (health costs, crops, trees, materials, etc.)	\$ 0.053
External Resource Consumption Costs (economic trade and natural resource use)	\$ 0.032
Road Noise (property value decrease and abatement)	\$ 0.011
CO2 Reduction (motor vehicles only)	\$ 0.005
Water Pollution and Hydrologic Impacts	\$ 0.017
Transportation Diversity and Equity Impacts	\$ 0.007
Barrier Effects on Pedestrians and Bicycles	\$ 0.012
Land Use Impact Costs	\$ 0.074
Roadway Land Value	\$ 0.032
Congestion	
Cost	\$ 0.054
Total Indirect Costs per Mile associated with driving	\$ 0.427
Total Dollar Cost per mile	\$ 1.436

From: <http://www.commuter-solutions.org/calc.htm>
 Transportation Commission.

Santa Cruz County



Home » Energy/Gas Prices » Gas Information » Your Driving Costs

Your Driving Costs

Ever wonder how much you're really paying to drive your car each year?

\$9,369

Excluding loan payments, that's how much a person can expect to pay driving a medium sedan 15,000 miles a year.

In coming up with the estimates below, AAA figures in average fuel, routine maintenance, tires, insurance, license and registration, loan finance charges and depreciation costs. Fuel prices are based on late-2007 national averages.

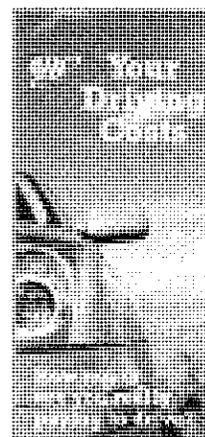
AAA has been conducting this annual analysis since 1950. That year, driving a car 10,000 miles annually cost 9 cents a mile, and gasoline sold for 27 cents per gallon.

Composite national average cost per-mile for 2008: 54.1 cents

See chart below for a more detailed breakdown by miles driven and vehicle type.

With **Your Driving Costs**, AAA provides tools and advice motorists can use to estimate their operating and ownership costs to get a better understanding of the total impact of their vehicles. The annual guide includes a worksheet for figuring your own costs.

For more information on **Your Driving Costs**, contact your local AAA Club.



How Much Does It Cost to Drive?

2007 Vehicle	10,000 Miles/Year	15,000 Miles/Year	20,000 Miles/Year
Small Sedan*	55.1 cents	42.1 cents	35.7 cents
Medium Sedan*	71.9 cents	55.2 cents	46.9 cents
Large Sedan*	85.8 cents	65.1 cents	54.8 cents
4WD Sport Utility Vehicle*	91.0 cents	69.7 cents	59.1 cents
Minivan*	74.9 cents	57.6 cents	49.1 cents

Fuel costs based on the late-2007 average price of \$2.941 per gallon

***Small Sedan** - Chevrolet Cobalt, Ford Focus, Honda Civic, Nissan Sentra and Toyota Corolla.

***Medium Sedan** - Chevrolet Impala, Ford Fusion, Honda Accord, Nissan Altima and Toyota Camry.

***Large Sedan** - Buick Lucerne, Chrysler 300, Ford Five Hundred, Nissan Maxima and Toyota Avalon.

***4WD Sport Utility Vehicle** - Chevrolet TrailBlazer, Ford Explorer, Jeep Grand Cherokee, Nissan Pathfinder and Toyota 4Runner.

***Minivans** - Chevrolet Uplander, Dodge Grand Caravan, Kia Sedona, Honda Odyssey and Toyota Sienna.

Behind the Numbers

2008 Edition

AAA is a federation of motor clubs serving more than \$1 million members in the United States and Canada through more than 1,100 offices.

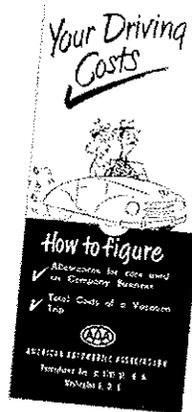
Founded in 1902, AAA is a not-for-profit, fully taxpaying corporation. Its purpose is twofold: give members a full range of automotive and travel-related services and promote the interests of motorists and travelers through legislative and educational activities.

AAA has published *Your Driving Costs* since 1950. That year, driving a car 10,000 miles cost 9 cents a mile, and gasoline sold for 27 cents per gallon.

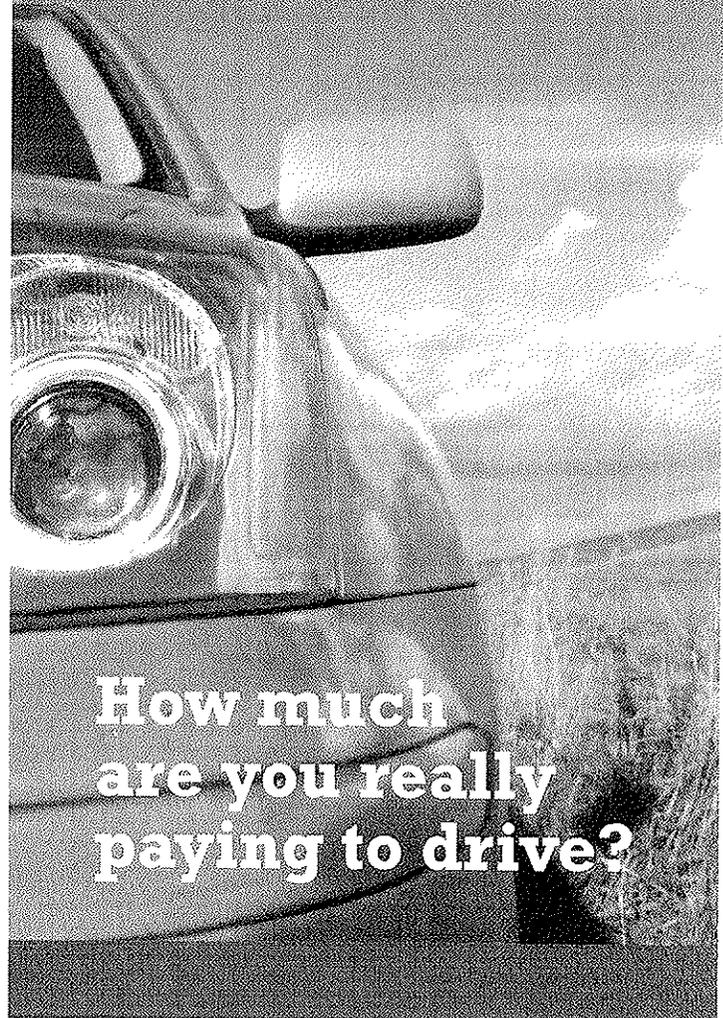
Methodology Driving cost calculations in this edition of *Your Driving Costs* are comparable to the 2007 version. The process used to estimate annual driving costs is proprietary to AAA. It incorporates standardized criteria designed to model the average AAA member's use of a vehicle for personal transportation over five years and 75,000 miles of ownership.

The use of standardized criteria ensures AAA's estimates are consistent when comparing driving costs of different vehicle makes and models. Actual driving costs will vary based on individual driving habits, location, operating conditions and other factors.

Estimates are provided to help consumers make informed vehicle purchase decisions and budget for annual automotive expenses.



Your Driving Costs



How much
are you really
paying to drive?



AAA Association Communication
1000 AAA Drive, Heathrow, FL 32746-6063
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How Much Does it Cost to Drive?

Following are average per-mile costs as determined by AAA and the composite average cost for three size categories of sedans:

AAA Average Costs Per Mile

miles per year	10,000	15,000	20,000
small sedan	55.1 cents	42.1 cents	35.7 cents
medium sedan	71.9 cents	55.2 cents	46.9 cents
large sedan	85.8 cents	65.1 cents	54.9 cents
composite average *	71.0 cents	54.1 cents	45.8 cents

* Detailed driving costs for small, medium and large sedans are provided on pages 6 and 7. Driving costs for four-wheel-drive sport utility vehicles and minivans are listed on page 8. Though not part of the composite AAA average, SUV and minivan information is included to help buyers estimate operating costs for those types of vehicles.

Driving costs in each category are based on average costs for five top-selling 2007 models selected by AAA. By size category, they are:

- **Small sedan** — Chevrolet Cobalt, Ford Focus, Honda Civic, Nissan Sentra and Toyota Corolla.
- **Medium sedan** — Chevrolet Impala, Ford Fusion, Honda Accord, Nissan Altima and Toyota Camry.
- **Large sedan** — Buick Lucerne, Chrysler 300, Ford Five Hundred, Nissan Maxima and Toyota Avalon.

Selected SUV models include Chevrolet TrailBlazer, Ford Explorer, Jeep Grand Cherokee, Nissan Pathfinder and Toyota 4Runner. Minivans include Chevrolet Uplander, Dodge Grand Caravan, Kia Sedona, Honda Odyssey and Toyota Sienna.

What's Covered

AAA's analysis covers vehicles equipped with standard and optional equipment including automatic transmission, air conditioning, power steering, antilock brakes and cruise control, to name a few.

✓ **Fuel** Fuel costs were based on \$2.941 per gallon, the late-2007 U.S. price from AAA's Fuel Gauge Report, www.FuelGaugeReport.com. Fuel mileage is based on Environmental Protection Agency fuel-economy ratings weighted 60 percent city and 40 percent highway driving.

✓ **Maintenance** Costs include retail parts and labor for normal, routine maintenance as specified by the vehicle manufacturer. They also include the price of a comprehensive extended warranty with one warranty claim deductible of \$100 and other wear-and-tear items that can be expected to require service during five years of operating the vehicle. Sales tax is included on a national average basis.

✓ **Tires** Costs are based on the price of one set of replacement tires of the same quality, size and rating as those that came with the vehicle. Mounting, balancing and sales tax also are included.

✓ **Insurance** AAA based its insurance costs on a full-coverage policy for a married 47-year-old male with a good driving record, living in a small city and commuting 3 to 10 miles daily to work. The policy includes \$100,000/\$300,000 coverage with a \$500 deductible for collision and a \$100 deductible for comprehensive coverage.

✓ **License, Registration and Taxes** Costs include all governmental taxes and fees payable at time of purchase, as well as fees due each year to keep the vehicle licensed and registered. Costs are computed on a national average basis.

✓ **Depreciation** Depreciation is based on the difference between new-vehicle purchase price and estimated trade-in value at the end of five years.

✓ **Finance** Costs are based on a five-year loan at 6 percent interest with a 10 percent down payment. The loan amount includes taxes and the first year's license fees, both computed on a national average basis.

When determining your annual driving costs, be sure to include all vehicle-related expenses incurred during the year.



Figuring Your Costs

To figure your fuel cost, begin with a full tank of fuel and write down the odometer reading. Each time you fill up, note the number of gallons, how much you pay and the odometer reading. These figures can then be used to calculate average miles per gallon and cost of fuel per mile. For example:

Gas Cost Per Mile

gallons	cost*	odometer
full tank		8,850
12.4	\$36.47	9,136
9.5	\$27.94	9,355
15.7	\$46.17	9,717
37.6	\$110.58	9,717
		- 8,850

miles driven = 867

miles per gallon: $867 \div 37.6 = 23.1$ mpg

gas cost per mile: $\$110.58 \div 867 = 12.75$ cents

* cost per gallon \$2.941

To determine your driving costs accurately, keep personal records on all the items listed below. Use this worksheet to figure your total cost to drive:

Annual Cost Per Mile

costs		yearly totals
operating costs		
gas per mile		_____
total miles driven	x	_____
total gas	=	_____
maintenance	+	_____
tires	+	_____
total operating costs	+ =	_____
ownership costs		
depreciation		_____
insurance	+	_____
taxes	+	_____
license and registration	+	_____
finance charges	+	_____
total ownership costs	+ =	_____
other costs		
(washing, accessories, etc.)	+	_____
total driving costs	=	_____
total miles driven	÷	_____
cost per mile	=	_____

Driving Costs

	Small Sedan†	Medium Sedan†	Large Sedan†	Average
Operating Costs				
	per mile	per mile	per mile	per mile
gas	9.39 cents	12.34 cents	13.28 cents	11.67 cents
maintenance	3.98 cents	4.67 cents	5.07 cents	4.57 cents
tires	0.55 cents	0.85 cents	0.77 cents	0.72 cents
cost per mile	13.9 cents	17.9 cents	19.1 cents	17.0 cents
Ownership Costs				
	per year	per year	per year	per year
full-coverage insurance	\$949	\$907	\$973	\$943
license, registration, taxes	\$410	\$562	\$690	\$554
depreciation (15,000 miles annually)	\$2,332	\$3,355	\$4,275	\$3,321
finance charge	\$541	\$770	\$963	\$758
cost per year	\$4,232	\$5,594	\$6,901	\$5,576
cost per day	\$11.59	\$15.33	\$18.91	\$15.28
Total Cost Per Mile				
10,000 total miles per year	per year	per year	per year	per year
cost per mile x 10,000 miles	\$1,392	\$1,786	\$1,912	\$1,697
cost per day x 365 days	\$4,232	\$5,594	\$6,901	\$5,576
decreased depreciation**	-\$110	-\$190	-\$230	-\$177
total cost per year	\$5,514	\$7,190	\$8,583	\$7,096
total cost per mile*	55.1 cents	71.9 cents	85.8 cents	71.0 cents
15,000 total miles per year	per year	per year	per year	per year
cost per mile x 15,000 miles	\$2,088	\$2,679	\$2,868	\$2,545
cost per day x 365 days	\$4,232	\$5,594	\$6,901	\$5,576
total cost per year	\$6,320	\$8,273	\$9,769	\$8,121 total
total cost per mile*	42.1 cents	55.2 cents	65.1 cents	54.1 cents
20,000 total miles per year	per year	per year	per year	per year
cost per mile x 20,000 miles	\$2,784	\$3,572	\$3,824	\$3,393
cost per day x 365 days	\$4,232	\$5,594	\$6,901	\$5,576
increased depreciation***	\$130	\$203	\$235	\$189
total cost per year	\$7,146	\$9,369	\$10,960	\$9,158
total cost per mile*	35.7 cents	46.9 cents	54.8 cents	45.8 cents

* total cost per year ÷ total miles per year

** decreased depreciation for mileage under 15,000 miles annually

*** increased depreciation for mileage over 15,000 miles annually

† see page 2 for a listing of vehicle makes and models used for driving cost calculations

Driving Costs

	4WD Sport Utility Vehicle †	Minivan †
Operating Costs	per mile	per mile
gas	17.05 cents	14.01 cents
maintenance	5.47 cents	4.76 cents
tires	0.93 cents	0.67 cents
cost per mile	23.5 cents	19.4 cents
Ownership Costs	per year	per year
full-coverage insurance	\$888	\$883
license, registration, taxes	\$715	\$563
depreciation (15,000 miles annually)	\$4,327	\$3,511
finance charge	\$1,000	\$771
cost per year	\$6,930	\$5,728
cost per day	\$18.99	\$15.69

Total Cost Per Mile

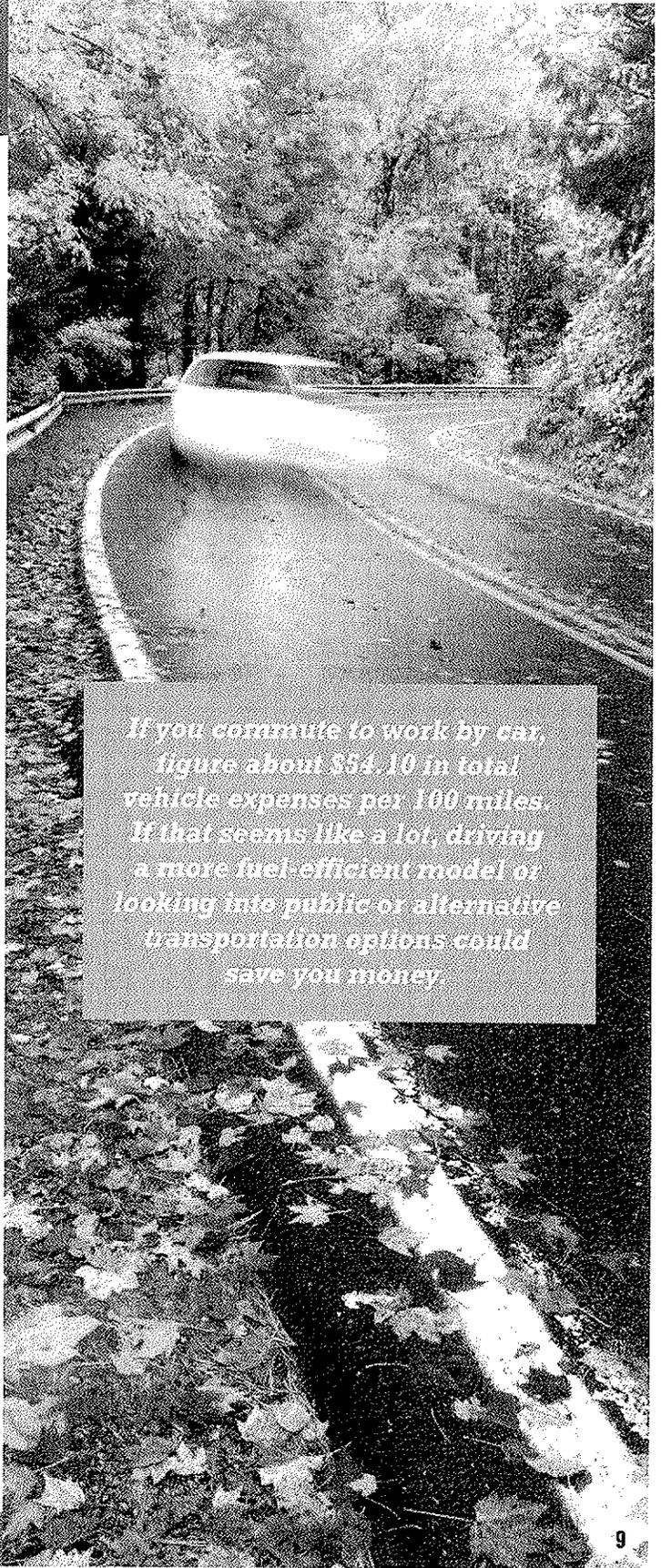
10,000 miles a year	per year	per year
cost per mile x 10,000 miles	\$2,345	\$1,944
cost per day x 365 days	\$6,930	\$5,728
decreased depreciation**	-\$180	-\$180
total cost per year	\$9,095	\$7,492
total cost per mile*	91.0 cents	74.9 cents
15,000 miles a year	per year	per year
cost per mile x 15,000 miles	\$3,518	\$2,916
cost per day x 365 days	\$6,930	\$5,728
total cost per year	\$10,448	\$8,644
total cost per mile*	69.7 cents	57.6 cents
20,000 miles a year	per year	per year
cost per mile x 20,000 miles	\$4,690	\$3,888
cost per day x 365 days	\$6,930	\$5,728
increased depreciation***	\$195	\$195
total cost per year	\$11,815	\$9,811
total cost per mile*	59.1 cents	49.1 cents

* total cost per year ÷ total miles per year

** decreased depreciation for mileage under 15,000 miles annually

*** increased depreciation for mileage over 15,000 miles annually

† see page 2 for listing of vehicle makes and models used for driving cost calculations



If you commute to work by car, figure about \$54.10 in total vehicle expenses per 100 miles. If that seems like a lot, driving a more fuel-efficient model or looking into public or alternative transportation options could save you money.

Vacation Planning

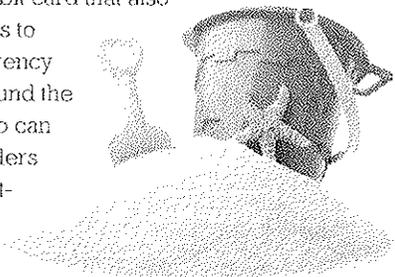
AAA's suggested travel budget for two adults traveling together is \$244 per day for lodging and meals. If traveling by car, AAA recommends visiting www.AAAFuelCostCalculator.com to estimate fuel costs.

Lodging The average lodging cost is \$164 per night, double occupancy, based on the most recent published rates for AAA Approved accommodations listed in AAA TourBook guides. Rates for specific properties will vary by region, season and available discounts. If traveling with additional people, AAA advises contacting the property in advance for any extra-person charges, which average approximately 8 percent of the room cost. However, if traveling with children within an age limit set by management — usually up to 14 — there may not be an extra charge. Visit AAA.com or speak with your AAA travel agent to determine exact costs.

Vacation spending depends on personal preferences and means. Expect higher lodging rates in large metropolitan areas and at resorts during peak travel seasons. To save on lodging, it's best to make advance reservations.

Meals For two people, AAA travel experts recommend budgeting at least \$80 a day for meals, not including tips and beverages. Meal costs, which are based on dining at full-service restaurants, can be reduced by eating at self-service restaurants or choosing lodgings that include breakfast. Many restaurants offer reduced prices on children's menus and "early bird" dinners.

Additional Costs In addition to lodging, food and driving costs, you should budget for admission fees, road and bridge tolls, recreation and shopping. If you don't carry credit cards, include an emergency fund in your vacation budget. For added security, AAA suggests carrying travel money such as prepaid money cards or travelers cheques. The AAA Visa TravelMoney card is a prepaid debit card that also offers 24-hour access to cash in the local currency at any Visa ATM around the world. Members also can obtain fee-free travelers cheques at participating AAA offices.



Vacation Costs

Several factors impact the overall cost of a trip: geographic region, means of transportation, meals, recreation fees and the type of accommodations. This worksheet can help you to estimate costs.

Lodging costs

number of days _____
 average lodging cost * x \$ _____
 = \$ _____

* Average daily rate for two persons, double occupancy, is \$164, plus \$13 per day for each additional person

total lodging expense \$ _____ +

transportation costs

fuel costs** \$ _____
 parking \$ _____
 road/ferry tolls \$ _____

** Visit www.AAAFuelCostCalculator.com

total transportation costs \$ _____ +

food costs

daily food cost *** \$ _____
 number in party x _____
 number of days x _____
 = \$ _____

*** Average daily food cost, excluding beverages and tips, is \$40 per person

total food cost \$ _____ +

entertainment/misc. costs

admission fees \$ _____
 souvenirs \$ _____
 beverages \$ _____
 tips \$ _____

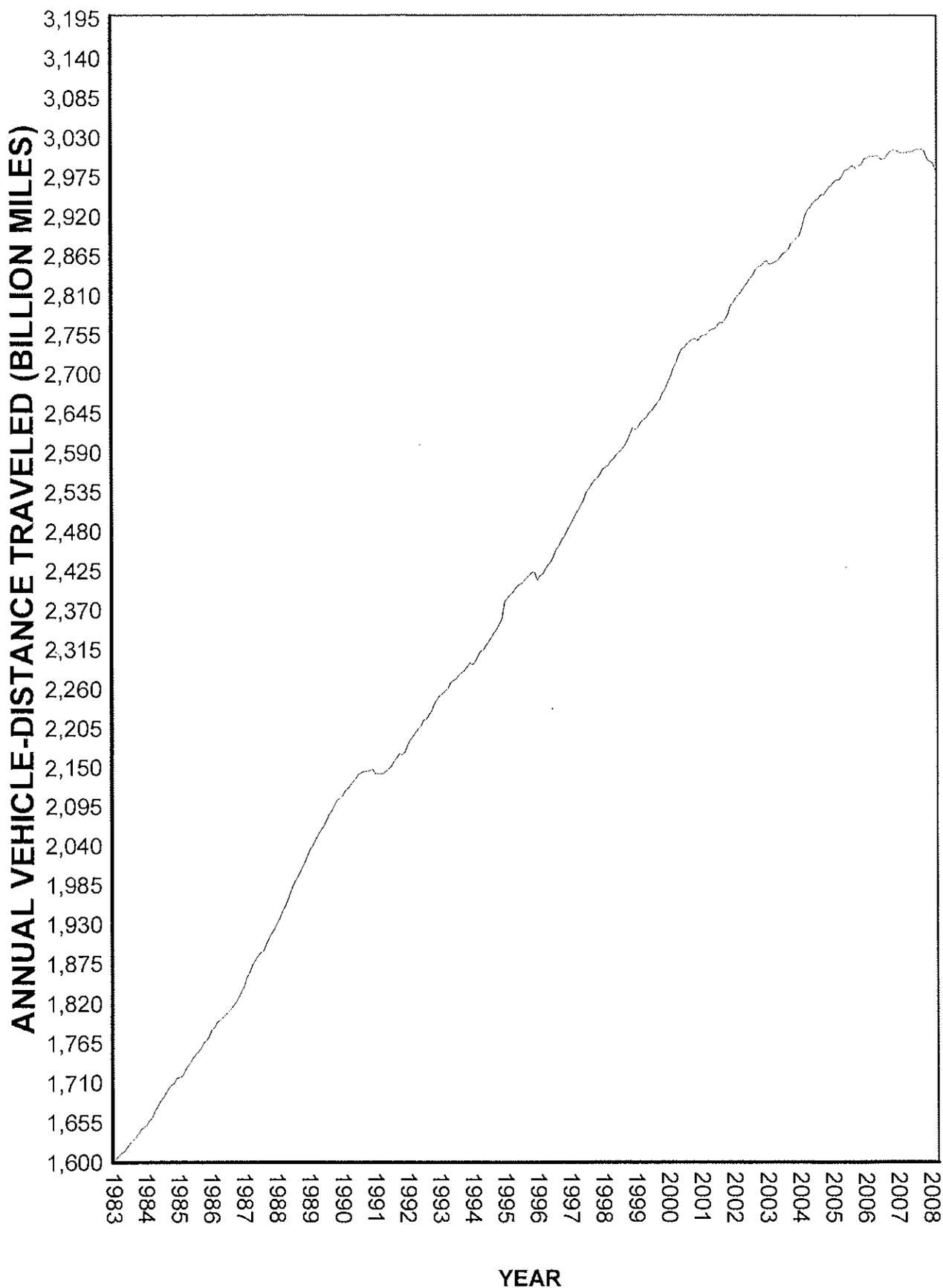
total entertainment/misc. \$ _____ +

total estimated trip cost \$ _____

Note: The information in this brochure is based on overall average costs. The actual cost for your trip will vary.



Figure - 1. Moving 12-Month Total on ALL Roads





Agenda Item #13

TO: Chairman Eulle and NVTC Commissioners

FROM: Scott Kalkwarf and Colethia Quarles

DATE: June 26, 2008

SUBJECT: NVTC Financial Items for May, 2008

NVTC's financial reports are attached for May, 2008 for your information.



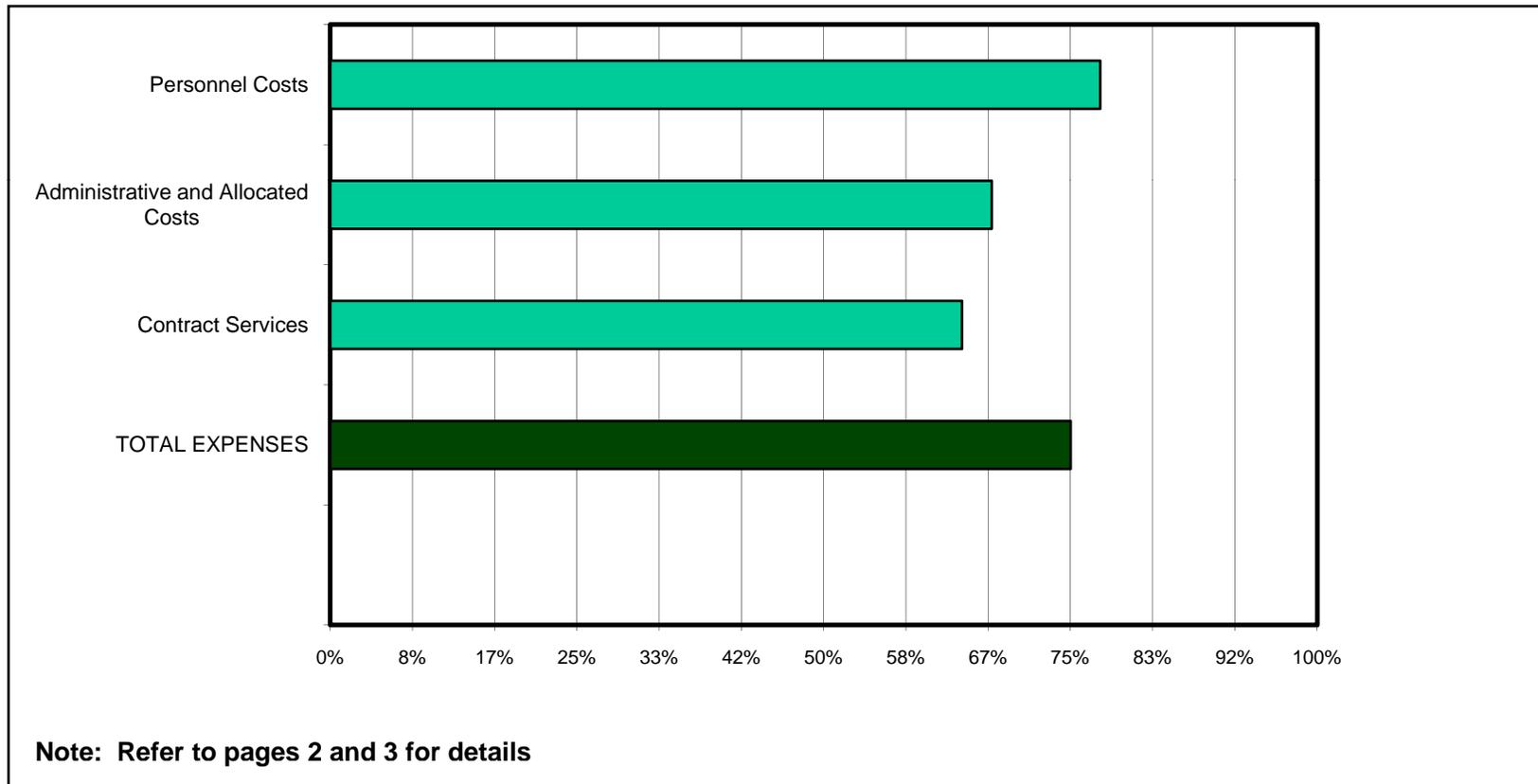
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Northern Virginia Transportation Commission

Financial Reports

April, 2008

Percentage of FY 2008 NVTC Administrative Budget Used
April, 2008
(Target 83.33% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
April, 2008

	<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	\$ 56,719.86	\$ 568,457.36	\$ 701,400.00	\$ 132,942.64	19.0%
Temporary Employee Services	-	-	1,000.00	1,000.00	100.0%
Total Personnel Costs	56,719.86	568,457.36	702,400.00	133,942.64	19.1%
<u>Benefits</u>					
Employer's Contributions:					
FICA	3,597.88	38,173.93	48,900.00	10,726.07	21.9%
Group Health Insurance	2,067.21	33,056.66	65,750.00	32,693.34	49.7%
Retirement	4,716.00	45,804.00	56,200.00	10,396.00	18.5%
Workmans & Unemployment Compensation	132.45	3,987.00	3,400.00	(587.00)	-17.3%
Life Insurance	262.55	2,690.17	3,750.00	1,059.83	28.3%
Long Term Disability Insurance	264.38	2,592.48	4,450.00	1,857.52	41.7%
Total Benefit Costs	11,040.47	126,304.24	182,450.00	56,145.76	30.8%
<u>Administrative Costs</u>					
Commissioners Per Diem	1,050.00	11,150.00	18,400.00	7,250.00	39.4%
<i>Rents:</i>					
Office Rent	16,223.19	148,866.22	184,950.00	36,083.78	19.5%
Parking	14,935.19	140,022.32	173,050.00	33,027.68	19.1%
Parking	1,288.00	8,843.90	11,900.00	3,056.10	25.7%
<i>Insurance:</i>					
Public Official Bonds	100.00	2,663.00	4,400.00	1,737.00	39.5%
Liability and Property	100.00	950.00	2,600.00	1,650.00	63.5%
Liability and Property	-	1,713.00	1,800.00	87.00	4.8%
<i>Travel:</i>					
Conference Registration	1,599.54	5,195.20	16,200.00	11,004.80	67.9%
Conference Registration	845.00	845.00	2,000.00	1,155.00	57.8%
Conference Travel	199.00	1,062.19	4,500.00	3,437.81	76.4%
Local Meetings & Related Expenses	555.54	2,528.01	6,200.00	3,671.99	59.2%
Training & Professional Development	-	760.00	3,500.00	2,740.00	78.3%
<i>Communication:</i>					
Postage	1,358.58	8,719.90	11,600.00	2,880.10	24.8%
Postage	924.77	3,484.14	4,600.00	1,115.86	24.3%
Telephone - LD	-	900.71	1,200.00	299.29	24.9%
Telephone - Local	433.81	4,335.05	5,800.00	1,464.95	25.3%
<i>Publications & Supplies</i>					
Office Supplies	807.01	10,597.01	23,800.00	13,202.99	55.5%
Office Supplies	417.99	2,172.35	4,500.00	2,327.65	51.7%
Duplication	389.02	7,924.66	9,300.00	1,375.34	14.8%
Public Information	-	500.00	10,000.00	9,500.00	95.0%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
April, 2008**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	887.99	5,476.67	25,650.00	20,173.33	78.6%
Furniture and Equipment	353.20	1,433.64	12,650.00	11,216.36	88.7%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	534.79	4,043.03	12,000.00	7,956.97	66.3%
 <i>Other General and Administrative</i>	 802.07	 4,917.72	 6,800.00	 1,882.28	 27.7%
Subscriptions	493.00	662.00	400.00	(262.00)	-65.5%
Memberships	100.00	1,066.00	1,700.00	634.00	37.3%
Fees and Miscellaneous	209.07	2,494.72	2,900.00	405.28	14.0%
Advertising (Personnel/Procurement)	-	695.00	1,800.00	1,105.00	61.4%
40th Anniversary	-	-	-	-	0
Total Administrative Costs	<u>22,828.38</u>	<u>197,585.72</u>	<u>291,800.00</u>	<u>94,214.28</u>	<u>32.3%</u>
	<u>Contracting Services</u>				
Auditing	-	13,975.00	19,700.00	5,725.00	29.1%
Consultants - Technical	-	-	1,000.00	1,000.00	100.0%
Legal	-	-	1,000.00	1,000.00	100.0%
Total Contract Services	<u>-</u>	<u>13,975.00</u>	<u>21,700.00</u>	<u>7,725.00</u>	<u>35.6%</u>
 Total Gross G&A Expenses	 <u>\$ 90,588.71</u>	 <u>\$ 906,322.32</u>	 <u>\$ 1,198,350.00</u>	 <u>\$ 292,027.68</u>	 <u>24.4%</u>

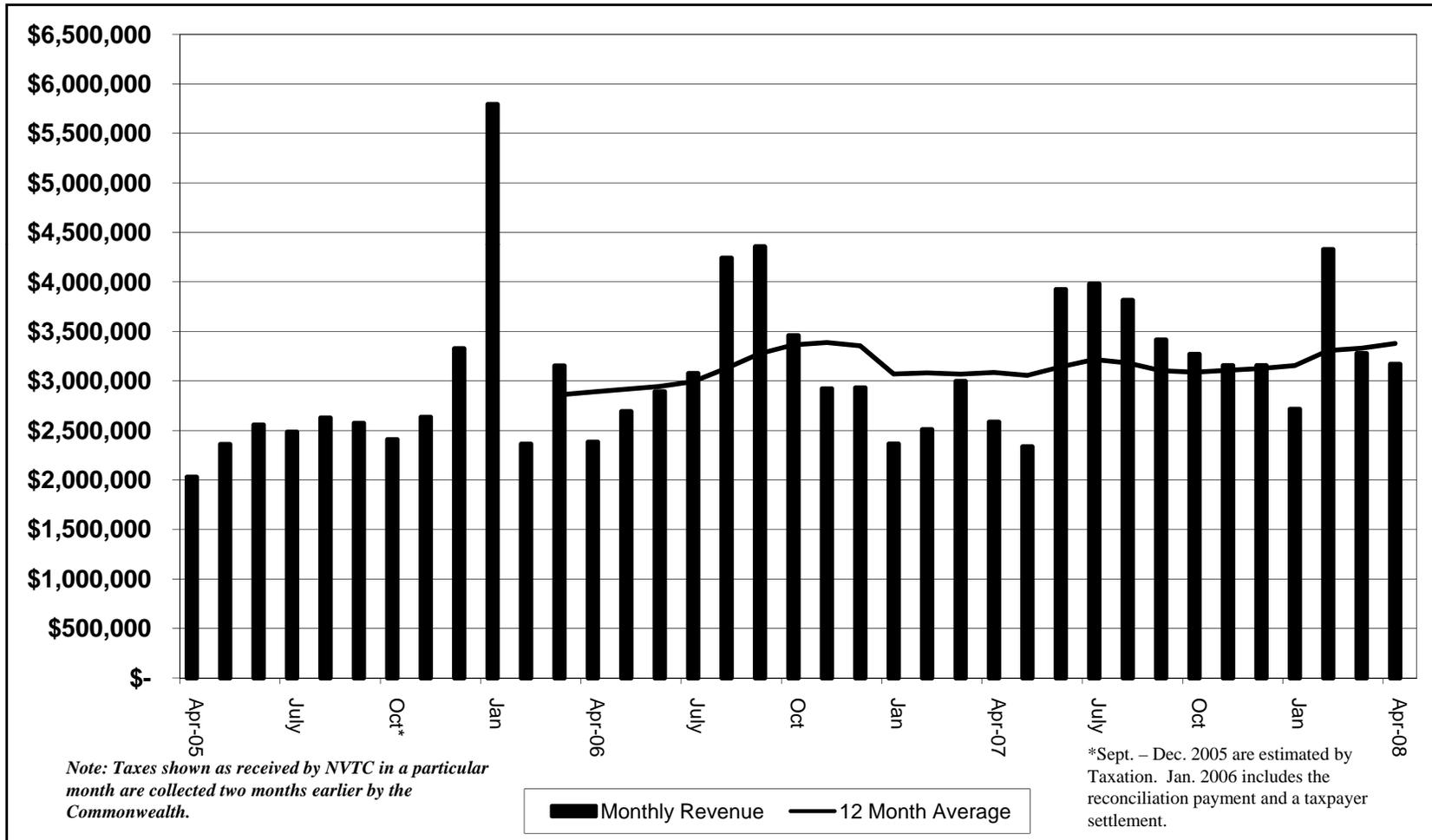
**NVTC
RECEIPTS and DISBURSEMENTS
April, 2008**

<u>Date</u>	<u>Payer/ Payee</u>	<u>Purpose</u>	<u>Wachovia (Checking)</u>	<u>Wachovia (Savings)</u>	<u>VA LGIP</u>	
					<u>G&A / Project</u>	<u>Trusts</u>
RECEIPTS						
3	Staff	Reimbursement of expenses		\$ 10.89		
3	City of Alexandria	G&A contribution		9,874.50		
7	Arlington County	G&A contribution		15,913.25		
10	VRE	Staff support		6,757.63		
14	Loudoun	G&A contribution			5,205.25	
17	Dept of Taxation	Motor Vehicle Fuels Sales tax receipts				3,169,510.06
17	DRPT	FTM/Admin grant receipts				6,824,713.00
30	Banks	April interest		192.36	1,030.02	215,900.64
			<u>-</u>	<u>32,748.63</u>	<u>6,235.27</u>	<u>10,210,123.70</u>
DISBURSEMENTS						
1-30	Various	NVTC project and administration	(122,696.36)			
1	WMATA	Bus operating				(10,917,919.00)
1	WMATA	Paratransit operating				(1,605,162.00)
1	WMATA	Rail operating				(8,121,579.00)
1	WMATA	Metro Matters				(2,442,337.00)
1	WMATA	Beyond Metro Matters				(205,683.00)
1	WMATA	Debt Service				(1,853,125.00)
1	Midway	HGI bus costs incurred	(6,500.00)			
4	Stantec	Bus data consulting	(29,898.31)			
11	Loudoun	Other capital				(17,676,005.25)
14	Loudoun	Other operating				(5,205.25)
30	Wachovia Bank	April service fees	(47.81)			
			<u>(159,142.48)</u>	<u>-</u>	<u>-</u>	<u>(42,827,015.50)</u>
TRANSFERS						
4	Transfer	From LGIP to LGIP (bus data)			29,898.31	(29,898.31)
11	Transfer	From savings to checking	60,000.00	(60,000.00)		
			<u>60,000.00</u>	<u>(60,000.00)</u>	<u>29,898.31</u>	<u>(29,898.31)</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ (99,142.48)</u>	<u>\$ (27,251.37)</u>	<u>\$ 36,133.58</u>	<u>\$ (32,646,790.11)</u>

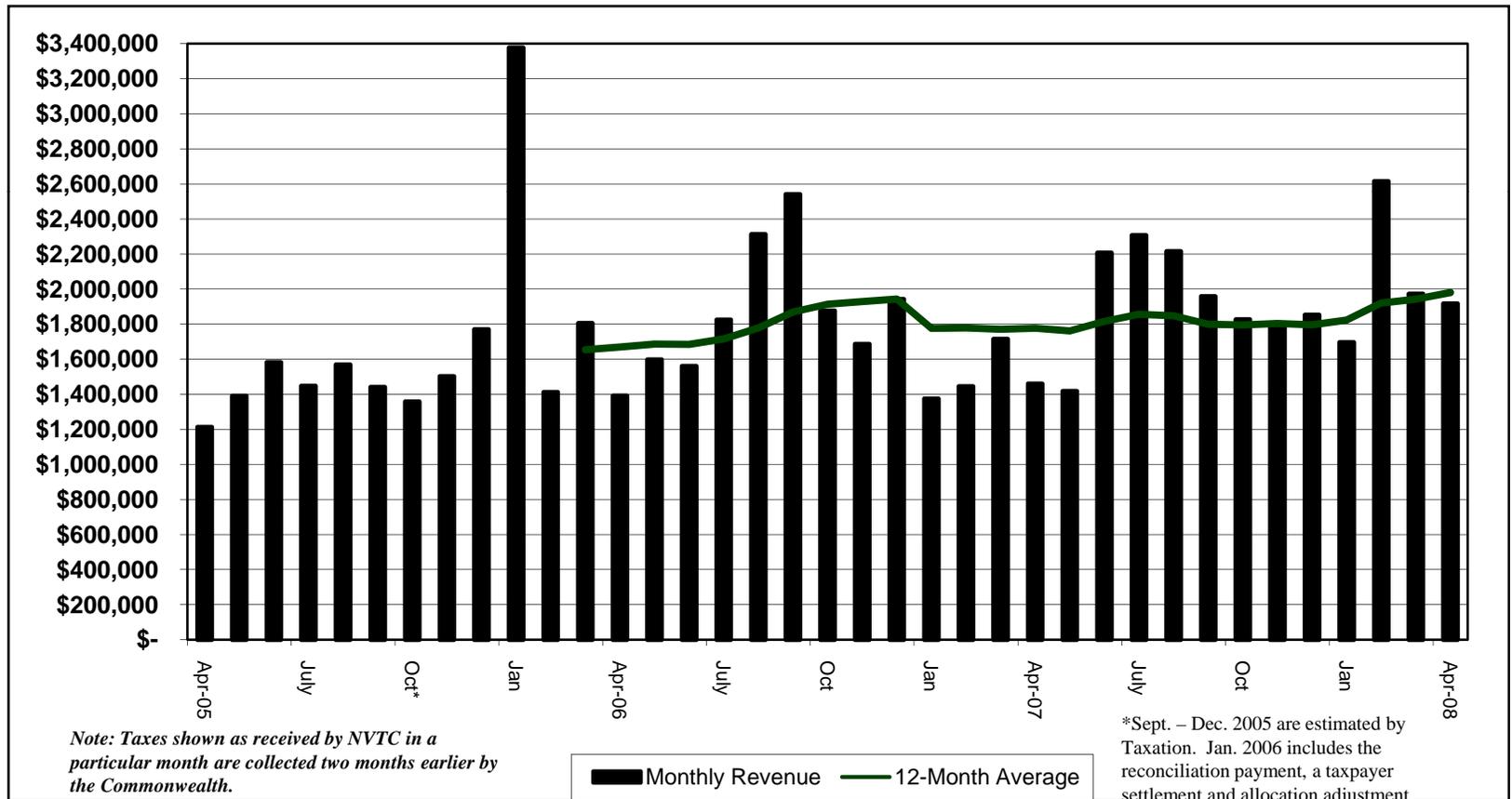
**NVTC
INVESTMENT REPORT
April, 2008**

<u>Type</u>	<u>Rate</u>	<u>Balance 3/31/2008</u>	<u>Increase (Decrease)</u>	<u>Balance 4/30/2008</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	\$ 113,918.51	\$ (99,142.48)	\$ 14,776.03	\$ 14,776.03	\$ -	\$ -
Wachovia: NVTC Savings	1.29%	197,774.36	(27,251.37)	170,522.99	170,522.99	-	-
<u>Investments - State Pool</u>							
Nations Bank - LGIP	2.84%	123,514,475.88	(32,610,656.53)	90,903,819.35	451,203.68	72,903,306.25	17,549,309.42
		<u>\$ 123,826,168.75</u>	<u>\$ (32,700,916.80)</u>	<u>\$ 91,089,118.37</u>	<u>\$ 636,502.70</u>	<u>\$ 72,903,306.25</u>	<u>\$ 17,549,309.42</u>

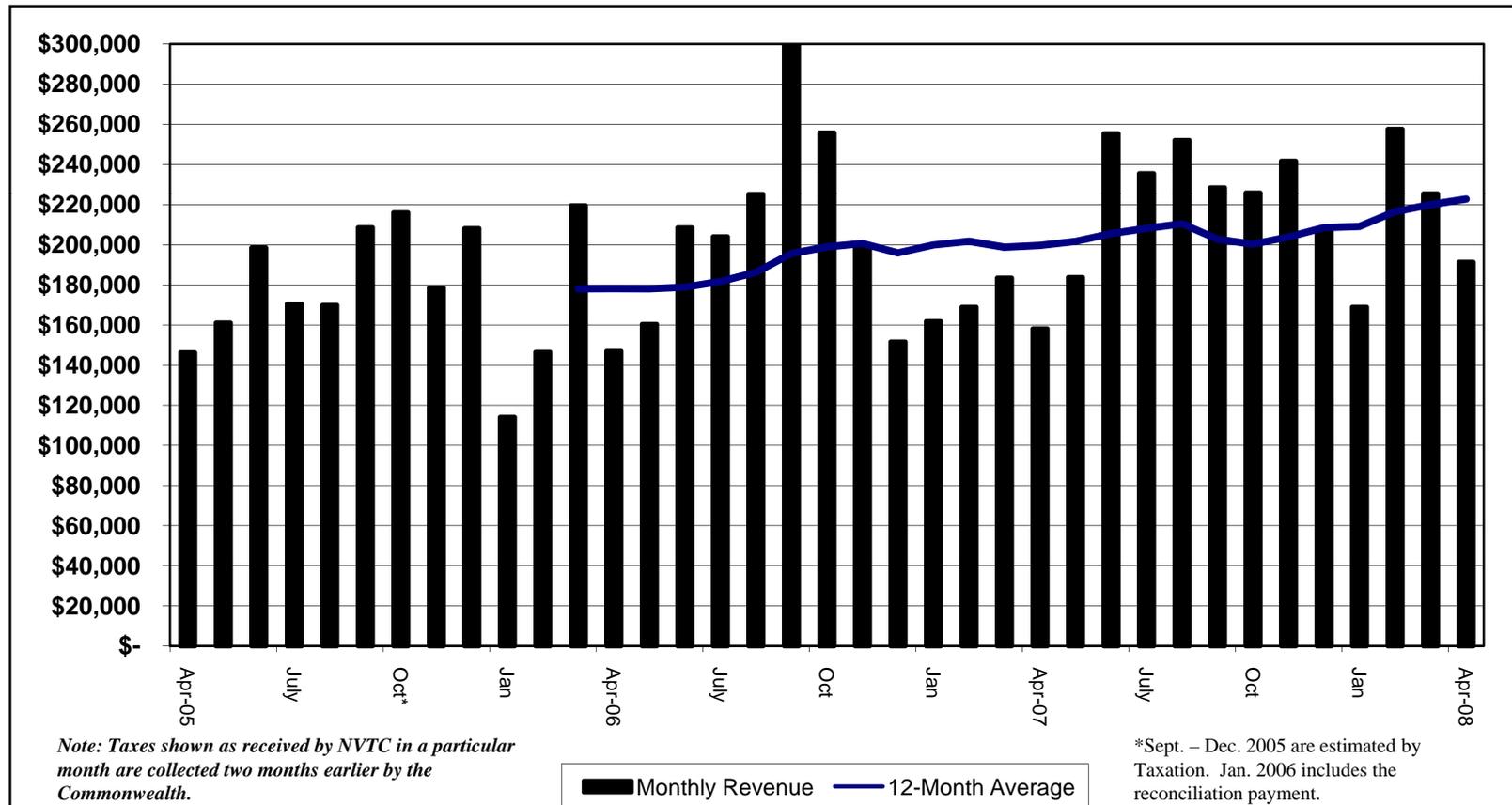
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2005-2008



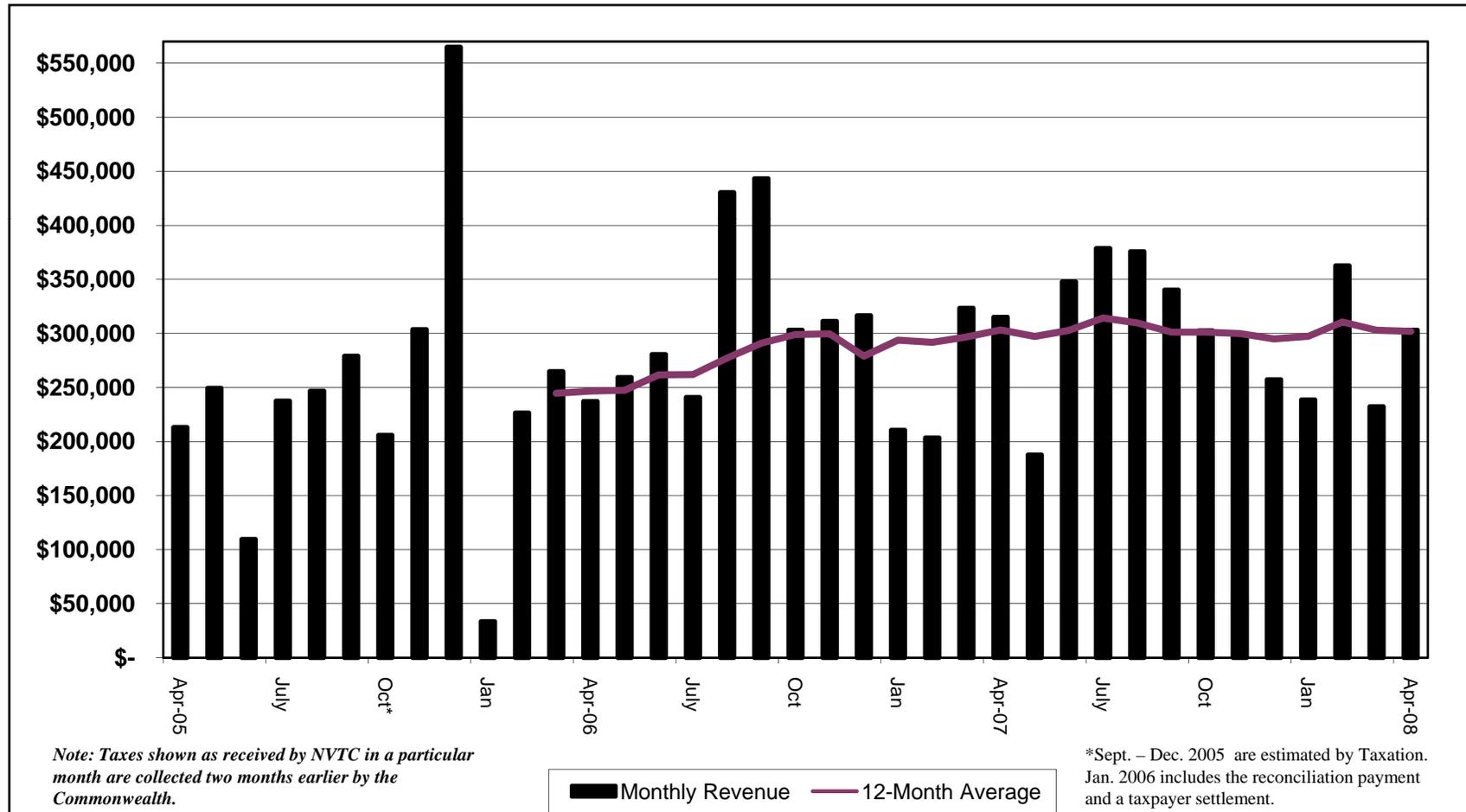
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2005-2008



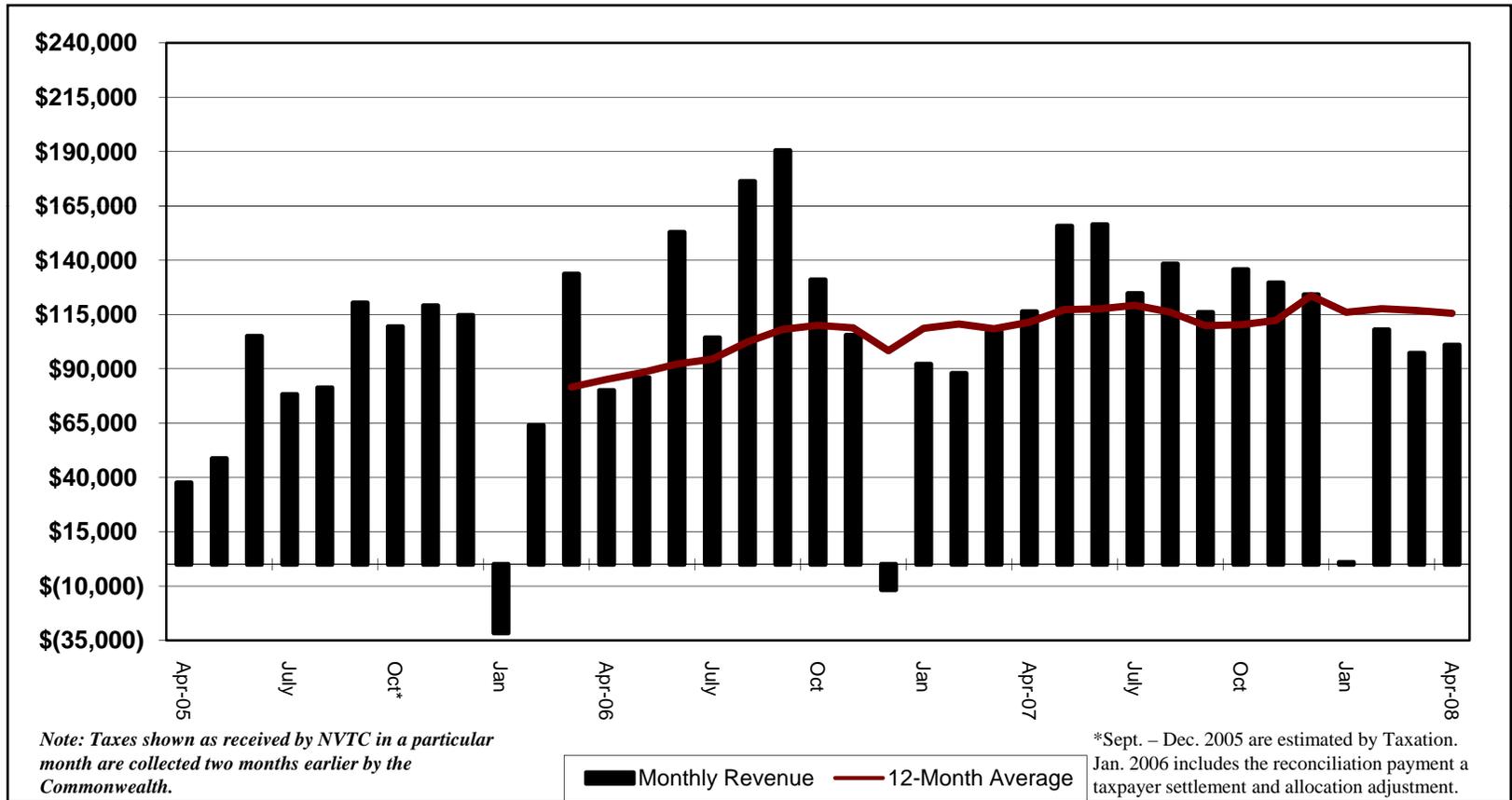
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2005-2008



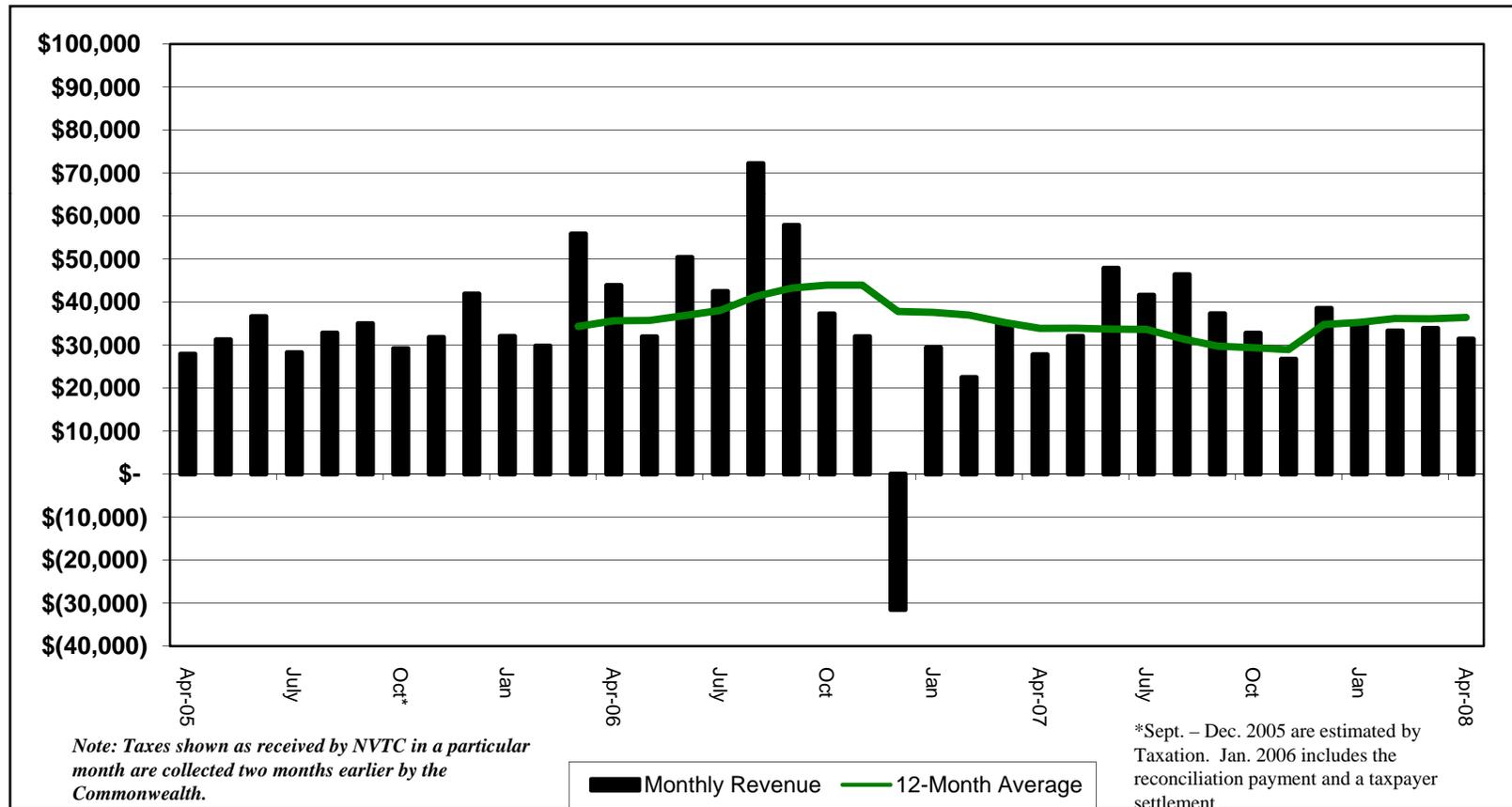
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2005-2008



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

