



NVTC COMMISSION MEETING

THURSDAY, JANUARY 8, 2009

NVTC CONFERENCE ROOM

8:00 PM

NOTE: A buffet supper will be provided for attendees.

AGENDA

1. Minutes of the NVTC Meeting of December 4, 2008.

Recommended Action: Approval.

2. Oath of Office for New NVTC Commissioners.

If any new commissioners have been selected, Chairman Euille will administer the oath of office.

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

3. Election of Officers for 2009.

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

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



4. Selection of NVTC Representatives to Boards and Committees.

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

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

5. Selection of NVTC Signatories and Pension Trustees.

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

Recommended Action: Approve Resolution #2118.

6. Public Hearing on and Approval of NVTC's 2009 Workprogram and Schedule.

NVTC staff will provide a review of significant accomplishments in 2008 and an overview of the proposed schedule and workprogram for 2009. This document has been posted on NVTC's website since early December and has been previously reviewed by staff of local jurisdictions and regional and state agencies.

Recommended Action: After the staff presentation, conduct a public hearing. Upon the conclusion of the hearing, act to approve the 2009 schedule and workprogram, incorporating comments by commissioners and the public.

7. FY 2010 NVTC Administrative Budget and Performance Objectives.

A preliminary budget was presented to the commission in September, 2008 and has been reviewed by jurisdiction and agency staff. Local contributions are held constant and expenditures increase by 3.1 percent. A second version is also provided that eliminates all staff salary increases and adjusts for a new senior NVTC employee replacing a more junior employee.

Recommended Action: The commission may choose to adopt one of the two alternative budgets and performance objectives or defer action for a month.

8. VRE Items.

- A. Report from the VRE Operations Board and Chief Executive Officer—Information Item.
- B. Approval of FY 2010 VRE Capital and Operating Budget and Revisions to the FY 2009 Budget—Action Item / Resolution #2119.
- C. Extend CSXT Operating Agreement—Action Item/ Resolution #2120.
- D. Extend Norfolk Southern Operating Agreement—Action Item/ Resolution #2121.

9. Testimony for the Commonwealth Transportation Board.

NVTC staff will review results of recent revisions to the transit portion of the six-year program with serious implications for NVTC's jurisdictions. The CTB will conduct a public hearing at the Fairfax County Government Center starting at 7:00 P.M. on January 13, 2009.

Recommended Action: Authorize NVTC's new chairman to present a statement on behalf of NVTC with specific requests to CTB to mitigate the harm from cuts in state transit assistance.

10. Legislative Items.

Copies of NVTC's approved legislative agenda have been widely distributed. The status of state and federal legislative actions will be reviewed.

Discussion Item.

11. Metro Items.

- A. Metrorail Monthly Ridership in Virginia.
- B. Series 7000 Railcar Procurement.
- C. Paper Transfers Eliminated.

Information Item.

12. Regional Transportation Items.

- A. I-95/395 HOT Lanes Correspondence.
- B. Transit Ridership Gains.
- C. Inauguration Planning.
- D. America's Worst Small Towns for Commuters.
- E. Michael Townes Interview.

Information Item.

13. NVTC Financial Items for November, 2008.

Information Item.

Note: The next NVTC meeting will be in Conference Room 3 East of the General Assembly Building in Richmond. This will be a joint meeting with the Northern Virginia Transportation Authority from 5:30 to 6:30 P.M. on February 5, 2009.



MINUTES
NVTC COMMISSION MEETING – DECEMBER 4, 2008
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Euille at 8:14 P.M.

Members Present

David Albo
Charles Badger
Sharon Bulova
Adam Ebbin
William D. Euille
Jeffrey Greenfield
Pat Herrity
Mary Hynes
Dan Maller (alternate, City of Falls Church)
Jeffrey McKay
Thomas Rust
Paul Smedberg
Christopher Zimmerman

Members Absent

Kelly Burk
Gerald Connolly
Jay Fiset
Mark R. Herring
Catherine Hudgins
Joe May
David F. Snyder
Mary Margaret Whipple

Staff Present

Lynn Everett
Rhonda Gilchrest
Scott Kalkwarf
Greg McFarland
Adam McGavock
Kala Quintana
Rick Taube
Dale Zehner (VRE)



Minutes of the November 5, 2008 NVTC Meeting

Mr. Zimmerman moved, with a second by Delegate Rust, to approve the minutes. The vote in favor was cast by commissioners Albo, Badger, Ebbin, Euille, Greenfield, McKay, Rust and Zimmerman. Commissioners Hynes, Maller and Smedberg abstained since they were not in attendance at the November meeting.

Approval of NVTC and VRE Audits for FY 2008

Mr. Taube introduced Mike Garber and Dwight Burbaker, auditors from PBGH LLC, NVTC's and VRE's audit firm. Mr. Garber reported that they met with NVTC's Executive Committee prior to this meeting and provided a detailed overview of the audits. Both NVTC and VRE received clean opinions with no management comments. Mr. Garber explained that PBGH has given NVTC three unqualified opinions, which are the best that can be given.

In response to a question from Mr. Maller, Mr. Garber explained that the loss on sale of assets of \$3,176,932 listed in the VRE audit was the result of the sale of 29 older railcars, which were disposed of earlier than they normally would have been so that VRE could purchase the double decker Gallery railcars.

Mr. Zimmerman moved, with a second by Mr. Smedberg, to authorize NVTC staff to forward the audit report and financial statements to a list of interested agencies, firms and individuals and to post the results on NVTC's website. The vote in favor was cast by commissioners Albo, Badger, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Rust, Smedberg and Zimmerman.

Legislative Items

Mr. Taube reported that NVTC's Legislative Committee is recommending adoption of the proposed NVTC and VRE legislative agendas. He provided an overview of the proposed federal and state legislative initiatives, which reflect the changes requested from local staff and elected officials. He also explained that at the request of WMATA staff, NVTC has included in its state legislative initiatives an endorsement of enacting amendments to Title 18 of the Virginia Code to include assaults on transit operators as a Class 6 felony. These additional penalties will help to improve safety for operators, passengers and the public at large. Mr. Zimmerman explained that Maryland is expected to introduce similar legislation and the District of Columbia already has legislation in place. He stated that the WMATA Board receives reports on assaults on bus operators almost every week. It has become a problem. Mr. McKay stated that it seems to make sense to have a seamless legislative solution between Maryland, Virginia and the District.

Mrs. Bulova arrived at 8:21 P.M.

Mr. McKay observed that challenges remain since most of the assaults are done by juveniles. He asked for more details about Class 6 felonies. Delegate Albo explained that once a person is convicted of a Class 6 felony, he will never be able to vote, never be able to own a fire arm, and will probably have a hard time getting a job. He also expressed concern that once this legislation passes for transit operators, then every other public employee will want the same protection. He suggested changing it to battery upon an operator who receives bodily injury shall receive mandatory jail time or some other enhanced punishment. Mr. Zimmerman stated that one could make the argument that Virginia already has laws concerning assault. Delegate Albo suggested "enhanced punishment for assault and battery of bus operators" and leave the details to the General Assembly. Mr. McKay stated that these assaults have increased over time and although it is not a serious problem in Virginia, it is important to send a message that bus operators should be protected.

Delegate Ebbin observed that the rail section of the Legislative Agenda includes amending Title 46 of the Virginia Code to prohibit pedestrians from crossing public thoroughfares when trains are present. He asked if this has been a problem in Virginia. Mrs. Bulova stated that VRE does have an issue with people trying to cross the tracks when trains are present. It is an issue at the Burke Station as well as other stations. Mr. Taube explained that as the trains are approaching the stations, people rush to get across the tracks. Chairman Euille stated that at the Alexandria Station, commuters have to cross the tracks to get to the other side to board the trains. If people are late, they try to beat the trains. He stated that this legislation would be beneficial.

Mr. Zimmerman moved, with a second by Mr. McKay, to approve the NVTC and VRE Legislative Agendas, as amended regarding the assault on bus operators. The vote in favor was cast by commissioners Albo, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Rust, Smedberg and Zimmerman. Mr. Badger abstained.

VRE Items

Report from the VRE Operations Board and Chief Executive Officer. Mrs. Bulova encouraged commissioners to read the November VRE Operations Board minutes. She stated that there are no action items.

Revised NVTC January, 2009 Meeting Date

Mr. Taube explained that NVTC's regular meeting date falls on January 1, 2009. It is recommended that the commission change that meeting date to January 8th. Since NVTA is not scheduled for that evening and the General Assembly will not be in session, this date should be available for many commissioners.

Mrs. Hynes moved, with a second by Mr. Greenfield, to change NVTC's meeting date from January 1st to January 8, 2009. The vote in favor was cast by commissioners Albo, Badger, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Rust, Smedberg and Zimmerman.

NVTC Workprogram for 2009

Mr. Taube stated that at the January meeting NVTC will conduct a public hearing on its 2009 workprogram. The workprogram has been reviewed by local staff. As an example of new activities for 2009 (listed in bold type in the draft), NVTC staff has volunteered to manage consultants to update NVTA's transportation plan. The last time it was done, NVTC staff managed the \$1 million consulting contract.

Mr. Zimmerman moved, with a second by Mr. Greenfield, to authorize staff to release the draft workprogram for public comment and to advertise the public hearing for NVTC's January 8, 2009 meeting. The vote in favor was cast by commissioners Albo, Badger, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Rust, Smedberg and Zimmerman.

Mr. Herrity arrived at 8:37 P.M.

I-95/395 HOT Lanes

Chairman Euille introduced Young Ho Chang, VDOT's contract manager for the HOT lanes project. Mr. Young Ho Chang (herein after Mr. Young) also introduced Tim Young, Michael Hatchel and Jeff Cole of Fluor Transurban. Mr. Young gave a project overview and status report. Currently, the NEPA documents are being finalized and once approved by FHWA, public hearings can begin. It is anticipated that public hearings will occur in February, 2009 at three different locations in the region. Construction for the northern section is expected to begin in late 2009 or early 2010.

Mr. Young reviewed the results of the safety study. The issues have been broken out into five major categories: lane width, shoulder width, incident management, merge/diverge/weave issues, and driver confusion. The southern portion is not as difficult because there is room to expand lanes. The northern portion is restricted to the existing width of the facility. There will be 19 emergency pull off areas in the northern section. He reviewed the lane widths and shoulder widths along the northern section.

In response to a question from Delegate Ebbin, Mr. Young stated that once the new HOT lanes are operating there will be no free time on the lanes; people will either have to carpool or pay to drive on the lanes. Delegate Ebbin also asked if there have been other successful transit demand management (TDM) initiatives anywhere else in the country. Mr. Young replied that although there are other initiatives in other areas, this project is breaking new ground.

Delegate Ebbin asked if VDOT has estimated how much traffic will be backed up on I-95 and/or I-495 during construction. Mr. Young stated that it is hard to estimate, but they know it will be a challenge. For the I-495 HOT lanes project, VDOT will contract with PRTC to run buses, which will get people used to riding transit in that corridor. In response to Mr. Smedberg, Mr. Young replied that the current lanes will need to be shut down at certain times during construction but there are restrictions on when that can happen. They will not be closed during peak travel times. He also stated that buses will have access to the lanes. There will be an extensive public outreach initiative to

educate commuters. Mr. Smedberg asked when the specific details will be provided. He especially is concerned regarding Seminary Road issues. Mr. Young stated that the analysis of Seminary Road and Shirlington should be available for local governments' review in January, 2009. VDOT will also meet with jurisdictional staff and elected officials to review details. In response to another question from Mr. Smedberg, Mr. Young stated that BRT details still need to be analyzed.

Delegate Albo asked if the technology has been selected to catch violators. Tim Young explained that legislation requires the use of electronic equipment. Currently, there is a two-tiered approach. A person who wants to drive on the HOT lanes will need to acquire a tag that can be switched between HOV and single occupant. People entering the lanes without a tag would be sent a ticket in the mail. Secondly, the State Police will focus their efforts on HOV violators (those people that drive alone but have their tag switched on HOV). Delegate Albo stated that it is important to provide information to sluggers on how it will work. Mr. Young stated that they are planning on meeting with sluggers. Mr. McKay suggested looking at sluggers' Internet blogs.

Mr. Zimmerman stated that it will be very important for all signage to communicate that every vehicle using the HOT lanes has to have a tag. It will no longer be spontaneous so drivers will not be able to pick up sluggers and use the facility without the tag. In response to a question regarding enforcement, Mr. Young explained that infrared technology is being looked at that would provide information on how many people are actually in the vehicle. Fluor Transurban is also looking at technology to query transponders to determine if drivers switch the tag from HOV to single occupant status. In response to a question from Mrs. Bulova, Mr. Young explained that the same technology will be used on the Beltway HOT lanes and that whatever technology used will be EZ pass compatible. Mr. Zimmerman observed that the technology has not been proven and Fluor Transurban is still figuring out the technological solution. Mr. Young stated that Mr. Zimmerman's statement is a fair assessment; however, the HOT lanes will not open until 2012.

Delegate Ebbin asked if BRT is only going to be used to divert traffic during construction. Mr. Young stated that the state is looking at BRT for the corridor long after construction. VDOT will be analyzing the corridor for BRT as well as the linkages and how they could interface.

Mr. McKay stated that the EPG site and the ramp at Seminary Road are essential to BRAC. He asked if in the overall HOT lanes budget, it has been assessed that there would be enough funds to do these certified projects if the Army does not fund them, since some of the justification for the HOT lanes is tied to the BRAC activity. Mr. Young replied that the Seminary Road bus-only ramp is part of the project and the direct access ramp at the EPG site is not part of the budget. It is his understanding that the Army has funding for it and is in the design phase. Tim Young further stated that the modeling has been done without the EPG site. Therefore, once the overpass is completed, traffic should move even more smoothly than initially modeled.

In response to a question from Delegate Rust, Mr. Young provided more details about the additional 6,600 parking spaces included in the project. He stated that Fluor

Transurban is responsible for 3,000 of those spaces. The remaining spaces will be funded from the \$195 million concession payment.

Mr. Zimmerman observed that statements made earlier in the discussion could be interpreted that the BRT component is assumed to be part of the project. Mr. Young clarified that the fatal flaw analysis will look at the BRT component and determine if it will be worth the investment. Mr. Zimmerman stated that there is no BRT, even though that is how the project was originally presented. Mr. Herrity stated that it is his understanding that the \$195 million will be used for investments and there will be BRT if it is determined to be the most efficient.

Mr. Smedberg asked if VDOT has a detailed outline of the public process. Mr. Young stated that he would provide this information. He stated that this project is really not that much different from other VDOT projects, although there is an added component of private sector involvement. Mr. Smedberg stated that he is concerned with the impact to commuters and the neighborhoods in these corridors. Local elected officials have already begun receiving concerns and complaints. Mr. Young stated that he will provide the public outreach plan to NVTC and as the project progresses, more information and details will be shared with the public.

Mrs. Hynes expressed concern for her constituents living in Arlington because more vehicles will be exiting the facility in Arlington than ever before and Arlington's streets could become clogged. She stated that she would feel more comfortable if VDOT created outcome statements concerning issues, such as insuring that the flow of traffic on Arlington's streets continues to work and insuring that the number of people who currently use the facility will not be reduced. If VDOT would provide some of these outcome statements, it would show that VDOT understands the concerns and issues raised by the region so that the burden is not just on the local governments. She stated that it is really hard to support this project when she does not know how it will impact the citizens of Arlington if drivers start "bailing" out of HOT lanes onto side streets when traffic is congested.

Chairman Euille thanked Mr. Young, Tim Young and the other representatives from Fluor Transurban for coming and giving this presentation.

Delegate Rust left the meeting at 9:35 P.M. and did not return.

Mr. Taube explained to the commission that a draft letter has been prepared to Virginia Secretary of Transportation Pierce Homer outlining some of the concerns raised. The commission then discussed the letter.

In response to a question from Mr. Herrity, Mr. Biesiadny explained that Fluor Transurban has stated that they will meet the federal guidelines of 45 miles per hour, but in fact it would be a degradation of service over what is currently happening today (average speed of 55 m.p.h. inside the Beltway and 65 m.p.h. below the Occoquan River). Mr. Herrity expressed his opinion that the letter should convey that the project would bring needed capacity to the corridor, but it would not be needed if the state had provided adequate funding in the past. Mr. Zimmerman stated that he could not support this change. Mr. Herrity then suggested adding a question, "What is the projected

added capacity provided by the project during peak and non-peak times for HOT Lanes, HOV and transit.”

Delegate Albo expressed his opinion that there needs to be a hard stand on minimum speed of 45 m.p.h. as opposed to average speed of 45 m.p.h. Mr. Zimmerman stated that there is a concern that if bus travel becomes less advantageous because of lower speeds, riders could be lost, which could result in lost federal formula funding. The letter should reflect that current levels of speed need to be maintained. Delegate Albo suggested the wording, “Other than traffic accidents, what is the guaranteed minimum rate of speed of vehicles on the HOT lanes?”

Delegate Albo stated that it is dangerous to let the wording of the letter be malleable and open to interpretation. There should be no transportation double-talk. Mr. Smedberg suggested some changes to the letter, including moving some sentences around. He suggested including an inquiry as to what are the traffic “hot spots” such as Seminary Road and Eads Street. Mr. Zimmerman and Delegate Albo also provided suggestions to moving different sentences around in the letter. Mrs. Hynes suggested requesting information about their plan to mitigate the hot spots so to maintain reliability of transit service rather than just asking them what are the hot spots. Mr. McKay stated that if just two hot spots are mentioned he would hope they would not conclude that these are the only two hot spots the region is concerned about. It would be more interesting to know what they consider hot spots, so he would prefer not mentioning specific hot spots. Mrs. Hynes stated that the letter could ask what the hot spots are and what are the mitigation plans for those spots.

Mrs. Bulova observed that the letter states that the current HOV lanes work “extremely” well. She stated that she has had some experiences that the existing HOV lanes are not always operating well because of different choke points. Mr. Zimmerman replied that if the standard is that there are never any problems, then it clearly does not meet those standards and never will under any circumstance. However, if it is evaluated in terms of the rate of flow of people through the corridor, then the current system is tremendously effective. Mrs. Bulova stated that “extremely” implies that there is no room for improvement. Mrs. Hynes suggested an alternative of listing the statistic that the current HOV facility on I-95/395 moves twice as many people in half the lanes compared to conventional lanes. Therefore, this is the standard that the project needs to exceed for this region to consider the project a success.

Mr. Smedberg asked if the issue of BRT should be included in the letter. Mr. Zimmerman stated he would be supportive. He expressed his opinion that he feels NVTC and the rest of the region were misled because the first presentation was a “BRT/HOT Lanes Proposal.” Chairman Euille agreed that it is important to reference BRT in the letter.

Chairman Euille stated that the letter will be revised to include commissioner comments. Mr. Smedberg asked that the letter be circulated among Executive Committee members prior to being sent. There were no objections.

Mrs. Hynes moved, with a second by Mr. Smedberg, to authorize NVTC’s Chairman Euille sign and send the letter, after incorporating the changes discussed at

this meeting. The vote in favor was cast by commissioners Albo, Badger, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Smedberg and Zimmerman.

NVTC Nominating Committee for 2009

Chairman Euille reported that he has appointed the Executive Committee to serve as the Nominating Committee. The committee will propose a slate of officers at the next meeting.

Metro Items

Ridership at Virginia's Metrorail Stations. Metrorail ridership remains very strong in Northern Virginia.

Possible Relocation of WMATA Headquarters. At its November 20th meeting, a WMATA Board committee deferred discussion until January, 2009 at the request of a District of Columbia board member.

TPB Report on Metro Access. TPB has released a report about Metro Access performance. On November 20, 2008 the WMATA Board approved the first Metro Access Revenue Vehicle Fleet Management program. The current fleet of 458 vehicles serves 21,000 customers and provided over 1.7 million trips in FY 2008. Ridership is forecast to reach 2.9 million by FY 2013.

Elimination of Paper Transfers. Effective January 4, 2009, paper transfers on Metrobuses will be eliminated. The only way to transfer will be via the SmarTrip card. Transfer times will extend from two hours to three hours of unlimited travel in either direction.

Regional Transportation Items

Media Coverage of NVTC's Mode Share Results. NVTC's media release on mode shares at the Beltway screen line in the I-95 corridor captured the attention of various media outlets.

First Third of FY 2009 Transit Ridership in Northern Virginia. Very strong ridership gains persist for all systems, although accurate Metrobus ridership data continue to be elusive.

Matt Tucker Leaving DRPT. Mr. Tucker has taken a position with the North County Transit District of California, effective January 5, 2009. He was DRPT's Director and an alternate member of NVTC's Board.

NVTC Financial Items for October, 2008

Commissioners were provided with the financial reports and there were no questions or comments.

Appreciation for Commissioner Gerald Connolly

Chairman Euille announced that Mr. Connolly is leaving NVTC after serving continuously since 1999. He has been elected to the U.S. Congress. An engraved acrylic award was on display that will be given to Mr. Connolly.

Closed Session for Personnel Item

Mr. Zimmerman moved, with a second by Ms. Bulova, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (1) of the Code of Virginia), the Northern Virginia Transportation Commission authorizes discussion in Closed Session concerning a personnel item, pertaining to the annual performance review of NVTC's executive director.

The vote in favor was cast by commissioners Albo, Badger, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Smedberg and Zimmerman.

The commission entered into Closed Session at 10:02 P.M. and returned to Open Session at 10:37 P.M.

Mr. Zimmerman moved, with a second by Mr. Smedberg, the following certification:

The Northern Virginia Transportation Commission certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act discussed; and
2. Only such public business matters as were identified in the motion by which the Closed Session was convened were heard, discussed or considered.

The vote in favor was cast by commissioners Albo, Badger, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Smedberg and Zimmerman.

Mr. Zimmerman moved, with a second by Mr. Smedberg, to approve the changes to Mr. Taube's compensation package as discussed during Closed Session and to direct Chairman Euille to convey these changes to Mr. Taube. The vote in favor was cast by commissioners Albo, Badger, Bulova, Ebbin, Euille, Greenfield, Hynes, Maller, McKay, Smedberg and Zimmerman.

Adjournment

Without objection, Chairman Euille adjourned the meeting at 10:38 P.M.

Approved this 8th day of January, 2009.

Chairman

Secretary-Treasurer



AGENDA ITEM #2

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Oath of Office for New NVTC Commissioners

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

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

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



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AGENDA ITEM #3

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Election of NVTC Officers for 2009 and Oath of Office.

NVTC's executive committee, serving as a nominating committee, has recommended the following slate of officers for NVTC for 2009.

Chairman: Hon. Chris Zimmerman
Vice-Chairman: Hon. Catherine Hudgins
Secretary-Treasurer: Hon. William Euille

The commission should vote to select its 2009 officers. Chairman Euille will administer the following oath to the new officers:

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

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





AGENDA ITEM #4

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Selection of NVTC Representatives to Boards and Committees.

The new NVTC chairman will announce NVTC nominations for the WMATA, VRE and VTA boards to be acted upon by the commission. Some of these actions may be contingent on subsequent action by local boards and councils as their nominees may not be known by January 8th. The chairman will also announce his committee assignments.

Incumbents and vacancies are listed below:

WMATA Board

Principals

Hon. Catherine Hudgins
Hon. Chris Zimmerman

Alternates

Hon. Jeffrey McKay
Hon. William Euille

VRE Board

Principals

Hon. Sharon Bulova
Hon. Patrick Herrity
Hon. Chris Zimmerman
Hon. Paul Smedberg

Alternates

Hon. Jeff McKay
Hon. Jay Fisette
Hon. Tim Lovain



Virginia Transit Association Board of Directors

Principals

Hon. Chris Zimmerman
Hon. William Eulle

Alternates

Hon. Mary Margaret Whipple
Richard K. Taube

NVTC Legislative Committee

Hon. William Eulle (Chairman)
Hon. Dave Albo (House of Delegates)
Hon. Mary Margaret Whipple (Senate)
Hon. Catherine Hudgins
Hon. Mary Hynes
Hon. Jeff Greenfield
Hon. David F. Snyder
Hon. Kelly Burk

NVTC Executive Committee

Hon. Chris Zimmerman, Chairman (nominated)
Hon. Catherine Hudgins, Vice Chairman (nominated)
Hon. William Eulle, Secretary-Treasurer (nominated)
Hon. Mary Margaret Whipple, General Assembly



AGENDA ITEM #5

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Designation of NVTC Signatories and Pension Trustees

After NVTC's new Secretary-Treasurer is elected, NVTC should adopt the attached resolution #2118. The resolution will establish that the new officer is eligible to sign NVTC documents (including financial transactions) and to serve as trustee of NVTC's Employees' Pension Trust.



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RESOLUTION #2118

SUBJECT: Designation of NVTC Signatories and Pension Trustees.

WHEREAS: The Honorable _____ has been elected Secretary-Treasurer of NVTC for 2009; and

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

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

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

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

Approved this 8th day of January, 2009.

Chairman

Secretary-Treasurer





AGENDA ITEM #6

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Public Hearing on and Approval of NVTC's 2009 Workprogram and Schedule.

The attached draft workprogram and schedule have been posted on NVTC's website for a month for review by the public. Local staff discussed the workprogram in November and December. NVTC staff will provide a brief review of 2008 accomplishments and plans for 2009 prior to a public hearing.

Following the public hearing, the commission is asked to approve the 2009 workprogram and schedule with whatever revisions are appropriate based on the public's input.





**NVTC'S 2008
ACCOMPLISHMENTS AND
2009 GOALS, OBJECTIVES,
WORKPROGRAM AND
MEETING SCHEDULE**

WHAT'S NEW FOR 2009?



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



GOALS AND OBJECTIVES



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



2008 MAJOR ACCOMPLISHMENTS



Legislative Advocacy:	Assisted NVTA in collecting regional revenues and, following the February adverse Supreme Court decision, in refunding them and shutting down NVTA's office in an orderly manner.
New Funding:	Twelve federal grants managed for Arlington, Alexandria, Fairfax County and Falls Church totaling \$8.5 million, bringing the total authorized to over \$66 million.
	Reconciled gas tax collections totaling a record \$42.3 million, up from \$38.2 million in FY 2007. 4



2008 MAJOR ACCOMPLISHMENTS



Coordinate Transit Service: Closed out \$6.1 million contract for 484 SmarTrip fareboxes for Northern Virginia's local bus systems. Tested accuracy of 99.9%. Market penetration as high as 98% (on Loudoun County Transit).

Closed out \$200,000 contract for a real-time bus arrival system (known as MARTHA and tested on Falls Church's GEORGE bus system). Final product proved to be very effective and an inexpensive option for smaller transit systems.

5



2008 MAJOR ACCOMPLISHMENTS



Manage Grants/Contracts/Trust Funds:

Awarded consulting contract for of real-time bus arrival system for Alexandria (\$738,000), including text-messaging and web-based maps.

Achieved flawless audits for NVTC and NVTA.

Managed trust fund assets of \$54 million per financial management employee at an administrative cost of less than \$0.003 per \$1 of assets.

Oversight of WMATA and VRE:

Finally received authorization for \$150 million annually in new federal funding for WMATA and worked to clarify Northern Virginia's share and develop acceptable Compact amendment language.

6



2008 MAJOR ACCOMPLISHMENTS

Regional Coordination:

Represented transit's interests in DRPT's study of transit improvements on the I-95/395 HOT Lanes assuming \$195 million of new funding.

Coordinated comments on DRPT's plans (ITS, transit, TDM, multi-modal and rail) and many new processes (asset management database, maintenance of effort, Master Agreement, performance and compliance reviews, etc.)

Completed screenline mode share study outside the Beltway in the I-95-RT 1 corridor and publicized results.

7



2008 MAJOR ACCOMPLISHMENTS

Public Information:

Continued to serve as Public Information office for NVTA and maintain NVTA website and its "virtual office."

Significantly upgraded NVTC's website with new look and improved performance monitoring.

Completed the final report on Life: Get on Board, NVTC's transit travel training project for seniors. Received award from Virginia Transit Association.

Received 3.25 million requests for e-schedules in the first 11 months of 2008, up 16% from 2.8 million in the same period of 2007.

Prepared over 30 media releases, set up over 75 TV and radio interviews, and worked with reporters on over 200 articles to support transit funding.

8



2009 MEETING SCHEDULE



- First Thursday of each month (except January 1st meeting will be January 8th).
- No meeting in August.
- February 5th meeting in Richmond on Local Government Day at 5:30 p.m. in General Assembly Building jointly with NVTA.

9



2009 WORKPROGRAM



Administrative Budget:

\$1.2 million

Includes \$310,000 local contributions (unchanged since FY 2002)

Nine employees (seven full-time)

Workprogram activities:

85 specific actions for FY 2009 organized by goal.

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2009 WORKPROGRAM



New for 2009:

Legislative Advocacy:

GIS maps of legislative districts showing transit routes and state transit shortfalls.

Post November, 2009 tour of Northern Virginia transit and transit-oriented development for legislators.

New Funding:

Identify transit projects that are ready-to-go and actively seek federal stimulus funds.

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2009 WORKPROGRAM



New for 2009:

Coordinate Transit Service:

Conduct an ITS Vendor Workshop with DRPT focusing on integration of systems and open sources.

Help coordinate transit planning for Inauguration Day.

Assist in setting up regional databases and parts inventories for SmarTrip fareboxes.

Identify opportunities for universities and transit systems to enhance campus access and relieve congestion and parking pressure.

Manage Grants/Contracts/Trust Funds:

Obtain new agreements with NVTC's state and federal grant sub-recipients to comply with mandates.

Manage Alexandria's bus arrival project and seek to integrate it with WMATA's regional database.

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2009 WORKPROGRAM



New for 2009:

Manage Grants/Contracts/Trust Funds:

Manage \$1 million TransAction 2035 plan update for NVTA.

To meet new DRPT requirements file approximately 365 progress reports on state grants in FY 2009 and twice as many in FY 2010.

At the request of local staff, seek up to \$66 million in federal grants authorized on behalf of Alexandria, Fairfax County and Falls Church.

Assist Falls Church in implementing NVTC's MARTHA real-time bus arrival system and work with DRPT to make the software widely available.

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2009 WORKPROGRAM



New for 2009:

Oversight of WMATA and VRE:

Encourage prompt enactment of Compact amendments to receive \$150 million annually of federal funding for WMATA.

Resolve with WMATA's partners Virginia's share and seek new state funding.

Coordinated Regional Efforts:

Coordinate regional comments on DRPT plans including ITS, Statewide Transit, TDM, Multimodal and Rail.

Coordinate any stops in NVTC jurisdictions for a ferry demonstration originating in Prince William County.

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2009 WORKPROGRAM



New for 2009:

Public Outreach:

Maintain NVTA's website and "virtual office."

Lead public outreach for NVTA's TransAction 2035 plan update.

Implement NVTC's federal Title VI outreach.

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2009 WORKPROGRAM



Major Ongoing Activities for 2009:

Legislative Advocacy:

Annual state and federal NVTC legislative agenda.

Annual VTA legislative agenda.

CTB pre-allocation testimony.

Funding:

Maintain educational PowerPoints on "How Transit is Organized in Northern Virginia" and "The Case for Increased Funding of Public Transportation in Northern Virginia."

Employ database and spreadsheet models for monthly reconciliation of Virginia Department of Taxation motor fuels tax collections and work with on-site auditors to resolve discrepancies. NVTC receives and holds in trust over \$40 million annually.

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2009 WORKPROGRAM



Major Ongoing Activities for 2009:

Coordinate Transit Service:

Manage consultants and auditors for collection of data and submission of NTD reports yielding \$6 million annually for WMATA over and above NVTC's costs.

Grants/Contracts/Trust Funds:

Maintain NVTC subsidy allocation model (up to \$200 million distributed annually.)

Apply for up to \$300 million of state assistance annually.

Manage jurisdiction trust fund accounts with balances averaging over \$100 million.

Execute an annual contract to provide buses for Falls Church's GEORGE.

Complete \$52,000 test of hydrogen-fuel injection on CUE buses in the city of Fairfax and publicize the results.

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2009 WORKPROGRAM



Major Ongoing Activities for 2009:

WMATA and VRE:

Appoint board members.

Co-own VRE assets of \$138 million.

Protect NVTC's interests as new members of VRE are considered.

Coordinated Regional Efforts:

Maintain transit performance database on-line and work continuously to verify accuracy and publicize results.

Coordinate studies in major corridors and publicize results.

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2009 WORKPROGRAM



Major Ongoing Activities for 2009:

Public Outreach:

Maintain, improve and promote NVTC's website as the primary source of transit information in the region.

Maintain e-schedules for transit customers using NVTC's consultants.



NVTC FY 2009 WORK PROGRAM

List of Products/Projects

<u>Goal #</u>	<u>Products/Projects</u>
1. Policy and Advocacy	<ul style="list-style-type: none">-GIS maps of General Assembly districts showing transit routes and state transit funding shortfalls.-Annual state and federal legislative agenda.-Annual Virginia Transit Association legislative agenda.-Provide subscription legislative tracking service to NVTC/PRTC jurisdictions/agencies.-Post November, 2009 legislative tour of Northern Virginia transit and transit-oriented development.-CTB pre-allocation testimony.
2. Funding	<ul style="list-style-type: none">-Maintain PowerPoint presentations on the "Case for Increased Funding of Public Transit in Northern Virginia," "How Transit is Organized in Northern Virginia," and the "VRE Chronology."-Reports to MAC and NVTC on reconciliation of Department of Taxation's motor fuel tax collections (\$40 million annually.)-On-line guidebook on sources of funding for transit projects.



3. Coordination

-Manage consultants and auditors for collection and filing of National Transit Database reports (yields \$6 million for WMATA annually).

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

-Manage and promote regional e-schedule project.

4. Grants/Contracts/Trust Funds

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

-Apply on behalf of NVTC jurisdictions, WMATA and VRE for state grants (eligibility of up to \$300 million).

-Provide up to 365 progress reports in FY 2009 to DRPT on WMATA and jurisdiction grant-funded projects, expected to double in FY 2010.

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

-Prepare financial statements for fiscal year independent audits of NVTC and NVTA.

-Manage NVTA's transportation plan update (TransAction 2035 @ \$1 million).

-Manage Alexandria's federal grant-funded city wide bus technology project (\$1 million +), and obtain funds for its share of the Potomac Yard project (\$5 million authorized) and Eisenhower Valley transit improvements (\$1.9 million).

-Manage Arlington's federal grants for Potomac Yard (\$1.2 million so far) and authorized to obtain funds for CNG buses, Rosslyn Metrorail and other improvements totaling \$7.1 million.

-Obtain authorized federal funding for Fairfax County's projects in Route 1 corridor, Metro Matters, and access ramp improvements at Vienna Metro totaling \$51.0 million.

-Obtain authorized federal grant funding of \$2.1 million for Falls Church's intermodal transit center.

-Produce and adhere to performance based annual

administration budget (\$1 million +).

-Implement low-cost software for automated bus location in Falls Church (MARTHA for GEORGE).

-Execute contract to provide buses for Falls Church's GEORGE.

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

5. WMATA and VRE

-Appoint WMATA and VRE Board members.

-Responsible for VRE assets co-owned with PRTC of \$268 million.

6. Coordinated Regional Efforts

-Maintain transit performance on-line database.

-Using GIS tools, develop a report on per-capita transit ridership in areas actually served by transit.

-Direct annual mode share corridor studies and reports with VDOT and MWCOG.

-Conduct an ITS Vendor Workshop with DRPT focusing on integration of systems and open sources.

-Help coordinate transit planning for Inauguration Day.

7. Public Outreach

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

-Direct NVTA's public outreach mission and maintain website.

-Direct public outreach for NVTA's regional transportation plan update (TransAction 2035).

-Produce podcasts to promote transit use.

-Maintain e-schedules for transit customers using NVTC's consultant.



NVTC'S 2009 GOALS, OBJECTIVES AND WORKPROGRAM

--DRAFT: November 18, 2008--



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2009 NVTC Meeting Schedule

[Meetings start at 8:00 P.M.]

<u>MONTH</u>	<u>DATE</u>	<u>AGENDA</u>
January	8	Elect officers. Select WMATA and VRE Board members, VTA representatives and NVTC Legislative Committee members. Conduct a public hearing and approve 2009 goals, schedule and workprogram. Approve FY 2010 VRE budget. Discuss draft NVTC FY 2010 budget.
February	5*	Approve FY 2010 NVTC budget. Review progress on state and federal legislative agenda. Approve NVTC and VRE state grant applications.
March	5	Review progress on state and federal legislative agenda. Review progress on WMATA budget for FY 2010.
April	2	Review completed 2009 General Assembly session.
May	7	Approve comments on WMATA FY 2010 budget.
June	4	Focus on regional transit performance. Renew Falls Church/WMATA/NVTC operating agreement for GEORGE.
July	2	Review mid-year progress on NVTC workprogram. Approve DRPT contracts for NVTC and VRE FY 2010 grants.
August		No Meeting.
September	3	Forward preliminary NVTC FY 2011 budget to local jurisdictions.
October	1	Review quarterly progress on NVTC's workprogram. Approve CTB pre-allocation testimony.
November	5	Approve FY 2009 NVTC and VRE audits.
December	3	Select NVTC Nominating Committee for 2010 officers. Approve legislative agenda for 2010. Review progress on 2009 workprogram and release draft 2010 workprogram for public review and comment.

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

NVTC EXECUTIVE COMMITTEE
2009 MEETING SCHEDULE

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

<u>MONTH</u>	<u>DATE</u>	<u>SUBJECT</u>
January	8	Legislative items.
February	5	No meeting.
March	5	Review General Assembly session.
April	2	Review quarterly progress on workprogram.
May	7	Review NVTC policies on topical transit issues.
June	4	Examine VRE performance.
July	2	Mid-year review of progress on workplan. Meet with auditors to preview FY 2009 audit.
August		No meeting.
September	3	Preliminary NVTC FY 2011 budget. Executive director performance review.
October	1	Review quarterly progress on workprogram.
November	5	FY 2009 NVTC and VRE audits.
December	3	Select NVTC Nominating Committee for 2010 officers. Consider 2010 legislative agenda. Review progress on 2009 workprogram and preview 2010 workprogram.

NVTC MANAGEMENT ADVISORY COMMITTEE
2009 MEETING SCHEDULE

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

<u>MONTH</u>	<u>DATE</u>	<u>SUBJECT</u>
January	20	FY 2010 state grant application; NVTC administrative budget for FY 2010; NVTC legislative agenda.
February	17	Progress on legislative agenda.
March	17	Review of legislative accomplishments; WMATA FY 2010 budget issues.
April	21	To be determined.
May	19	To be determined.
June	16	Mid-year progress review on NVTC workprogram; authorize funding of scope of work for NTD data collection; authorize funding of scope of work for e-schedules maintenance and promotion.
July		No meeting.
August	18	NVTC preliminary administrative budget for FY 2011.
September	15	Review draft CTB pre-allocation testimony.
October	20	NVTC audit for FY 2009.
November	17	Draft NVTC legislative agenda for 2010; first draft 2010 NVTC work program.
December	15	Proposed 2010 workprogram; VRE and NVTC budgets for FY 2011.

NVTC MISSION STATEMENT

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

GOALS AND ACTIONS FOR 2009*

1. DEVELOP POLICY AND ADVOCATE FAVORABLE LEGISLATION

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

Actions:

1. With the support of local staff, identify transit issues that require policy decisions and assemble data and perform policy analyses to facilitate those decisions (e.g. fare integration, development of new technology, service expansion, customer safety and system security). Work with local legislative liaisons to develop strategies for improved transit funding and to educate General Assembly members about Northern Virginia's transit needs. Update and distribute tools such as GIS maps of General Assembly districts to illustrate transit service availability and funding needs.
2. Adopt a state and federal legislative agenda and work with local jurisdictions, Virginia Transit Association (VTA) and other groups, as appropriate, to implement the agenda and the supporting NVTC policies. Work with delegations in Richmond and in Washington D.C. as needed to promote NVTC's approved agendas. **Capitalize on opportunities as a new pro-transit administration takes office with a supportive Congress and the need to stimulate the economy. Emphasize a greater role for transit in authorizing the next six years of federal funding programs.** Conduct NVTC's February meeting on Local Government Day at the General Assembly in Richmond, **jointly with the Northern Virginia Transportation Authority.** Obtain reduced rate for on-line legislative monitoring service and share access with member jurisdictions. Provide legislative alerts to commissioners and local staff during the session. Focus on transit funding.
3. Participate on the American Public Transportation Association's (APTA) legislative and commuter rail committees to define and implement a federal legislative strategy as part of a broad, nationwide pro-transit coalition. Provide special assistance to areas contemplating new commuter rail service.
4. Participate on VTA's executive, legislative and ad hoc committees to help define and implement an effective state legislative strategy for the transit industry and strengthen VTA as an organization and keep it responsive to Northern Virginia's concerns. Co-chair VTA events such as the Transit Day rally in Richmond, chair VTA's Legislative Committee, **encourage NVTC board members to serve as VTA officers** and assist transit systems in special legislative promotions with NVTC's public outreach and web-design expertise.

5. Prepare written testimony and appear at the CTB's annual pre-allocation hearings on public transit funding priorities and at the Transportation Planning Board (TPB) and other hearings as appropriate. Advocate NVTC's policies including balanced transportation and stable and reliable funding.
6. **After the November, 2009 elections, prepare and distribute detailed maps for each legislative district showing transit service and funding needs.**
7. **Perform research and policy analyses that support NVTC's legislative positions, such as monitoring the relationship between gas prices, vehicle miles traveled by automobiles and transit ridership.**

***Note : New initiatives for 2009 are shown in bold type.**

2. SEEK AND ADVOCATE FUNDING

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

Actions:

1. Through NVTC's Management Advisory Committee, coordinate with WMATA and local transit systems potential regional CMAQ and RSTP transit project applications to be submitted to the Northern Virginia Transportation Authority (NVTA) by NVTC each year. Apply for funds and prepare air quality analyses at the request of NVTC's jurisdictions (e.g. Air Quality Code Red free bus fares).
2. Produce financial projections and analyze alternative funding mechanisms to bridge the growing gap between transit operating and capital needs versus available financial resources. Actively participate in regional and statewide efforts to define public transit needs and identify funding sources, such as corridor studies, TPB's vision plan and constrained financial plan update, VTrans **2035** and Northern Virginia's 2035 transportation plan update. Analyze funding proposals produced by those studies and identify policy issues for consideration by the commission. Maintain **up to date** PowerPoint presentations on "The Case for Increased Funding of Public Transportation in Northern Virginia," "**How Public Transportation is Organized in Northern Virginia,**" and the "**VRE Chronology**" to help educate elected officials, the media and the public.
3. Identify and seek to implement stable, reliable, permanent and dedicated funding sources for operating and capital expenses for WMATA, VRE and local transit systems. Help coordinate regional efforts and prepare analysis tools, brochures and editorials to promote such funding. Safeguard the current sources of transit funding available to NVTC's local governments.
4. Organize improved information sharing between local governments and the Virginia Department of Taxation and more effective auditing to facilitate efficient collection of NVTC's two percent motor fuels tax and increased knowledge of taxpayer responsibility on the part of gas station owners. Provide office space for an administrative employee of the Department to assist in monitoring compliance. Employ database and spreadsheet models to identify unanticipated **discrepancies** for particular stations and jurisdictions. Monitor the required reconciliation of motor fuels tax collections by jurisdiction. Brief NVTC's MAC group regularly on processes, issues, and solutions.
5. Serve as the central point of contact for Northern Virginia transit system financial information. Periodically update NVTC's guidebook on sources of funding for transit projects. Identify and obtain funding for new transit projects that are recommended by NVTC's jurisdictions.

3. COORDINATE TRANSIT SERVICE

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

Actions:

1. Work with local governments to coordinate collection and dissemination of performance data for FTA's National Transit Database reports. Collect performance data and maintain a shared database that uses NTD and other sources. Encourage transit systems to use the data to improve efficiency. Publish the data on NVTC's website. Help Northern Virginia's transit systems comply with DRPT's new performance data requirements. **Ensure that the data are consistent, timely and accurate. Determine interest in a regional performance measurement workshop (jointly with DRPT). Develop accurate performance data on per capita transit ridership for those areas actually served by transit. Use GIS to identify populations within range of transit routes. Develop a methodology and share with DRPT for statewide use.**
2. Manage consultants to continue NTD data collection for all of Northern Virginia's transit systems and oversee collective funding of this work that brings at least \$5 million annually of federal revenues to this region.
3. **Assist WMATA and Northern Virginia's transit systems in utilizing SmarTrip fareboxes and implementing efficient regional databases and parts inventories.**
4. Manage a related contract with DRPT for SmarTrip point-of-sale devices for Loudoun County.
5. Assist Northern Virginia's transit systems in planning for the success of the regional **initiatives such as the SmarTrip customer service center/clearinghouse and the elimination of paper transfers.**
6. Manage the region's ongoing CMAQ-funded program to provide free bus fares during forecast Air Quality Code Red Ozone alerts. **Continually analyze the effectiveness of the program and suggest ways to make it more efficient in reducing air pollution and greenhouse gases.**

7. Continue an ongoing project to provide free electronic transit schedules to persons using personal digital assistants and pocket computers. Ensure that transit schedules are kept current, work to expand to the entire metropolitan region and report regularly on performance. Develop an annual operational and promotional budget for funding by the local jurisdictions and manage the agreed upon marketing campaign, including interior bus and bus shelter display ads and website promotions.
8. Support regional pedestrian safety initiatives and encourage bicycle and pedestrian use. Publicize and seek to expand "bike on rail **and bus**" opportunities. Encourage all agencies to incorporate bike and pedestrian access at major transit centers and transfer locations. Assist VDOT in ensuring that the recommendations from its Northern Virginia Regional Bikeway and Trail Network study that focus on connections to transit are implemented. Support initiatives of such groups as the National Center for Bicycling and Walking and its Walkable Communities Workshops. Poll transit systems to determine the extent of bicycles on-board buses and railcars. With this data, propose methods to increase such use.
9. Serve on regional task forces examining options for improved transit, such as WMATA's Regional Mobility Panel and the Pike Transit initiative.
10. Assist Northern Virginia's transit systems in monitoring progress on 511 traveler information telephone systems.
11. Utilize regional bus stop and route network databases to analyze opportunities for transit service improvements, using GIS and other tools. Also consider improvements in bus shelter availability and maintenance.
12. **Identify opportunities to bring together universities and transit systems to enhance access to campuses and relieve parking pressure, partially funded with student fees.**
13. **Renew each June 30th the joint operating agreement with Falls Church, WMATA and NVTC for GEORGE. NVTC controls the buses.**

4. MANAGE GRANTS, CONTRACTS AND TRUST FUNDS

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

Actions:

1. Use NVTC's subsidy allocation model to incorporate the most recent WMATA and local budget information on transit costs, revenues and subsidies. Using NVTC's adopted allocation formula, determine each local government's share of NVTC assistance. Use their percentages to apportion shares of local contributions to NVTC's administrative budget. Maintain detailed spreadsheets to calculate NVTC's formula. Provide early estimates each year to assist local governments in budget planning.
2. Prepare and submit NVTC and VRE state grant applications (approximately \$200 million) due on February 1, 2009, using DRPT's automated OLGA system.
3. Manage state grants to prepare proper billings, obtain timely reimbursements and file quarterly progress reports. Reprogram funds as needed, in consultation with NVTC's Management Advisory Committee, to be certain grant funds are spent on eligible projects within the state time limits (**e.g. Burke Centre VRE canopy, Route 1 transit improvements**). Work with grantor agencies to achieve the maximum feasible flexibility in using the funds in order to meet expiration deadlines with no loss of funds. **Obtain agreements with sub-recipients to ensure compliance.**
4. Prepare timely and accurate quarterly cash flow forecasts of transit assistance sources and uses for NVTC's local jurisdictions. Assist local jurisdictions in spending promptly the proceeds of state bond issues.
5. Prepare financial reports for NVTC's annual audit. Manage a multi-year audit services contract. Accomplish an unqualified auditors' opinion and provide to the appropriate regulatory agencies. Anticipate concerns of outside auditors and work to alleviate in advance any such concerns. Develop and implement appropriate responses to any concerns of auditors contained in management letters.
6. Respond to DRPT's new audit initiatives and grant policies and work with NVTC's jurisdictions to fine-tune the new procedures, if necessary, so they work to the advantage of all parties. Encourage DRPT to provide timely grant contracts.
7. Maintain up-to-date compilations of state and federal grant regulations. Ensure staff is adequately trained in grant and project management and alerted to any changes in regulations. Maintain current procurement documents to facilitate prompt release of authorized requests for proposals and invitations for bids. **Obtain agreements with sub-recipients to ensure compliance.**

8. Promote NVTC as an effective grant-management agency to assist NVTC's jurisdictions. Approach other agencies to have NVTC apply for and manage such grants as CMAQ/ RSTP.
9. **Manage** federal funds on behalf of Alexandria for demonstrations of new bus technologies. Procure consulting assistance and manage projects for the city, **including a real-time bus arrival information system. Work to integrate this system with WMATA's regional database.**
10. Apply for federal funds on behalf of Fairfax County for bus facility and service improvements in the Route 1 corridor. Work with Fairfax County's project manager to ensure timely compliance with all federal grant regulations.
11. Work with Alexandria and Arlington to apply for federal funds for BRT service improvements in the Crystal City/Potomac Yard corridor, for subsequent citywide transit improvements in Alexandria, and for access improvements in Rosslyn. If it is mutually agreed to proceed, seek authorization to execute administrative agreements with those jurisdictions. The agreements would specify the respective management responsibilities of all the parties and the timing of the future grant applications that NVTC will be called upon to submit.
12. **Manage NVTA's regional transportation plan update (TransAction 2035).**
13. If asked by Arlington and Fairfax County, serve as project manager for the Columbia Pike Streetcar project.
14. Provide accounting services to NVTA without charge **and manage any required NVTA audits. Also maintain financial records, obtain any needed insurance and notify regulatory agencies.**
15. Continue to publicize the results of the Phase 1 and Phase 2 **NVTC senior mobility studies**. Work with transit systems to test and implement the recommendations.
16. To facilitate NVTC management accountability, accomplish performance-based budgeting. The proposed FY 2010 budget incorporates 12 performance measures for NVTC's administrative and financial management functions as well as seven measures for the planning, project management, public outreach and legislative functions.
17. **Cooperate with DRPT to promote NVTC's MARTHA project that developed and tested** low-cost software using cell-phones mounted on buses to locate vehicles and allow customers to receive real-time arrival information. Provide the results for use at smaller transit systems around the commonwealth **using open source software protocols. Develop a guidebook for transit systems to select appropriate bus arrival products. Seek a grant to modify MARTHA system to import Google Transit's route and stop data directly. Report to**

NVTC's board on the status of real-time bus arrival systems among NVTC's jurisdictions, including costs and benefits of each. Assist Falls Church with implementing the MARTHA system, including operating staff and customer surveys, if asked.

18. **Complete the final report on a grant-funded contract to equip four city of Fairfax CUE buses with hydrogen fuel injection systems to demonstrate for at least 9 months the air quality and fuel efficiency benefits compared to costs. Publicize the results to assist transit systems elsewhere. Seek to develop similar technologies using lessons learned.**

5. PROVIDE OVERSIGHT FOR WMATA AND VRE

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

Actions:

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

- 10. Protect NVTC's interests as additional jurisdictions are encouraged to join PRTC and become participating VRE members.**

6. COORDINATE REGIONAL EFFORTS

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

Actions:

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

USDOT. Complete evaluation reports on lessons learned from demonstrations of new technology for grant-funding agencies and other interested parties. **Coordinate comments for DRPT's ITS plan, with emphasis on non-proprietary devices and software, integration and proper ITS regional architecture. With DRPT, conduct an ITS Vendor Workshop focusing on integration of systems and open sources.**

7. Develop information from research on this and other regions to help NVRTA, WMATA and other transit organizations define lower-cost strategies for meeting congestion challenges in the short term using such mechanisms as exclusive transit lanes, bus rapid transit, priority lanes, queue jumping, jitneys, route-deviation transit, **vanpools** and real-time information devices. Publicize the results and work to achieve public acceptance. Work with the local jurisdictions to initiate appropriate demonstrations of these mechanisms. **For example, consider ways in which vanpools could be encouraged with seed money, gas cards or temporary paid drivers. Obtain data on current vanpool use (origins/destinations) and examine whether data can be obtained to qualify WMATA to receive more FTA formula funds. Explore improved connections to VRE stations and other suburb to suburb commutes via taxis and vanpools.**
8. From various published forecasts, plans and corridor studies, assemble mode split and other data to provide a convenient source of comprehensive transit market performance data. Use the data to encourage efficient transit management, expanded transit ridership and greater public awareness. Use newly available statistically significant traffic counts by MWCOG/TPB of persons traveling in Northern Virginia's major corridors. Advocate continued and expanded funding for these corridor traffic counts. Make this information available in user-friendly formats on NVTC's website. Work to expand the counts and mode share calculations.
9. Actively promote telework initiatives and encourage the commonwealth to take the lead with its own employees and the private sector.
10. Assist transit systems, VDOT, DRPT, TPB, MWCOG and others in developing and testing coordinated regional emergency response plans. Focus on developing a unified transit position to facilitate these plans. Update a series of transit emergency response plans, focusing on key station areas in Northern Virginia, **Maryland and D.C. via the Regional Bus Operators Group meeting at WMATA.** Considerations include bus re-routing, traffic signalization, signs, and communications. Monitor MWCOG's RESF 1 process for responses to severe emergencies and assist in developing MWCOG's Regional Transportation Coordination Plan for incidents of less severity.
11. Examine public-private HOT lane proposals for the Beltway, I-95 and elsewhere and work to ensure adequate transit access and the use of toll revenues to help support transit operations. Actively participate on the new DRPT Transit Advisory Committee to articulate transit concerns and resolve any issues. Take

the lead in assertively presenting a coordinated transit plan **that protects the interests of transit systems and their customers.**

12. Assist area transit agencies and local governments in resolving an effort by the Fredericksburg Area MPO to divert some federal transit formula assistance away from WMATA. NVTC opposes this diversion.
13. Assist area transit agencies and local governments in preparing for the expected disruptions due to the Base Realignment and Closure Commission's recommendations to shift tens of thousands of new jobs to Ft. Belvoir/Engineering Proving Ground. Help articulate and advocate comprehensive transit improvements.
14. Assist other MWCOG groups working for cleaner air, including MWAQC and Clean Air Partners with an emphasis on reducing greenhouse gases through transit use.
15. **Coordinate access to potential ferry demonstrations originating in Prince William County that may seek to serve one or more of NVTC's jurisdictions.**
16. **Look for opportunities to apply lessons learned in NVTC's senior mobility study, parts 1 and 2, including enhanced travel training.**
17. **Help coordinate transit planning for Inauguration Day.**

7. DELIVER PUBLIC INFORMATION, MARKETING AND CUSTOMER SERVICE

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

Actions:

1. Serve as the central point of contact for the news media, interest groups and the general public for transit issues in Northern Virginia, making referrals to other transit agencies and local governments when appropriate. Initiate contacts with media representatives via calls and visits. Provide NVTC's reports, analyses and policies with easy to understand explanations of their content and significance. Help transit systems prepare to respond effectively to media and other public inquiries during emergencies and at other times by sponsoring seminars on best practices. Establish media opportunities for NVTC board members to promote NVTC's mission.
2. Assist NVTA's public outreach mission actively **maintain NVTA's "virtual office" and website, and lead public outreach for NVTA's regional transportation plan update (TransAction 2035).**
3. Provide the following resources to the public utilizing enhanced graphics and GIS-mapping:
 - a. Maintain and improve NVTC's website, to focus on informing the public about opportunities to be involved in regional transit and ridesharing planning;
 - b. Distribute NVTC's brochure, reports and agendas to encourage more public involvement, again emphasizing easy-to-use web-based applications;
 - c. Publish electronically an annual NVTC Handbook to provide a detailed description of the commission's history, mission and accomplishments, including the commission's workprogram, policies and by-laws;
 - d. Link to other regional transit databases to provide information about regional transit services to better inform the public;
 - e. Maintain a transit system performance database;
 - f. Staff transit information booths at fairs and other public events;
 - g. Prepare NVTC faxed/e-mailed alerts to persons wishing to be kept informed on some or all transit issues in Northern Virginia, with direct links to NVTC's website;
 - h. Distribute periodic "transit nuggets" with information about transit's success in a catchy format that can be posted on web-sites and used by transit advocates in educating the public;

- i. Provide draft letters on NVTC's website for the use of citizens wishing to support NVTC's legislative and policy positions. Provide links to other groups supporting these positions; and
 - j. Continue distribution of NVTC's monthly meeting materials primarily via NVTC's website with e-mailed notices.
 - k. Provide timely material for "blog sites" on relevant topics.
4. Survey WMATA, VRE and local jurisdictions to compile innovative marketing activities, host coordination meetings, facilitate transit topics for the Marketing and Outreach Specialists Consortium and the Northern Virginia Public Information Officers and report at least annually to the commission and jurisdictions. Cooperate with DRPT in establishing an annual statewide conference for Virginia transit communicators to share insights. Assist APTA in marketing and public information activities. Help plan VTA conferences.
 5. Continue technical support for transit stores and Transportation Management Associations (e.g., serve on Boards of Directors and consultant selection committees). Assist with logo design, marketing, consultant selection, performance evaluation, fare collection, web design and customer service issues. **Compile and post on NVTC's website a list of transit stores and TMA's in the region.**
 6. Look for opportunities to partner in order to stage events **and promotions** that will emphasize the effectiveness of transit and ridesharing and the need for additional transit funding (**e.g. Greater Washington Board of Trade, Google.**)
 7. **After the November, 2009 elections**, conduct periodic tours of transit systems and transit-oriented development for legislators and senior state officials, with the cooperation of NVTC's transit systems and local legislative liaisons.
 8. Monitor NVTC and NVTA website performance with monthly and quarterly compilations of user statistics.
 9. Reach out to "electronic hitchhiking" firms (e.g. NuRide) and car-sharing organizations (e.g. Zip Car) for joint promotion opportunities.
 10. Help the region's transit systems receive recognition for outstanding achievements by pursuing awards (such as APTA's Ad Wheel for marketing excellence).

11. Upgrade NVTC's equipment and meeting facilities to improve public access. With budgeted funds, procure a new telephone system. Consider installation of an overhead projector, web-cam and sound system. Investigate streaming video of NVTC meetings.
12. Seek funding for additional public surveys, focus groups and "coffee talks" to test innovative fare and service initiatives.
13. Produce low-cost videos for the web on such topics as the "Agony of Auto Commuting;" "Adventures on the Bus;" "Seniors on Transit;" etc.
14. **Develop cooperative region-wide programs to introduce teenagers to transit, building on the success of Arlington's "I Ride" initiative.**
15. **Implement NVTC's federal Title VI program with active outreach to immigrants, simplified messages and NVTC/NVTA website accommodations.**



AGENDA ITEM #7

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Scott Kalkwarf
DATE: December 31, 2008
SUBJECT: Preliminary FY 2010 NVTC Administrative Budget and Performance Objectives

The commission is asked to review two versions of the attached budget. The original revision has been reviewed as recently as mid-December by local staff and by the commission in September, 2008. As explained below, the second version accounts for significant changes since September. The commission may act on one of the two versions of this budget now or request additional scenarios and defer action until February 5, 2009.

Again for FY 2010, total local contributions are held constant at \$310,000, in both versions, with individual local shares based on shares of state grants and regional gas taxes received from NVTC. After adjustment for inflation, total local contributions are almost 17 percent lower than in FY 2002, which is the last time the total local contributions were increased. The commission could request that total local contributions be reduced by substituting state contributions, which are taken off the top of NVTC's state aid.

NVTC ended FY 2008 with an unappropriated surplus of \$82,500 and those funds are being used to help fund this proposed FY 2010 budget.

In the preliminary budget presented to the commission in September, the overall level of expenditures would increase in FY 2010 by 3.1% compared to the approved budget for FY 2009. Over the last decade, NVTC's administrative expenditures have increased by a third (approximately the growth of the Consumer Price Index), while



responsibilities have grown substantially (e.g. funds under management have doubled). NVTC's staff size actually has been reduced by 10 percent over that decade.

In the original version of the budget, a contingency of six percent was included for potential performance-based salary adjustments for NVTC staff.

Since the preliminary budget was presented, two significant developments have occurred. First, unprecedented financial pressures are being experienced by NVTC's state and local funding partners. Most, if not all, of these jurisdictions are not including any salary increases for employees (merit or cost of living) in their FY 2010 budgets. Second, NVTC suddenly lost a valued employee who left to work for Arlington County, but at the same time NVTC located and hired a more senior applicant with skills that are already proving to be very valuable. Accordingly, NVTC staff has prepared a second version of the FY 2010 budget for consideration by the commission. The second version eliminates all staff salary increases and adjusts the budget for the additional costs of the new employee. Because the anniversary dates of NVTC's employees are spread throughout the year, the most significant budget savings from eliminating salary increases are not realized until FY 2011 and beyond.

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



PRELIMINARY BUDGET

**FISCAL YEAR
2010**

(July 1, 2009 – June 30, 2010)

--September 4, 2008 --

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
BUDGETED FISCAL YEAR 2010 REVENUE
PRELIMINARY**

	FY 2008 Actual	Approved Budget FY 2009	Preliminary Budget FY 2010	FY 2010-2009 Budget Increase (Decrease)	Percentage Change
1 Commonwealth of Virginia	\$ 718,350	\$ 723,380	\$ 774,500	\$ 51,120	7.1%
2 Alexandria	39,498	37,875	38,513	638	1.7%
3 Arlington	63,653	60,728	62,573	1,845	3.0%
4 City of Fairfax	6,857	7,209	6,765	(443)	-6.2%
5 Fairfax County	175,638	177,574	179,609	2,035	1.1%
6 Falls Church	3,533	3,608	3,042	(566)	-15.7%
7 Loudoun	20,821	23,007	19,497	(3,510)	-15.3%
Total Local Jurisdictions	<u>310,000</u>	<u>310,000</u>	<u>310,000</u>	<u>-</u>	<u>0.0%</u>
8 Total Commonwealth of Virginia and Local Jurisdictions (Note 1)	1,028,350	1,033,380	1,084,500	51,120	4.9%
9 Interest Earned	25,330	18,000	23,000	5,000	27.8%
10 Project Chargebacks (Note 2)	75,000	70,000	70,000	-	0.0%
11 Project Grant Billings	7,064	-	-	-	0.0%
12 Appropriated Surplus (Note 3)	(4,372)	100,500	82,500	(18,000)	-17.9%
Total Revenue	<u>\$ 1,131,372</u>	<u>\$ 1,221,880</u>	<u>\$ 1,260,000</u>	<u>\$ 38,120</u>	<u>3.1%</u>

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF FISCAL YEAR 2010 EXPENDITURES
PRELIMINARY**

	FY 2008 <u>Actual</u>	Approved Budget FY 2009	Preliminary Budget FY 2010	FY10 - FY09 Budget Increase (Decrease)	Percentage Change
<u>Personnel Costs</u>					
1 Salaries (Note 4)	\$ 700,183	\$ 700,900	\$ 742,500	41,600	5.9%
2 Intern	-	-	-	-	N/A
3 Temporary Employee Services	-	1,000	1,000	-	0.0%
Total Personnel Costs	<u>700,183</u>	<u>701,900</u>	<u>743,500</u>	<u>41,600</u>	<u>5.9%</u>
<u>Benefits</u>					
Employer's Contributions					
4 FICA	45,499	47,400	51,200	3,800	8.0%
5 Group Health Insurance (Note 5)	41,919	62,900	74,500	11,600	18.4%
6 Retirement (Note 6)	55,504	57,600	61,700	4,100	7.1%
7 Workmans & Unemployment Compensation	4,007	3,200	3,400	200	6.3%
8 Life Insurance	3,250	4,100	4,150	50	1.2%
9 Long Term Disability Insurance	3,127	4,400	4,600	200	4.5%
Total Benefit Costs	<u>153,306</u>	<u>179,600</u>	<u>199,550</u>	<u>19,950</u>	<u>11.1%</u>
<u>Administrative Costs</u>					
10 Commissioners Per Diem (Note 7)	15,450	42,000	19,450	(22,550)	-53.7%
Rents:					
11 Office Rent (Note 8)	170,621	176,780	182,600	5,820	3.3%
12 Parking / Metrochek	9,412	11,950	11,900	(50)	-0.4%
Insurance:					
13 Public Official Bonds	3,663	4,500	4,300	(200)	-4.4%
14 Liability and Property	1,950	2,600	2,400	(200)	-7.7%
14 Liability and Property	1,713	1,900	1,900	-	0.0%
Travel:					
15 Conference Registration	7,673	16,700	14,200	(2,500)	-15.0%
15 Conference Registration	845	2,100	2,000	(100)	-4.8%
16 Non-Local & Conference Travel	2,552	4,700	3,400	(1,300)	-27.7%
17 Local Meetings & Related Expenses (Note 9)	3,516	6,400	5,800	(600)	-9.4%
18 Training & Professional Development (Note 1)	760	3,500	3,000	(500)	-14.3%
Communication:					
19 Postage	9,837	11,950	11,500	(450)	-3.8%
19 Postage	3,424	4,700	4,700	-	0.0%
20 Telephone - LD	1,179	1,350	1,300	(50)	-3.7%
21 Telephone - Local	5,234	5,900	5,500	(400)	-6.8%
Publications & Supplies					
22 Office Supplies	12,687	23,900	18,600	(5,300)	-22.2%
22 Office Supplies	2,628	4,200	4,000	(200)	-4.8%
23 Duplication and Paper (Note 11)	9,559	9,700	9,600	(100)	-1.0%
24 Public Information (Note 12)	500	10,000	5,000	(5,000)	-50.0%
Operations:					
25 Furniture and Equipment (Capital) (Note 13)	19,966	25,650	20,000	(5,650)	-22.0%
25 Furniture and Equipment (Capital) (Note 13)	13,010	13,150	8,000	(5,150)	-39.2%
26 Repairs and Maintenance	1,285	1,000	1,000	-	0.0%
27 Computer Operations (Note 14)	5,671	11,500	11,000	(500)	-4.3%
Other General and Administrative					
28 Subscriptions	6,099	6,950	6,800	(150)	-2.2%
28 Subscriptions	662	400	400	-	0.0%
29 Memberships	1,366	1,800	1,700	(100)	-5.6%
30 Fees and Miscellaneous	3,055	2,950	2,950	-	0.0%
31 Advertising (Personnel/Procurement) (Note 1)	1,016	1,800	1,750	(50)	-2.8%
Total Administrative Costs	<u>255,408</u>	<u>320,380</u>	<u>289,350</u>	<u>(31,030)</u>	<u>-9.7%</u>
<u>Contracting Services</u>					
32 Auditing (Note 16)	22,475	18,000	25,600	7,600	42.2%
33 Consultants - Technical	-	1,000	1,000	-	0.0%
34 Legal	-	1,000	1,000	-	0.0%
Total Contract Services	<u>22,475</u>	<u>20,000</u>	<u>27,600</u>	<u>7,600</u>	<u>38.0%</u>
Total Operating Program	<u>\$1,131,372</u>	<u>\$ 1,221,880</u>	<u>\$ 1,260,000</u>	<u>\$ 38,120</u>	<u>3.1%</u>

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Explanatory Notes to Preliminary Fiscal Year 2010 Budget

1. Commonwealth of Virginia and Local Jurisdictional Contributions

Each NVTC jurisdiction is assigned a share of the local portion of NVTC's administrative budget based on its share of revenue received by NVTC on behalf of jurisdictions from all sources in the previous year. This procedure is required by state statute and results in changes in contributions from one year to another that vary for each jurisdiction depending on relative shares of revenue received. The allocation in this FY 10 budget is based on the FY 09 Subsidy Allocation Model.

2. Project Chargebacks

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

3. Appropriated Surplus

Included as a source of revenue in the FY 10 budget is a projected excess accumulated surplus that is available to offset the proposed operating budget expenses. This surplus is in excess of the commission's anticipated minimum operating requirements.

4. Salaries

Salaries for fiscal year 2010 are budgeted to include merit increases for the existing staff. Step increases for merit incentive raises are included up to 6%, but no cost of living adjustments are provided. Each 1% of merit increase costs approximately \$7,200. Merit increases within the budget amount are awarded at the discretion of the executive director. The FY 10 budget includes nine regular staff positions, which is unchanged from the FY 09 approved budget.

5. Group Health Insurance

NVTC's health insurance group rates increased about 29% from the previous policy period ending April 30, 2007. This is in sharp contrast to the modest rate increases NVTC has experienced over the past three years. The FY 2009 budget includes a provision for increasing rates, based upon an average of prior years' experience, while using the current policy period rates as the base.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Preliminary Fiscal Year 2010 Budget

6. Retirement

The budgeted amount of employer pension contributions for the target benefit pension plan is based on actuarial formulas using the existing staff and the budgeted salary levels for FY10. Because the formulas take into account factors in addition to payroll costs, such as years to retirement and investment return, changes in budgeted contributions do not necessarily change directly with budgeted payroll.

7. Commissioners' Per Diem

The FY 2010 budget is based upon the regular meeting schedule, and includes per diems at the statutory rate of \$200 for senators and delegates, and \$50 for all other commissioners, with a contingency for increased attendance. The previous year's budget included per diems at a rate of \$200 for all commissioners.

8. Office Rent

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

9. Local Meetings and Related Expenses

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

10. Training and Professional Development

Actual expenditures fluctuate with the changing needs of staff. While FY 08 expenditures were below the budgeted level, a provision is maintained in the FY 10 budget for future staff training.

11. Duplication and Paper

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

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Preliminary Fiscal Year 2010 Budget

12. Public Information

Public information includes the cost of various public outreach projects.

13. Furniture and Equipment

This budget category provides for the replacement and acquisition of office furniture and equipment, including computer hardware. It is expected that during FY 2010, computer hardware will need to be replaced or upgraded to support the operations of the commission. The FY 2008 and FY 2009 budgets included the expected cost of replacing the present phone system, which is anticipated to take place during FY 2009. One half of these costs are reflected in the FY 2008 actual amount for this category.

14. Computer Operating Expense

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

15. Advertising (Personnel/Procurement)

The FY 10 budget includes a provision for personnel and procurement advertising. An average of prior year costs was used to develop the budgeted amount as this category fluctuates from year to year.

16. Auditing

NVTC recently entered into a three-year contract for auditing services beginning with the audit of FY 08. Due to a significant change in required auditing procedures, NVTC's audit fees increased approximately 14% over the previous contract. The FY 10 budget is based on this contract, and includes the cost of the bi-annual pension plan audit.

APPENDIX 1

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

September 4, 2008

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

Regarding other expenses, it is assumed that a corresponding share of all other budget line items are attributable to this function. The same assumption is made for revenues. The attached Table 1 lists the derived costs and revenues for the commission's financial management function for FY 2010.

Table 2 lists 12 performance measures which went into effect with the FY 2007 budget by category. Results are shown for FY 2006 through FY 2008 actual and for FY 2009 and FY 2010 budgets. Each year more results will be calculated to provide a historical record and establish favorable (or unfavorable) trends.

TABLE 1

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

	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Approved Budget</u>	FY 2010 <u>Preliminary Budget</u>
<u>Expenditures</u>					
Personnel ¹	\$192,500	\$207,100	\$217,300	\$226,600	\$241,100
Benefits ²	46,300	43,600	56,700	58,800	65,200
Administrative Costs ³	75,900	80,500	79,300	103,600	93,900
Contracting Services ⁴	19,600	15,500	22,500	18,600	26,200
Total	\$334,300	\$346,900	\$375,800	\$407,700	\$426,400
<u>Revenues</u>					
Total ⁵	\$334,300	\$346,900	\$375,800	\$407,700	\$426,400

Notes:

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

TABLE 2

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

<u>FY 2010 Performance Measure</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>
Input:					
1. Maintain tight budget controls to keep NVTC's total local contributions to NVTC's budget to no more than \$310,000 annually.	Yes \$310,000	Yes \$310,000	Yes \$310,000	Yes \$310,000	Yes \$310,000
2. Effectively manage trust fund assets at a ratio of at least \$50 million per full time equivalent financial management employee (state aid may decline in 2010).	Yes \$42M	Yes \$44M	Yes \$54M		
Output:					
3. Produce acceptable state aid grant applications for WMATA, local bus systems and VRE each year (totaling at least \$290 million) by the state deadline (currently February 1 st).	Yes \$252M	Yes \$288M	Yes \$287M		
4. Produce a preliminary allocation of anticipated fiscal year revenues and expenses (totaling at least \$150 million) for each NVTC jurisdiction by June 1 st of each year using NVTC's subsidy allocation model and complete the final projection (state aid may decline in 2010).	Yes \$112M	Yes \$109M	Yes \$140M	Yes \$167M	

*Effective with FY 2007 budget.

<u>FY 2010 Performance Measure</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>
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Efficiency:

5. Effectively manage trust fund assets and grant revenues contracted at an administrative cost ratio of no more than \$0.003 per \$1 of assets and revenues.	Yes \$0.004	Yes \$0.004	Yes \$0.003		
6. By careful monitoring of Department of Taxation expenses and proactive work with the department's field auditors, seek to maintain the ratio of administrative costs passed through to NVTC at or below 0.2 percent of total motor fuel tax revenues (\$42.3 million for FY 2008) credited to NVTC.	Yes 0.2%	Yes 0.2%	Yes 0.2%		
7. Effectively manage NVTC's employee flexible benefits program in house at an annual savings of at least \$118 per employee compared to outside management. [Note: because it is impractical to update the baseline estimate regularly, it is proposed that this measure be discontinued for FY 2010 and beyond.]	Yes \$118	Yes \$118	Yes \$118	Yes \$118	Yes \$118
8. Co-own at least \$265 million of VRE assets at a management fee to VRE of no more than \$0.0003 per dollar of assets.	Yes \$0.0004	Yes \$0.0004	Yes \$0.0003		

<u>FY 2010 Performance Measure</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Budget</u>
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Service Quality:

9. In each annual audit, no subsidy allocation or trust fund audit adjustments required by auditors as well as no material deficiencies in internal controls and no related material management letter comments.	Yes	Yes	Yes		
10. All trust fund grant reimbursement requests from jurisdictions with proper documentation processed within five working days in order to maximize investment earnings and cash flow.	Yes	Yes	Yes		

Outcome:

11. 100% timely subsidy payments to WMATA on behalf of jurisdictions to avoid any late payment penalties.	Yes	Yes	Yes		
12. Working with NVTC's jurisdictions, achieve 100% of grant funds billed with no material lapsed funds returned to granting agencies.	No (\$55,700 lapsed in bus shelter grant or 0.07% of year end trust fund balance)	No (\$33,500 lapsed in Jurisdiction Capital Grant or 0.04% of year end trust fund balance)	No (\$17,784 lapsed in Jurisdiction Capital Grant or 0.02% of year end trust fund balance)		

APPENDIX 2

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

September 4, 2008

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

Regarding other expenses, it is assumed that a corresponding share of all other budget line items are attributable to this function. The same assumption is made for revenues. The attached Table 1 lists the derived costs and revenues for the commission's planning, project management and public outreach functions for FY 2010.

Table 2 lists seven performance measures by category that went into effect for the first time with the FY 2008 budget. Results are shown for FY 2006 through FY 2008 actual and for FY 2009 and FY 2010 budget if known at this time. Each year more results will be calculated to provide a historical record and establish favorable (or unfavorable) trends.

TABLE 1

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

	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>
<u>Expenditures</u>					
Personnel ¹	\$434,900	\$437,300	\$482,900	\$475,300	\$502,400
Benefits ²	97,200	103,100	96,500	120,700	134,400
Administrative Costs ³	171,400	170,000	176,100	216,800	195,400
Contracting Services ⁴	0	0	0	1,400	1,400
Total	\$703,500	\$710,400	\$755,500	\$814,200	\$833,600
<u>Revenues</u>					
Total ⁵	\$703,500	\$710,400	\$755,500	\$814,200	\$833,600

Notes:

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

TABLE 2

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

FY 2010 Performance Measure	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>
--------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Input:

1. Actively manage seven or more grant-funded projects with average annual revenues of at least \$700,000 per project.	Yes. Nine projects averaging \$109,417.	Yes. Eight projects averaging \$267,900.	Yes. Seven projects averaging \$698,400.		
--	--	---	---	--	--

Output:

2. Through effective outreach, increase hits on electronic schedules web page by at least 10% to average over 9,900 per day.		No. 8,123 per day for target of 8,600.	No. 9,193 per day for target of 9,800.		
3. Increase hits on NVTC's web page by at least 10% to average over 9,000 unique visitors per year.		Yes. 9,574 annually.	No. 8,870 annually.		

*Effective with FY 2008 budget.

FY 2010 Performance Measure	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>
--------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Efficiency:

- | | | | | | |
|--|--|--|---|--|--|
| 4. By assisting Northern Virginia jurisdictions in meeting annual deadlines for NTD reporting, achieve \$6.4 million or more in additional FTA formula funds for WMATA per \$160,000 of state grant funds spent on data collection, for a net return of over \$6 million. | Yes. \$5.3 million per \$160,000, for a net return of about \$5.1 million. | Yes. \$6.4 million per \$200,000, for a net return of about \$6.2 million. | Yes. \$6.4 million per \$205,000 for a net return of \$6.2 million. | | |
| 5. By using NVTC's staff skills in graphic design, web management and GIS mapping, save at least \$50 per hour of paid consulting time totaling \$35,000 annually, net of software and other administrative costs. [Note: for FY 2010 NVTA opportunities will be significantly reduced.] | | Yes. About \$48,750 savings. | Yes. About \$48,450 including NVTA. | | |

Service Quality:

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

FY 2010 Performance Measure	FY 2006 <u>Actual</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>
--------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Outcome:

7. Complete acceptable final reports and close out project grants with no lapsed funds. For FY 2009 the target is to close out hydrogen bus and decide whether to continue free bus fares on Code Red bad air quality days. For FY 2010 the target is to complete negotiations for a new NVTC office lease and complete development of Alexandria's real-time bus information system.	---	----		No. Completed Senior Mobility, SmarTrip and MARTHA but hydrogen bus still open.	
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Alternative #1

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
 BUDGETED FISCAL YEAR 2010 REVENUE
 (No Salary Increases)

	<u>FY 2008 Actual</u>	<u>Approved Budget FY 2009</u>	<u>Preliminary Budget FY 2010</u>	<u>FY 2010-2009 Budget Increase (Decrease)</u>	<u>Percentage Change</u>
1 Commonwealth of Virginia	\$ 718,350	\$ 723,380	\$ 788,600	\$ 65,220	9.0%
2 Alexandria	39,498	37,875	38,513	638	1.7%
3 Arlington	63,653	60,728	62,573	1,845	3.0%
4 City of Fairfax	6,857	7,209	6,765	(443)	-6.2%
5 Fairfax County	175,638	177,574	179,609	2,035	1.1%
6 Falls Church	3,533	3,608	3,042	(566)	-15.7%
7 Loudoun	20,821	23,007	19,497	(3,510)	-15.3%
Total Local Jurisdictions	<u>310,000</u>	<u>310,000</u>	<u>310,000</u>	<u>-</u>	<u>0.0%</u>
8 Total Commonwealth of Virginia and Local Jurisdictions (Note 1)	1,028,350	1,033,380	1,098,600	65,220	6.3%
9 Interest Earned	25,330	18,000	23,000	5,000	27.8%
10 Project Chargebacks (Note 2)	75,000	70,000	70,000	-	0.0%
11 Project Grant Billings	7,064	-	-	-	0.0%
12 Appropriated Surplus (Note 3)	(4,372)	100,500	82,500	(18,000)	-17.9%
Total Revenue	<u>\$ 1,131,372</u>	<u>\$ 1,221,880</u>	<u>\$ 1,274,100</u>	<u>\$ 52,220</u>	<u>4.3%</u>

Alternative #1

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
 SCHEDULE OF FISCAL YEAR 2010 EXPENDITURES
 (No Salary Increases)

	FY 2008 <u>Actual</u>	Approved Budget FY 2009	Preliminary Budget FY 2010	FY10 - FY09 Budget Increase (Decrease)	Percentage Change
<u>Personnel Costs</u>					
1 Salaries (Note 4)	\$ 700,183	\$ 700,900	\$ 746,600	45,700	6.5%
2 Intern	-	-	-	-	N/A
3 Temporary Employee Services	-	1,000	1,000	-	0.0%
Total Personnel Costs	700,183	701,900	747,600	45,700	6.5%
<u>Benefits</u>					
Employer's Contributions					
4 FICA	45,499	47,400	52,400	5,000	10.5%
5 Group Health Insurance (Note 5)	41,919	62,900	74,500	11,600	18.4%
6 Retirement (Note 6)	55,504	57,600	70,500	12,900	22.4%
7 Workmans & Unemployment Compensation	4,007	3,200	3,400	200	6.3%
8 Life Insurance	3,250	4,100	4,150	50	1.2%
9 Long Term Disability Insurance	3,127	4,400	4,600	200	4.5%
Total Benefit Costs	153,306	179,600	209,550	29,950	16.7%
<u>Administrative Costs</u>					
10 Commissioners Per Diem (Note 7)	15,450	42,000	19,450	(22,550)	-53.7%
Rents:					
11 Office Rent (Note 8)	170,621	176,780	182,600	5,820	3.3%
12 Parking / Metrochek	9,412	11,950	11,900	(50)	-0.4%
Insurance:					
13 Public Official Bonds	1,950	2,600	2,400	(200)	-7.7%
14 Liability and Property	1,713	1,900	1,900	-	0.0%
Travel:					
15 Conference Registration	845	2,100	2,000	(100)	-4.8%
16 Non-Local & Conference Travel	2,552	4,700	3,400	(1,300)	-27.7%
17 Local Meetings & Related Expenses (Note 9)	3,516	6,400	5,800	(600)	-9.4%
18 Training & Professional Development (Note 1)	760	3,500	3,000	(500)	-14.3%
Communication:					
19 Postage	3,424	4,700	4,700	-	0.0%
20 Telephone - LD	1,179	1,350	1,300	(50)	-3.7%
21 Telephone - Local	5,234	5,900	5,500	(400)	-6.8%
Publications & Supplies					
22 Office Supplies	2,628	4,200	4,000	(200)	-4.8%
23 Duplication and Paper (Note 11)	9,559	9,700	9,600	(100)	-1.0%
24 Public Information (Note 12)	500	10,000	5,000	(5,000)	-50.0%
Operations:					
25 Furniture and Equipment (Capital) (Note 13)	13,010	13,150	8,000	(5,150)	-39.2%
26 Repairs and Maintenance	1,285	1,000	1,000	-	0.0%
27 Computer Operations (Note 14)	5,671	11,500	11,000	(500)	-4.3%
Other General and Administrative					
28 Subscriptions	662	400	400	-	0.0%
29 Memberships	1,366	1,800	1,700	(100)	-5.6%
30 Fees and Miscellaneous	3,055	2,950	2,950	-	0.0%
31 Advertising (Personnel/Procurement) (Note 1)	1,016	1,800	1,750	(50)	-2.8%
Total Administrative Costs	255,408	320,380	289,350	(31,030)	-9.7%
<u>Contracting Services</u>					
32 Auditing (Note 16)	22,475	18,000	25,600	7,600	42.2%
33 Consultants - Technical	-	1,000	1,000	-	0.0%
34 Legal	-	1,000	1,000	-	0.0%
Total Contract Services	22,475	20,000	27,600	7,600	38.0%
Total Operating Program	<u>\$1,131,372</u>	<u>\$ 1,221,880</u>	<u>\$ 1,274,100</u>	<u>\$ 52,220</u>	<u>4.3%</u>



AGENDA ITEM #8

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: VRE Items

- A. Report from the VRE Operations Board and VRE's Chief Executive Officer – Information Item.
- B. Approval of FY 2010 VRE Capital and Operating Budget and Revisions to the FY 2009 Budget--Action Item/Resolution #2119.
- C. Extend CSXT's Operating Agreement--Action Item/Resolution #2120.
- D. Extend Norfolk Southern's Operating Agreement--Action Item/Resolution #2121.



Report from the VRE Operations Board

Attached for your information are minutes from the VRE Operations Board meeting of December 19, 2008. Also provided is the monthly report of VRE's Chief Executive Officer, together with reports on ridership and on-time performance. Through November, ridership is up 9.1 percent in FY 2009 compared to the same period in FY 2008.



CHIEF EXECUTIVE OFFICER'S REPORT

December 2008

MONTHLY DELAY SUMMARY

	August	September	October	November
System wide				
Total delays	48	55	93	99
Average length of delay (mins.)	16	13	19	16
Number over 30 minutes	3	2	11	7
Days with Heat Restrictions/Total days	0/21	0/21	0/22	0/17
On-Time Performance	92.1%	90.9%	85.4%	80.6%
Fredericksburg Line				
Total delays	17	29	50	60
Average length of delay (mins.)	18	16	19	15
Number over 30 minutes	1	2	8	3
On-Time Performance	93.7%	89.4%	82.5%	73.8%
Manassas Line				
Total delays	31	26	43	39
Average length of delay (mins.)	15	11	18	17
Number over 30 minutes	2	2	3	4
On-Time Performance	90.7%	92.3%	87.8%	86.1%

SYSTEM RIDERSHIP

Average daily ridership in November was 15,769. November ridership in 2008 was 9.2% higher than in November 2007, with over 1,000 more trips. In addition, the ridership for the first four months of FY 2009 is 9.1% higher than the same period in FY 2008. We continue to break top ten ridership day records, with 2 days represented in November 2008. On six days, ridership was 16,500 or higher with one day over 17,000.

SYSTEM ON TIME PERFORMANCE

System wide on-time performance (OTP) was 80.6% in November, with an OTP of 73.8% on the Fredericksburg Line and 86.1% on the Manassas Line. Just over 25% of the delays were attributed to slow orders/restricted speeds resulting from an inspection of the rails. Most of the rail deficiencies have since been repaired and the OTP has improved. Approximately 10% of the delays were related to mechanical issues. The Manassas line had 6 days in November with 100% on-time performance and the Fredericksburg Line had 2 days with 100% on-time performance. Both of those days occurred on days with 100% overall on-time performance.

INAUGURATION DAY

VRE will operate a full train schedule on Inauguration Day. As this service was not anticipated in the original schedule/budget for FY 2009, VRE has requested financial assistance to help

offset operating costs. Final information on schedule and ticket purchasing was posted on VRE's website on the afternoon of December 12, 2008.

UPDATE ON VRE SAFETY AND SECURITY

VRE has augmented its security capabilities during this period of heightened security in advance of the Presidential Inauguration. Over the past few months, VRE has been the beneficiary of TSA's VIPR (Visual Intermodal Prevention and Response) team operations. These federal law enforcement teams are specially trained in behavioral detection and consist of federal air marshals, TSA inspectors and canines. December included four operations at VRE stations and additional operations are planned for the future, including on Inauguration Day.

VRE has also, through partnerships with local law enforcement departments, increased routine patrols at the stations. Some jurisdictions have also offered extra assistance on Inauguration Day.

FARE INCREASE

The 7% mid-year fare increase began with the January monthly tickets, which went on sale December 10th. All other VRE tickets will reflect the new prices beginning on January 5, 2009.

OPERATION LIFESAVER SANTA TRAINS

The 12th Annual Operation Lifesaver Santa Trains operated on Saturday, December 13th. The originating stations were Fredericksburg, Manassas, Woodbridge and Burke Centre. As in years past, all trains sold out in record time and proceeds benefit Operation Lifesaver. This year, all trains were staffed with both a Santa and Mrs. Santa. Toys for Tots were also collected that day at the participating stations.

TOYS FOR TOTS

VRE held its 13th Annual Toys for Tots collection on Wednesday, December 10, 2008. Passengers on all morning trains were asked to leave an unwrapped toy and/or monetary donation for Toys for Tots on their seat when they reached their destination.

SCHEDULE CHANGE JANUARY 5

VRE will have a schedule change on the Fredericksburg line on January 5, 2009. After significant research, including looking at over 10 months of performance data and riding the trains to calculate pure run times, we have made some minor adjustments to improve the on-time performance of these trains. In addition, to lengthen some train times about 2-3 minutes, we adjusted the intermediate points to more accurately reflect what the riders are seeing. If this proves successful, we will look at making similar adjustments to the Manassas line in the spring.

MONTHLY PERFORMANCE MEASURES – NOVEMBER 2008

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
November Fredericksburg OTP Average	73.8%
November Manassas OTP Average	86.1%
VRE NOVEMBER OVERALL OTP AVERAGE	80.6%

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2009 Passenger Totals	1,622,106
VRE FY 2008 Passenger Totals	1,485,973
PERCENTAGE CHANGE	9.1%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
NOVEMBER 2008	271,125
NOVEMBER 2007	277,425
PERCENTAGE CHANGE	9.2% NORMALIZED
SERVICE DAYS (CURRENT/PRIOR)	17/19

Monthly Ridership and OTP: November 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										
2										
3	3,886	3,946	7,832	100%	4,257	4,481	8,738	100%	16,570	100%
4	3,375	3,588	6,961	69%	3,622	4,313	7,935	85%	14,896	76%
5	3,762	3,870	7,632	44%	4,246	4,534	8,780	54%	16,412	48%
6	3,778	3,765	7,563	81%	4,228	8,902	8,902	62%	16,465	72%
7	3,294	3,293	6,587	94%	3,755	3,969	7,724	77%	14,311	86%
8										
9										
10	3,304	3,276	6,580	88%	3,262	3,703	6,965	69%	13,545	79%
11										
12	4,049	3,837	7,886	100%	4,280	4,728	9,008	92%	16,894	97%
13	4,024	4,105	8,129	94%	4,297	4,631	8,928	92%	17,057	93%
14	3,426	3,288	6,714	100%	3,413	4,266	7,999	100%	14,413	100%
15										
16										
17	3,679	3,715	7,394	94%	4,032	4,240	8,272	92%	15,666	93%
18	3,911	4,147	8,058	100%	4,229	4,387	8,616	92%	16,674	97%
19	3,793	3,747	7,540	100%	4,337	4,623	8,960	92%	16,500	97%
20	3,877	3,866	7,743	94%	4,305	4,313	8,618	92%	16,361	93%
21	3,491	3,219	6,710	50%	3,623	3,650	7,273	54%	13,983	52%
22										
23										
24	3,714	3,860	7,574	94%	4,212	4,941	9,153	8%	16,727	55%
25	3,714	3,768	7,482	75%	4,425	4,464	8,889	54%	16,371	66%
26	2,949	3,251	6,200	81%	3,713	4,236	7,949	38%	14,149	62%
27										
28	704	722	1,426	100%	837	791	1,628	75%	3,054	88%
29										
30										
	62,730	63,281	126,011	86%	69,073	74,964	144,037	74%	270,048	81%
	Adjusted total:		124,614		Adjusted Total:		143,457	Adjusted Total:	268,071	

of Service Days: 17
 Manassas Daily Avg. Trips: 7,412 Adjusted Avg.: 7330
 Fred'burg Daily Avg. Trips: 8,473 Adjusted Avg.: 8439
 Total Avg. Daily Trips: 15,885 Adjusted Avg.: 15,769

Total Trips This Month: 271,125 Adjusted Total: 268,071
 Prior Total FY-2009: 1,350,981
 Total Trips FY-2009: 1,622,106
 Total Prior Years: 40,598,336
 Grand Total: 42,220,442

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

Monthly Ridership Changes: Fiscal Year 2008 vs. 2009

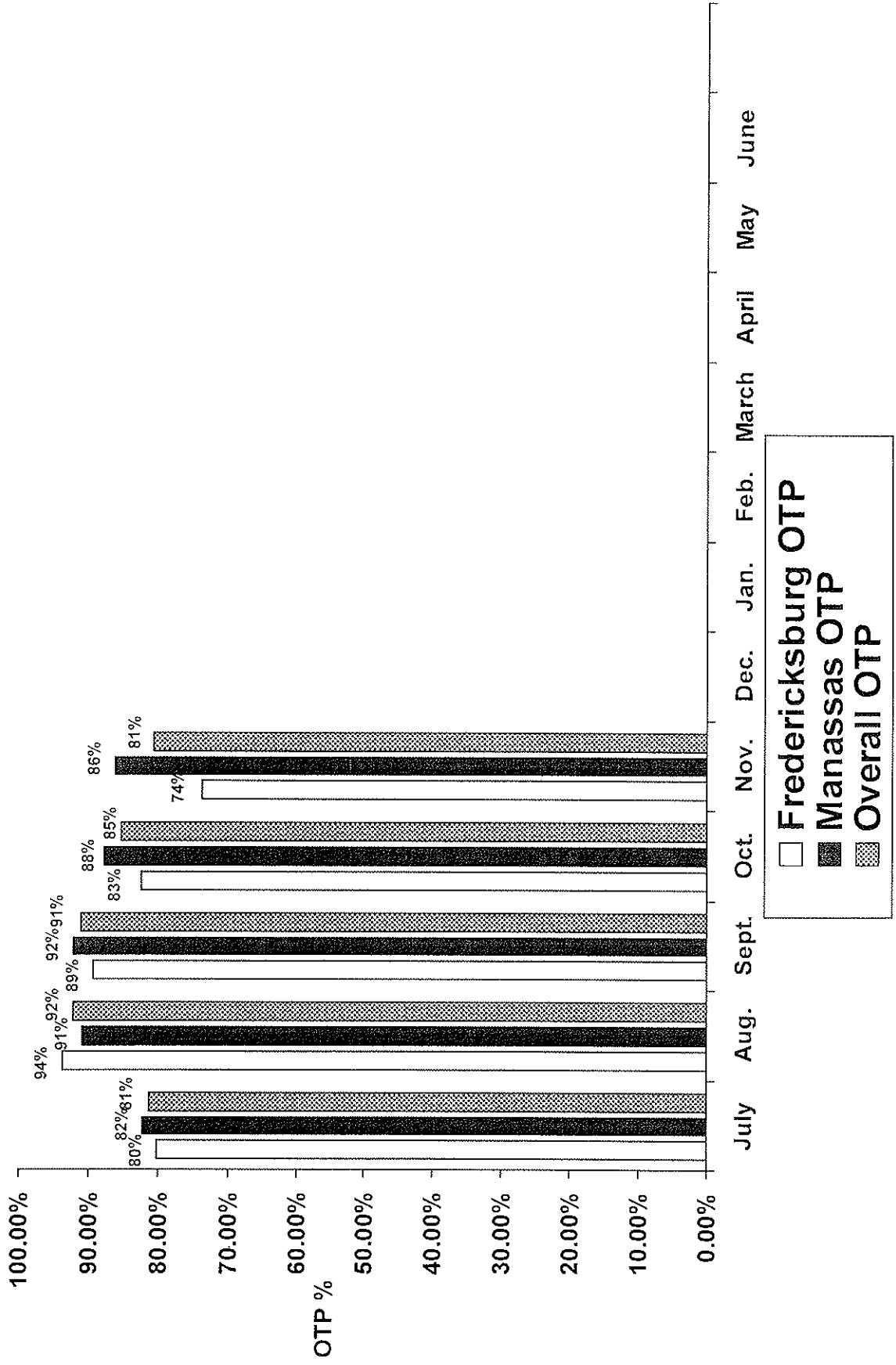
Current Month	MANASSAS			FREDERICKSBURG				
	Avg Daily FY2008	Avg Daily FY2009	% change	Avg Daily FY2008	Avg Daily FY2009	% change	Current Total	% change
July	6513	7003	7.52%	7393	8388	13.46%	15391	10.68%
August	6405	6885	7.49%	7379	8316	12.70%	15201	10.28%
September	6847	7495	9.46%	7652	8720	13.96%	16215	11.84%
October	6973	7491	7.43%	7754	8538	10.11%	16029	8.84%
November	6894	7330	6.32%	7707	8439	9.50%	15769	8.00%
December	6081			7235			0	
January	6978			8148			0	
February	6842			8018			0	
March	6812			8050			0	
April	6988			8324			0	
May	6832			8094			0	
June	7123			8504			0	
Average growth			7.65%			11.94%		9.93%

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

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

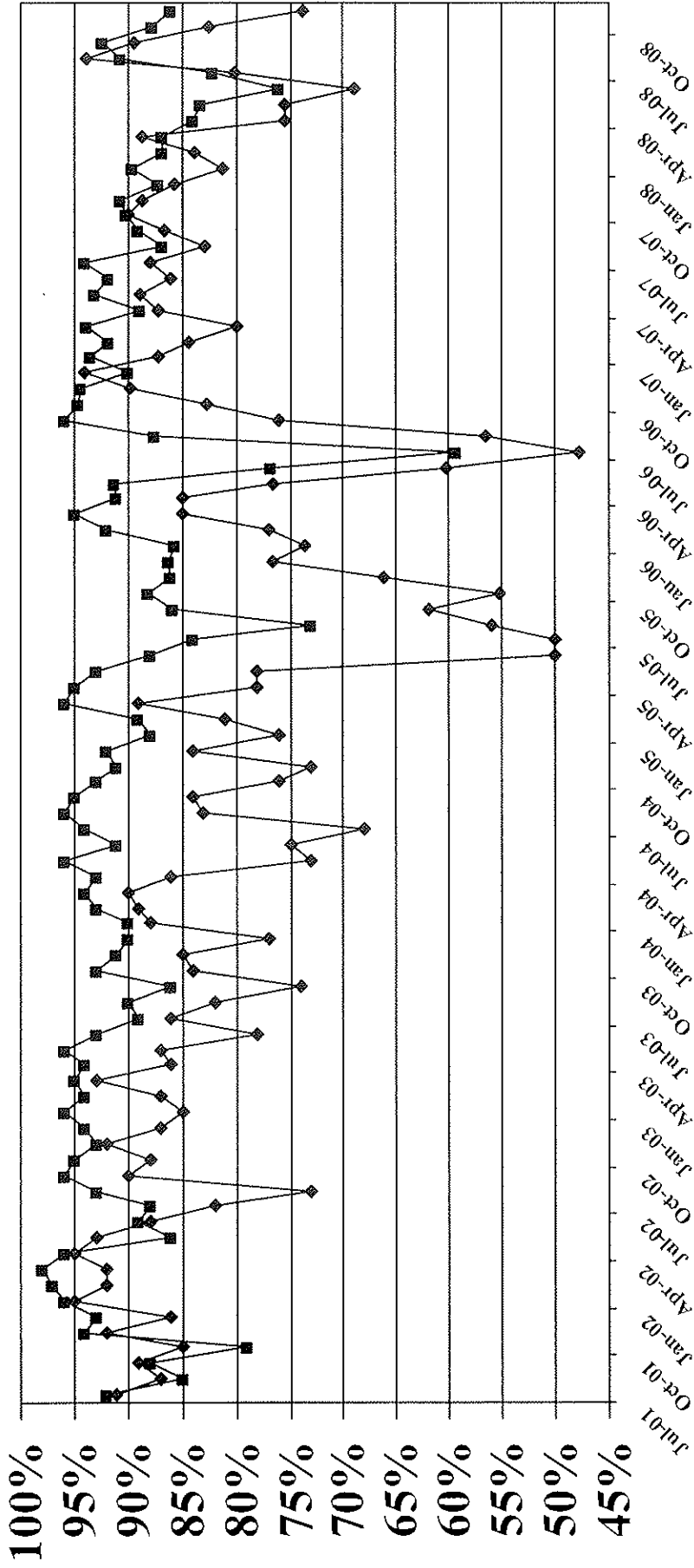
Average On-Time Performance

FY-2009



On-Time Performance

July 2001 – October 2008



◆ Frederickburg Line ■ Manassas Line

FINANCIAL STATISTICS FOR NOVEMBER 2008

Copies of the November 2008 Operating Budget Report are attached.

Fare income for the month of November 2008 was \$262,901 above the budget – a favorable variance of 16.03%. The cumulative variance for the year is 15.08% or \$1,353,799 above the budget. This positive variance is the result of a substantial increase in ridership. Revenue in the first five months of FY 2009 is up 15.5% over FY 2008.

A summary of the financial results (unaudited) as of November 2008 follows. Detail on the major revenue and expense categories are provided in the attached Operating Budget Report.

Measures		Goal	Actual	Trend
Operating Ratio		55%	71%	↑
Budgeted Revenue	65,263,822			
Budgeted Revenue YTD	27,633,939			
Actual Revenue YTD	30,008,281			
Cumulative Variance	2,374,342		2,374,342	↑
Percent Collected FY 07 YTD		42.34%	45.98%	
Budgeted Expenses	65,263,822			
Budgeted Expenses YTD	26,241,162			
Operating Expenses YTD	26,261,925			
Cumulative Variance	(20,763)		(20,763)	↓
Percent Collected FY 07 YTD		40.21%	40.24%	
Net Income (Loss) from Operations			2,353,579	↑

These figures are preliminary and unaudited.

VIRGINIA RAILWAY EXPRESS
FY 2009 Operating Budget Report
 November 30, 2008

	<u>CURR. MO.</u> <u>ACTUAL</u>	<u>CURR. MO.</u> <u>BUDGET</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>YTD VARIANCE</u> <u>\$</u>	<u>%</u>	<u>TOTAL FY09</u> <u>BUDGET</u>
OPERATING REVENUE							
Passenger Ticket Revenue	1,902,753	1,639,852	10,329,831	8,976,032	1,353,799	15.1%	21,490,692
Equipment Rental and Other	6,642	11,560	45,142	63,277	(18,135)	-28.7%	151,500
Subtotal Operating Revenue	1,909,395	1,651,412	10,374,973	9,039,309	1,335,664	14.8%	21,642,192
Jurisdictional Subsidy (1)	-	-	8,784,054	8,784,054	-	0.0%	16,361,819
Federal/State/Other Jurisdictional Subsidy	2,844,252	2,454,948	10,782,710	9,737,484	1,045,226	10.7%	27,049,811
Appropriation from Reserve	-	-	-	-	-	0.0%	-
Interest Income	15,737	13,353	66,544	73,092	(6,548)	-9.0%	210,000
Total Operating Revenue	4,769,384	4,119,713	30,008,281	27,633,939	2,374,342	8.6%	65,263,822
OPERATING EXPENSES							
Departmental Operating Expenses	4,264,464	3,357,937	18,264,848	18,236,869	(27,979)	-0.2%	43,974,778
Debt Service	763,242	767,492	4,133,555	4,154,800	21,244	0.5%	15,022,547
Insurance	-	-	3,849,493	3,849,493	-	0.0%	5,275,000
Other Non-Departmental Expenses	1,000	-	14,029	-	(14,029)	-	991,497
Total Operating Expenses	5,028,706	4,125,429	26,261,925	26,241,162	(20,763)	-0.1%	65,263,822
NET INCOME (LOSS) FROM OPERATIONS	(259,322)	(5,715)	3,746,356	1,392,777	2,353,579		
CALCULATED OPERATING RATIO							
						71%	

(1) Total jurisdictional subsidy is \$17,275,500. Portion shown is attributed to Operating Fund only.

Approval of FY 2010 VRE Capital and Operating Budget and Revisions to the FY 2009 Budget

The VRE Operations Board recommends approval of Resolution #2119. This resolution approves VRE's FY 2010 capital and operating budget as well as revisions to VRE's FY 2009 budget. The vote in favor was not unanimous, as representatives from Stafford County and Fredericksburg voted nay. Their comments indicated that they favored a proposal from representatives of the jurisdictions' chief administrative officers who called for a larger FY 2010 fare increase and greater reduction in local subsidies.

Under the approved resolution, for FY 2010, VRE would continue to operate 30 trains each workday with projected average daily ridership of 15,600. Fares would be increased six percent on July 1, 2009. The total jurisdictional subsidy would be reduced to \$16.4 million, down \$0.9 million from FY 2009.

With passage by NVTC of Resolution #2119 (and similar action by PRTC), VRE's FY 2010 budget would be forwarded to participating and contributing jurisdictions for their consideration under the terms of the VRE Master Agreement.



RESOLUTION #2119

SUBJECT: Approval of VRE's FY 2010 Capital and Operating Budget and Revisions to the FY 2009 Budget.

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

WHEREAS: The VRE Operations Board has recommended a FY 2010 Operating and Capital Budget within the guidelines developed in concert with the jurisdictional chief administrative officers;

WHEREAS: The budget is built on an average daily ridership of 15,600 and 30 trains with a six percent fare increase and a local subsidy reduction of \$0.9 million; and

WHEREAS: The budget is designed to maintain ridership and efficient performance.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission does hereby adopt the revised FY 2009 and recommended FY 2010 VRE Operating and Capital budget and directs that the FY 2010 budget be forwarded to the local jurisdictions for inclusion in their budgets in accordance with the VRE Master Agreement;

BE IT FURTHER RESOLVED that NVTC does also direct that the executive directors of both PRTC and NVTC submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program projects and grant applications for FY 2009 and FY 2010; and

BE IT FURTHER RESOLVED that NVTC additionally directs that the executive director of NVTC should submit to the commonwealth the approved VRE budget as part of the VRE's FY 2010 state aid grant applications.

Approved this 8th day of January, 2009.

Chairman

Secretary-Treasurer



AGENDA ITEM 8-A
ACTION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 19, 2008

SUBJECT: REFERRAL OF THE REVISED FY 2009 AND RECOMMENDED
FY 2010 VRE OPERATING AND CAPITAL BUDGET OPTIONS
TO THE COMMISSIONS AND LOCALITIES

RECOMMENDATION:

The VRE Operations Board is being asked to adopt the revised FY 2009 budget and the recommended FY 2010 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption.

BACKGROUND:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the preliminary FY 2010 VRE Operating and Capital Budget was submitted for review at the August VRE Operations Board meeting. Since that time, it has been discussed at numerous meetings of the CAO Task Force. The CAO Task Force met on December 3rd to present their recommendations and discuss VRE responses to those recommendations.

At the December 19, 2008 Operations Board meeting, revisions to the state operating and capital grant funding components of the budget were presented based on new projections from the state. The Board approved those changes, which reduced grant funding by \$758,751. Subsequently, in order to balance the budget, the contribution to the Insurance Trust Fund balance was decreased from \$1 million to \$850,000; the contingency was decreased from \$946,476 to \$737,725; and \$400,000 from the sale of

the Mafersa cars in FY 2008 will be used for one-time expenses in the FY 2010 budget rather than set aside for capital purchases.

DISCUSSION:

The major assumptions in the FY 2010 budget are as follows:

- Continuation of the 30-train operation
- Projection of an average daily ridership of 15,600 passengers
- Projected fare revenue of \$26,917,683 with a fare increase of 6%
- Capital match funds from the State of **17%** of the non-federal share (**23% in the budget as originally presented**)
- State operating funds of **\$9.06 million (\$9.2 million in the budget as originally presented.)**
- Fuel estimated at \$2.65/gallon for a total cost of \$4.7M
- Restoration of the balance in the Insurance Trust Fund to the \$10 million level over a multi-year period. FY 2010 contribution will be in the amount of **\$850,000. (\$1 million in the budget as originally presented.)**
- Jurisdictional subsidy is reduced to \$16,376,968, a decrease of \$898,532 compared to the FY 2009 level.

A 6% fare increase is being recommended in an effort to maintain FY 2010 ridership projections and corresponding fare revenue. VRE ridership growth has begun to level off and concern among VRE staff is growing that as gas prices fall and VRE's fares increase (fares will go up again 7% in January), some riders will return to driving. In fact, average daily ridership has gone from a high of 16,215 in September, to 16,030 in October, and 15,769 in November.

Because many of the new riders came over when gas prices peaked, we know that these passengers are sensitive to cost. Based on this stabilization of growth, we recognize that we are in the zone where other options have again become attractive to commuters. As such, a fare increase of more than 6% is not being recommended.

The capital budget includes the following system capital initiatives for FY 2010:

- Facilities infrastructure - \$550,000
- Broad Run maintenance facility - \$400,000
- Fare collection upgrade - \$300,000
- Rolling stock modifications - \$1,200,000
- Fredericksburg Rail Station - \$705,000
- Capitalization project - \$1,000,000
- Capital fleet expansion - locomotives - \$4,737,000

Material expenditure line item increases are noted below; increases are in comparison to the FY 2009 adopted budget:

- Net increase to Amtrak: \$1,000,000
- Increased locomotive maintenance: \$1,150,000
- Projected fuel increase: \$927,000
- Increase to insurance premium costs : \$470,000
- **Increase to the contingency from 1% to 1.6% due to fuel and state budget volatility: \$265,000 (an increase to 2% or \$475,000 in the budget as originally presented).**

In addition, capital cost of contracting is used to shift \$1.7 million of capital grant funds to the operating budget to offset any mobilization costs required if a new service provider is selected.

The budget also includes a six-year financial forecast for the period FY 2010 through FY 2015. A request was made at the CAO Task Force meeting to prepare a six-year forecast that included future fare increases. VRE has prepared and is recommending a forecast that includes both a **4% fare** increase and a **4% subsidy** increase in years FY12 – FY15. This projection will be revised annually.

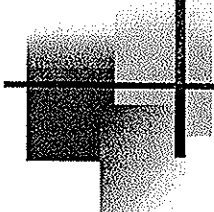
REVISED FY 2009 CAPITAL AND OPERATING BUDGET

At the December 19, 2008 Operations Board meeting, revisions to the state operating and capital grant funding components of the budget were presented based on new projections from the state. The Board approved those changes, which reduced grant funding by \$1,277,532. Subsequently, in order to balance the budget, the contribution to the reserve decreased from \$1.3 million to \$36,197.

The FY 2009 budget has been revised to reflect current projections for revenue and expenses. The major changes are as follows:

- The State operating grant is **level with the FY 2009 allocation.**
- State capital grants **have a net increase of \$2.4** million to reflect additional state funding for platform design and a higher match rate. **This is inclusive of the new projected reductions from the state.**
- Federal grants are increased by \$1.17 million to reflect a higher federal formula allocation
- Fare revenue is increased by \$2.8 million to reflect additional riders and a mid-year fare increase of 7%

- Various expense categories are decreased by \$671,000, including an insurance premium decrease and the deletion of a second marketing campaign
- Fuel costs are increased by \$2.2 million to a total of \$5.9 million to reflect the upsurge in diesel fuel prices compared to the amount projected for FY 2009.
- Equipment operations are increased by \$1 million to accommodate increased locomotive maintenance costs.
- Amtrak costs are increased by a total of \$1.4 million to reflect estimated costs of \$1 million for the second half of a retroactive wage settlement and higher step-up charges and other contractual costs.
- CIP expenditures are increased by \$4.1 million to reflect a \$1.5 million shift of debt service funds from previously-sold Kawasakis to additional locomotive funding, and increases to federal and state grants



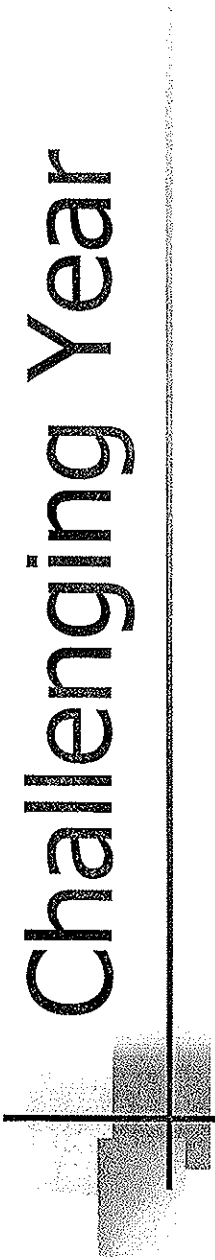
**Virginia Railway Express
Proposed FY 2010 Budget**

December 19, 2008

Most Challenging Budget in

VRE History

- In August, presented budget shortfalls
 - \$1.6M in FY 2009
 - \$8.6M in FY 2010
- Operations Board provided guidelines
 - Sustain ridership
 - Maintain level of service and OTP
 - Maintain subsidy at FY 2009 level
 - Control costs
 - Purchase new locomotives
 - Maintain adequate operating reserve



Challenging Year

- Considered many options to reduce budget including
 - fare increase
 - program cuts
 - service cuts
 - moratorium on earmarks
 - termination of parking leases
 - no merit and no COLA
 - modified hiring freeze
- Implemented everything but service cuts and termination of parking leases and also reduced subsidy



FY 2010 Budget Assumptions

- No service change with ADR 15,600
- Recommend fare increase of 6% in July 2009
- Jurisdictional subsidy of \$16.4 million (\$900K less than FY 2009)
- Restore Trust Fund over multi-year period
- Capital match of 23% of non-federal share
- State operating funds of \$9.2 million
- Fuel estimated at \$2.65/gallon or \$4.7 million

FY 2009/FY 2010 Budget Comparison

Description	FY 2009	FY 2010	Difference
Fare Revenue	21,490,694	26,917,683	5,426,989
Local Subsidy	17,275,500	16,376,968	(898,532)
State/Federal/Other	34,951,149	36,150,210	1,199,061
Total	73,717,343	79,444,861	5,727,518
Operating Expenses	31,264,779	34,889,666	3,624,887
Debt Payments	15,022,547	13,582,380	(1,440,167)
Capital Program	8,453,520	9,242,000	788,480
Access Fees	8,970,000	9,766,950	796,950
Fuel	3,740,000	4,667,205	927,205
Contingency/Reserve	991,497	2,051,660	1,060,163
Insurance	5,275,000	5,245,000	(30,000)
Total	73,717,343	79,444,861	5,727,518

FY 2010 Operating and Capital Expense Budget

Amtrak Contract	\$	18,850,345	23.7%
Bond and Debt Payments		13,582,380	17.1%
Access Fees		9,766,950	12.3%
Capital Program		9,242,000	11.6%
Fuel		4,667,205	5.9%
Insurance		5,245,000	6.6%
Operations Group		3,933,208	5.0%
Equipment Operations		3,551,250	4.5%
Facilities Maintenance		2,531,000	3.2%
Other		8,075,523	10.2%
Total	\$	79,444,861	100.0%

Ridership

Jurisdiction	Oct 07 Survey		Oct 08 Survey		Increase in Riders
	Riders	%	FY 2010	%	
Prince William County	2,492	32.4%	2,751	31.6%	259
Fairfax	1,582	20.6%	1,773	20.4%	191
Stafford	1,301	16.9%	1,540	17.7%	239
Manassas	373	4.8%	410	4.7%	37
Fredericksburg	241	3.1%	301	3.5%	60
Manassas Park	230	3.0%	252	2.9%	22
Other	1,478	19.2%	1,685	19.3%	207
Total	7,697	100.0%	8,712	100.0%	1,015

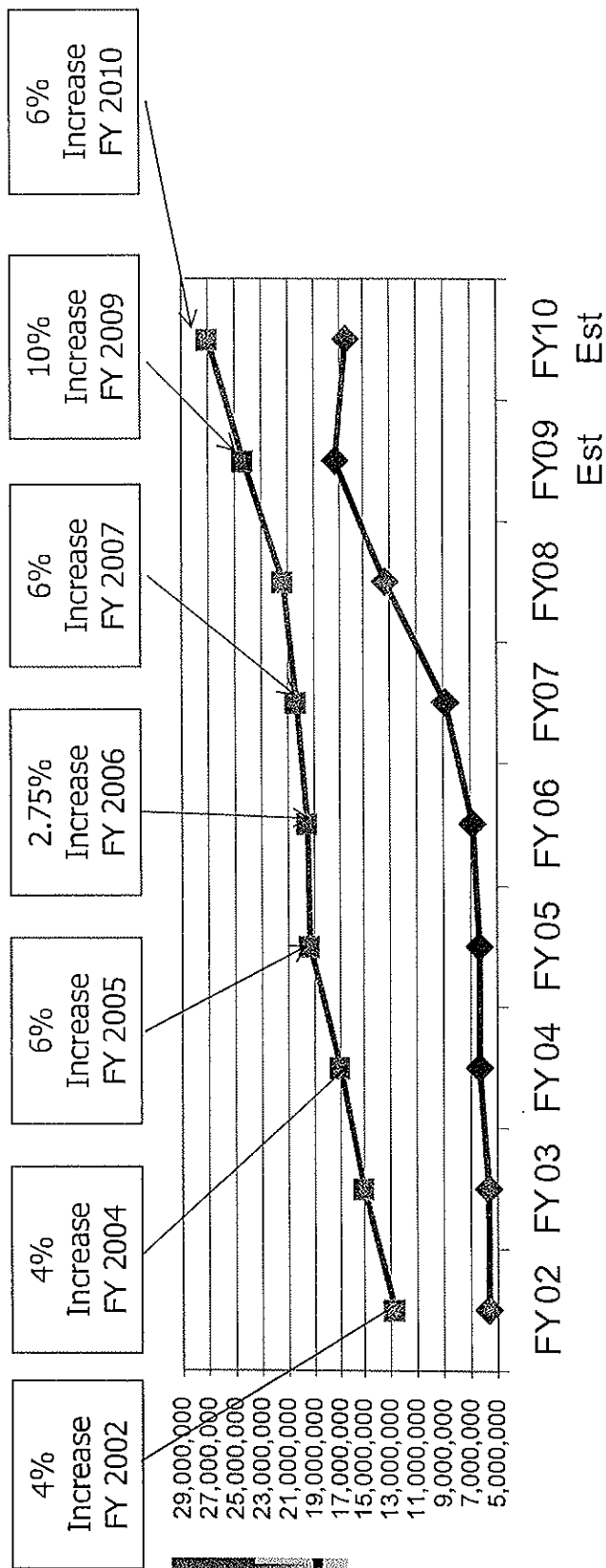
System-wide ridership went up 13.2% from 2007 to 2008 with all jurisdictions showing an increase

Jurisdictional Subsidy

Jurisdiction	FY 2009	FY 2010	Net Inc/(Dec)*
	Subsidy	Proposed	
Fairfax County	\$ 5,507,805	\$ 4,995,534	\$ (512,271)
Prince William County	6,511,839	6,173,028	(338,811)
Manassas	938,897	883,443	(55,454)
Manassas Park	567,082	537,496	(29,586)
Stafford County	2,974,507	2,971,727	(2,780)
Fredericksburg	482,764	508,503	25,739
Alexandria	118,797	124,737	5,940
Arlington	173,809	182,499	8,690
Total Subsidy	\$ 17,275,500	\$ 16,376,967	\$ (898,533)

*Includes third year of governance phase-in

Changes in Fare and Subsidy



Total Fare Revenue —
Total Subsidy —◆—

FY 2009 had two fare increases;
3% in July 08 & 7% in Jan 09

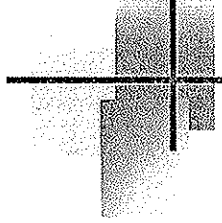


Volatile Projections

- High degree of uncertainty:
 - Diesel fuel – price is extremely variable
 - State funding – projections continue to decrease
 - Ridership – impact of fare increases unknown
 - Insurance – could increase based on commuter rail accidents and insurance market
- Budget is currently balanced based on reasonable assumptions for each – actual amounts could be significantly different

Level of Volatility

Area	Change	Effect
Ridership	+/- 5%	+/- \$1.35M
Fuel	+/- 5% (\$.13)	+/- \$230K
Insurance	+/- 5%	+/- \$202K
State Operating	+/- 1%	+/- \$450K



State Changes as of 12-18-08

	Current	New	Variance
FY 2009			
Operating Budget	10,100,000	9,254,240	(845,760)
Capital Budget	1,641,893	1,210,121	(431,772)
Total			(1,277,532)
FY 2010			
Operating Budget	9,200,000	9,063,805	(136,195)
Capital Budget	4,159,664	3,537,108	(622,556)
Total			(758,751)

- FY 2009 - will resolve with operating reserve contribution
- FY 2010 - will have to make additional adjustments

Ridership and Fare Revenue

- Recommending a 6% fare increase and a \$900K subsidy reduction
 - Jurisdictions are facing reduced gas tax revenue
 - Must also preserve ridership – growth is slowing

Month	FY 2008	FY 2009	Growth Rate
Sep	884,554	998,329	12.9%
Oct	1,208,548	1,350,981	11.8%
Nov	1,485,973	1,622,106	9.2%



Ridership is Precarious

- VRE fares are up - cost of gas is down
- Our riders are price sensitive
- Now in the zone where other commuting options are again attractive
- Must remain competitive or we lose riders
- A 5% reduction in ridership will cause a \$1.35M deficit in the FY 2010 budget
- No marketing funds to attract new riders



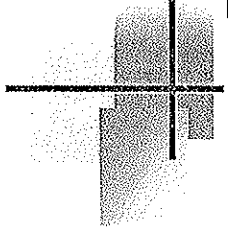
Basis for Concern

- Is a 5% ridership drop (or more) possible?
 - Cut the mid-day Manassas train – ridership dropped 3.5%
 - FY 2005 – 6% fare increase followed by a 2.75% fare increase in FY 2006 – ridership dropped 5%
- Large fare increases coupled with uncontrollable adverse events (decline in OTP, weather, schedule changes, crowding, etc.) can cause riders to go elsewhere and revenue to decrease.



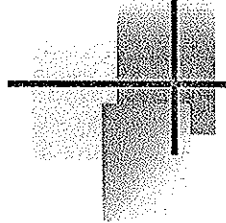
CAO Recommendations

1. Implement ten percent fare increase –
 - Do not concur - recommend 6% to ensure sustained fare revenue
 - CAO's assume no ridership loss
2. Reduce diesel price from \$2.65 to \$2.50
 - Do not concur – can't lock until late spring
 - Current analyses based on "point estimates" with wide range of possible outcomes



CAO Recommendations

3. Revise six year plan to:
 - Adjust escalation rates of state operating funds, Amtrak contract, fuel
 - Hold service constant through FY 2015
 - Do not concur
 - It's a plan, not a budget
 - Reflects the need for additional service in future
 - Assumes modest service expansion in FY 2012 and FY 2014 to allow for ridership growth
 - No impact on today's decision on FY 2010 budget



Delicate Balance

- Budget designed to preserve the health of the system
- High ridership loss would have negative impact on fare revenue in FY 2010 and beyond
- Trying to maintain fare revenue despite slowing growth in light of dropping fuel prices
- Growth in fare revenue is the only source of additional revenue



End of Presentation

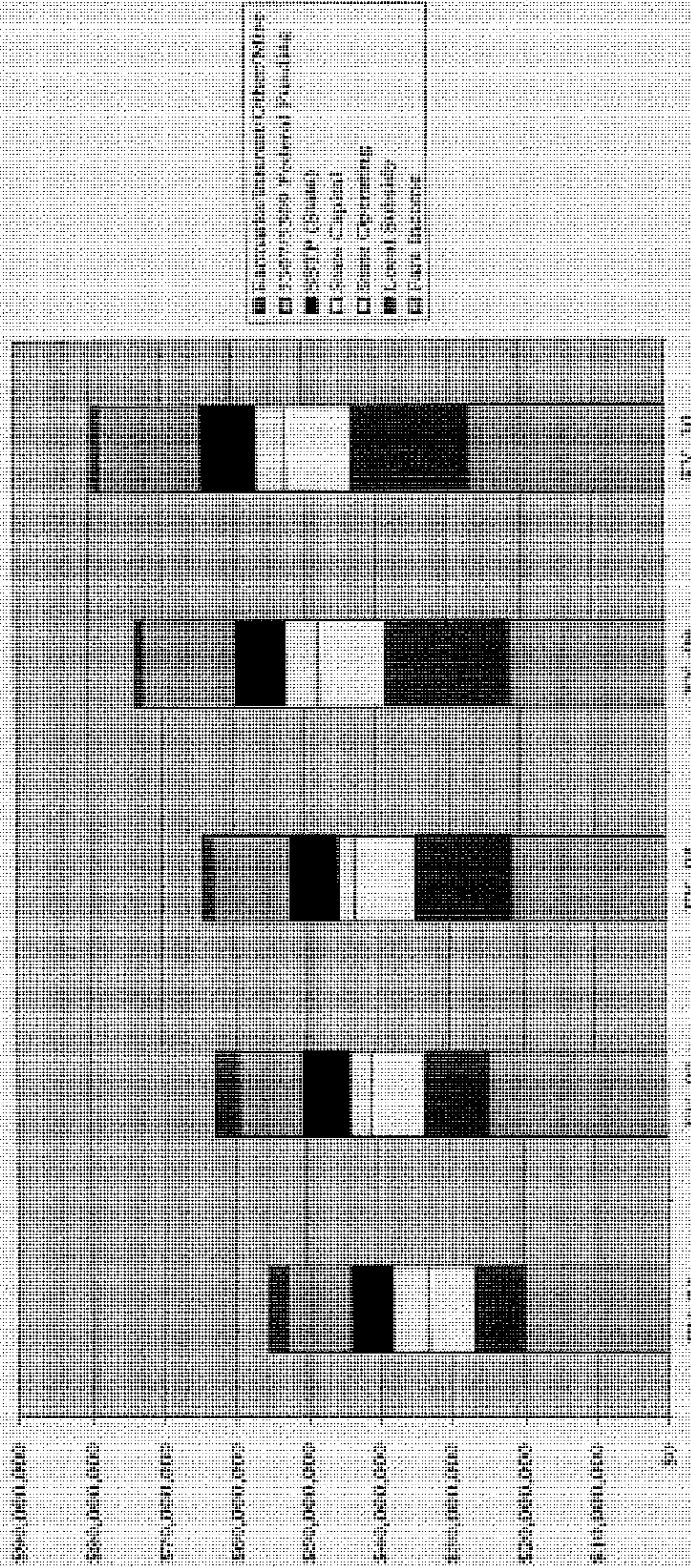
Questions?

*CAO Task Force
Review/Recommendations FY
10 VRE Preliminary Budget*

December 12, 2008

FY 10 VRE Budget 12/12/08

VRE Operating & Capital Budget FY 10 Proposed - All Other Years Adopted



Date: 12/18/2008

FY 10 VRE Budget 12/12/08 Fuel Tax

- FY 10 through FY 14 fuel tax revenues in the following table are preliminary estimates based on New York Mercantile Exchange crude oil and regular unleaded gasoline futures contracts and December Taxation consumption projections
- ◆ New York Mercantile Exchange-based estimates are first-time use of this data source, which has longer-term projection horizons than the Energy Information Administration (EIA) based source used historically
- ◆ New York Mercantile Exchange based estimates closely resemble EIA based estimates in the first year of the six year plan and are modestly higher in the out years
- ◆ Both sets of estimates are dramatically lower than estimates associated with previously developed budgets / six year plans and for some jurisdictions the lower estimates are insufficient to sustain investments traditionally made with fuel tax funds

Date: 12/18/2008

FY 10 VRE Budget 12/12/08 6 Yr Plan

- Current 6 Year Plan Assumptions:
 - ◆ Additional trains in FY 12 (Fredericksburg) and FY 14 (Manassas)
 - ◆ Programmed fare and subsidy increases of 3% in FY 12/13/14/15
 - ◆ Amtrak expenses increases at the rate of 4% per year
 - ◆ State Operating Grant increases at the rate of 3% per year
 - ◆ Diesel fuel increasing at the rate of 6% per year
- Assumptions need to be revised to reflect historical Amtrak expenditures and reduction in Commonwealth Transportation Board Transportation Trust Fund revenues and current market realities for diesel fuel
- Projected jurisdictional subsidy increases over six year plan

FY10 VRE Budget Diesel Fuel

- VRE estimates 1.8 million gallon of diesel fuel usage and \$2.65 per gallon in FY 10
 - ◆ Approx. \$1.0 million higher than FY 09 (\$4.7 million vs. \$3.7 million)
- Ten cent reduction in average price of diesel fuel reduces VRE's fuel expense by \$173,000 per year
- Diesel fuel prices have come down from summer highs but not as quickly as prices for regular unleaded gasoline
- Most current EIA projection for FY 10 diesel fuel is approximately \$2.00 per gallon
 - ◆ VRE not locked-in for most of its FY 10 and won't be until spring
 - ◆ VRE has high transportation surcharge because of fueling arrangement

CAO Task Force Recommendations

- Recommend diesel fuel expenditures be reduced from an average price of \$2.65 per gallon to \$2.50 per gallon in FY 10. This results in \$259,500 in savings.
- ◆ Federal Reserve Board has indicated that near term weakness in economic activity would continue into next year and that subsequent recovery would be relatively gradual
- ◆ VRE has the opportunity after awarding fuel contracts in April to lock in low diesel fuel futures prices for FY 10
- ◆ While volatility in the futures market can be expected an increase from \$2.00 to \$2.48 (about 24%) between December 08 and April 09 seems excessive.
- ◆ VRE pays a \$0.14 to \$0.17 fuel delivery surcharge on diesel because locomotive tanks must be filled individually ($\$2.48 + \$0.17 = \$2.65$)

CAO Task Force Recommendations

- Fuel expense reductions of \$259,500 including reductions in operating reserve requirement of \$85,635 plus \$1,012,000 in additional fare revenue total \$1,357,135

As of 12-12-08	FY 09 Adopted Budget Subsidy	VRE Proposed Budget Subsidy	CAO Proposed Budget Subsidy	Difference CAO/VRE
Total Jurisdictional Subsidy	\$17,275,499	\$16,376,967	\$15,019,832	(\$1,357,135)
less Arlington & Alexandria	(\$292,606)	(\$307,236)	(\$307,236)	\$0
Net Jurisdictional Subsidy	\$16,982,893	\$16,069,732	\$14,712,596	(\$1,357,135)
Fairfax County	\$5,507,805	\$4,995,534	\$4,669,439	(\$326,095)
Fredericksburg	\$482,764	\$508,503	\$445,029	(\$63,474)
Manassas	\$938,897	\$883,443	\$803,859	(\$79,584)
Manassas Park	\$567,082	\$537,496	\$488,588	(\$48,908)
Prince William County	\$6,511,839	\$6,173,028	\$5,645,119	(\$527,909)
Stafford County	\$2,974,507	\$2,971,727	\$2,660,564	(\$311,163)

VIRGINIA RAILWAY EXPRESS
RECOMMENDED BUDGET
FOR FISCAL YEAR 2010
AND
REVISED BUDGET
FOR FISCAL YEAR 2009

DECEMBER 19, 2008
(Revised December 22, 2008)

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REVISED FY 2009 BUDGET

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MISSION STATEMENT

The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission, will provide safe, cost-effective, accessible, customer-responsive, reliable rail passenger service as an integral part of a balanced, intermodal regional transportation system.

GOALS FOR FISCAL YEAR 2010

- Achieve at least a 55 percent operating ratio (cost recovery).
- Operate trains on time at least 95 percent of time.
- Achieve at least 15,600 average daily ridership.

PERFORMANCE MEASURES FOR FISCAL YEAR 2010

MEASURE	PERFORMANCE MEASURE	TARGET
Safety	Injuries to Passengers	0
On-Time Performance	Percent On-time Each Month	95%
Average Daily Seat Occupancy	Utilization of Available Seating	95%
Operating Ratio	Ratio of Fare Income to Operating Costs	55%
Ridership Growth	Minimum Growth over Prior Year	2%

BUDGET ASSUMPTIONS FOR FISCAL YEAR 2010

(NOTE: The information that follows is based on the budget approved by the VRE Operations Board on December 19, 2008. The State's Operating and Capital funding was decreased by \$758,751 in FY 2010.)

Major Issues in FY 2010 Budget:

1. Subsidy level of \$16,376,968, a decrease of \$898,532 from the FY 2009 amount.
2. Shift of grant funds for capital cost of contracting to the operating budget in the amount of \$1.7M.
3. Insurance costs continue to be a material cost in FY 2010. Premium costs, FELA coverage and partial restoration of the insurance trust fund budgeted at **\$5.1M**. This will allow restoration of the trust fund to the \$10M required by the end of FY 2011.
4. Contract maintenance costs of locomotives increased by \$1.1M to reflect the costs of maintaining an aging fleet. Amtrak costs increased by \$1M to reflect the result of wage and other contractual increases.
5. Total debt service has decreased by \$1.4M due to the sale of the Kawasaki railcars and the repayment of the fare collections system debt.
6. Fuel costs continue to be volatile. Projected costs are in the amount of \$4.7 million, based on a cost per gallon of \$2.65.

Sources of Funding (\$ in thousands)

The budget shown below assumes the following:

- Fare revenue will be \$26.9M with a 6% fare increase.
- Level of federal capital and operating funding will be consistent with the FY 2009 level. Level of state capital funding is budgeted at 17%. State operating funding budgeted at **\$9.06M**.
- Local subsidy allocation reduced to \$16,376,968

Sources of Funding (\$ in thousands)

<u>Jurisdiction</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Percent</u>
Fairfax County	\$5,507,804	\$4,995,535	-9.3%
Fredericksburg	482,764	508,503	5.3%
Manassas	938,897	883,443	-5.9%
Manassas Park	567,082	537,496	-5.2%
Prince William County	6,511,839	6,173,028	-5.2%
Stafford County	2,974,507	2,971,727	-0.1%
Alexandria	118,797	124,737	5.0%
Arlington	173,809	182,499	5.0%
Total	<u>\$17,275,499</u>	<u>\$16,376,968</u>	

Uses of Funding

Key assumptions implicit in determining the operating expense for the FY 2010 budget include the following:

- Fuel prices averaging \$2.65/gallon for the fiscal year
- Average daily ridership at 15,600 with a 6% fare increase
- Operation of 30 daily trains with an on-time performance of 95% or better.
- Continued incentive and performance agreements with AMTRAK.

Source and Uses of Funds

Fare Increase		6%
Subsidy Decrease	\$	(898,532)
Number of Trains		30
Number of Passengers		15,600
Sources		
Fare Revenue	\$	26,917,683
Local Subsidy		16,376,968
State Formula Grant		9,063,805
State Capital Grant used for Operations		3,105,850
State Capital Grant used for Capital Programs		431,258
Federal Capital Funding (SSTP)		7,813,560
Federal Capital Grant used for Operations		7,201,886
Federal Capital Grant used for Capital Programs		7,393,600
Other Income		781,500
Total Sources	\$	79,086,110
Uses		
	\$	
Operating Expenses		47,323,821
Debt Service		13,582,380
Federal Capital Program		9,242,000
Insurance, Operating Reserve, and Other		8,937,909
Total Uses	\$	79,086,110

Six-Year Financial Plan

The final FY 2010 budget recommendation includes a six-year financial plan as required by the Master Agreement. The six-year financial plan was developed in conjunction with the VRE Phase II Strategic Plan and reviewed with CAO Budget Task Force. The VRE capital planning process is informed by the results of the Phase II Strategic Plan, which was approved by the Operations Board in May of 2004. Subsequently, planning assumptions through 2025 that are outlined in the Strategic Plan are the foundation of the CIP. The CIP is fiscally constrained and the program of projects is based on reasonably assumed funding only. Parking projects are assumed to be the responsibility of the jurisdiction, with VRE support and assistance, and are therefore not funded in the CIP. Potential earmarks are not shown in this document until after they are fully allocated by the funding agency.

<u>Jurisdictions</u>	[Col 1]	[Col 2]	[Col 3]	[Col 4]	[Col 5]	[Col 6]	
	Population 2006 Update	Population %	Contributors' Potential Share of Net Costs %	Contributors' Potential Share of Net Costs \$	Contributors' Maximum Share of Net Costs	5% Increase	
Contributors:							
Alexandria	136,732	7.1385%	0.7138%	\$268,379		\$124,737	
Arlington	201,163	10.5022%	1.0502%	\$394,845		\$182,499	
Contributors' Total	337,895	17.6407%					
	[Col 7]	[Col 8]	[Col 9]	[Col 10]	[Col 11]	[Col 12]	
Participants:	Population 2006 Update	Population %	2.5% Weight- Participants' Normalized % Population	October Survey Participants' AM Ridership	97.5% Weight - Participants' Ridership %	Participants' [2,5/97.5] Aggregate % of Costs	
Fairfax County	1,012,512	52.86%	64.18%	1,773	25.23%	26.20%	
Fredericksburg	22,218	1.16%	1.41%	301	4.28%	4.21%	
Manassas	36,528	1.91%	2.32%	410	5.84%	5.75%	
Manassas Park	13,950	0.73%	0.88%	252	3.59%	3.52%	
Prince William County	371,939	19.42%	23.58%	2,751	39.14%	38.75%	
Stafford County	120,387	6.29%	7.63%	1,540	21.92%	21.56%	
Participants' Total	1,577,534	82.36%	100.00%	7,028	100.00%	100.00%	
Population Total	1,915,429	100.00%					
<u>Costs</u>	[Col 12] (repeated) Participants' [10/90] Aggregate %	[Col 13] Gross Costs \$	[Col 14] State Aid Interest & Misc Income \$	[Col 15] "System" Fare Revenue \$	[Col 16] Net Costs \$	[Col 17] Contributors' Payments Lesser of Col 6 or 4	[Col 18] Participants' Net Costs \$
Alexandria						\$124,737	
Arlington						\$182,499	
Fairfax County	26.20%	\$20,722,532	\$9,378,254	\$1,493,119			\$9,770,655
Fredericksburg	4.21%	\$3,330,410	\$1,507,221	\$239,966			\$1,570,285
Manassas	5.75%	\$4,548,394	\$2,058,435	\$327,725			\$2,144,564
Manassas Park	3.52%	\$2,787,020	\$1,261,303	\$200,813			\$1,314,077
Prince William County	38.75%	\$30,645,446	\$13,869,000	\$2,208,094			\$14,449,300
Stafford County	21.56%	\$17,052,308	\$7,717,246	\$1,228,669			\$8,040,147
Total	100.00%	\$79,086,110	\$35,791,459	\$5,698,386	\$37,596,265	\$307,236	\$37,289,028
<u>Subsidy Calculation</u>	[Col 19]	[Col 20]	[Col 18] (repeated) Participants' Net Costs \$	[Col 21] Proposed FY 2010 Budget Based on 10/01/08 Survey	[Col 22] Actual FY2009 Subsidy	[Col 23] Net Change \$	[Col 24] Net Change %
Alexandria	Oct Survey Participants' Fare Revenue %	Participants' Fare Revenue \$		\$124,737	\$118,797	\$5,940	5.00%
Arlington				\$182,499	\$173,809	\$8,690	5.00%
Fairfax County	22.504%	\$4,775,121	\$9,770,655	\$4,995,534	\$5,507,805	(\$512,271)	-9.30%
Fredericksburg	5.004%	\$1,061,782	\$1,570,285	\$508,503	\$482,764	\$25,739	5.33%
Manassas	5.943%	\$1,261,120	\$2,144,564	\$883,443	\$938,897	(\$55,454)	-5.91%
Manassas Park	3.660%	\$776,581	\$1,314,077	\$537,496	\$567,082	(\$29,586)	-5.22%
Prince William County	39.004%	\$8,276,272	\$14,449,300	\$6,173,028	\$6,511,839	(\$338,811)	-5.20%
Stafford County	23.886%	\$5,068,421	\$8,040,147	\$2,971,727	\$2,974,507	(\$2,780)	-0.09%
Total	100.0000%	\$21,219,297	\$37,289,028	\$16,376,967	\$17,275,499	(\$898,532)	-5.20%
<u>Fares</u>	[Col 25]						
Participants Residents' "System-wide"	21,219,297	5,698,386					
FY 2010 Total	26,917,683						

FY10 VRE - Source and Use Budget Worksheet

LEVEL OF SERVICE FOR FY 2010

30 trains 15,600 average daily riders

Leases 9,766,950
 Recapitalization: NS 2,400,000
 Add'l funding needed CSXT 4,298,950
 Total 9,766,950

Amtrak 3,158,000
 NS 2,400,000
 CSXT 4,298,950
 Total 9,766,950

USES OF FUNDS	SOURCES OF FUNDS						EARMARK/ OTHER	TOTAL
	FARE INCOME	INTEREST	EQUIP RENT AND MISC	LOCAL SUBSIDY	STATE CAPITAL	STATE S5TP		
Operating Expenses	26,917,683	230,000	151,500	(314,341)	400,000	7,813,560	2,936,800	47,323,821
Non-Operating Expenses								
Insurance Reserve				5,095,000				5,095,000
Operating Reserve/Contingency				1,842,909				1,842,909
Debt Service (1993 & 1998)				6,764,022	2,399,276		0	9,163,298
Mobilization Costs				2,000,000				2,000,000
Debt Service (Gallery IV) (11 Cabcars)				320,605	65,666		1,845,086	2,225,357
Debt Svc (Gallery IV-C) (10 rail cars)				149,400	30,600		720,000	909,000
Office Loan				87,000				87,000
Other (Bad Debt/Admin)				80,000				80,000
Debt Svc (Gallery IV-b) (50 rail cars)				949,500	400,500			1,350,000
Debt Svc (Gallery IV-b) (50 rail cars)				415,000	85,000		2,000,000	2,500,000
Non-Operating Summary	0	0	0	15,271,167	0	2,981,036	4,265,086	22,520,289
Total Expenses (Subtotal)	26,917,683	230,000	151,500	14,959,826	400,000	9,063,805	7,201,886	69,844,110
Capital Projects								
Facilities Infrastructure				91,300	18,700		440,000	550,000
Broad Run Maintenance				66,400	13,600		320,000	400,000
Fare Collection Upgrade				49,800	10,200		240,000	300,000
Rolling stock mods				0	0		0	0
Capital project contingency				199,200	40,800		960,000	1,200,000
Fredericksburg Rail Station				58,100	11,500		280,000	350,000
Capitalize project				0	141,000		0	141,000
Capital Fleet Expansion - Locomotive				166,000	34,000		800,000	1,000,000
Mid-day Storage				786,342	161,058		3,789,600	4,737,000
Capital Needs Assessment				0	0		0	0
Capital Project Summary	0	0	0	1,417,142	431,258	0	6,829,600	9,242,000
Earmarks/Capital								
Earmark Summary:	0	0	0	0	0	0	0	0
TOTAL	26,917,683	230,000	151,500	16,376,969	400,000	9,063,805	14,031,486	79,086,110

FY09 subsidy surplus 17,275,800 898,531

Program	Funding	Federal Amt	State Amt
Soft Capital Projects	1,931,358	1,545,086	65,666
Debt Service Gallery IV	9,766,950	7,813,560	30,600
Access lease funding	5307/5309	720,000	85,000
Debt Service Gallery IV C	990,000	2,000,000	400,500
50 Railcars	2,500,000	5307/5309	160,000
50 Railcars	5307/5309	6,800	4,760
Locomotive Lease	200,000	300,000	12,750
Rappon Lease	140,000	246,400	4,182
Project Management	375,000	98,400	68,000
Project Management	308,000	1,600,000	10,200
Scheidt/Bachman	123,000	80,000	3,400
Capital Cost of Contracting	2,000,000	80,000	3,400
Construction Management	300,000	2,399,276	850
Security Enhancements	100,000	20,000	3,108,850
Signage Enhancements	100,000	20,000	3,108,850
Debt Service (1993 & 1998)	100,000	20,000	3,108,850
Fredericksburg P Leases	25,000	20,000	3,108,850
Subtotal	18,769,308	7,393,000	3,108,850
Capital Projects/Earmarks	9,242,000	2,409,046	3,537,108
Federal Cap Program	28,014,308	2,409,046	3,537,108

Calculated Operating Reserve 13%

Federal Reimbursement rate	80%
State Match Reimb rate MIF Cap	17%
State Match Reimb rate MIF Cap	17%
State Earmark Match rate	

VRE Fiscal Year 2010 Proposed Program Budget

	<u>FY 2008 Amended</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Proposed</u>
Revenue:			
VRE - Non-Departmental			
Fare Revenue	21,334,369	21,490,694	26,917,683
Miscellaneous Revenue	513,775	151,500	151,500
Appropriation from Reserve			
Jurisdictional Revenue	13,379,154	17,275,498	16,376,968
Other Revenue		173,000	-
Proceeds from Mafersa Sale			400,000
Federal Operating Grants	14,150,870	13,912,654	15,015,446
State Operating Grants	12,454,691	13,124,677	12,169,655
Federal Capital Grants	5,508,450	6,634,400	7,393,600
State Capital Grants	588,237	744,920	431,258
Interest Income	210,000	210,000	230,000
Total Revenue	<u>68,139,546</u>	<u>73,717,343</u>	<u>79,086,110</u>
Expenditures:			
VRE - Non-Departmental			
Liability Insurance	5,160,000	5,275,000	5,095,000
Operating Reserve/Contingency	14,140	991,497	1,842,909
Other	-	-	2,000,000
VRE-Financing-Administration Fees	-	-	-
Total VRE - Non-Departmental	<u>5,174,140</u>	<u>6,266,497</u>	<u>8,937,909</u>
Executive Mgmt and Planning			
Salaries/Fringes	551,829	599,938	605,325
Travel/Training/Employee Expenses	20,000	16,000	7,500
Board Member Expenses	4,000	1,500	1,500
Legal/Audit	150,000	125,000	75,000
Consulting/Professional/Other	202,200	71,500	70,500
Total Executive Mgmt and Planning	<u>928,029</u>	<u>813,938</u>	<u>759,825</u>
Administration			
Salaries/Fringes	322,127	340,830	349,829
Travel/Training/Employee Expenses	5,500	8,000	7,000
Communication/Other	223,250	243,250	238,000
Office Administration Expenses	105,000	81,000	96,500
Total Administration	<u>655,877</u>	<u>673,080</u>	<u>691,329</u>
Public Affairs/Marketing			
Salaries/Fringes	253,134	276,224	278,955
Travel/Training/Employee Expenses	6,000	6,000	5,500
Production/Media/Promotion/Other	600,000	595,000	185,000
Special Events/Other	10,000	10,000	7,500
Total Public Affairs/Marketing	<u>869,134</u>	<u>887,224</u>	<u>476,955</u>

VRE Fiscal Year 2010 Proposed Program Budget

	FY 2008 Amended	FY 2009 Budget	FY 2010 Proposed
Customer Service			
Salaries/Fringes	484,917	493,342	518,618
Travel/Training/Employee Expenses	21,000	21,000	12,000
Printing/Admin/Other	729,500	849,500	935,000
Total Customer Service	<u>1,235,417</u>	<u>1,363,842</u>	<u>1,465,618</u>
Budget and Finance			
Salaries/Fringes	579,527	602,652	631,025
Travel/Training/Employee Expenses	28,000	28,000	16,000
Audit/Maint Service Agreements	115,000	105,000	105,000
Retail Sales/TLC Commissions	450,000	475,000	620,000
Bank Discounts/Other	206,000	206,000	226,000
Total Budget and Finance	<u>1,378,527</u>	<u>1,416,652</u>	<u>1,598,025</u>
Communication and Info Tech			
Salaries/Fringes	215,470	212,601	191,721
Travel/Training/Employee Expenses	94,500	87,000	18,500
Computer Equipment/Software	207,000	200,000	210,000
Communications	200,000	300,000	385,000
Repairs and Maintenance - Fare Collection/Trip One	20,400	30,000	30,000
Total Communication and Info Tech	<u>737,370</u>	<u>829,601</u>	<u>835,221</u>
Construction and Cap Proj			
Salaries/Fringes	489,779	682,966	548,206
Travel/Training/Employee Expenses	32,000	32,000	14,500
Other Professional Services/Other Expenses	161,000	150,000	132,500
Total Construction and Cap Proj	<u>682,779</u>	<u>864,966</u>	<u>695,206</u>
Facilities Maintenance/Operations & Safety			
Salaries/Fringes	273,043	289,599	241,777
Travel/Training/Employee Expenses	4,000	7,500	5,200
Vehicle/Office/Other Professional Service	38,000	27,000	21,500
Station Electricity/Utilities/Taxes	695,709	642,500	609,000
Materials and Supplies - Stations	100,000	100,000	100,000
Repairs and Maintenance - Stations/Parking/Yards	1,740,000	2,000,000	1,800,000
Station/Yard Security	550,000	445,000	325,000
Total Facilities Maintenance	<u>3,400,752</u>	<u>3,511,599</u>	<u>3,102,477</u>
Purchasing and Contract Admin			
Salaries/Fringes	235,646	261,206	261,012
Travel/Training/Employee Expenses	11,000	7,000	2,600
Total Purch and Contract Admin	<u>246,646</u>	<u>268,206</u>	<u>263,612</u>

VRE Fiscal Year 2010 Proposed Program Budget

	<u>FY 2008 Amended</u>	<u>FY 2009 Budget</u>	<u>FY 2010 Proposed</u>
Equipment Operations			
Salaries/Fringes	233,380	244,171	377,803
Travel/Training/Employee Expenses	33,000	26,500	11,750
Consulting/Admin/Warehouse Management	250,000	375,000	350,000
Equipment/Warehouse Leases	812,947	400,000	320,000
Utilities	357,500	475,000	619,500
Diesel Fuel	3,900,000	3,740,000	4,667,205
Materials and Supplies - Equipment/Yards	-	35,000	-
Repairs and Maintenance - Rolling Stock	2,420,000	1,000,000	2,250,000
Car Cleaning	-	-	-
Total Equipment Operations	<u>8,006,827</u>	<u>6,295,671</u>	<u>8,596,258</u>
PRTC			
Professional Services	175,000	160,000	152,000
Total PRTC	<u>175,000</u>	<u>160,000</u>	<u>152,000</u>
NVTC			
Professional Services	75,000	70,000	70,000
Total NVTC	<u>75,000</u>	<u>70,000</u>	<u>70,000</u>
Amtrak			
Access Fees/Recapitalization	2,300,000	2,570,000	3,158,000
Contract Operations and Maintenance	16,875,000	17,850,000	18,850,345
Total Amtrak	<u>19,175,000</u>	<u>20,420,000</u>	<u>22,008,345</u>
Norfolk Southern			
Access Fees	1,800,000	1,810,000	1,890,000
Contract Operations and Maintenance	500,000	500,000	510,000
Total Norfolk Southern	<u>2,300,000</u>	<u>2,310,000</u>	<u>2,400,000</u>
CSXT			
Access Fees	3,525,000	3,600,000	3,708,950
Contract Operations and Maintenance	475,000	490,000	500,000
Total CSXT	<u>4,000,000</u>	<u>4,090,000</u>	<u>4,208,950</u>
CIP Expenditures			
CIP Expenditures	6,639,675	8,453,520	9,242,000
Total CIP Expenditures	<u>6,639,675</u>	<u>8,453,520</u>	<u>9,242,000</u>
CIP VRE - Non-Departmental			
Debt Service	12,459,373	15,022,547	13,582,380
Depreciation/Amortization	-	-	-
Total CIP VRE - Non-Departmental	<u>12,459,373</u>	<u>15,022,547</u>	<u>13,582,380</u>
Total Expenditures	<u>68,139,546</u>	<u>73,717,343</u>	<u>79,086,110</u>

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CAPITAL IMPROVEMENTS PROGRAM

FISCAL YEAR 2010

VIRGINIA RAILWAY EXPRESS

December 2008

Introduction

The FY 2010 Virginia Railway Express (VRE) Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety, operational efficiency, and expand capacity. The capital improvements described on the following pages are designed to attract more riders through greater reliability, faster operating speeds and improved station access. In addition to project descriptions, this document also provides information on agency cooperation and programming criteria. Projects are included in the CIP as funded and partially funded.

The VRE capital planning process is informed by the results of the Phase II Strategic Plan, which was approved by the Operations Board in May of 2004. Subsequently, planning assumptions through 2025 that are outlined in the Strategic Plan are the foundation of the CIP. As the Strategic Plan is now several years old, information is updated where possible (i.e. through fleet planning).

The CIP is fiscally constrained and the program of projects is based on reasonably assumed funding only. Parking projects are assumed to be the responsibility of the jurisdiction, with VRE support and assistance, and are therefore not funded in the CIP. Potential earmarks are not shown in this document until after they are fully allocated by the funding agency.

VRE CIP Policy Statement

Policy Statement: The VRE Capital Improvement Program is designed to maintain VRE passenger equipment and facilities in a state of good repair and to accommodate growth within adopted service and safety standards. Federal grants are the principal source of funds for the VRE CIP. Therefore, policies and practices are designed to maximize federal financial participation in VRE capital programs.

Programming Process

Project Identification: When considering projects for inclusion in the VRE CIP, a series of programming criteria is used to help organize the process. In order of importance, these criteria include:

- ❖ Provide full funding for adopted CIP projects mandated by legislation.
- ❖ Provide full funding for adopted CIP projects required by agreements with railroads, localities, or related entities.
- ❖ Identify and fund projects that maintain facilities and rolling stock in a state of good repair.

- ❖ Identify and fund projects that advance the VRE mission of increased riders while maintaining safety and reliability standards.
- ❖ Identify and fund projects that improve operational efficiency and costs.

CIP Programming: Within the CIP program, the highest priority projects are programmed for the early years whenever possible. Improvements that will be made by the railroads have been scheduled according to staff's understanding of when railroad forces will be available and mobilized.

Board/Commission Approval: Once the program of projects has been developed, it is forwarded as part of the budget to the Operations Board. With their approval, the package goes to the Commissions for final authorization. The VRE budget process begins in the summer, with approval by the Operations Board in December and Commissions in January.

CIP Document Organization

The CIP text provides information on construction projects planned for FY 2010 – FY 2015 based primarily on the Phase II Strategic Plan. These project descriptions include a summary regarding budget, funding and schedule.

Administrative and/or on-going system projects are grouped together at the end of the document. The CIP is fiscally constrained and the program of projects is based on reasonably assumed funding only. Parking projects are assumed to be the responsibility of the jurisdiction, with VRE support and assistance, and are therefore not funded in the CIP. Potential earmarks are not shown in this document until after they are fully allocated by the funding agency.

Project: Broad Run Yard Expansion/Maintenance Facility

Description: The existing rolling stock storage yard at Broad Run must be expanded in order to allow additional fleet maintenance work to be performed at this facility. This work is difficult to perform downtown as capacity is constrained. Design is nearly complete on additional storage tracks as well as locomotive and train wash facilities.

Current Phase:

- conceptual preliminary planning environmental
 design/eng. procurement construction

Schedule: Design is nearly complete and a construction procurement is expected during the winter of 2008/2009.

Budget:

- Total estimated cost: \$8.8 million
- Total CIP budget: \$8.8 million
- Annual Operating Cost: Estimated at \$40,000.

Funding Source: Funding is currently made up of federal formula funds.

Project: Capital Fleet Expansion – Purchase Locomotives

Description: As VRE's locomotives age and reach the end of their useful life, efforts are underway to procure additional locomotives. Twenty new locomotives are needed to replace the existing fleet.

Current Phase:

- conceptual preliminary planning environmental
 design/eng. procurement construction

Schedule: In January of 2008, a contract was awarded to Motive Power for the manufacture of two locomotives, with an option to purchase 18 additional units. In October of 2008, three option orders were exercised allowing for the purchase of five units. Units are expected for delivery in 2010.

Budget:

- Total estimated cost: \$85.8 million
- Total CIP budget: \$47.6 million
- Annual Operating Cost: operating costs anticipated to decrease as these new vehicles will be replacing old locomotives.

Funding Source: Funding is currently made up of state earmarks, federal earmarks, federal formula funds and state/local matching funds.

Project: **Fare Collection III**

Description: VRE's current fare collection system was installed in 2002. As the lead time for a new fare collection system is several years, preliminary work is scheduled to begin this year.

Current Phase:

- conceptual preliminary planning environmental
 design/eng. procurement construction

Schedule: TBD.

Budget:

- Total estimated cost: TBD
- Total CIP budget: \$2.75 million

- Annual Operating Cost: to be estimated once system design has been initiated.

Funding Source: Funding is currently made up of federal formula funds.

Project: Fredericksburg Rail Station

Description: In FY 2006, VRE received a four-year appropriation to make improvements to the infrastructure at the Fredericksburg station. An analysis of potential improvements has been completed in order to prioritize work. Once enough funding has been allocated to complete the first phase of this work, a procurement will be initiated.

Current Phase:

- conceptual preliminary planning environmental
 design/eng. procurement construction

Schedule: TBD

Budget:

- Total estimated cost: \$2.6 million
- Total CIP budget: \$2.6 million
- Annual Operating cost: none, as the station is owned by CSX and maintained by the City of Fredericksburg.

Funding Source: Funding is made up of a federal grant.

Administrative, System, and Reoccurring Projects

1. Capital Cost of Contracting – this project is a one-time deferral of capital funds for operating. VRE contracts for transit and maintenance services via a third party. The capital cost of contracting allows VRE to pay for the capital consumed on these assets from federal grants. In FY 2010, this funding will be used for any required transition costs associated with the new operating and maintenance contractor. **Annual allocation in FY 2010 is \$2,000,000.**

2. Capital Project Contingency – funding is allocated to capital projects on an as needed basis due to circumstances such as unforeseen site conditions. Funding is allocated among projects following discussion with the CIP Committee. **Annual allocation in FY 2010 is \$350,000.**
3. Construction Management – funding is used to provide construction management services that require more time than available through VRE staff. Specific needs can include on-site management of construction projects or assistance with specific environmental or historical elements. **Annual allocation in FY 2010 is \$300,000.**
4. Enhancement Grant - grantees must certify that at least 1% of funding received each fiscal year is being used for transit enhancement projects. For FY 2010, VRE's primary use of this funding is electronic customer communications and station and equipment signage. **Annual allocation in FY 2010 is \$100,000.**
5. Facilities Infrastructure Renewal - as VRE ages, some of the original facilities are in need of repairs and/or maintenance. Affecting each station, this project ranges from minor repairs to facility rehabilitation. Projects completed this past fiscal year include grade crossings, station painting, yard stormwater management improvements and windscreen installation. **Annual allocation in FY 2010 is \$550,000.**
6. Fare Collection II – the new fare collection system was implemented in August of 2002. This ongoing expense includes technical support and maintenance. **Annual payment in FY 2010 is \$123,000.**
7. Fredericksburg Lease - this project funds one remaining ongoing lease payment to an independent parking lot that was leased by VRE for passenger use. **Annual payment in FY 2010 is \$25,000.**
8. Grant and Project Management – funding allocated to this project supports staff grant work as well as project management. These expenses are capitalized into grants, reserving operating funds for the provision of service. **Annual allocation in FY 2010 is \$683,000.**
9. Locomotive Lease – this project is the third year of a three-year lease for used locomotives to allow for improved efficiency until the new locomotives are entered into service. **Annual payment in FY 2010 is \$200,000.**
10. Rippon Lease – this is the third and final year of a three-year parking lease extension at the Rippon VRE station. This lease provides 320 parking spaces. **Annual payment in FY 2010 is \$140,000.**
11. Rolling Stock Modifications - project scope includes technical fieldwork that improves passenger travel and crew working conditions. Tasks may also include

responding to requests for minor upgrades and safety mandates from the Federal Railroad Administration (FRA). Funding is allocated on an annual basis. **Annual allocation in FY 2010 is \$1,200,000.**

12. Security Enhancements - grantees must certify that at least 1% of funding received each fiscal year is being used for transit security projects. VRE's primary use of this funding is the Systems Safety consultant. The remaining allocation is used for security infrastructure projects. **Annual allocation in FY 2010 is \$100,000.**

13. Sumitomo Acquisition (50 Car Option) – this project makes annual finance payments on the 11 bi-level Sumitomo cab cars VRE purchased in 2006. The CIP programs an annual payment which represents the cost of financing this equipment over 25 years. **Annual payment in FY 2010 is \$2,500,000 from federal program and an additional \$1,350,000 without federal support.**

14. Sumitomo Acquisition (Cab Cars) – this project makes annual finance payments on the 50 bi-level Sumitomo railcars VRE purchased in 2006. The CIP programs an annual payment which represents the cost of financing this equipment over 25 years. **Annual payment in FY 2010 is \$1,932,000.**

15. Sumitomo Acquisition (10 Car Order) – this project makes annual finance payments on the 10 bi-level Sumitomo railcars VRE purchased in 2008 to replace the Kawasaki railcars sold to Maryland. The CIP programs an annual payment which represents the cost of financing this equipment over 25 years. **Annual payment in FY 2010 is \$900,000.**

16. Track Lease/Improvements - currently scheduled and proposed increases in commuter rail service have demonstrated the need for capitalized access. These improvements could include long-term leases, capital improvements and increased maintenance on the railroad tracks, stations, and terminals. This project occurs on an annual basis. **Annual payment in FY 2010 is \$9,800,000.**

17. Washington Union Terminal Access, Capital Improvements - this annual allocation is the result of the new Operating and Access agreement with Amtrak. Projects to be completed using this funding are negotiated by VRE and Amtrak each year. **Annual allocation in FY 2010 is \$1,000,000.**

Unfunded Potential Projects

As VRE's ridership continues to grow, capital needs have begun to outpace available resources. As a result, not all capital projects can be fully funded using just federal formula funds. While efforts continue to be made to seek funding from other sources, a list of unfunded projects can be found on the Six Year Financial Forecast.

VIRGINIA RAILWAY EXPRESS ASSUMPTIONS FOR SIX YEAR FINANCIAL FORECAST

1. Operating ratio maintained at 60% or higher
2. Level of Service
 - a. 30 trains for FY 2010
 - b. 30 trains for FY 2011
 - c. 32 trains for FY 2012
 - i. Fredericksburg line train
 - d. 32 trains for FY 2013
 - e. 34 trains for FY 2014
 - i. Manassas line train
 - f. 34 trains for FY 2015
3. Operating Costs
 - a. Increase in base costs varies by year, based on annual ridership increase
 - b. Includes costs for additional insurance
 - c. Amtrak, fuel, track leases and debt service tracked separately
 - d. Mobilization and capital cost of contracting eliminated FY 2012
4. Fare Revenue
 - a. Increased **4%** FY 2012 – FY2015
5. Other Revenue:
 - a. Interest income increases at 0% per year
 - b. Other income increases 4% per year
6. Grant Income:
 - a. Access lease funding (SSTP) equal to 80% of access lease expenses – assumes Commonwealth to fund access lease cost for all added trains
 - b. Federal capital program is shown as in six year CIP
 - c. State operating based on grant increases at 3% per year
 - d. State capital grant matched at **17%**
 - e. No provision for earmarks
7. Local Subsidy:
 - a. Increased **4%** FY 2012 – FY 2015

FY10 Six Year Financial Forecast

Description	FY09	FY10	FY11	FY12	FY13	FY14	FY15	Comments
Number of Trains	30	30	30	32	32	34	34	
Manassas Line	16	16	16	16	16	18	18	
Fredericksburg Line	14	14	14	16	16	16	16	
Average Daily Ridership	14,700	15,600	16,068	17,675	18,028	18,749	19,106	
Average Fare Price	5.87	6.87	7.15	7.15	7.44	7.73	7.73	4% FY12 - FY15
Potential Operating Ratio	61%	72%	71%	73%	75%	75%	77%	
Use of Funds for Operations								
Net Operating Expenses	13,414,779	14,039,321	14,460,500	15,906,730	16,224,415	16,873,284	17,194,568	Based on annual revenue increase
Reserves (Operating/Insurance/Mobilization) (5)	6,266,497	8,937,909	7,585,076	6,272,047	5,122,678	6,383,102	5,323,727	insurance payments per schedule
Amtrak (4)	17,860,000	18,850,345	19,604,359	21,441,573	21,949,236	23,937,614	24,545,116	
Fuel (3)	3,740,000	4,667,205	4,947,237	5,989,861	6,349,253	7,568,177	8,022,268	
Track Lease Expense (2)	9,970,000	9,766,950	10,157,628	11,143,686	11,589,433	12,680,071	13,187,274	
Debt Service	14,972,546	13,532,380	13,901,827	14,044,875	14,043,137	14,042,662	14,043,537	
Other (Bad Debt/Admin)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Total Operating Costs	65,263,822	69,844,110	70,706,628	74,848,572	75,328,152	81,535,109	82,366,492	
Sources of Funds For Operations								
Fare Revenue	21,490,692	26,917,683	27,614,754	31,591,636	33,511,479	36,245,783	38,413,377	1.90% Annual ridership increase
Interest Income	210,000	230,000	230,000	230,000	230,000	230,000	230,000	
Other Income	151,500	151,500	151,500	151,500	151,500	151,500	151,500	
Other Revenue	173,000	400,000						
State Operating Grant	9,200,000	9,068,805	9,335,719	9,615,791	9,804,264	10,201,392	10,507,434	Based on 3% rate increase
State Capital Grant	3,924,677	3,105,850	1,577,509	1,601,793	1,601,531	1,601,485	1,601,599	
Federal Grants:								
Access Lease Funding - S/STP	7,176,000	7,813,580	8,126,102	8,914,949	9,271,547	10,144,057	10,549,819	Based on 80% of track lease
Federal Operating Funds (Debt service & loans)	5,421,454	4,265,086	4,535,365	4,535,365	4,535,365	4,535,365	4,535,365	
Other Federal Revenues	1,315,200	2,936,800	3,063,640	1,637,822	1,719,713	1,805,699	1,895,984	Increased base cost 5% per year
Total Operating Revenues	49,062,523	54,884,284	54,654,589	58,278,855	60,925,399	64,915,281	67,685,076	
Surplus/(Deficit) for Operations	(16,201,299)	(14,959,826)	(16,052,039)	(16,569,716)	(14,402,753)	(16,619,829)	(14,481,414)	
Local Subsidy	17,275,499	16,376,968	16,376,968	17,032,047	17,713,329	18,421,862	19,158,736	4% FY12 - FY15
Net subsidy available for capital match	1,074,200	1,417,142	324,929	462,330	3,310,575	1,802,033	4,677,322	
Use of Funds for Capital Program (1)								
Capital Cost Base Program	8,453,520	9,242,000	9,426,840	11,215,377	11,439,684	11,668,478	11,901,848	Increased base cost 2% per year
Total Capital Program Costs	8,453,520	9,242,000	9,426,840	11,215,377	11,439,684	11,668,478	11,901,848	
Sources of Funds for Capital Program								
Federal Grants:								
Federal funding - 80% of base program	6,634,400	7,393,600	7,541,472	8,972,301	9,151,747	9,334,782	9,521,478	80%
Matching Funds								
State Capital Grants - non-federal costs	744,920	431,258	314,228	290,666	293,250	300,424	302,940	
Net local subsidy available for capital match	1,074,200	1,417,142	324,929	462,330	3,310,575	1,802,033	4,677,322	
Total Sources of Funding for Capital Program	8,453,520	9,242,000	8,180,629	9,725,298	12,755,573	11,437,239	14,501,740	
Additional funds required to fund Operations and Capital:								
Cumulative Total to Fulfill Fund Ops and Cap	0	0	1,246,211	1,490,079	(1,315,889)	231,239	(2,599,893)	
Additional Total to Fulfill Fund Ops and Cap	0	0	1,246,211	2,736,290	1,420,401	1,651,640	(948,253)	

(1) Note: "Capital Program" does not include leases, debt service, administrative costs and other operating costs.
 (2) Increase based on 4% per year + add'l track lease costs per train per line
 (3) Increase based on additional trains + 6%
 (4) Increase based on 4% (AAR) plus additional engineers/train crew + one-time costs of \$350k in FY12-FY14
 (5) Second portion of mobilization costs of \$2.0M added in FY11

Virginia Railway Express
Capital Improvement Program
FY10 - FY15 Base Budget

(PF) = Partially Funded

PROJECT DESCRIPTION	FY09 FY10 Budget	FY10 FY11 Budget	FY11 FY12 Budget	FY12 FY13 Budget	FY13 FY14 Budget	Funding Source
NS and CSX Track and Signal Improvements						
Administration/Studies/Training						
Fare Collection Upgrade	300,000	400,000	400,000	400,000	400,000	5309
Capital Needs Assessment						5307
VRE Passenger Facilities						
Capital Project Contingency						
	133,000	158,000	183,000	208,000	233,000	5307
	217,000	217,000	217,000	217,000	217,000	5309
Facilities Infrastructure Renewal						
Facilities Infrastructure Renewal	550,000	600,000	650,000	700,000	750,000	5309
Fredericksburg Rail Station	705,000					5309 Capital Bus Program Funds
WUT Access - Capital Improvements	1,000,000	1,000,000				5307
VRE Yard Improvements						
Broad Run Yard Expansion/Maintenance Facility <i>(project to include washing facilities)</i>	400,000					5309
Heavy Maintenance and Repair Facility (PF)						5307
		435,000	401,000	379,000	1,464,000	5307
		293,000	706,000	319,000	1,155,000	5309
Mid-Day Storage						
Engineering Analysis						VTA 2000
		422,000	1,515,000	2,423,000	2,922,000	5307
		650,000	711,000	500,000	750,000	5309
Rolling Stock						
Capital Fleet Expansion - Locomotives	1,605,000	1,380,000	268,000	1,121,000		5307
	3,132,000	1,975,000	2,555,000	1,550,000		5309
Rolling Stock Mods						
						5309
	1,200,000	1,019,000	1,019,000	1,019,000	1,019,000	5307
5303 Total						
5307 Total	5,465,000	5,009,000	5,673,000	5,579,000	5,638,000	
5309 Total	3,072,000	3,540,000	2,952,000	3,257,000	3,272,000	
SSTP						
SSTP- 100%						
RSTP						
VTA 2000						
Local Match						
EARMARKS/OTHER	705,000	-	-	-	-	
GRAND TOTAL	9,242,000	8,549,000	8,625,000	8,836,000	8,910,000	

VIRGINIA RAILWAY EXPRESS
REVISED
FISCAL YEAR 2009
BUDGET

DECEMBER 19, 2008
(Revised December 22, 2008)

REVISED BUDGET ASSUMPTIONS FOR FY 2009

General Assumptions:

- Continues 30-train operation

Operating Revenue

- Fare revenue increased by \$2.8 million to reflect the mid-year fare increase of 7% and higher than anticipated ridership
- **State operating grant increased by \$54,000. (Increase in December 19th materials was \$900,000.)**

Expenses

- Fuel costs are increased by \$2.2 million to a total of \$5.9 million to reflect the increase in diesel fuel prices compared to the amount projected.
- Amtrak and equipment operations costs are increased by a total of \$2.4 million to reflect increased locomotive maintenance costs, the second portion of the Amtrak retroactive wage settlement and higher step-up charges and other contractual costs.
- Insurance premium costs were lower than the budgeted amount by \$900,000 due primarily to a large one-time credit. \$500,000 of this amount will be an additional contribution to the insurance trust fund, which will allow a reduction to the amount needed in FY 2010.
- Various expense categories are decreased, including the deletion of a second marketing campaign.

Grant Funds

- State capital grants are increased by **\$2.4** million to reflect additional state funding for platform design and engineering and a higher match rate. **(Increase in December 19th materials was \$2.7 million.)**
- Federal grants are increased by \$1.17 million to reflect a higher federal formula allocation.

Contribution to VRE Operating Reserve

- **The revisions presented in the December 19th Board package included an increase to reserves of \$1.3 million, which would have restored a portion of the prior year decreases. Because of the state budget cuts noted above, this amount has been reduced to \$36,000.**

VRE Fiscal Year 2009 Proposed Amended Budget

	<u>FY 2009 Adopted</u>	<u>FY 2009 Amended</u>	<u>Change</u>
Revenue:			
VRE - Non-Departmental			
Fare Revenue	21,490,692	24,300,000	2,809,308
Miscellaneous Revenue	151,500	151,500	-
Jurisdictional Revenue	17,275,499	17,275,499	-
Other Jurisdictional Revenue	173,000	173,000	-
Federal Operating Grants	13,912,654	13,904,654	(8,000) "S" Schedule Ch
State Operating Grants	13,124,677	13,178,917	54,240
Federal Capital Grants	6,634,400	7,803,336	1,168,936
State Capital Grants	744,920	3,177,003	2,432,083
Interest Income	210,000	210,000	-
Total Revenue	<u>73,717,342</u>	<u>80,173,909</u>	<u>6,456,567</u>
Expenditures:			
VRE - Non-Departmental			
Liability Insurance	5,275,000	4,875,000	(400,000)
Contingency	439,748	439,748	-
Contribution to Reserve	551,749	587,946	36,197
VRE-Financing-Administration Fees	-	-	-
Total VRE - Non-Departmental	<u>6,266,497</u>	<u>5,902,694</u>	<u>(363,803)</u>
Executive Mgmt and Planning			
Salaries/Fringes	599,938	599,938	-
Travel/Training/Employee Expenses	16,000	16,000	-
Board Member Expenses	1,500	1,500	-
Legal/Audit	125,000	125,000	-
Consulting/Professional/Other	71,500	71,500	-
Total Executive Mgmt and Planning	<u>813,938</u>	<u>813,938</u>	<u>-</u>
Administration			
Salaries/Fringes	340,830	340,830	-
Travel/Training/Employee Expenses	8,000	8,000	-
Communication/Other	243,250	243,250	-
Office Administration Expenses	81,000	81,000	-
Total Administration	<u>673,080</u>	<u>673,080</u>	<u>-</u>
Public Affairs/Marketing			
Salaries/Fringes	276,224	276,224	-
Travel/Training/Employee Expenses	6,000	6,000	-
Production/Media/Promotion/Other	595,000	395,000	(200,000)
Special Events/Other	10,000	10,000	-
Total Public Affairs/Marketing	<u>887,224</u>	<u>687,224</u>	<u>(200,000)</u>

VRE Fiscal Year 2009 Proposed Amended Budget

	FY 2009 Adopted	FY 2009 Amended	Change
Customer Service			
Salaries/Fringes	493,342	493,342	-
Travel/Training/Employee Expenses	21,000	21,000	-
Printing/Admin/Other	849,500	858,700	9,200
Total Customer Service	<u>1,363,842</u>	<u>1,373,042</u>	<u>9,200</u>
Budget and Finance			
Salaries/Fringes	602,652	602,652	-
Travel/Training/Employee Expenses	28,000	28,000	-
Audit/Maint Service Agreements	105,000	105,000	-
Retail Sales/TLC Commissions	475,000	475,000	-
Bank Discounts/Other	206,000	206,000	-
Total Budget and Finance	<u>1,416,652</u>	<u>1,416,652</u>	<u>-</u>
Communication and Info Tech			
Salaries/Fringes	212,601	212,601	-
Travel/Training/Employee Expenses	87,000	87,000	-
Computer Equipment/Software	200,000	200,000	-
Communications	300,000	300,000	-
Repairs and Maintenance - Fare Collection/Trip One	30,000	30,000	-
Total Communication and Info Tech	<u>829,601</u>	<u>829,601</u>	<u>-</u>
Construction and Cap Proj			
Salaries/Fringes	682,966	682,966	-
Travel/Training/Employee Expenses	32,000	32,000	-
Other Professional Services/Other Expenses	150,000	150,000	-
Total Construction and Cap Proj	<u>864,966</u>	<u>864,966</u>	<u>-</u>
Facilities Maintenance/Operations & Safety			
Salaries/Fringes	289,598	289,598	-
Travel/Training/Employee Expenses	7,500	7,500	-
Vehicle/Office/Other Professional Service	27,000	27,000	-
Station Electricity/Utilities/Taxes	642,500	642,500	-
Materials and Supplies - Stations	100,000	100,000	-
Repairs and Maintenance - Stations/Parking/Yards	2,000,000	1,930,000	(70,000) Safety and Secu
Station/Yard Security	445,000	445,000	-
Total Facilities Maintenance	<u>3,511,598</u>	<u>3,441,598</u>	<u>(70,000)</u>
Purchasing and Contract Admin			
Salaries/Fringes	261,206	261,206	-
Travel/Training/Employee Expenses	7,000	7,000	-
Total Purch and Contract Admin	<u>268,206</u>	<u>268,206</u>	<u>-</u>

VRE Fiscal Year 2009 Proposed Amended Budget

	FY 2009 Adopted	FY 2009 Amended	Change	
Equipment Operations				
Salaries/Fringes	244,171	244,171	-	
Travel/Training/Employee Expenses	26,500	26,500	-	
Consulting/Admin/Warehouse Management	375,000	375,000	-	
Equipment/Warehouse Leases	400,000	400,000	-	
Utilities	475,000	475,000	-	
Deisel Fuel	3,740,000	5,895,000	2,155,000	Lower costs plus
Materials and Supplies - Equipment/Yards	35,000	35,000	-	
Repairs and Maintenance - Rolling Stock	750,000	1,750,000	1,000,000	
Car Cleaning	250,000	250,000	-	
Total Equipment Operations	6,295,671	9,450,671	3,155,000	
PRTC				
Professional Services	160,000	160,000	-	
Total PRTC	160,000	160,000	-	
NVTC				
Professional Services	70,000	70,000	-	
Total NVTC	70,000	70,000	-	
Amtrak				
Access Fees/Recapitalization	2,570,000	2,595,000	25,000	
Contract Operations and Maintenance	17,850,000	19,255,000	1,405,000	Updated Amtrak
Total Amtrak	20,420,000	21,850,000	1,430,000	
Norfolk Southern				
Access Fees	1,810,000	1,795,000	(15,000)	"S" Schedule Ch
Contract Operations and Maintenance	500,000	500,000	-	
Total Norfolk Southern	2,310,000	2,295,000	(15,000)	
CSXT				
Access Fees	3,600,000	3,580,000	(20,000)	"S" Schedule Ch
Contract Operations and Maintenance	490,000	490,000	-	
Total CSXT	4,090,000	4,070,000	(20,000)	
CIP Expenditures				
CIP Expenditures	8,453,520	12,519,996	4,066,476	Locomotive fund
Total CIP Expenditures	8,453,520	12,519,996	4,066,476	
CIP VRE - Non-Departmental				
Debt Service	15,022,547	13,487,241	(1,535,306)	Kawasaki Debt S
Depreciation/Amortization	-	-	-	
Total CIP VRE - Non-Departmental	15,022,547	13,487,241	(1,535,306)	
Total Expenditures	73,717,342	80,173,909	6,456,567	

Extend CSXT's Operating Agreement

The VRE Operations Board recommends approval of Resolution #2120. This resolution extends the current operating agreement with CSXT through July 31, 2009 on the same terms while negotiations on a revised agreement continue. The current extension expires on January 31, 2009.



RESOLUTION #2120

SUBJECT: Extend CSXT's Operating Agreement.

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 ending on January 31, 2009;

WHEREAS: 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 July 31, 2009, without any changes, is expected from CSXT;

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

WHEREAS: Necessary funding has been incorporated into the FY 2009 and FY 2010 VRE budgets 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 July 31, 2009.

Approved this 8th day of January, 2009.

Chairman

Secretary-Treasurer



AGENDA ITEM 8-E
ACTION ITEM

TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 19, 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 July 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 June, with an agreed upon extension to January 31, 2009. 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 and FY 2010 budgets, including an escalation of 4% annually.

Extend Norfolk Southern's Operating Agreement

The VRE Operations Board recommends approval of Resolution #2121. This resolution extends the current operating agreement with Norfolk Southern through July 31, 2009 on the same terms while negotiations on a revised agreement continue. The current extension expires on January 31, 2009.



RESOLUTION #2121

SUBJECT: Extend Norfolk Southern's Operating Agreement.

WHEREAS: The commissions currently have an amended operating/access agreement with Norfolk Southern relating to VRE operations in the Manassas to Washington corridor, with said agreement ending on January 31, 2009;

WHEREAS: Staff is currently engaged in ongoing discussions with Norfolk Southern 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 July 31, 2009, without any changes, is expected from Norfolk Southern;

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

WHEREAS: Necessary funding has been incorporated into the FY 2009 and FY 2010 VRE budgets to allow VRE to continue its operations over Norfolk Southern tracks via this contract extension.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing amended operating/access agreement with Norfolk Southern to July 31, 2009.

Approved this 8th day of January, 2009.

Chairman

Secretary-Treasurer



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E-mail nvtdc.org • Website www.thinkoutsidethecar.org

AGENDA ITEM 8-F
ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: DECEMBER 19, 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 July 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 June, with an agreed upon extension to January 31, 2009. 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 and FY 2010 budgets, including an escalation of 4% annually.



AGENDA ITEM #9

TO: Chairman Eulle and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Testimony for the Commonwealth Transportation Board

The CTB will conduct a public hearing on January 13, 2009 starting at 7:00 P.M. at the Fairfax County Government Center's Board Room. NVTC previously approved a draft statement in October, 2008 but since the hearing has only recently been scheduled it is necessary to update the testimony.

Local staff have reviewed the attached revised draft. The commission is asked to authorize its new chairman or his designee to present the testimony on behalf of the commission.

The detailed PowerPoint version will be copied for CTB members. A much shorter version is also provided to be read by NVTC's chairman within the short period provided for each speaker.





Commonwealth Transportation Board
Public Hearing on Six-Year Transportation Plan
January 13, 2009
7:00 P.M.
Fairfax County Government Center

Statement of _____,
Chairman
Northern Virginia Transportation Commission



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

GOOD EVENING, SECRETARY HOMER AND MEMBERS OF THE
COMMONWEALTH TRANSPORTATION BOARD. MY NAME IS _____ AND I AM
CHAIRMAN OF THE NORTHERN VIRGINIA TRANSPORTATION COMMISSION.

I HAVE DISTRIBUTED COPIES OF MY COMPLETE STATEMENT WHICH IS IN A
POWERPOINT FORMAT. IT IS ALSO AVAILABLE ON NVTC'S WEBSITE IF YOU
WISH TO SEE IT IN COLOR.

I WILL SUMMARIZE THE HIGHLIGHTS OF THIS STATEMENT FOR YOU NOW. I
HAVE THREE MAIN POINTS:

1. TRANSIT PERFORMS EXCEPTIONALLY WELL HERE IN NORTHERN
VIRGINIA;
2. UNFORTUNATELY, A "PERFECT STORM" OF ADVERSE EVENTS IS
THREATENING THAT SUCCESS JUST WHEN WE MOST NEED THE
BENEFITS OF TRANSIT;

3. THE CTB SHOULD GIVE TOP PRIORITY TO THIS REGION'S TRANSIT NEEDS, AND I HAVE SIX SPECIFIC SUGGESTIONS ABOUT HOW BEST TO DO THAT.

FIRST, A WORD ABOUT TRANSIT'S SUCCESS. FOR FY 2008 OUR SEVERAL REGIONAL AND LOCAL TRANSIT SYSTEMS PROVIDED OVER 142 MILLION TRIPS, OR ABOUT THREE-QUARTERS OF THE TOTAL FOR THE ENTIRE COMMONWEALTH. THAT TOTAL REFLECTED GROWTH OF 3.3. PERCENT FROM THE PREVIOUS YEAR. FOR THE FIRST THIRD OF FY 2009, GROWTH JUMPED TO OVER SEVEN PERCENT.

WE RELY ON TRANSIT HERE. RESIDENTS OF NVTC'S JURISDICTIONS TAKE ALMOST FOUR TIMES AS MANY TRIPS PER CAPITA AS THE STATEWIDE AVERAGE. TRANSIT AND RIDESHARING COMBINED CARRY HALF TO TWO THIRDS OF THE PEOPLE COMMUTING DURING PEAK PERIODS IN OUR MAJOR CORRIDORS.

LOCAL FUNDING SOURCES HERE COVER TWO-THIRDS OF THE TOTAL COSTS OF TRANSIT CAPITAL AND OPERATIONS. THIS LOCAL LEVEL OF EFFORT IS TEN TIMES GREATER THAN ANY OTHER DISTRICT IN THE COMMONWEALTH.

MY NEXT MAIN POINT IS TO REMIND YOU OF THE PERFECT STORM THAT THREATENS THIS TRANSIT SUCCESS STORY HERE. YOU KNOW VERY WELL ABOUT THE DRASTIC CUTS OF STATE AID. LOCAL GOVERNMENTS ARE ALSO HARD PRESSED TO MEET THEIR OBLIGATIONS. AS A RESULT, SHARP FARE INCREASES AND TRANSIT SERVICE REDUCTIONS HAVE BEEN IMPLEMENTED AND MANY MORE ARE PLANNED. THE TRAGIC IRONY IS THAT TRANSIT IS IN JEOPARDY AT THE SAME TIME THAT CUSTOMERS ARE MOST APPRECIATIVE OF ITS MANY BENEFITS, NOT THE LEAST OF WHICH IS A MEANS TO "GO GREEN" AND COMBAT GLOBAL WARMING.

WE ASK THE CTB TO DO THE FOLLOWING TO PRESERVE TRANSIT'S BENEFITS AND HELP US WEATHER THE STORM:

1. GIVE TOP PRIORITY TO TRANSIT PROJECTS IN OUR REGION FROM AVAILABLE FUNDS (MY STATEMENT INCLUDES SPECIFIC PROJECTS);
2. ENCOURAGE MORE FUNDING FOR TRANSIT FROM NEW SOURCES INCLUDING FLEXED FUNDS FROM THE FEDERAL HIGHWAY ADMINISTRATION AND POTENTIAL FEDERAL STIMULUS PROGRAMS;
3. SEEK TO FULLY FUND EXISTING TRANSIT OPERATIONS BEFORE CAPITAL, IN THE SAME MANNER AS FUNDS FOR HIGHWAY MAINTENANCE ARE TAKEN OFF THE TOP. DO NOT DIVERT SCARCE RESOURCES TO NEW SERVICE WHILE DRASTIC CUTS ARE IMPOSED ON EXISTING TRANSIT SYSTEMS.
4. PROVIDE MORE FLEXIBILITY TO RECIPIENTS TO USE STATE TRANSIT ASSISTANCE TO MEET LOCAL NEEDS: AS AN EXAMPLE OF DESIRABLE FLEXIBILITY, DIRECT DRPT TO PERMIT STATE TRANSIT CAPITAL FUNDING TO BE USED TEMPORARILY TO SUPPORT OPERATIONS, SINCE

STATE OPERATING FUNDS ARE BEING CUT DRASTICALLY AND --
ESPECIALLY WITH POSSIBLE FEDERAL STIMULUS GRANTS--TRANSIT
PROVIDERS MAY BE "CAPITAL RICH AND OPERATIONS POOR";

5. INCREASE THE SHARE OF H.B. 3202 BOND REVENUES DEVOTED TO
TRANSIT PROJECTS. THE STATUTORY MINIMUM IS 20% BUT SINCE THE
OVERALL LEVEL OF TRANSIT FUNDING HAS BEEN REDUCED, TRANSIT'S
SHARE OF BONDS SHOULD BE INCREASED. ALSO, SEVERAL METRO
PROJECTS WERE INCORRECTLY CHARACTERIZED AS INELIGIBLE FOR
BOND FUNDING AT AN 80% STATE MATCHING RATIO, AND AS A RESULT
THE CUTS IN THE CAPITAL FORMULA PROGRAM THAT REDUCE THE
MATCHING RATIO FOR THAT SOURCE TO A MERE 45.5% IN FY 2009 ARE
UNFAIR TO NORTHERN VIRGINIA. PLEASE DIRECT DRPT TO CONTINUE
TO WORK WITH US TO CORRECT THIS INEQUITY (AMOUNTING TO \$11.4
MILLION).
6. FINALLY, NVTC HAS EXPRESSED SERIOUS CONCERNS ABOUT EFFECTS
ON TRANSIT PERFORMANCE AND SAFETY FROM THE PROPOSED I-

95/395 HOT LANES PROJECT AND WE ASK THAT YOU ENSURE THAT
ADEQUATE PROTECTIONS ARE PROVIDED.

IN CONCLUSION, WE THANK SECRETARY HOMER, DRPT DIRECTOR BADGER
AND THE DRPT STAFF FOR THEIR EFFORTS TO MINIMIZE THE DAMAGE TO
TRANSIT FROM REVENUE SHORTFALLS, INCLUDING REDUCING FOR FY 2009
DRPT'S ADMINISTRATIVE DRAWS BY \$5.1 MILLION TO HELP BOLSTER THE
TRANSIT OPERATING ASSISTANCE FUND.

I ENCOURAGE YOU TO GO TO NVTC'S WEBSITE AS A PRIMARY SOURCE OF
INFORMATION ABOUT THE PERFORMANCE OF TRANSIT IN NORTHERN
VIRGINIA AND TO MONITOR THE BENEFITS THAT FLOW FROM YOUR
INVESTMENTS OF STATE DOLLARS IN OUR TRANSIT SYSTEMS.

I WOULD BE PLEASED TO RESPOND TO YOUR QUESTIONS.



Commonwealth Transportation Board

Public Hearing on Six-Year Transportation Plan

January 13, 2009

7:00 P.M.

Fairfax County Government Center

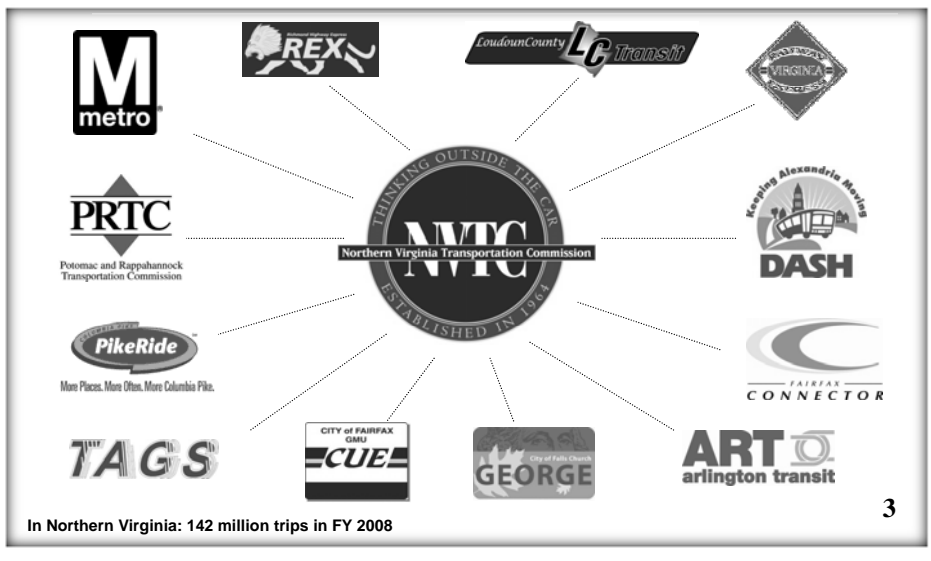
Statement of ----, Chairman
Northern Virginia Transportation Commission



- Transit has been performing exceptionally well in Northern Virginia despite severe financial constraints.
- Unfortunately, a “perfect storm” of adverse events is threatening that success.
- The Commonwealth Transportation Board should give top priority to this region’s transportation needs.



Northern Virginia's Interconnected Transit Systems



New Ridership Data Show Continued Positive Regional Transit Performance

Strong transit performance in Northern Virginia:

- Preliminary FY 2008 results show over 142 million trips, up 3.3 percent compared to FY 2007.
- 17% ridership growth here since 2003.
- Metrorail was up 4 percent in FY 2008, VRE was up 5 percent, Arlington Transit was up 16 percent and Loudoun County Transit was up 19 percent.
- In the first third of FY 2009, ridership is up seven percent compared to the same period in FY 2008.
- 75% of Virginia's transit ridership is here.
- Northern Virginia's 2.1 million residents took 65 transit trips per capita in FY 2007, while in NVTC's WMATA jurisdictions residents took 96 (the statewide average was 24).
- Transit and ridesharing carry two-thirds of commuters in our major corridors inside the Beltway in peak periods and about half outside the Beltway.





Local Level of Effort



- It now costs over \$636 million dollars annually to operate, maintain and invest in public transit in Northern Virginia.
- Local sources (fares, 2% gas tax, local subsidies) provide two-thirds.
- For FY 2005, NVTC's jurisdictions had a local level of effort of \$208 per person. The next largest effort was in the Richmond District at \$20 per person.



5



The Perfect Storm: The Bleak Outlook for Transit without New State Funding



- Loss in February, 2008 of over \$300 million annually of HB 3202 regional funding (and bonding opportunities for leverage);
- Loss of 10% of state transit funding announced in June, 2008;
- Loss of another 15% of state transit operating assistance announced in November, 2008 with more cuts expected by January, 2009;
- More losses of state aid threatened given a possible budget shortfall of \$3 billion over the current biennium;
- Wildly fluctuating transit fuel costs, aging transit infrastructure, over-crowded trains and buses;
- Need to match new federal funding for WMATA;
- Declining local property tax revenues and serious financial distress among local and state governments supporting transit;

6



The Perfect Storm: The Bleak Outlook for Transit without New State Funding (continued)



- Sharp fare increases and/or transit service reductions already in place or actively considered for the near future;
- Near collapse of the U.S. (and world's) finance system threatened borrowing for transit investment by transit systems and their state and local funding partners;
- Job losses and economic decline eventually may hurt transit ridership;
- Federal stimulus programs for transit could focus on short-term needs and ignore long-term requirements;
- Even if federal stimulus funds do support long-term needs, transit systems could be left with capital projects that can't be completed due to lack of operating funds;
- This situation produces a tragic irony: Transit is forced to cut back at the same time concern for the environment and global warming are sending commuters to transit in record numbers.

7



Needed Public Transit Investments



- Approved NVT A TransAction 2030 plan sets multimodal priorities. An update will be initiated in fall of 2009.
- \$700 million more funding is needed each year (in 2005 dollars) for the next 23 years to implement the plan. New regional funds, forecast to yield about \$300 million, would have fallen far short and have now been revoked.
- Metro needs new railcars, new buses and many other enhancements costing over \$11 billion from FY 2010 through 2020 to keep the system in a state of good repair and attract new riders. Annual capital expenditures would need to double.

8



Needed Public Transit Investments



- WMATA lost \$50 million in HB 3202 annual dedicated regional funding in Northern Virginia. At the same time Congress authorized \$150 million annually for WMATA, contingent on Virginia's dedicated funds. Virginia's required matching share should be based on WMATA's existing subsidy allocation formulas.
- VRE is especially hard hit:
 - Up to 15 additional new locomotives are needed (costing over \$61 million) to maintain reliable service but without HB 3202 funding VRE can order only five (there is a two-year period required from initial order to delivery);
 - VRE needs parking (\$30 million) and platform extensions (\$20 million), etc., plus VRE must restore the balance of its insurance trust fund;
 - It will soon qualify to run two additional trains on the CSX line but can't afford to operate them;
 - It lost \$25 million of HB 3202 annual regional funding.

9



Needed Public Transit Investments



- Other regional transit projects cancelled or significantly delayed due to loss of funding:
 - Crystal City/Potomac Yard Transitway
 - Columbia Pike street car
 - Richmond Highway transit in Fairfax and Prince William counties
 - Unfunded Metro Matters needs for rail cars, buses and station improvements
 - Other immediate WMATA needs of over \$500 million in the next two years for safety, efficiency and maintenance
 - DASH bus replacement in Alexandria
 - Ballston-MU Metrorail station west entrance in Arlington
 - Bus shelters in the city of Falls Church

10



Additional Public Transportation Challenges



- Helping the region respond to the impending traffic crisis at Fort Belvoir/Engineer Proving Grounds (EPG) and other related Northern Virginia military installations.
- Upgrading safety and security for transit systems.
- Enhancing pedestrian access at bus shelters and stops.
- Responding to an aging population (the “silver tsunami”).
- Improving air quality and reducing greenhouse gas emissions.
- Conserving fuel.
- Promoting telework.

11



Additional Public Transportation Challenges



- Maintaining performance of transit service as the HOT lane project on I-95/395 proceeds:
 - In the northern segment the existing taxpayer-funded transit/HOV facility supports a very effective level of transit service
 - Safety concerns with narrow 11-ft lanes and shoulders as small as two feet wide
 - Congestion concerns at points of access and egress and possible costs of mitigation falling on local governments
 - Permitted HOT Lane average speeds as low as 45 mph compared to current speeds of 55 and 65 mph inside and outside the Beltway
 - Transit and ridesharing currently carry more than twice as many peak period persons per lane per hour in the corridor compared to the conventional lanes, with mode shares of half at a screenline outside the Beltway and two-thirds at Glebe Road.

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What can CTB do to Help Weather the Storm?

1. Give top priority for transit projects in Northern Virginia because this region has the greatest use of transit and greatest per capita local effort to invest in transit.
2. Encourage the General Assembly and Governor Kaine to increase statewide transit funding and restore regional funding immediately.
3. Seek to fully fund existing transit operations before capital, in the same manner as highway maintenance is taken off the top. Do not divert scarce resources to new service while drastic cuts are imposed on existing transit systems.
4. Maintain flexibility in administering DRPT programs in light of the enormous funding pressures faced by local transit systems. For example, direct DRPT to permit state transit capital funding to be used temporarily to support operations.

13



What can CTB do to Help Weather the Storm?

5. Given drastic cuts to state transit assistance, increase the share of HB 3202 bond revenues devoted to transit beyond the statutory minimum 20%. Also, several Metro projects were incorrectly characterized as ineligible for bond funding at an 80% state matching ratio, and as a result the cuts in capital formula programs that reduce the matching ratio for that source to a mere 45.5% in FY 2009 are unfair to Northern Virginia. Please work with us to correct this inequity (amounting to \$11.4 million).
6. Consider carefully Northern Virginia's concerns with the I-95/395 HOT lanes project to protect levels of service and safety on the existing transit/HOV facility.

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In Closing



- NVTC appreciates the support of Secretary Homer and DRPT Director Badger and their staffs, as well as each member of the CTB.
- For more transit performance facts and links to each public transit system, visit NVTC's website at: www.thinkoutsidethecar.org
- Questions?



15



APPENDIX



16



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 1.7 million.
- The agency manages over \$200 million of state and federal grant funds and regional gas tax revenues 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.
- For information about NVTC, please visit www.thinkoutsidethecar.org.



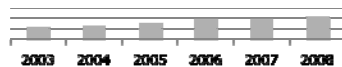
17



Total Transit Ridership Growth NoVA FY 2003-2008



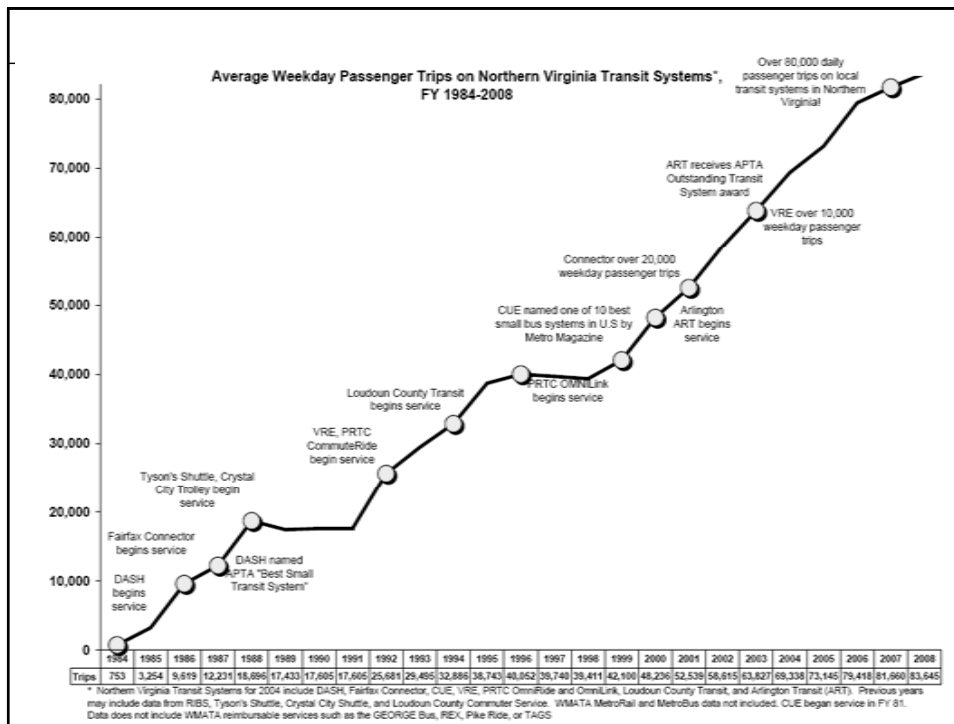
Transit Provider	FY 2003 Passenger Trips	FY 2004 Passenger Trips	FY 2005 Passenger Trips	FY 2006 Passenger Trips	FY 2007 Passenger Trips	FY 2008 Passenger Trips
MetroRail (Northern Virginia)	83,529,741	87,817,948	89,624,272	94,642,466	94,161,091	97,964,390
Metrobus (Northern Virginia)	20,855,658	19,190,908	19,314,871	20,899,080	21,011,434	20,870,898*
Fairfax Connector	7,595,138	7,990,825	8,474,143	9,529,056	9,717,392	9,810,228
Alexandria DASH Bus	2,986,631	3,131,284	3,323,021	3,556,486	3,743,449	3,978,773
Virginia Railway Express	3,179,957	3,645,434	3,745,382	3,640,000	3,453,561	3,628,563
PRTC OMNI Ride Bus	1,182,996	1,251,316	1,398,026	1,608,583	1,738,556	1,840,722
Arlington Transit	397,001	674,806	788,854	926,574	1,060,441	1,225,427
City of Fairfax CUE Bus	925,000	985,500	1,068,492	1,093,926	1,135,758	1,047,346
PRTC OMNI Link Bus	649,405	604,586	694,367	843,407	870,206	1,008,626
Loudoun County Transit	281,829	392,901	513,766	602,333	652,347	777,273
Total	121,583,356	125,685,507	128,945,194	137,341,911	137,544,235	142,152,246



Annual Transit Ridership in NoVA has Increased 17% since 2003

*Preliminary.

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**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)

FINAL 6-YEAR PLAN

	MTTF	MTCF	TTF		Effective	Shortfall
	@ 50%(capital)	@ 80%	@ 100%	Total	State %	(see note)
CAPITAL						
WMATA	\$ 25.6	\$ -	\$ -	\$ 25.6	50.0%	\$ (23.0)
Local	0.5	31.9	1.4	\$ 33.7	80.0%	(6.3)
Subtotal	26.0	31.9	1.4	59.3	63.6%	(29.3)
VRE	4.8	3.2	0.2	\$ 8.1	55.4%	(5.8)
Subtotal	30.8	35.1	1.5	67.4	62.5%	(35.1)
FTM/ADMIN						
WMATA/Local	76.4			76.4	45.2%	(84.3)
VRE	10.1			10.1	54.5%	(7.5)
Subtotal	86.5			86.5	46.1%	(91.8)
COMBINED CAPITAL /						
FTM/ADMIN						
WMATA/Local	102.4			135.7	51.7%	(113.6)
VRE	14.9			18.2	54.9%	(13.3)
TOTAL	\$ 117.3			\$ 153.9	52.1%	\$ (126.9)

REVISED 6-YEAR PLAN

	MTTF	MTCF	TTF		Effective	Shortfall
	@ 45.5%(capital)	@ 80%	@ 100%	Total	State %	(see note)
CAPITAL						
WMATA	\$ 23.3	\$ -	\$ -	\$ 23.3	45.5%	\$ (25.3)
Local	0.4	32.0	1.4	33.7	79.9%	(6.4)
Subtotal	23.7	32.0	1.4	57.0	61.1%	(31.7)
VRE	4.4	3.2	0.2	7.7	52.5%	(6.2)
Subtotal	28.0	35.1	1.5	64.6	59.9%	(37.9)
FTM/ADMIN						
WMATA/Local	69.9			69.9	41.4%	(90.7)
VRE	9.3			9.3	49.9%	(8.4)
Subtotal	79.2			79.2	42.2%	(99.1)
COMBINED CAPITAL /						
FTM/ADMIN						
WMATA/Local	93.6			126.9	48.4%	(122.4)
VRE	13.6			16.9	51.0%	(14.6)
TOTAL	\$ 107.2			\$ 143.8	48.7%	\$ (137.0)

CHANGE

	MTTF	MTCF	TTF	Total	% Change in Funding
CAPITAL					
WMATA	\$ (2.3)	\$ -	\$ -	\$ (2.3)	-9.0%
Local	(0.0)	0.0	-	(0.0)	-0.1%
Subtotal	(2.3)	0.0	-	(2.3)	-3.9%
VRE	(0.4)	-	-	(0.4)	-5.3%
Subtotal	(2.8)	0.0	-	(2.7)	-4.1%
FTM/ADMIN					
WMATA/Local	(6.5)			(6.5)	-8.5%
VRE	(0.9)			(0.9)	-8.5%
Subtotal	(7.3)			(7.3)	-8.5%
COMBINED CAPITAL /					
FTM/ADMIN					
WMATA/Local	(8.8)			(8.8)	-6.5%
VRE	(1.3)			(1.3)	-7.1%
TOTAL	\$ (10.1)			\$ (10.1)	-6.5%

**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)

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.



Virginia Department of Rail and Public Transportation

MEMORANDUM

TO: DRPT Transit and TDM Grantees
FROM: Chip Badger
DATE: December 18, 2008
SUBJECT: Draft Revised Six-Year Improvement Program

As you may know, DRPT and VDOT presented the Draft Revised Six-Year Improvement Program for FY09-FY14 to the Commonwealth Transportation Board (CTB) at their monthly meeting today. A copy of the DRPT portion of the plan is available under the spotlight feature on our Web site at www.drpt.virginia.gov.

The current economic situation in Virginia has resulted in significant impacts to DRPT's rail, transit and Transportation Demand Management (TDM) programs. The table below summarizes changes for transit and TDM in the Draft Revised Six-Year Improvement Program.

Table with 7 columns: Funding Source, FY2009 \$ in Millions (June 08 Approved SYIP, Revised SYIP), FY2010 \$ in Millions (June 08 Approved SYIP, Revised SYIP), Total FY09-FY14 \$ in Millions (June 08 Approved SYIP, Revised SYIP). Rows include Recordation Tax, Mass Transit Trust Fund, Transit Capital Bonds, and TOTAL.

This means that DRPT will not receive sufficient revenues to support many of the FY09 grants that were awarded and put under contract with transit and TDM agencies this summer and fall. The Draft Revised Six-Year Improvement Program that is on DRPT's Web site shows reduced grants for FY09. DRPT has done all that it could to minimize the reductions for FY09 but they are still very significant.



All FY09 state operating assistance grants in the draft revised program are reduced by 8.5%, as are TDM program grants. DRPT has reduced its administrative take down and drawn from deobligated balances to produce \$5.1M that is credited to the FY09 state transit operating assistance fund. Without this adjustment, FY09 operating grants would have been reduced by 12.5%.

State capital assistance grants awarded with Mass Transit Trust Funds for FY09 are reduced in the draft revised program by 9%. State capital assistance grants that were awarded with bond funds are not reduced. This means that those capital items in contracts that are shown to receive a state share of 80% **will not** be impacted. Those items that are shown to receive a state share of 50% **will** see a reduced amount.

FY09 grants awarded for Demonstration Projects, Training and Internship Assistance, Technical Assistance and TEIF Special Projects **will not** be reduced. The reductions necessary for those programs were made by the elimination or reduction of DRPT projects. Likewise, FY09 State Paratransit Capital and Senior Transportation grants **will not** be reduced.


DRPT regrets that the current financial outlook for Virginia has required a reduction in state funding for DRPT programs in the current Six-Year Improvement Program, and we know that this creates a difficult situation for our grantees. While DRPT must make adjustments to account for the loss of revenues, we are committed to working with each of you to minimize the impact on transit and TDM services in Virginia.

I know that many of you will have questions about what to expect for FY10. As you can see from the table above, there is very little improvement. DRPT cannot tell you exactly what to expect for state operating assistance until we run the formula in March, but it appears that the amount of funds that DRPT will have to distribute will be 11.5% less than the amount DRPT distributed as operating grants this past summer for FY09.

Over the next few weeks, DRPT's grant managers will contact you to discuss how these changes will impact your programs. Please see attached the list of DRPT transit and TDM grant managers by service area for your reference. Again, DRPT regrets the necessity of reducing our grants and will work with you to do what we can to make the best out of a very difficult situation.



MEMORANDUM

TO: DRPT Rail Grantees
FROM: Chip Badger 
DATE: December 18, 2008
SUBJECT: Draft Revised Six-Year Improvement Program

As you may know, DRPT and VDOT presented the Draft Revised Six-Year Improvement Program for FY09-FY14 to the Commonwealth Transportation Board (CTB) at their monthly meeting today. A copy of the DRPT portion of the plan is available under the spotlight feature on our Web site at www.drpt.virginia.gov. The schedule of public hearings on the revised plan and instructions for submitting comments are also available on our Web site. The Rail Enhancement Program projects will be presented to the Rail Advisory Board at its January meeting, and then later in January, the CTB is anticipated to take action on the revised plan at its meeting.

The current economic situation in Virginia has resulted in significant impacts to our transportation program, including a reduction in anticipated Rail Enhancement Program funding.

For rail grantees, the table below illustrates the forecast changes in funding from FY09-FY14. The impact of funding cuts to state rail programs today is significantly less than those experienced by other modes of transportation due to the funding sources that support state rail programs and the impact that the general economic downturn has had on those specific funding sources.

Funding Source	FY2009 \$ in Millions		FY2010 \$ in Millions		Total FY09-FY14 \$ in Millions	
	June 08 Approved SYIP	Revised SYIP	June 08 Approved SYIP	Revised SYIP	June 08 Approved SYIP	Revised SYIP
Rail Capital Bonds	\$12.9	\$12.9	\$12.9	\$12.9	\$73.1	\$73.1
Rail Enhancement	\$26	\$23.9	\$26.4	\$24.6	\$167.9	\$150.3
Rail Preservation	\$3.3	\$3.3	\$3.3	\$3.2	\$19.9	\$19.3
Passenger Operations	\$0	\$0	\$0	\$5.4	\$0	\$17.2
TOTAL	\$42.2	\$40.1	\$42.6	\$46.1	\$260.9	\$259.9



The projects included in the Draft Revised Six-Year Improvement Plan are based on the revenue estimates provided in the table above, and all projects proposed for funding are scheduled to proceed as defined in the revised plan.

These projects were developed based on the priorities identified in the Draft Statewide Rail Plan and the public comments received. The recommended projects are further described in the Rail Resource Allocation Plan issued for public comment today. A copy of the resource allocation plan is available on DRPT's Web site, and the comment period for this plan coincides with the comment period for the Revised Six-Year Improvement Program.

DRPT is accepting applications for Rail Enhancement and Rail Preservation projects this year during our annual applications period. Applications must be submitted by February 1, 2008. Applications for Rail Industrial Access funding, a shared funding source with other transportation modes, will continue to be accepted year round. Information on DRPT's rail grant programs is available on our Web site at www.drpt.virginia.gov. Please contact Kevin Page, Chief of Rail Transportation for DRPT, at 804-786-3963 or kevin.page@drpt.virginia.gov with any questions regarding available state rail grants.

**Revised
FY 2009 - 2014
Six-Year Improvement Program**

Pierce Homer, Secretary of Transportation

Reta Busher, VDOT CFO

Steve Pittard, DRPT CFO

December 18, 2008

A Rapidly Changing Environment

- **Sharply declining state revenues and unpredictable federal revenues – including gas, auto sales, recordation and insurance premium taxes**
- **Unusual mid-term correction**
 - Reduction in staffing and administration of transportation agencies
 - Review and potential reduction in service levels of all transportation agencies and providers
 - Deep, sustainable program reductions in addition to \$1.1 billion reductions last June
- **\$2.6 billion reduction in total state and federal revenues**
 - \$1.3 billion in net project reductions thus far
 - Additional project reductions are likely to follow as the December revenue reduction is addressed
 - More than a billion will be addressed from administrative and service level cuts from all transportation agencies
- **State and federal revenue estimates will continue to change**

Program Priorities

- **Maintain and complete current highway and bridge phases of work**
- **Meet federal obligation requirements**
- **Seek multimodal solutions**
- **Focus any remaining funding on key projects that**
 - **Address deficient bridges from a statewide perspective**
 - **Foster economic competitiveness and/or leverage private funding**
- **Keep public transportation funding, both operating and capital, at or near FY2008 levels**
- **Keep rail funding at or near FY2008 levels**
- **Share highway reductions among all highway systems**

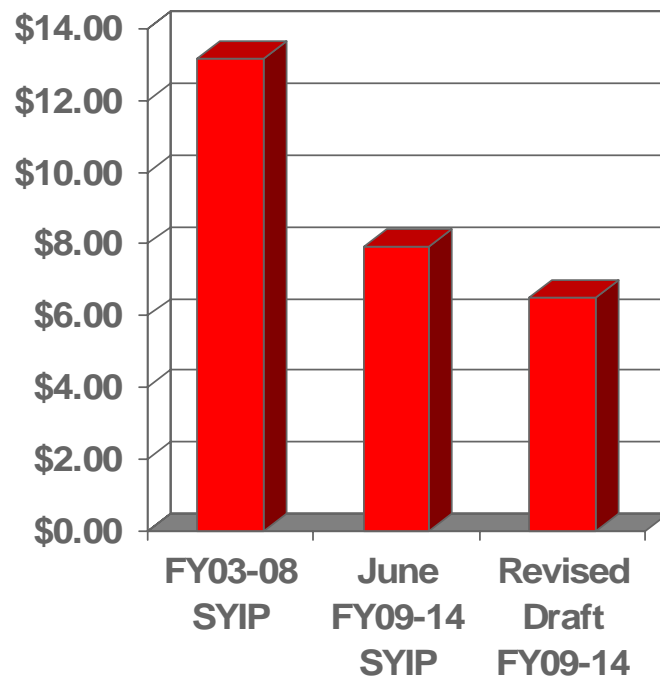
Priority Projects Funded in Draft

- **Federal match, including earmarks**
- **Structurally deficient bridges**
- **Dulles Rail**
- **I-95 and I-81 Freight Rail Improvements (including Manassas)**
- **Hampton Roads Light Rail**
- **Heartland Corridor, including Route 164 Rail, Elliston, Ironto**
- **Gilmerton Bridge**
- **Capital Beltway HOT Lanes mitigation**
- **Martin Luther King Freeway Extension (Midtown Tunnel PPTA/Toll Impact)**
- **PPTA Program Management in Hampton Roads (Midtown Tunnel/Route 460)**
- **Three-year pilot - Intercity Passenger Rail (Richmond to DC)**
- **Three-year pilot - Intercity Passenger Rail (Lynchburg to DC)**

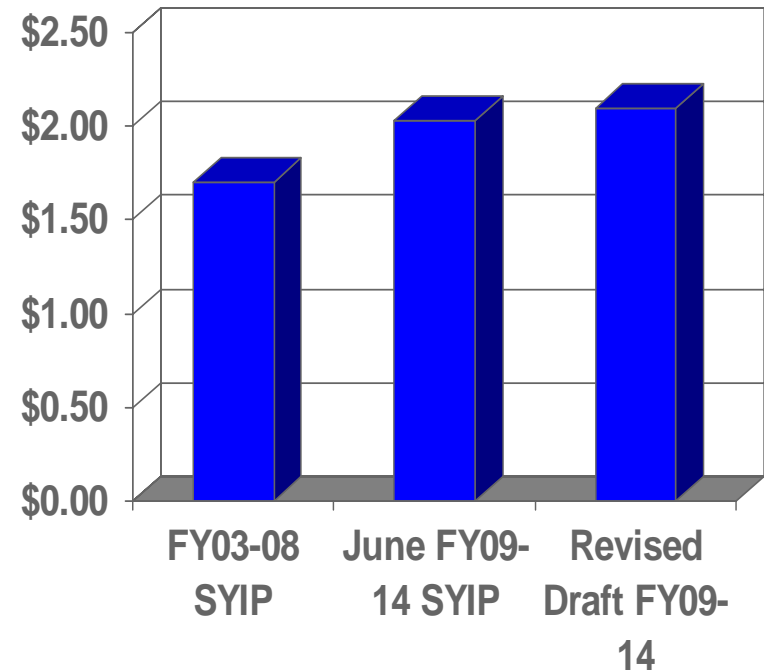
Purchasing Power of Core Six-Year Improvement Program

(adjusted for construction producer price index)

Highway Program



Transit/Rail Program



(Figures in billions)

Proposed Federal Stimulus

- **Current one-year highway trust fund “patch” is \$9 billion. Federal highway trust fund will still be out of cash in FY 2010 without significant, stable revenue investment or significant reductions in federal revenues distributed to states**
- **Congressman Oberstar transportation stimulus package is \$18 billion and others are under consideration**
 - **Criteria and timeline unknown, but 180 day obligation and contract is working assumption**
 - **“Shovel ready” has also been an assumption**
- **Cut or delayed projects will be first priority, for example:**
 - **BRAC access improvements at Fort Belvoir and Fort Lee**
 - **VRE and transit capital**
 - **VPA and APM 2nd rail track**
 - **Ongoing public-private partnerships**
 - **Interstate pavement replacement**
 - **Structurally deficient bridges**

**Revised FY 2009 – 2014
Six Year Improvement Program**

Revised State and Federal Revenue Estimates

- **In October as part of the official revenue forecast process, FY 2009-2014 state transportation revenues were reduced by \$1.5 billion**
- **In December, the official revenue update reduced state transportation revenues by another \$400 million for a total six-year reduction of \$1.9 billion**
- **Official federal revenues have been reduced by \$156.4 million**

Federal Authority Reserve

- **With the known federal cash crisis and need to reduce the official federal revenue estimate based on falling gas consumption, a prudent 6-year reserve of \$420 million in federal authority has been set aside to prevent further reductions when official federal action is taken**
 - **\$143 million for the six years in required match is also set aside**
- **This results in a total allocation reduction of \$2.6 billion (compared to \$2.2 billion in October)**
- **A final decision on this federal authority reserve will be incorporated into the final Six Year Program**

HB 3202 Bonds

- **By law, FRAN debt service is the first call on insurance premium revenues and those revenues have been reduced in the official forecast**
- **The CTB will not be able to issue \$300 million a year of the HB 3202 Bonds as planned because debt service capacity is not available**
- **The current debt capacity model prepared by the Board's financial advisor projects an ability to sell \$2.2 billion in bonds over the next 10 years**
- **This means that bonds will not be sufficient to fund all purposes envisioned by HB 3202**

CTB Program Priorities

- **Keep Ongoing Phases of Work on Schedule**
- **Safety**
- **Bridges**
- **Congestion**
- **Alternative Modes**
- **System Preservation**

Revised Highway Program Strategy

- **Maximize use of federal funds**
- **Fund underway project phases as well as new project phases that start in FY 2009**
- **Fund projects already obligated to meet federal strategy for FY 2009**
- **Safety, bridges and reconstruction of existing infrastructure are highway priorities**

Revised Six Year Program Totals

- **The June 2008 approved FY 2009-2014 Six Year Improvement Program totaled \$10.6 billion:**

Highway	\$7.9 billion
Rail & Transit	\$2.7 billion

- **The reduction in revenues, federal authority reserve, and HB 3202 bond changes have reduced the Six Year Program to date by \$1.3 billion for a revised draft total of \$9.3 billion:**

Highway	\$6.5 billion
Rail & Transit	\$2.8 billion

- **Additional reductions to the Program will be necessary to address \$400 million revenue reduction in December forecast**

VDOT
Revised FY 2009 – 2014
Six Year Improvement Program

Summary – Highway Construction

	Approved FY 2009-2014 Program	Draft Revised FY 2009-2014 Program	Difference
Interstate	\$2.10 billion	\$1.49 billion	(\$614.9 million)
Primary	\$1.64 billion	\$1.40 billion	(\$240.0 million)
Urban	\$763.3 million	\$673.8 million	(\$ 89.5 million)
Secondary	\$985.5 million	\$786.9 million	(\$198.6 million)

Interstate Summary

Projects that remain funded:

Woodrow Wilson Bridge

Capital Beltway HOT Lanes

I-66 Study outside the Beltway

I-66 westbound spot improvement #1

NOVA Regional Transportation Mgt Prog

EIS review for I-64 widening Newport News

I-81 Truck Climbing Lanes/Safety Improvements

I-81/I-77 Interchange Study

I-81 Bridges in Montgomery & Pulaski Counties

I-73 Earmarks for Martinsville & Roanoke

I-95 Interchange in Caroline County at Carmel Church NB

Bridge Replacement over I-64 and CSX in Newport News

Design funding for future projects/economic stimulus

Interstate Summary, continued

Projects that have funding reductions:

- I-81 Virginia Creeper Trail interchange
 - I-81 bridges throughout the corridor
 - I-81 Exit 150
 - I-81 Frederick County interchange
 - I-581 Elm Avenue
 - I-64 Waynesboro interchanges
 - I-64 Exit ramp at 5th Street Charlottesville
 - I-64 Zions Crossroads
 - I-95 Carmel Church interchanges SB
 - I-95 Bridges in Richmond area
 - I-64, I-66, I-95, I-295 and I-664 Pavement Rehabilitation
 - I-64/I-264 interchange
 - I-95 Sussex County bridges
 - I-64 Widening near Short Pump
 - I-66 Spot Improvements #2 & #3
 - I-66 Vienna Metrorail Access
- Approximately \$293 million has been left unprogrammed as we review how we will handle the \$400 million reduction in state transportation revenues

Primary Summary

Projects that remain funded:

- Bridges on statewide priority list
- Huguenot Bridge replacement
- Rt 15/ Rt 17 Interchange in Fauquier County
- Rt 58 widening in Washington County
- Rt 72 widening and ROW in Scott County
- Rt 460 Grundy flood proofing
- Rt 460 Connector to Coalfields Expressway
- Rt 17 widening in Gloucester County
- Rt 205 Bridges leading to Colonial Beach
- Rt 1/ Rt 17 / Rt 218 Intersection in Stafford County
- Franklin Turnpike Connector in Pittsylvania County
- Rt 50 in Fairfax County
- Rt 28 Atlantic Boulevard improvement

Projects added:

- Martin Luther King Freeway Extension Design
- PPTA Program Mgt in Hampton Roads for Route 460, Midtown/Downtown Tunnel

Primary Summary, continued

Projects that have funding reductions:

Rt 72 Scott County

Rt 11 widening Abingdon

Rt 58 Washington County

Rt 3 widening Culpeper County

Rt 29 Culpeper County interchange

Rt 3 widening Spotsylvania County

Rt 17 widening Stafford County

Rt 208 Spotsylvania Court House Bypass Phase II

Rt 7 Loudoun County

Rt 28 Godwin Drive to Vint Hill Road

Rt 29 & Gallows Road Interchange Fairfax County

Arlington Blvd/Rt 50 Courthouse Rd Interchange in Arlington

Primary Summary, continued

Projects that have funding reductions:

Rt 33 Hanover County

Rt 360 Hanover County

Rt 221 Widening Roanoke County

Rt 42 Realignment Augusta County

Rt 340 Warren County



DRPT
Revised 2009 – 2014
Six Year Improvement Plan

Rail and Public Transportation Revenue Outlook

- **Transit**
 - Mass Transit Trust Fund reductions limited to TTF revenue reductions
 - Recordation tax down 47% from June 2007
 - HB 3202 Transit Capital Bonds maintained (despite a likely \$800 million reduction in total bond issuance)
- **Rail**
 - Vehicle rental tax and interest down 10%
 - Rail preservation program maintained
 - Rail Capital Bonds maintained as well

Impact on Public Transportation Allocations

- **Total Mass Transit Trust Fund six year revenues for FY 09 are \$916.6 million vs. \$906.9 million in FY 08**
 - Due to inclusion of recordation tax revenues in FY 2009
- **Average combined reduction of 5.8% (or \$235,000) from June CTB approved allocation for operating and capital programs**
- **DRPT administrative cuts and balances totaling \$5.1 million used to lessen reduction; localities may “flex” urban or secondary construction funds to further mitigate reductions**

Impact on Public Transportation Allocations, continued

- **If FY 2009 reductions were deferred until FY 2010, transit operating funding decrease would be 20% reduction compared to current approved level**
 - **FY 2010 operating reduction estimated at 11.5%**
- **14.3% reduction to special programs**
 - **Only DRPT projects impacted**
 - **Unallocated funds rolled to operating program**
- **Actual cash impact will be delayed based on grantee payment schedules and payments already processed**

Capital and Operating Allocations by Select Grantees Public Transportation (\$ in millions)

Provider		FY 08	FY 09	
			Approved	Revised
WMATA	*	\$80.1	\$88.5	\$80.9
Virginia Railway Express	*	15.9	18.3	17.1
Hampton Roads Transit	*	23.2	31.6	30.4
GRTC		10.4	12.7	11.9
PRTC		6.5	8.0	7.4
Charlottesville Transit		2.3	1.0	1.0
Blacksburg Transit		2.0	1.0	0.9
* - In FY 2008, these entities received general fund allocations as stipulated in the 2007 Appropriations Act. The numbers above do not reflect these general funds.				

Rail Programs

- **Includes \$212 million for 8 projects for freight and passenger rail needs over the six-year period**
 - **Capital improvement in the I-95/I-64 and I-81/Rte. 29 rail corridors**
 - **Heartland Corridor and National Gateway freight initiatives**
 - **Port Authority, VRE Commuter Rail, and High Speed Rail initiative**

Rail Programs (cont.)

- **Pilot intercity passenger service for 3 years**
 - **Lynchburg to Washington, DC**
 - **Richmond to Washington, DC**
 - **\$17.2 million in FY 10 – FY 12 of Commonwealth Transportation funds for operational subsidy**
- **Rail Preservation Program unchanged**

Agency Administrative Budget

- **15% reduction**
 - **Scaled back recent initiatives**
- **\$5.1 million of deobligated grant balances and DRPT administrative cuts utilized to mitigate reduction from 7.4% to 5.8%**
- **MEL reduction from 42 to 40**

In Summary, a Rapidly Changing Environment

- **Sharply declining state revenues and unpredictable federal revenues – including gas, auto sales, recordation and insurance premium taxes**
- **Unusual mid-term correction**
 - Reduction in staffing and administration of transportation agencies
 - Review and potential reduction in service levels of all transportation agencies and providers
 - Deep, sustainable program reductions in addition to \$1.1 billion reductions last June
- **\$2.6 billion reduction in total state and federal revenues**
 - \$1.3 billion in net project reductions
 - Additional project reductions are likely to follow as the December revenue reduction is addressed
 - More than a billion will be addressed from administrative and service level cuts from all transportation agencies
- **State and federal revenue estimates will continue to change**

**Revised
FY 2009 - 2014
Six-Year Improvement Program**

Pierce Homer, Secretary of Transportation

Reta Busher, VDOT CFO

Steve Pittard, DRPT CFO

December 18, 2008



AGENDA ITEM #10

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Legislative Items

Copies of NVTC's approved 2009 Legislative Agenda are attached for your information. The agenda has been distributed to the Northern Virginia General Assembly and congressional delegations, NVTC's jurisdictions, the Governor's office, and posted on NVTC's website.

Also attached are items describing the status of important legislation and lists of transit and other projects that are ready to go if federal stimulus funds are provided.



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Northern Virginia Transportation Commission

2009 Legislative Agenda

For a full copy of NVTC's 2009 Legislative Agenda visit:
www.thinkoutsidethecar.org



Northern Virginia Transportation Commission
4350 N. Fairfax Drive, #720
Arlington, VA 22203



Northern Virginia Transportation Commission

2009 Legislative Agenda



State Action Items

Top Regional Priorities:

1. Promptly enact WMATA Compact amendments to qualify for \$150 million annual federal funding. Provide matching funds for Virginia's share from sources other than funds already destined for Northern Virginia.
2. Meet the need for increased investments in public transit.
 - a. Transit should be held harmless from any cuts in state funding because it is the most effective way to move people. New funding sources should be enacted such as an increase in NVTC's motor fuels tax to four percent from two percent.
 - b. Ensure that any new state and regional funding for transit is consistent with NVTC and NVTA's eight principles which speak to the state's responsibility, the need for funding and the benefits of coordination.
 - c. The commonwealth should meet its statutory target of funding 95 percent of eligible transit operating and capital expenses. Budget language should provide flexibility to shift capital funds to operations to protect past investments.
 - d. Transit should receive 25 percent of any new statewide transportation funding.
 - e. If new regional funding is also provided it should be imposed primarily by the commonwealth.
 - f. Include at least 25 percent for transit in any new spending measures seeking to conserve energy, enhance clean air, mitigate climate change, provide access to jobs, stimulate the economy and respond to emergencies and disasters.
 - g. Regardless of whether state funds for transit increase or decrease, prioritize state funds to provide any required match for new federal stimulus programs aiding transit.

Preserving and Increasing Flexibility of Existing Transit Funding:

3. With no new funding or even declining funding for transit, shift flexible funds to transit projects that yield significant benefits, are ready to start and may have a partial federal match.
4. Fully leverage state resources by issuing state bonds to fund transit projects. Act to increase transit's share of HB 3202 bonds to maintain at least the same absolute amounts of transit funding if the sizes of bond issues decline.
5. Take funds for transit operations off the top just as is now done for highway maintenance, in order to protect previous investments.
6. Protect state Transportation Trust Fund revenues from diversion to non-transportation uses.

Protection for Transit:

7. Guarantee that HOT lanes projects do not result in a deterioration of safety and transit performance or impose financial burdens on local governments.
8. Enact amendments to the Virginia Code to provide enhanced penalties for assaults on transit operators.

Rail Related Actions:

9. Fair terms of public passenger rail access should be required for any state funding provided for the benefit of freight railroads.
10. Amend Title 18 of the Virginia Code to provide increased fines and penalties as a low-level felony for individuals deliberately defrauding VRE when boarding VRE trains. Penalties for boarding without a ticket would remain unchanged.

11. Amend Title 46 of the Virginia Code to prohibit pedestrians from crossing public thoroughfares when trains are present. At least 20 other states have similar laws.
12. Amend Title 56 of the Virginia Code to allow VRE to enter into a contract to secure liability insurance for commuter rail operations utilizing an independent third party, rather than the Virginia Division of Risk Management, to manage claims processing and oversee the VRE Insurance Trust Fund.
13. Amend Title 56 of the Virginia Code to include third party claims in the liability cap for commuter rail operations since the existing cap excludes third party claims.
14. Adopt legislation excluding VRE from the CSX and Norfolk Southern- imposed requirement to purchase terrorism insurance coverage.
15. As the commonwealth seeks to provide more revenue to meet its statutory target of 95 percent of the eligible non-federal transit operating and capital expenses, VRE's jurisdictions should be made whole for unpaid subsidies from outlying jurisdictions whose residents use VRE without their local jurisdictions contributing to VRE's success.
16. Specify that ongoing operating and capital costs of new intercity rail service should not be funded from the existing Mass Transit Fund and any new intercity trains should not interfere with existing commuter trains.

Additional Legislative Request:

17. Authorize NVTC to choose to provide equal per diem payments for its board members who are elected officials.

Federal Action Items

Immediate and Ongoing Funding:

1. Fund important Northern Virginia priority projects as part of a federal stimulus package and ongoing federal programs.
2. Include at least 25 percent for transit in any new spending measures seeking to conserve energy, enhance clean air, mitigate climate change, provide access to jobs, stimulate the economy and respond to emergencies and disasters.

Assistance for WMATA:

3. Promptly appropriate \$1.5 Billion previously authorized for WMATA in order to justify new federal members on the WMATA Board.
4. Enact amendments to the WMATA Compact.

Authorization of Improved Transportation Programs:

5. Implement the policy principles of the Northern Virginia Transportation Authority and others to accomplish increased federal investment in transportation infrastructure, new funding sources, infrastructure banks, streamlined programs and greater decision-making authority for regional agencies and local governments in federal, state and local partnerships.

Equitable Tax Incentives for Transit Users:

6. Increase tax-free monthly transit benefits to \$220 from \$120 to match the benefits currently available for parking.

Rail-Related Actions:

7. The federal cap on commuter rail liability should be broadened at a level no greater than \$200 million per occurrence to include third party protection for freight railroads on which commuter systems operate.
8. Additional federal funding should be provided to commuter rail systems to meet new federal Positive Train Control mandates.





2009 NVTC STATE AND FEDERAL LEGISLATIVE AGENDA

Approved: December 4, 2008



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STATE LEGISLATIVE ACTION ITEMS

Top Regional Priorities

1. **Promptly enact language agreed to by signatories in Virginia, Maryland and the District of Columbia to amend the Washington Metropolitan Area Transit Authority's Interstate Compact** and thereby qualify the metropolitan region to receive \$1.5 billion in new federal funding for WMATA over the next decade. **Provide new state funding for Virginia's share of the \$150 million annual non-federal required match, from sources other than funds already destined for Northern Virginia.**

2. **Meet the need for increased investments in public transit.**
 - a. Virginia's transit systems are experiencing unprecedented growth in ridership. At the same time, declining state and local assistance is placing increasing pressure on these systems to raise fares and/or cut service. Transit needs more funding to meet the challenges of congestion relief, clean air, greenhouse gas reduction, energy conservation, emergency response, access to jobs and household savings. As the General Assembly considers how to respond to reduced transportation revenues, **transit should be held harmless from any cuts to preserve the return on past investments because transit is the most effective way to move people.**

State transportation revenues are not keeping up with inflation because most revenues come from a fixed fee per gallon of fuel and from new car licenses; both fuel purchases and car registrations are falling. Sources of revenue that would keep pace with inflation include sales taxes and indexed motor fuel taxes as well as ad valorem taxes such as NVTC's two percent motor fuels tax. **New sources such as these should be considered for statewide and regional transit funding. For example, NVTC favors an increase in its two percent motor fuels tax to four percent.**

- b. **Ensure that any new state and regional funding for transit is consistent with the eight principles adopted by the Northern Virginia Transportation Authority, its local governments and other agencies such as NVTC.**



Those principles speak to:

- State responsibility for funding transportation;
 - Coordination with Northern Virginia local governments and other regions;
 - The need for at least \$700 million of additional annual funding to meet 2030 plan targets in Northern Virginia;
 - Stable, reliable and permanent funding sources;
 - Achieving regional goals as well as local priorities;
 - Northern Virginia receiving a fair share of any new statewide funding programs;
 - State responsibility to match federal interstate and primary earmarks;
 - Providing an ongoing revenue stream of new capital funding for WMATA with no sunset.
- c. The commonwealth should retain its responsibility for funding transit and **act to meet the statutory target of 95 percent of eligible operating and capital assistance**. For FY 2009, another \$188 million was needed to meet this target, or which almost \$150 million was due for operating assistance. Where shortages of state transit funding occur, more flexibility should be provided to use capital assistance for operating costs in order to retain current service levels. **Budget language could provide this flexibility to combat a threatened 15 percent decline in state transit operating assistance for FY 2010**. For example, such language could, on a one-time basis, give the Commonwealth Transportation Board the authority to direct the Virginia Department of Rail and Public Transportation to transfer funds from the mass transit capital fund to transit operating assistance to hold all grantees harmless from reduction of operating grants below FY 2009 levels.
- d. **Increase transit's share to 25 percent of any new statewide funding for transportation**, whether or not it is directed to the Transportation Trust Fund (currently a 14.7 percent share for transit). This change was incorporated in SB 6009 that passed the Senate in the 2008 session. HB 3202, passed by both House and Senate, included an increased share for transit for bond funds.
- e. **The General Assembly should also provide new regional funding sources for transit and the fees should be imposed entirely by the state, or at least a mixture of state and locally imposed fees should be used.**

- f. **Include significant funding (at least a 25 percent share) for transit as a critical strategy in any new spending measures that seek to conserve energy, enhance clean air, mitigate climate change, provide access to jobs, stimulate the economy and respond to emergencies and disasters.**
- g. Regardless of whether state funds for transit increase or decrease, federal stimulus funds may be provided for eligible transit projects that are ready to go. **State funds should be prioritized to provide any required match** to be certain those new federal funds are used promptly to help boost Virginia's economy.

Preserving and Increasing Flexibility of Existing Transit Funding

- 3. If no new federal, state or regional revenues are provided for transit, and even if state funding declines, **state priorities should be set to shift flexible transportation funds to those transit projects and services that would yield immediate and long-term benefits (job access, clean air, energy savings, emergency response and climate protection), that are ready to start and that may have partial federal funding requiring a state match.** Transit projects focus on moving people, not only vehicles. Examples include 15 new VRE locomotives, expansion of VRE to Gainesville-Haymarket and additional capacity via a third main line in the Washington, D.C.–Fredericksburg corridor, as well as accelerating the Dulles rail project.
- 4. Governor Kaine has announced his intentions to make greater use of bonds to fill a budget shortfall in FY 2009 (about \$250 million more bonds). Rather than reserve such bonding for fiscal emergencies, **the General Assembly should encourage the commonwealth to routinely issue more bonds to support transit projects that yield significant benefits over the life of the bonds.** Given Virginia's conservative bonding practices in the past, additional capacity should be available without jeopardizing the commonwealth's vital AAA rating.

Further, revenues to cover debt service on bonds authorized in HB 3202 have declined and there is a likelihood that transit's amount will be reduced along with the total. Because HB 3202 required a minimum of 20 percent of the bonds to be used for transit, **the Commonwealth Transportation Board has the authority to increase transit's share above 20 percent. The CTB should do so and if not the General Assembly should act.** This is essential because bond funds

(at an 80 percent state matching share) help offset a much lower matching ratio for capital-projects funded from the TTF.

5. **The General Assembly should take funds for transit operations off the top in the same way that highway maintenance is treated.** Current state policy stresses the need to maintain highways, with funds for capital projects diverted to maintenance if necessary to protect past investments and current levels of service. The same approach should apply to public transit since transit operations are equivalent to highway maintenance.
6. NVTC supports legislation that would **provide protections from diversion of Transportation Trust Fund revenues to non-transportation uses.**

Protection for Transit

7. **Direct the Virginia Secretary of Transportation to guarantee that in contracts with the private sector involving conversion of existing High Occupancy Vehicle facilities to High Occupancy Toll facilities, no deterioration in safety and performance of transit services provided on those facilities will be allowed and compensation will be provided to local governments forced to incur expenses to relieve congestion at access and egress points.**

As currently contemplated, very narrow shoulders and below standard lane widths threaten the safe operation of buses (for example, 11-ft. buses plus side mirrors would operate in 11-ft lanes with shoulders as narrow as two feet). Transit systems must be protected against any claims that result.

Regarding performance, currently buses operate in free-flow conditions (65 mph outside and 55 mph inside the Beltway) on the HOV lanes. Yet, minimum average allowed speeds on the new HOT lanes may be 45 mph and queuing in hot spots may cause transit service to deteriorate. It is not acceptable for a publicly funded facility built primarily for transit to be allowed to experience reductions in transit service quality. **The General Assembly should direct that caution be exercised in executing agreements with the private sector sponsors to mitigate unanticipated adverse consequences.**

8. **Enact amendments to the Virginia Code to provide enhanced penalties for assaults on transit operators.** These additional penalties will improve safety for operators, passengers and the public at large.

Rail Related Actions

9. **Fair terms of public passenger rail access should be required for any state funding provided for the benefit of freight railroads.**
10. **Amend Title 18 of the Virginia Code to provide increased fines and penalties as a low-level felony for individuals deliberately defrauding VRE when boarding VRE trains.** Penalties for boarding without a ticket would remain unchanged.
11. **Amend Title 46 of the Virginia Code to prohibit pedestrians from crossing public thoroughfares when trains are present.** At least 20 other states have similar laws.
12. **Amend Title 56 of the Virginia Code to allow VRE to enter into a contract to secure liability insurance for commuter rail operations utilizing an independent third party, rather than the Virginia Division of Risk Management, to manage claims processing and oversee the VRE Insurance Trust Fund.**
13. **Amend Title 56 of the Virginia Code to include third party claims in the liability cap for commuter rail operations** since the existing cap excludes third party claims.
14. **Adopt legislation excluding VRE from the CSX and Norfolk Southern-imposed requirement to purchase terrorism insurance coverage.**
15. As the commonwealth seeks to provide more revenue to meet its statutory target of 95 percent of the eligible non-federal transit operating and capital expenses, **VRE's jurisdictions should be made whole for unpaid subsidies from outlying jurisdictions whose residents use VRE without their local jurisdictions contributing to VRE's success.**
16. **Legislation should specify that as the commonwealth initiates new intercity passenger rail service, ongoing operating and capital expenses should not come from the existing Mass Transit Fund and new intercity trains should not disrupt schedules of existing commuter trains.**

Additional Legislative Request

17. **Enact legislation to authorize NVTC to choose to provide equal per diem payments for its board members who are elected officials.** Currently, NVTC is required by state law to pay General Assembly members \$200 per meeting and other elected officials no more than \$50 per meeting.

FEDERAL LEGISLATIVE ACTION ITEMS

Immediate and Ongoing Funding

1. As part of the process to restructure federal transportation programs and authorize multi-year funding, and to provide a federal stimulus to jolt the economy, **provide immediate and ongoing funding for important Northern Virginia transit projects**, including 15 new locomotives for VRE costing \$65 million, expansion of VRE to Gainesville-Haymarket at \$250 million, VRE parking expansion at \$35 million and VRE platform extensions at \$25 million, and acceleration of such projects as rail to Dulles and the Columbia Pike Streetcar, among others.
2. **Include significant funding (at least a 25 percent share) for transit as a critical strategy in any new spending measures that seek to conserve energy, enhance clean air, mitigate climate change, provide access to jobs, stimulate the economy and respond to emergencies and disasters.**

Assistance for WMATA

3. **Promptly appropriate new funding for WMATA of \$150 million annually as previously authorized by Congress.** Such appropriations are needed to justify the new federal WMATA Board members included in the authorization language.
4. **Promptly enact amendments to the WMATA Compact identical to those to be previously enacted in Virginia, Maryland and the District of Columbia.**

Authorization of Improved Transportation Programs

5. The current multi-year authorization of federal surface transportation programs (SAFETEA-LU) expires at the end of FY 2009. Many organizations have offered detailed recommendations for a major restructuring rather than fine-tuning existing programs. Among the primary reasons for this view are shortfalls in gasoline tax revenues flowing to the Highway Trust Fund, proliferation of separate programs with complex eligibility criteria and rampant earmarking, all without a unifying policy focus.

NVTC supports the policy principles adopted by the National Capital Region Transportation Planning Board and those of the American Public Transportation Association and the Northern Virginia Transportation Authority among others. Among the revisions with greatest benefit to NVTC's members are:

- **The level of federal investment in U.S. transportation infrastructure, including maintenance of the existing system and expansion, must increase significantly.**
- Recognizing that federal fixed per gallon taxes on motor fuels are no longer reliable sources of funding, **new methods must be identified that will grow along with the need to maintain existing facilities and support improvements and system expansions.** Temporary transfers of General Funds or raiding the Transit Trust Fund are not worthwhile strategies to resolve this long-term structural imbalance.
- **Fees for highway use that vary with numbers of auto occupants, types of vehicle miles driven and times and places driven should be used to reduce congestion as well as providing revenues.** New technologies make such variable pricing feasible.
- **Leverage available federal funds with national infrastructure banks and bonding programs.**
- **Simplified, consolidated and streamlined federal transportation programs should be created with uniform, rigorous and comprehensive benefit/cost analyses across all modes, consideration of energy efficiency and environmental protection, inclusion of safety and security, and reduced federal review time.**
- **Urban mobility (and hence support for public transit) should be recognized as a vital federal responsibility, in cooperation with states, local governments and regional agencies through intergovernmental partnerships, with greater decision-making authority for metropolitan areas and local governments.**

Equitable Tax Incentives for Transit Users

6. **Increase tax-free monthly transit benefits to \$220 from \$120 to match the benefits currently available for parking.**

Rail Related Actions

7. **The federal cap on commuter rail liability should be broadened at a level no greater than \$200 million per occurrence to include third party protection for freight railroads on which commuter systems operate.**
8. **Additional federal funding should be provided to commuter rail systems to meet new federal Positive Train Control mandates.**



Washington Metropolitan Area Transit Authority
 Capital Projects for Economic Stimulus Package
 11/3/2008

Asset Category	Estimated Cost	Description	Justification
VEHICLES & VEHICLE PARTS	\$120,975,000	Purchase buses, paratransit vehicles, maintenance vehicles (e.g., welding trucks and tow trucks), armored cars, truck components of rail cars (wheels, chevrons, trucks and heavy overhaul parts) and vehicle components (e.g., alternators, transmissions, engines, coolers, driver's seats, farebox assemblies, radiator assemblies, cylinder heads, door and fan motors, destination signs)	The vehicles meet Buy America requirements with final assembly in the United States. Buses include parts from US companies (i.e., seats, windows, doors, transmissions) which directly benefits the US automobile industry.
MAINTENANCE FACILITIES	\$176,674,000	Replace, repair and expand maintenance facilities (e.g., Bus II area of Carmen Turner Facility), bus garages, and rail car storage facilities	Replacement, repair, and expansion of maintenance and garage capacity is needed to maintain existing fleet and meet growing transit demand. These projects will provide employment opportunities for area workers during construction and during operations and will generate orders for American-built equipment.
PASSENGER FACILITIES	\$161,731,000	Repair and improvement of passenger facilities (e.g., platform replacement, station canopies to protect exposed escalators, stairs, elevator access, credit card readers)	This work is necessary to improve the safety and efficiency of passenger facilities. Outside contractors would perform work, which would result in increased employment in the construction industry that has been adversely affected by the recent economic downturn.
SAFETY & SECURITY	\$4,232,120	Expand Chemical Sensors Detection System and purchase additional Emergency Tunnel Evacuation Carts	These projects increase safety for Metro riders. All parts and labor are from local companies.
MAINTENANCE & REPAIR EQUIPMENT	\$42,500,000	Procure work and test equipment for Metrorail track and cars (e.g., welding cranes, flatcars, de-icers, tie cranes, hi-rail trucks)	Replacement of equipment that has reached the end of its useful life is necessary in order to provide reliable service. Equipment would all be American-made.
OPERATIONS SYSTEMS	\$10,780,000	Replace deteriorating operating system equipment (e.g., fare collection equipment, signage, grout pads)	Important for employee and customer safety, service efficiency and exchange of reliable real-time information. All equipment would be American-made.
INFORMATION TECHNOLOGY	\$12,100,000	Procure hardware and software to improve maintenance efficiencies, monitor network traffic, protect WMATA systems for disaster recovery	Necessary for compliance with multiple audits and for system recovery in disaster situation
TOTAL	\$528,992,120		

Note: Projects meet the following criteria: 1) can be implemented within 90 days of federal funding being made available; 2) are an eligible use of federal funding for WMATA, and 3) would not proceed in the current federal fiscal year without supplemental funding.

December 11, 2008

Title FullName
Company
Address1
Address2

Dear Salutation LName:

Now is exactly the time to invest in public transportation/transit. As Congress develops an economic stimulus measure that includes infrastructure, we urge you to include funding for Virginia public transportation projects in the plan (please see enclosed list of projects that are ready to go and even more could be done if operating as well as capital funds are provided). Transit is ideally suited for economic stimulus, fulfills multiple national priorities and can be implemented quickly. Consequently, investments in public transportation generate significant economic benefits in a short period of time, including:

Return on Investment – It is estimated that every \$10 million in capital investment in public transportation yields \$30 million in increased business sales, and that every \$10 million in operating investment in public transportation yields \$32 million in increased business sales.

Employment – Every \$1 billion of federal investment in the nation's transportation infrastructure supports and creates 47,500 jobs.

Household Savings – When families can make the bus or train “their other car” for commuting purposes they can save almost \$9,000 annually (almost \$9,887 annually or \$824/month around Washington, D.C.), that can be spent on consumer goods, housing, healthcare or education.

Transit fulfills other urgent ***national priorities***:

Energy Security – Public transportation use saves the U.S. the equivalent of 4.2 billion gallons of gasoline annually—more than 11 million gallons of gas a day (223 gallons annually per household).

Reduces Greenhouse Gases – By taking public transit instead of driving a car, a single person saves 20 pounds of CO₂ a day (4,800 pounds a year). Since the private vehicle is the largest contributor to a household's carbon footprint, taking transit is one of the most effective actions individuals can take. It is more effective than adjusting the thermostat and winterizing homes, replacing light bulbs and replacing an old refrigerator combined.

Reduces Congestion – More people using transit in the most congested travel corridors eases congestion, keeps traffic moving and allows vehicles to achieve greater fuel efficiency.

*While you are struggling with the critical needs of the nation, please bear in mind that **expanding transit is an effective economic stimulus measure** and an investment that will fulfill national priorities, and one that will give more Virginians the opportunity to travel smart and save. Providing more access to public transportation may be one of the most important and quick, yet far-reaching actions Congress can take toward economic recovery.*

Sincerely,


John J. McGlennon, VTA President



—TRANSIT: Creating Jobs and Getting People to Work, Education, Retail, Healthcare—

Note: All buses purchased are manufactured in the United States under the “Buy America” program, providing jobs and vehicle orders for American companies. The American Public Transportation Association (APTA) reports that every \$10 million of investment in public transportation “infrastructure” creates 475 jobs. The same APTA research indicates that every dollar invested in transit capital creates three dollars in business sales, bolstering the nation’s economy.

MANY LARGE PUBLIC TRANSPORTATION PROJECTS IN VIRGINIA ARE READY TO GO AND SIMPLY REQUIRE FUNDING:

PROJECT	DOLLARS NEEDED	ANTICIPATED ECONOMIC OUTCOME/TRANSIT COMMENTS
AASC/Four County Transit —Counties of Buchanan, Dickenson, Russell and Tazewell		
Purchase of 12 BOC vans off an existing state contract.	\$612,000 (capital)	<ul style="list-style-type: none"> •Retire over-aged BOC vans (some models are 1997, 1998, 1999, etc.) currently used for public transportation. •Better mileage, less maintenance cost for fleet. •More room and comfort for riders; relieve overcrowding.
Alexandria Transit (DASH) —Alexandria		
Purchase of 19 Gillig and Orion buses for replacement and expansion.	\$10,250,100 (capital)	<ul style="list-style-type: none"> •Retire 5 over-aged buses and expand the fleet from 62 to 76, contributing to better service, lower maintenance costs, increased reliability and operational efficiencies.
ART Arlington Transit —Arlington		
Extension of the Arlington Transit (ART) 75 route from current southern terminus, Wakefield High School, to Shirlington Transit Center:		
Purchase of 5 heavy-duty 30-ft. CNG-powered buses to replace light-duty vehicles to extend Arlington Transit (ART) 75 route from current southern terminus, Wakefield High School, to Shirlington Transit Center.	\$1,730,000 (capital) \$1,203,000 (operating)	<ul style="list-style-type: none"> •Provide a 1-seat ride to growing regional activity center with a projected Year 2010 employment base of almost 4,700 jobs, of which 28% are retail or industrial. • Provide riders new direct transfer opportunities to reach Crystal City as well as Northern Virginia Community College, Mark Center (BRAC relocation site) and other destinations in the City of Alexandria.
Blacksburg Transit —Town of Blacksburg; express route Christiansburg		
Purchase of 14 buses.	\$7,532,460 (capital)	<ul style="list-style-type: none"> •Replace aging fleet with new buses, articulated buses and 4 hybrids.
Purchase of 3 Demand Response vehicles.	\$170,000 (capital)	<ul style="list-style-type: none"> •Replace aging paratransit fleet.
Fairfax (Connector) County —Fairfax County, Tyson's Corner and Reston		
Dulles Rail Project (Phases 1 and 2).	Phase I - \$900,000,000 Phase 2 - undetermined	<ul style="list-style-type: none"> •Serve Tyson’s Corner, Virginia's largest employment center and Reston Herndon area, state's second largest employment concentration, expanding reach of existing regional rail system. •Provide high-quality, high-capacity transit service in Dulles Corridor resulting in travel time savings between corridor and downtown D.C. •Support future transit-oriented development along corridor.

Over...

GRTC Transit System —City of Richmond, portions of Chesterfield and Henrico counties; Fredericksburg		
Additional Express Routes: Route 288 Express - \$860,000 Chester Express - \$450,000 Mechanicsville Express - \$300,000 Ashland Express - \$550,000	\$2,160,000 (operating)	<ul style="list-style-type: none"> • Allow GRTC to provide transit access to several portions of the Richmond region that currently have none, providing more access to jobs for those in need of transportation and opening up access to commercial and retail opportunities in these areas.
Greater Roanoke Transit Company-Valley Metro —Cities of Roanoke and Salem; Town of Vinton		
Purchase of 3 electric hybrid buses.	\$1,000,000 (capital)	<ul style="list-style-type: none"> • Hybrid buses will create fuel efficiencies and reduce operating costs.
Hampton Roads Transit (HRT) —Hampton Roads region, including 7 cities		
Southside Transit Operating and Maintenance Facility— Replacement of 100-year old facility that is inadequate to support existing operations or fleet expansion.	\$16,300,000 (capital)	<ul style="list-style-type: none"> • 185 jobs created. • Create significant operational efficiencies.
Purchase of 10 40-ft. diesel and 10 29-ft. hybrid buses.	\$10,789,680 (capital)	<ul style="list-style-type: none"> • Buses will be used to replace those that have exceeded their useful lifespan and will service all 7 cities in Hampton Roads. • 25 jobs created. • Operational efficiencies: fewer mechanical failures and lower maintenance costs.
Information Management Systems—Purchase of five real-time bus displays, videoconferencing, mobile training system and hazard/risk management system for bus and rail.	\$385,000 (capital)	<ul style="list-style-type: none"> • 15 jobs created. • System will encourage transit use by providing real-time bus information using digital displays at major transfer points.
Replacement of 11 active underground storage tanks and related equipment for fuel and lubricants.	\$600,000 (capital)	<ul style="list-style-type: none"> • 30 jobs created. • Create fuel efficiencies as all current tanks are over 20 years old and do not provide for adequate and up-to-date testing and monitoring capabilities.
Harrisonburg (City of), Department of Transportation (Harrisonburg City Transit) —City of Harrisonburg		
Purchase of 4 buses: 35-ft. Hybrid Diesel-Electric.	\$2,000,000 (capital)	<ul style="list-style-type: none"> • Hybrid buses will replace older buses, with positive impact on riders and the environment plus save on agency operating costs. (The fuel economy of a hybrid bus is 10% - 35% better than a diesel bus. The brake life of a hybrid bus is double that of a diesel bus, decreasing downtime and maintenance. Hybrid diesel-electric emissions bus is much lower with positive effects on environment.)
JAUNT, Inc. —City of Charlottesville; Albemarle, Buckingham, Fluvanna, Louisa & Nelson counties		
NGIC Route—Provide twice-daily shuttle service linking the City's Charlottesville Transit Service with the Center.		<ul style="list-style-type: none"> • Accommodate the additional employment trips generated by the Federal National Ground Intelligence Center's (north of Charlottesville) expansion and movement of 800 jobs to the area from Northern Virginia.

Potomac & Rappahannock Transportation Commission—Manassas, Manassas Park, Prince William County		
Purchase of 10 buses: 9 OmniRide buses and 1 OmniLink bus.	\$4,840,000 (capital)	<ul style="list-style-type: none"> •9 buses to replace over-aged vehicles pressed into service to handle the dramatic ridership growth experienced on commuter bus routes. •Improved service performance; less maintenance costs because of breakdowns. •1 OmniLink bus purchase will enable PRTC to restore an adequate spare margin (peak fleet requirement for the local (OmniLink) bus operation has increased by one vehicle on account of growing traffic congestion that is slowing traffic and requiring the use of a strategic bus to compensate for delay). •Approximately 230 jobs created. •Over \$14.5 million of added sales.
Card Access Security System—Enhancement to existing key-access security system at PRTC Transit Center, the facility housing all of PRTC’s employees when they are not “behind the wheel,” and all of PRTC’s capital assets	\$250,000 (capital)	<ul style="list-style-type: none"> •Improved risk management, less exposure to acts of vandalism, pilferage and other malicious acts; reduce insurance expense. •Remedy vulnerabilities with the existing system, which require repeated lock changes and careful accounting of issued keys because of employee turnover. •Generate 25 jobs. •Generate \$750,000 in sales.
Virginia Railway Express (VRE)—Alexandria, Northern Virginia		
Purchase of 15 locomotives.	\$60,000,000 (capital)	<ul style="list-style-type: none"> •Create hundreds of additional manufacturing jobs throughout America, as well as increase the production of certain durable goods.
Washington Metropolitan Area Transportation Authority (WMATA)—Alexandria, Arlington County, City of Fairfax, Falls Church, Montgomery County, Prince George’s County and District of Columbia		
Purchase buses, paratransit vehicles, maintenance vehicles (e.g., welding trucks and tow trucks), armored cars, truck components of rail cars (wheels, chevrons, trucks and heavy overhaul parts) and vehicle components (e.g., alternators, transmissions, engines, coolers, driver’s seats, farebox assemblies, radiator assemblies, cylinder heads, door and fan motors, destination signs).	\$120,975,000 (capital)	<ul style="list-style-type: none"> •Vehicles meet “Buy America” requirements with final assembly in the United States. •Buses include parts from US companies (i.e., seats, windows, doors, transmissions) which directly benefits the US automobile industry.
Maintenance facilities—Replace, repair and expand maintenance facilities (e.g., Bus II area of Carmen Turner Facility), bus garages and rail car storage facilities.	\$176,674,000 (capital)	<ul style="list-style-type: none"> •Replacement, repair and expansion of maintenance and garage capacity is needed to maintain existing fleet and meet growing transit demand. •Provide employment opportunities for area workers during construction and during operations and will generate orders for American-built equipment.
Repair and improvement of passenger facilities (e.g., platform replacement, station canopies to protect exposed escalators, stairs, elevator access, credit card readers).	\$161,731,000 (capital)	<ul style="list-style-type: none"> •Necessary to improve the safety and efficiency of passenger facilities. •Outside contractors to perform work, resulting in increased employment in the construction industry adversely affected by the recent economic downturn.
Safety & Security—Expand Chemical Sensors Detection System and purchase additional Emergency Tunnel Evacuation Carts.	\$4,232,120 (capital)	<ul style="list-style-type: none"> •Increase safety for Metro riders. •All parts and labor are from local companies.

Cont’d...

Maintenance & Repair Equipment—Procure work and test equipment for Metrorail track and cars (e.g., welding cranes, flatcars, de-icers, tie cranes, hi-rail trucks).	\$42,500,000 (capital)	<ul style="list-style-type: none"> •Replacement of equipment that has reached the end of its useful life is necessary in order to provide reliable service. •All equipment to be American-made.
Replace deteriorating operating system equipment (e.g., fare collection equipment, signage, grout pads).	\$10,780,000 (capital)	<ul style="list-style-type: none"> •Important for employee and customer safety, service efficiency and exchange of reliable real-time information. •All equipment to be American-made.
Procure hardware and software to improve maintenance efficiencies, monitor network traffic, protect WMATA systems for disaster recovery.	\$12,100,000 (capital)	<ul style="list-style-type: none"> •Necessary for compliance with multiple audits and for system recovery in disaster situation.

Williamsburg Area Transport—James City County, Bruton District of York County, City of Williamsburg, City of Newport News (Lee Hall) and College of William and Mary

Trolley Circulator Operational Support—Connect transit-oriented development characterized as commercial/residential activity centers in Colonial Williamsburg (Merchant Square), City of Williamsburg (High Street) and James City County (New Town).	\$225,000 Annually (operating)	<ul style="list-style-type: none"> •65,000 passengers. •42% or 27,000 employment. •26% or 17,000 shopping. •Generate new WATA positions: 4 bus operators.
Fixed Route connecting James City County Government Center/ Route 199 Commercial Development: Purchase of 1 Heavy Duty Diesel/Electric Bus—Additional bus needed to connect major corridor and activity in James City County, City of Williamsburg and York County not served by regional transit network with demand from public and supports areas Comprehensive Plans.	\$550,000 (capital) \$265,000 (operating)	<ul style="list-style-type: none"> •90,000 passengers. •42% or 38,000 employment. •26% or 23,000 shopping. •Generate new WATA positions: 4 bus operators, 1 administrative support.
Fixed Route serving Rt 5 & 312: Purchase of Heavy Duty Diesel/Electric Buses—Additional buses needed to connect major corridors and activity in James City County and City of Williamsburg not served by regional transit network with demand from public and supports area Comprehensive Plan.	\$1,100,000 (capital) \$265,000 (operating)	<ul style="list-style-type: none"> •90,000 passengers. •42% employment or 38,000. •26% shopping or 23,000. •Generate new WATA positions: 4 bus operators.



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Response lukewarm to proposed transportation commission

December 11, 2008 - 10:49am

[Hank Silverberg](#), wtop.com

WASHINGTON - Should a bipartisan, blue ribbon commission help Virginia solve its transportation problems?

Rep. Frank Wolf, R-Va, thinks so.

In a letter to Gov. Tim Kaine, Wolf asks Kaine to set up a commission led by former Govs. Gerald Baliles and George Allen.

"Too many people, particularly in Northern Virginia and Hampton Roads, are spending far too much time sitting in traffic and not doing the things they want," Wolf writes.

He says such a commission "could review the needs of all modes of transportation - highways, bridges, airports, transit, ports - and provide a fresh approach at developing new policies that takes the politics out of the picture. Fighting gridlock is not a Democrat or Republican issue; it is a good government issue."

Virginia House Speaker Bill Howell, R-Fredericksburg, likes the idea of having a commission "look at the whole big picture," but adds that lawmakers will put in legislation that addresses the state's transportation problems.

Transportation is a contentious issue that often pits Northern Virginia lawmakers against the rest of the state.

A spokesman for Kaine says the governor wants to see the General Assembly's legislation and hear what the incoming Obama administration proposes before considering a blue ribbon commission.

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AGENDA ITEM #11

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: December 31, 2008
SUBJECT: Metro Items

A. Ridership at Virginia's Metrorail Stations.

Another in the monthly series of ridership charts is provided for your information. As can be seen, Metrorail ridership remains very strong in Northern Virginia.

B. Series 7000 Railcar Procurement.

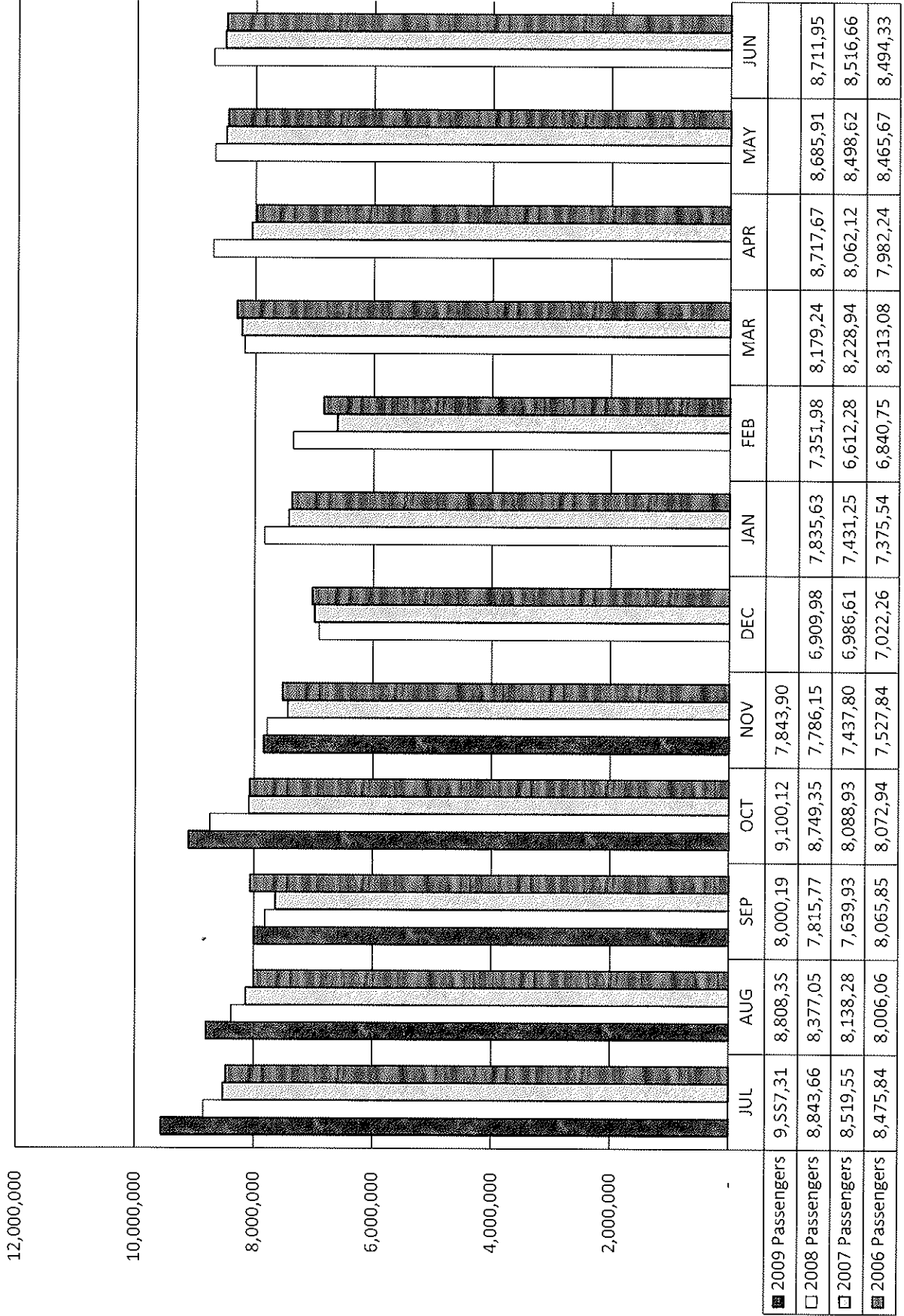
The attachment describes the procurement action initiated by the WMATA Board on December 18th for 748 new railcars to be delivered over a five year period commencing in FY 2013. A best value competitive negotiation procedure will be followed. The expected cost is over \$2 billion. Of the 748 railcars, 128 are for the Dulles project to be delivered in FY 2013 and 2014.

C. Paper Transfers Eliminated.

After an extensive public information campaign, WMATA will eliminate paper transfers on January 4, 2009. The attached article examines some of the pros and cons.

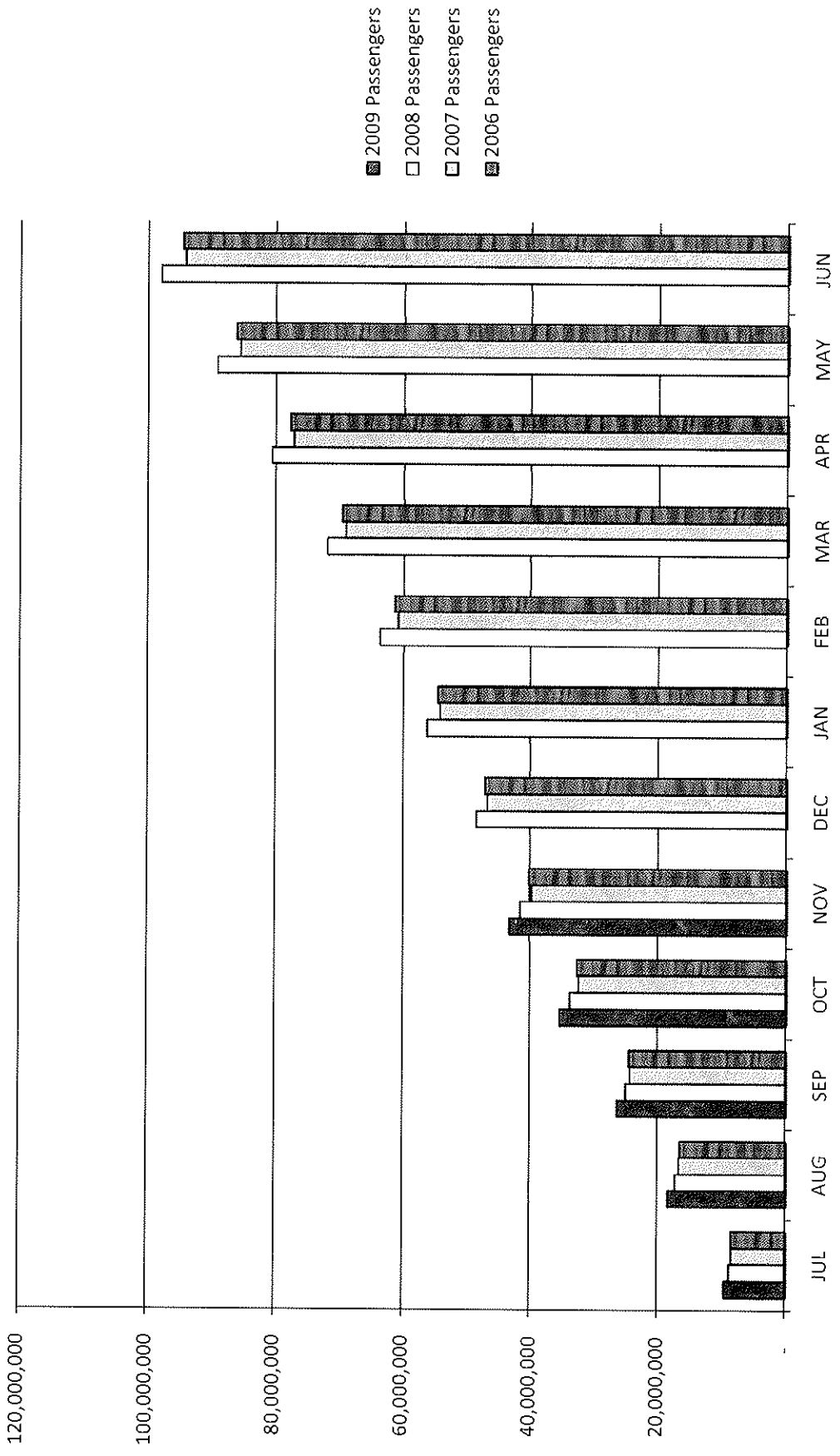


Metrorail Monthly Northern Virginia Passenger Trips, FY 2006-FY 2009



(A)

Metrorail Cumulative Monthly Northern Virginia Passenger Trips FY2006 - FY2009





Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100203	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

7K Series Railcar Procurement

PURPOSE:

To obtain the Board's approval to add to the Phase 1 Dulles Corridor Metrorail Project procurement of 64 railcars, (a) an option for the Dulles Phase 2 railcar requirements of 64 cars and (b) options for up to 620 railcars to renew the oldest portion of the WMATA fleet, to rehabilitate the 100 Breda 4000 series railcars and satisfy future Metro ridership projections.

DESCRIPTION:

The Metropolitan Washington Airports Authority (MWAA) has requested 128 railcars for the Dulles Corridor Metrorail Project but has only provided Phase 1 funding for 64 railcars. The 300 original railcars in the 1000 Series need to be replaced at the end of their 40-year life. The 100 railcars in the 4000 Series require mid-life rehabilitation. An additional 130 railcars are necessary to provide for 75% peak-period 8-car train capability and meet the demands of ridership growth and 90 additional railcars are needed to extend that capability to 100%.

The timing of these needs has provided a unique opportunity that permits delivery of 748 railcars within a five year window and a better means for spending our resources wisely. The consolidated procurement is intended to take advantage of economies of scale, to standardize design over a major portion of the fleet, improve quality control and reduce acquisition time and costs.

The contract is structured with a base order of 64 railcars for Dulles Phase 1. All remaining railcars will be options subject to Board approval and availability of funds. The program will have approximately 24 months after contract award in which to exercise the first option. Costs associated with the Dulles Corridor Metrorail Project are to be reimbursed under the existing agreement with MWAA.

A reimbursable Intergovernmental Agreement (IGA) between MWAA and WMATA was signed on September 14, 2007. It provides funding to WMATA for the design and procurement of 64 railcars and the continued technical assistance for Phase 1 which will extend Metrorail service from the current Orange Line through Tysons Corner to Wiehle

Avenue in Fairfax County, Virginia. Inclusion into the Adopted Regional System (ARS) is contingent upon the awarding of a full-funding grant agreement by the Federal Transit Administration to MWA and other Board requirements. The Dulles project is part of the approved FY 2008-2013 Capital Improvement Program (CIP).

The following table shows the anticipated delivery schedule for the 7000 Series Railcar Procurement Program, if all options are exercised.

Requirements	Qty	Number of Cars Accepted				
		FY 13	FY 14	FY 15	FY 16	FY 17
Dulles	128	36	92			
Renewals	300		16	144	140	
Growth, 100% 8-car	220				40	180
4000 Series Rehab	100		4	32	48	16
	748	36	112	176	228	196

Sealed bid procedures are not appropriate since it is necessary to conduct discussions with offerors to confirm technical acceptability of each offer. The contract will be awarded under "Best Value" competitive negotiation procedures made on a combination of price and technical related factors.

FUNDING IMPACT:

Total program funding needs are \$2.064 billion, of which the Dulles component is fully reimbursable. Award of the Dulles Phase 1 railcar base contract is currently scheduled for October 2009.

The additional funding needed for the WMATA railcar program is not yet programmed and must be addressed prior to award of any options. Bidders will be requested to provide a private financing alternative. The Board of Directors will be kept informed of the status of the financing options and a final recommendation will be made when approval is sought for award.

	Capital - Reimbursable Capital Projects
	System Expansion Program
	Dulles Corridor Metrorail Project
	7000 Series Railcar Procurement Program
	FY 09 - FY 17
Budget:	\$0
This Action:	\$0
Prior Approval:	\$0
Remaining Budget:	\$0

Remarks: The design and procurement of the base contract of the 64 Dulles Corridor Phase 1 railcars is programmed within the approved FY 2008-2013 Capital Improvement Program budget as a reimbursable project. Action to initiate the base contract requires no additional budget authorization. However, funding for the option(s) of up to 584 railcars, including the Dulles Corridor Metrorail Project Phase 2, the additional growth railcars, the replacement of the 1000 Series railcars, and the 4000 Series Rehab is subject to Board approval and the availability of funding and capital program prioritization. It will be included in the program for a total of \$1,881,126,230.

Operating Budget Impact: Annual Expense:
FY09 - \$0
FY10-22 - \$630.2 million

As approved by Resolution 2007-27, adopted on June 28, 2007.

The table, in Attachment 1, shows the projected costs (in millions) for the 7000 Series Railcar Procurement Program, if all options are exercised.

RECOMMENDATION:

WMATA Board of Directors authorize the addition to the previously approved Dulles Corridor Metrorail Project Phase 1 railcar procurement, as options subject to Board approval, availability of funds and recommendation in the capital prioritization process and the addition of options for the acquisition or rehabilitation of up to 684 railcars:

- 64 - Dulles Phase 2 (option #1);
- 130 - Growth for 75% peak-period 8-car trains (option #2);
- 100 - Mid-life rehabilitation of the 4000 Series (option #3);
- 300 - Fleet renewal of the 1000 Series (option #4); and
- 90 - Growth for 100% peak-period 8-car trains (option #5);

The above actions are subject to Board approval, the availability of funding and review in the capital prioritization process.

**BOARD ACTION/INFORMATION SUMMARY
7K SERIES RAILCAR PROCUREMENT
ATTACHMENT 1 - PROJECTED COSTS**

Projected Costs (in millions)	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	Total
				9,000	51,000												60,000
Dullies	0.483	0.829	9.401	37.890	60.949	72.570	143.973	30.368	10.804	5.760	2.791	4.092	5.802				385.712
75% 8-car							39.619	242.714	38.360	9.443	6.589	0.881	4.721	9.842			352.169
Renewals								67.748	339.326	336.227	34.095	19.932	6.887	6.796	10.669	19.521	841.201
100% 8-car										134.768	102.319	2.050	10.367	0.873	0.654	10.149	261.180
4000 Series Rehab				0.948	5.076	8.844	14.836	19.446	51.783	47.260	5.848	4.399	3.656	1.894			163.989
Total	0.483	0.829	9.401	47.838	117.025	81.414	198.428	360.276	440.273	533.458	151.642	31.354	31.432	19.405	11.323	29.670	2,064.251



Nobody Rides for Free

The passing of paper transfers marks the end of a great fraud.

By Sarah Godfrey

Posted: December 3, 2008

In January, Metro will eliminate the bus transfers that have become a fixture of local commutes. One of the reasons for the move, says Metro, is to end the assaults that drivers have sustained after fighting with passengers about paper slips.

One driver, who asks not to be identified, is thankful for the change. During his time behind the wheel, he has had passengers cuss him out and spit on him. In September 2007, the operator was driving downtown, near Metro Center. He picked up a guy at 15th and G who presented him with a transfer, a piece of low-grade paper that gives users a free ride if they switch to another bus within a two-hour window. This particular rider attempted to stretch that time frame considerably—his transfer had a time/date stamp from the previous May.

“I told him he couldn’t use it, and he wanted to get belligerent,” remembers the driver.

The driver says the man got up in his face, so he threatened to call Metro Transit Police, then removed his seat belt and started to stand up. Next thing the driver knew, the would-be passenger swung at him.

“He punched me in the chest and ran off the bus,” the driver says. “I felt it,” he says of the blow, but he kept driving his route.

In another month, the driver will no longer have to worry about that scenario playing out again. Check out any bus shelter in the city and you’re likely to see a red sign announcing the switch: “Beginning January 4, 2009, Metro will not issue or accept paper transfers. To get the rail-to-bus discount or to transfer free from bus to bus you must use a SmarTrip card.”

Cathy Asato, spokesperson for Metro, says there are several reasons behind killing the paper transfer, including making better use of technology and collecting more fares. But an important basis for the policy is reducing the hassle factor for drivers. “We hope to see disputes between riders and operators about transfers go away,” Asato says.

The new policy’s break-in period could indeed be rough: Though Metro is going all-out to advertise the change, there’ll certainly be some heated exchanges come early January. Riders, after all, have always been resourceful in working their way onto the bus without paying, and the transfer has often been their vehicle. “They fold them in half, crumple them up, stick two together,” says the driver who was assaulted last year.

Another driver, who operates in Southwest, says that at one point, many drivers just stopped worrying about the time constraints altogether and opted to hand out transfers good for way beyond the two-hour limit. If you tried to follow the rules and hand out transfers that expired in two hours, riders would just vex the next driver, claiming the last guy shortchanged them and their transfer was actually still good. So why bother?

“They will argue—sometimes they’re right, sometimes they’re not,” says the driver, who also requested his name not be printed, citing Metro policy. He estimates that about 15 percent of his riders get on the bus with invalid transfers. And he can’t check them all. “If you have a line of people [waiting to get on], you can’t always look,” he says.

And within that band of Metrobus inefficiency—of leniency, almost—rested an unspoken aspect of commuter justice. For all of those who’ve endured the *No Exit*-style hell of a Metrorail delay due to track maintenance, or sought an answer to the question of just why no trains were arriving, or sat shivering on a bus with a dead engine waiting for a replacement from the bus barn to take them to work, maybe Metro owed them the occasional free ride. Or even the frequent free ride.

The Washington Metropolitan Area Transit Authority, the agency that oversees Metro bus and rail, has a long history of money problems. User fees don’t come close to meeting the agency’s budget, and local jurisdictions don’t cover the gap. Metro needs \$11 billion in the next 10 years to handle infrastructural repairs and other upgrades necessary for increased ridership.

And so the agency is trying to get out of the business of providing free bus trips.

Under current Metro policy, the transfers aren’t tracked. If you’re getting off the bus and no longer need your transfer, you can pass it to someone else so that person can avoid the base fare and ride for free. Metrobus hustlers will give up a good transfer only if they get a cigarette/quarter/stick of gum/sports section in return. The courteous will pass one along once they’re through with it.

Army veteran and Capitol Heights resident Clarence Miller rides the U2 Metrobus (Minnesota Avenue–Anacostia Line). He pays \$1.35, the normal cash bus fare, and gets a free paper transfer. Many times, Miller will ask the driver for two transfers: One he keeps for himself, the other he gets just so he can give it away, in case he comes across a friendly stranger or a buddy who is short on cash and trying to get to the VA hospital. And when he’s done riding the bus for the day and no longer needs his own transfer, he gives that one away, too.

Miller says that right or wrong, many people couldn’t ride the bus if it weren’t for discarded or donated paper transfers.

SmarTrip stands to ruin this street economy fueled by hustlers and by good Samaritans like Miller. As of Jan. 4, those who plunk down the minimum SmarTrip card buy-in fee of \$5 will be able to transfer between buses for free once they pay a \$1.25 base fee. Paying cash? Boarding a bus will run you \$1.35 each time, whether you’re transferring or not.

Riders like Francis Chapman of Laurel, Md., who often rides the D8 and C18 buses, must reconcile empathy for riders who depend on free transfers with anger over the fact that those who abuse paper transfers, whether because they have to or merely want to, have been immune to fare hikes that rule-abiding riders have endured.

“It’s because of that,” Chapman says, equating paper-transfer fraud with lost profits and lost profits with the reason Metro is doing away with paper transfers altogether.

“But some people won’t have money to catch the bus,” he adds. “It’s gonna be rough.”

Marshall Proctor, an A12 rider from Seat Pleasant, Md., says he will miss the days when stumbling across a discarded transfer was as good as finding \$1.35 in cash lying on the ground. “Now if I don’t have [bus fare], I might find a transfer on the ground,” Proctor says. “You’re not gonna find one of those cards on the ground.”

And Proctor is one of those riders who, if presented with a couple of transfers, expired or not, will figure out a way to use them to get on the bus. “I can tape two together,” he admits.

Sheliah Hester, a B2 and D6 rider who lives on Capitol Hill, says she'll miss how excited fellow riders get when she gives away a transfer, no strings attached. Hester says she's been offered change or a smoke in exchange for her transfer, but she tends to turn such offers down. "I usually just tell them they can have the transfer," she says.

"There's always somebody decent standing out here you can help," Hester says. "And that dollar they save, they can eat their lunch with that."

Hester says that she just doesn't get why a big entity like Metro would begrudge someone down on his luck the relief of an occasional free ride. "Why are they worrying about someone helping someone else? It's charity—why is a billion-dollar corporation worried about it? Metro is not giving nobody no breaks."

Sure, all that community building among strangers—or covert, sneaky behavior, depending on your perspective—has led to a constant stream of fare hikes that seem to come closer and closer together, but wouldn't Metro have found a way to make us pay more anyway?

Out in the bus-riding world, people have theories as to why Metro is bagging the transfers. Some think it must be because city trash workers have complained that they're tired of picking up the little newsprint strips with red lettering that are strewn all over the city. Other riders think Metro has decided that dispensing and checking paper transfers slows down drivers and, by extension, buses. A few posit that Metro is just ready to move into the future with its SmarTrip cards and leave paper behind, but the majority think Metro is tired of getting bested by folks who use paper transfers to get something for nothing.

Metro says it's all of the above.

"There are several reasons," says Asato. "One, it will save Metro money. Not including fraud, just in printing and maintenance of transfer machines, we will save \$350,000 next year," she says.

"Also, we want to encourage people to use SmarTrip," Asato continues. With a

SmarTrip, riders can transfer buses for up to three hours for free, compared to just two hours with a paper transfer.

On the fraud front, Metro Transit Police recently apprehended someone for selling books of stolen transfers, says Asato. Still, no one has ever been pinched for the act of passing a single transfer off to a fellow rider, to her knowledge.

Asato recognizes that it's an act of kindness that one rider has been able to extend to another for as long as the paper transfer has existed, but she's not sorry to see it go.

"It is a courtesy, but it's still a form of fraud that we're trying to curb," Asato says.

It's also a form of fraud that riders will endeavor to extend. "We're gonna figure that out soon," says Proctor of cracking the SmarTrip system. "Trust me. The younger generation will figure it out."

To hear bus drivers tell it, they already have.

Despite being overwhelmingly in favor of getting rid of paper transfers, the Southwest area bus driver says the new hustle is that people scan a depleted SmarTrip against the card reader on his bus and then feign ignorance when it doesn't work.

"They say, 'I just added money! Something is wrong with your machine!'" The driver says that, in these cases, he usually gives the benefit of the doubt, or at least decides not to call them on their ploy.

Therein lies the false hope of the switch to SmarTrip—a switch that could mean even more mayhem for drivers. Think about it: The bus is the first transportation option for the city's neediest citizens, in part because of the ease of gaming paper transfers. Now these folks, many of them penniless, will be required to come up with \$5 before boarding a bus, and another \$5 after their card is charged four times. That simply won't happen, and the result will be more desperate passengers simply breezing past the driver, perhaps not even bothering to pass a zeroed-out card over the scanner. Any driver that seeks to enforce the rules faces a clash.

One driver doesn't understand why people go to such lengths to get a free bus ride, when there is a really simple way to get from points A to B when you're short on cash.

"I understand that some of my co-workers have attitudes, but most of us don't," he says. "If someone says, 'Mr. Bus Driver, I don't have any money, but I need to get somewhere, can you let me ride?' most of us would probably do it," he says.

That's a fine sentiment from an empathetic driver. But it misses the point of the whole transfer transaction, and that's saving face. No one—not the lowliest of bus riders—wants to tell an entire busload of people that he doesn't have five quarters and a dime to rub together.

It's why the bus transfer in D.C. has become the mass-transit equivalent of sticking a beer in a brown paper bag: If you went to the trouble of waving a strip of paper—even an ice-cream sandwich wrapper or a corner of the Giant food circular could work—a bus driver would likely allow you to board, no questions asked. With a transfer, you don't have to shred your dignity by pleading poverty or trying to sneak in through the back door as other passengers disembark. In return, the driver gets to keep his eyes and mind on the road instead of playing transit cop and social worker.

Although bus transfers and the shenanigans surrounding them are a bit of old-D.C. grit in an increasingly sanitized city, transfer conning isn't a good thing. But it's our thing. It's not unlike when we had a basketball team named for gun ammo or a mayor who smoked crack—it fosters community in some unplanned way. Like the people who've taken advantage of it, the paper transfer has character and a purpose far beyond getting from downtown to Capitol Hill. Nothing of the sort can be said of swiping a generic plastic card.



AGENDA ITEM #12

TO: Chairman Eulle and NVTC Commissioners
FROM: Rick Taube and Lynn Everett
DATE: December 31, 2008
SUBJECT: Regional Transportation Items

A. I-95/395 HOT Lanes Correspondence.

A copy is provided of NVTC's letter to Secretary Homer as revised and approved at the commission's December 4th meeting. Also attached is a letter approved by NVTA on December 11th and a similar letter from PRTC. An article on HOV safety is also provided. VDOT has now submitted to FHWA documentation requesting a Categorical Exclusion (CE) under the National Environmental Policy Act for the northern segment of the project. VDOT will release the FHWA decision at least 15 days prior to public hearings. VDOT says that the CE request did not include requests for design exceptions.

B. Transit Ridership Gains.

The American Public Transportation Association has reported nationwide public transit ridership rose by over six percent in the third quarter of calendar 2008 (July-September). Results for the first five months of FY 2009 (July-November) in Northern Virginia are also outstanding and are attached for your information. The relationship between gas prices and transit ridership continues to be debated (see attached).

C. Inauguration Planning.



VDOT asked NVTC staff to help coordinate planning for safely and efficiently transporting people participating in Inauguration Day events on January 20th. Staff will provide an update.

D. America's Worst Small Towns for Commuters.

Forbes has identified what it characterizes as the worst small town commuting location in America. The "winner" is Linton Hall, Virginia, an unincorporated area identified by the U.S. Census located 35 miles from Washington, D.C. four miles south of Gainesville (Rt. 29 and I-66). Forbes says 78 percent of its 21,118 residents drive an average of 46.3 minutes to get to work. The author used Census data released in early December, 2008. See the attached article.

E. Michael Townes Interview.

Michael Townes, who is Hampton Roads Transit's Chief Executive Officer, reflects in the attached Mass Transit article from November, 2008, about transit in the Tidewater area and his recently concluded tenure as chairman of the American Public Transportation Association. Of particular interest, he cites (p. 12) Northern Virginia as a positive example of how to be successful with the General Assembly:

...We looked in Northern Virginia and saw that in terms of transportation, and specifically public transit, they had a way of getting together before each Virginia General Assembly session and arguing among themselves and developing a consensus and coming to Richmond and advocating for that consensus to be very successful in attracting state resources to support public transportation needs.



December 5, 2008

The Honorable Pierce R. Homer
Secretary of Transportation
Patrick Henry Building, 3rd Floor
1111 East Broad Street
Richmond, VA 23219

Dear Secretary Homer:

At its December 4, 2008 meeting, the Northern Virginia Transportation Commission received a presentation from several representatives of the I-95/395 HOT Lanes project team on the current status of this major undertaking. The commission then determined that there remain several outstanding issues that have not been addressed to our satisfaction. The commission voted unanimously to bring these to your attention and to ask that you respond as soon as possible and certainly before final NEPA documentation is submitted to the Federal Highway Administration.

At the heart of our ongoing uneasiness with this project is the essential fact that much of the project involves taking a facility that was built originally primarily for transit and converting it to another use. A recent study for NVTC showed that this facility now carries twice as many persons per lane per hour (3,106) as the parallel general purpose lanes (1,566) at a screenline just outside the Beltway during the morning peak period. To be successful, the HOT lanes project must meet or exceed this level of performance.

At this point the risks of deteriorating performance on the existing tax-payer funded facility and on adjacent local streets as a result of this conversion appear substantial. A successful project would be in our region's best interests, especially given the lack of state transportation funding, but we have yet to be convinced that the risks are worth taking; accordingly we are requesting the information described below.

NVTC's Concerns and Requests



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

1. Please provide specific modeling results from traffic and revenue forecasting. This information should include shares of HOV trips on the HOT lanes, including informal carpooling (slugs). We are aware that many current “sluggers” are very concerned about the future.
2. What are projected traffic hot spots, particularly at points of access and egress, that may affect the reliability of transit service? What are the plans to mitigate congestion at each of these locations?
3. What provisions are in place to ensure that local governments and transit systems do not incur additional expense to resolve congestion that may spill over to local streets? Modeling of these impacts should be coordinated with local governments. Based on recent experience on similar projects memoranda are needed between each local government and the project team to provide compensation for financial impacts on local governments. Further, for each year in the future results should be evaluated and if impacts are worse than projected, the project team should commit in those MOU's to mitigate the impacts.
4. Will the project team be required to maintain current performance after conversion to HOT lanes? Federal performance standards for HOV lanes converted to HOT lanes would allow lower average speeds (i.e. 45 m.p.h.) than those currently experienced (i.e. 55 m.p.h. inside and 65 m.p.h. outside the Beltway). In the event average performance drops below the federal minimum of 45 m.p.h., what provisions are in place to reimburse the region for the millions of dollars of FTA formula funds that would be lost each year? Average speeds may hide unacceptable periods of delay, so please report on anticipated variability within that average. We know from experience that transit customers will not tolerate periodic extensive delays even if average speeds meet the minimum standard.
5. Transit systems have warned about serious safety concerns from 11-ft lanes, discontinuous shoulders as narrow as 2-ft. and ramp geometry with limited turning radii and grade changes. Also, pull-out areas are inconsistently placed as far as three miles apart on opposite sides which could lead to weaving and other hazards. A safety study by Halcrow Associates did not examine the specific combination of factors present in this project. While VDOT is reported to be examining mitigation measures for design exceptions to be requested of FHWA, no information has been shared about exactly why it is believed that such a combination of risk factors can be deemed to be safe. Transit systems wish to be protected against claims arising from these design exceptions, since, for example, operating 11-ft buses with additional side mirrors in 11-ft lanes is obviously a serious concern.

Also the project team has stated that an incident response plan will serve to reduce the risk of disabled buses on the facility. More details should be shared about such a plan.

6. Enforcement is a concern that affects transit performance and safety. Without an effective enforcement process, transit levels of service may bog down due to congestion and officers on the HOT lane rights-of-way may pose safety risks. When will specific enforcement plans be available for review? Please share the specific technologies that will be used to identify and enforce free HOV users.
7. For the I-95/395 HOT lanes project, the project team should ensure that the public is fully informed by sharing specific plans in sufficient time to allow public comments to be considered and incorporated. This request pertains not only to environmental factors but also to all of the plans (design, traffic, revenue, enforcement, etc.). In planning to provide parking and access and egress facilities, the project team should learn from public reactions on the Beltway HOT lanes project. The media have reported recently that many persons have stated that they were not aware of the intention to cut large swaths of trees along the Beltway and they are also concerned about storm water management.
8. What is the additional capacity to be accomplished for person-through put in peak and non-peak periods?

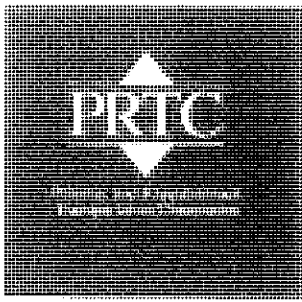
Thank you for the opportunity to share these requests with you and the project team. Most of these requests are long-standing and we do wish to ensure that they are heard and considered.

Please feel free to contact me with any questions.

Sincerely,

William Euille
Chairman

cc: NVTA Chairman Chris Zimmerman
NVTC's Local Governments
Tim Young
Young Ho Chang



14700 Potomac Mills Road
Woodbridge, VA 22192

December 11, 2008

The Honorable Pierce R. Homer
Secretary of Transportation
Patrick Henry Building, 3rd Floor
1111 East Broad Street
Richmond, Virginia 23219

Dear Secretary Homer:

At its December 4, 2008 meeting, the Potomac and Rappahannock Transportation Commission (i.e., “the Commission”) received a presentation from Mr. Young Ho Chang about the status of the I-395/I-95 HOT lanes Project (“the Project”) on behalf of the Project Team. The presentation was eagerly awaited but disappointing, because many questions remain unanswered and many concerns persist. While you will surely be informed by Project Team members about what transpired, the Commission concluded that a written account of its continuing questions/concerns is necessary, sent to you before Project approvals that VDOT is reportedly seeking are in-hand.

Fundamentally speaking, the Commission continues to question whether the benefits of the Project as presently proposed are commensurate with its costs. “Costs” as the term is used here refers not simply to the planned expenditure, but rather to the expenditure together with all the concomitant effects that the Commission believes will arise as the Project is now proposed. While the Commission’s member jurisdictions recognize that there is a compelling need for additional capacity in the corridor and that tolling as a method of financing this capacity in light of profound public funding limitations is seen by VDOT as a solution, the member jurisdictions have serious apprehensions about how the Project is scoped, as detailed below:

1. Increased accident exposure. To incorporate a third lane along the entire length of the existing HOV facility, the Project Team proposes to narrow lane widths and diminish shoulders as necessary to stay within the physical envelop of the HOV right-of-way. Starting with the premise that three travel lanes are imperative for the entire length of the segment where HOV lanes are now present, the Project Team reasons that the Project as now proposed minimizes attendant risk exposure by virtue of the planned additional pull-off areas, the planned presence of one or more 12-foot lanes for much of the Project’s length, the planned use of overhead signs to forewarn motorists of vehicle breakdowns ahead that require lane changes, etc. The Project Team has also

noted that substandard lane widths and shoulders are fairly commonplace in Northern Virginia, and cited HOV-to-HOT conversion experiences elsewhere where design exceptions were necessary, as if to suggest that our concerns in this regard are overstated.

From the Commission's perspective, the basis for comparison is the HOV facility as it now exists. There can be no disputing the fact narrowing lanes and shoulder widths as necessary to accommodate a third lane throughout increases the risk of accidents, so the member jurisdictions find little comfort in knowing that a concerted effort is being made to mitigate this exposure as much as possible assuming the third lane is built – there will be some degree of increased exposure despite the Project Team's best efforts.

Thus this concern prompts two questions:


- Are the “costs” of the third lane inside the beltway too high, and would the public be better served by the retention of two lanes in this stretch coupled with an HOV-4+ requirement for free usage; and
 - If the third lane ends up being built throughout, how can the transit operators and their local government sponsors be spared the increased risk exposure? The Commission has suggested that this can be accomplished by liability indemnification from accidents arising because of the physical limitations of the facility, a suggestion that still awaits a response.
2. Lowered operating speeds that diminish transit and HOV travel time advantages. PRTC has repeatedly observed that the federal statutory provision mandating that average speeds in HOV-to-HOT converted facilities not be lower than 45 mph (or 10 mph lower than the design speed where the design speed is less than 55 mph) represents a degradation of service because the prevailing average speeds in the HOV lanes are higher than this. Consequently, PRTC has urged the adoption of a higher average speed as a “dynamic tolling” determinant. In response, it has been said that the Project Team's aim is to maintain a higher speed, but this response appears to stop short of the commitment the Commission's member governments are seeking that degradation will not be allowed to occur. Any such degradation adversely affects transit operators in two ways: it adds time and expense for the trip; and it lessens the attractiveness of the service to users that in turn could cause some ridership loss.

3. Toll rate – how high will rates need to be to maintain free flow and what are the resultant revenue yields compared with planned expenditures? There have been varying opinions about the required toll rates and anticipated net revenues in past discussions, which the Project Team has deflected by saying they could not be conclusively resolved until a more rigorous traffic and revenue study is completed. We now understand that two such studies are underway – one being done by Fluor/Transurban (FTU) and a second by VDOT – that will shape “tolling” and “concession size” decisions made in the course of negotiating a comprehensive agreement and reaching financial close. While there may well be aspects of these studies that will remain privileged as envisioned by the Commonwealth’s Public-Private Transportation Act (PPTA), there is a compelling public interest in insuring that the concession payment the Commonwealth stands to realize would be a fair return on investment. While the financial climate has changed considerably since the FTU concept plan was produced some four years ago, the fact that the size of the pledged concession payment has shrunk as much as it has, without knowing whether the toll rates conceived during the “concept plan” stage are still operative, is naturally a matter of public interest and concern.
4. Safeguards to insure that the Project is financially viable. The Commission is aware that VDOT has pledged to make payments to FTU in the event that HOV-3+ usage grows beyond a specified level on the I-495 (beltway) HOT lanes project. Reportedly the risk of payments of this sort materializing (and the magnitude of the payments if they do materialize) is low, which seems reasonable for a beltway facility where the incidence of existing HOV-3+ usage is low and where there has not been a long history of HOV-3+ incentives present. The same cannot be said for the I-395/I-95 corridor, so the Commission is understandably interested in knowing whether safeguards of this sort are being sought by FTU and how the Commonwealth intends to respond to such a demand if and when it is made.
5. Equity of benefits and costs by affected jurisdiction. To date there has been little discussion about the geographic incidence of costs and benefits. While stakeholders may have differing views on how equity should be measured, everyone is handicapped by the absence of information required to even discuss the issue. So the Commission remains eager to see a more explicit and up-to-date estimate of costs by project segment and origin-destination patterns of toll payers so there’s a factual frame of reference for a discussion about equity.
6. Timely and adequate opportunity for public review and comment. With “environmental”, “design exceptions”, and “interchange justification” approvals looming, the question naturally arises “what will the public have an opportunity to react to before-the-fact and when?” We know that a public hearing is planned for February 2009, but it remains unclear how this dovetails with the timing of the approvals being sought.

The Honorable Pierce R. Homer
December 11, 2008
Page 4

Thank you for your consideration of these important questions and requests. I would be happy to provide further clarification if you desire.

Sincerely,

Frank Jones 
Frank Jones
Chairman

cc: PRTC Commissioners
Young Ho Chang
Tim Young

**Jurisdiction and Agency Coordinating Committee
Northern Virginia Transportation Authority**

MEMORANDUM

TO: Christopher Zimmerman, Chairman
Northern Virginia Transportation Authority

Members
Northern Virginia Transportation Authority

FROM: Tom Biesiadny, Chairman
Jurisdiction and Agency Coordinating Committee
Northern Virginia Transportation Authority

SUBJECT: I-95/395 HOT Lanes Letter

DATE: Revised: December 10, 2008

Recommendation:

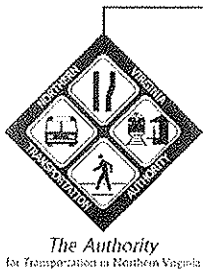
The Jurisdiction and Agency Coordinating Committee (JACC) recommends that the Northern Virginia Transportation Authority (NVTA) approve the attached letter regarding the safety analysis, bus-only lane and average speed on the I-95/395 HOT Lanes project.

Background:

Recently, VDOT staff and members of the Fluor/Transurban team have provided individual briefings to the elected officials of each jurisdiction on the status of the HOT Lanes project. The attached letter is intended to formalize all the outstanding questions and concerns that were raised by the jurisdictions at these meetings and request that before the project team completes the NEPA process, the requested information is provided.

Jurisdiction and Agency Coordination Committee members and I will be available at the December 11, 2008, NVTA meeting to answer questions.

Cc: Members, NVTA Jurisdiction and Agency Coordinating Committee



The Northern Virginia Transportation Authority

December 11, 2008

The Honorable Pierce Homer
Secretary of Transportation
1111 East Broad Street, Third Floor
Richmond, Virginia 23219

Dear Secretary Homer:

VDOT staff and members of the Fluor/Transurban team have provided individual briefings to the elected officials of each jurisdiction on the status of the HOT Lanes project. Many issues were raised during these briefings; I am writing to formalize these questions and to ask that all the requested information be provided to the NVTVA before final National Environmental Policy Act (NEPA) documentation is submitted to the Federal Highway Administration (FHWA).

We appreciate the additional information that the project team briefings have provided, much of it in response to previous requests for information. However, the added detail has raised questions in addition to those that have been articulated by the NVTVA in the past. As you can see from the attached list, the questions and concerns range from transit/HOV issues to enforcement and local street impacts, to safety and public outreach concerns. Some of these issues, like narrow shoulder widths and commuter parking, have been raised many times before. Others, like questions about the impacts to local streets and public outreach are a result of the new detail that was provided by the project team.

We hope you will take adequately address these points before you move forward with submitting the NEPA documentation for the project. NVTVA believes that in order for the I-95/395 HOT Lanes project to be adequate, it cannot degrade safety, transit and HOV level of service, or the operations of the adjacent local streets. In order for the project to be successful in providing an added benefit to the region, the project team must work with the local governments to build on the multi-modal success that exists today. Please do not hesitate to contact me should you wish to discuss this further.

Sincerely,

Christopher Zimmerman
Chairman

Cc: Members, Northern Virginia Transportation Authority

NVTA 1-95/395 HOT Lanes Issues

12/11/08

Transit/HOV

1. In Northern Virginia, the informal carpooling arrangement, "slugging," has been very successful in moving large numbers of people in the corridor. This project must ensure that this arrangement continues at its current levels. NVTA would like to see the specific model results for the HOV share of trips on the HOT lanes, and in particular slugs.
2. The project partners must provide transit priority at choke points, such as the ramps. The existing HOV lanes serve transit well; however with the introduction of low occupancy vehicles on the lanes, transit's efficiency could be compromised. We understand that the state is reconsidering a more robust BRT system in this corridor, which the NVTA fully supports. However, we believe that in order to ensure the success of the state's BRT concept and make this a truly multi-modal corridor, there must be some type of priority given to transit at especially congested points along the facility, such as the access/egress points. The Eads Street ramp in particular must provide priority to transit vehicles.
3. The project team must ensure that at a minimum, it meets the federal performance thresholds for HOV lanes that are converted to HOT lanes. These lanes provide the fixed guideway miles that allow Northern Virginia transit systems to qualify for federal funding. Therefore, it is critical to the region that this level of service does not fall below the minimum standards. If the facility is not able to meet the standards to receive federal money, the project partners must replace the lost funding.
4. In addition, HOV and transit users today are experiencing a higher average speed than the federally mandated 45 mph threshold, and therefore mere adherence to the threshold is a degradation. NVTA maintains that the average speeds experienced today on the HOV lanes should continue when these lanes are converted to HOT lanes and this threshold should be formalized in the final agreement.
5. Coordinate the design of the ramps and lanes with all the public and private transit providers in the corridor in order to ensure they can adequately and safely accommodate buses. There are concerns about the lanes not being wide enough to accommodate buses and about the discontinuous / substandard width shoulders. In addition, some of the ramp geometry, particularly at Eads, has come into question in terms of the turning radii and grade changes accommodating buses.
6. Commuter parking should be placed where it is most needed, rather than where it is most convenient for the project team. Part of the original commitment from the project team was to construct an initial 3,000 park and ride spaces. The project team must work with staff to build those spaces where they would be most effective. Also, the project team should examine locations where better access is needed to take advantage of unused spaces (e.g. I-95/Route 123 Commuter Lot).
7. Fluor is proceeding with the design for the Lorton in-line station without any associated parking. The existing VRE parking lot is sized to accommodate current and future VRE demand only. If the in-line station is accessed via the VRE Lorton Station, parking to meet

the anticipated demand generated by the in-line station should be identified independent of the VRI station parking. The project partners should provide NVT A with an estimate of parking demand generated by the in-line station, along with a proposal to accommodate this demand.

Enforcement

8. Originally the project proposed using new technology to ensure that there were no toll evaders. We understand that technology is not yet available, and that instead pull-out areas will be provided for police to enforce proper toll paying. Today the state estimates that there is a 20% violation rate on the existing lanes. Because the Fluor/Transurban proposal for enforcement in the near future is the same as exists today, how do the project partners propose to eliminate violators?
9. The right-of-way inside the beltway is very constrained and it will be difficult to provide pull-out areas for enforcement. It is our understanding that the planned pull-outs inside the beltway are tightly clustered (as the geometry allows), and thus the distance from one pull-out to the next is as far as three miles. Moreover, the pull-outs are not consistently on one side of the travel lanes, so there will be weaving as vehicles try to make their way to one of the pull-outs (or are forced to one of the pull-outs). The planned placement and configuration of these pull-outs makes for a potentially hazardous set of conditions. The project team must provide a detailed plan for how these pull-outs will work, and what the impacts will be on the flow of traffic based on these locations.

Impacts to Local Streets

10. The addition of low-occupancy vehicles will likely cause impacts to the region's local streets, in particular those surrounding the access/egress points along the corridor. As the project moves forward, the team should be providing adequate documentation to local staff in order to determine what these impacts are projected to be. This includes coordinating the modeling assumptions with local jurisdictions, and modeling an adequate impact area at each access/egress point. Based on experience with recent regional projects, each local jurisdiction should have an MOU with the project team outlining how the project's adverse impacts to local traffic movement will be mitigated before the state and Fluor/Transurban enter financial close.
11. Both the operations of the signals and the surrounding local streets of each access/egress point should be revisited annually by both the project team and the local jurisdictions. This review should include an examination of volumes and how they compare to the model projections. If the impacts are determined to be worse than projected, the project team must work with local jurisdictions to mitigate the additional impacts. This review should be part of the MOU referenced in the above bullet.
12. The project team should also have a separate MOU with the local jurisdictions regarding the maintenance of traffic plan during construction. The plan should outline various strategies to manage overflow traffic on the local street network and be consistent with local jurisdictions' traffic management plans and policies.

Safety

13. We are particularly concerned about narrow shoulder widths along the length of the corridor. The project partners should provide NVTA the design exception documentation, and identify specifically how they plan to address these constrained areas in terms of safety, both of transit and auto users.
14. The NVTA was very disappointed with the Safety Study. The Safety Study did not specifically address the I-95/395 HOT Lanes facility and potential safety issues, but rather provided a review of existing literature. Moreover, none of the other HOT lanes experiences cited in the Safety Study featured the combined complexities of the subject project, including: narrow lane widths; discontinuous / substandard shoulders; a high incidence of buses / HOV-3+ users; and frequent on and off ramps that will become even more frequent if the project is implemented as proposed. When these observations were made at the meeting where the Safety Study results were discussed, VDOT staff indicated that the lessons learned would be applied to the I-95/395 HOT Lanes facility during the course of design. To that end, NVTA is expecting to see the project team address specific areas along the corridor where these concerns are present, developing a detailed plan for remediation. We must also see the incident management plan that includes transit and auto scenarios.

Public Outreach

15. A public meeting should be held in every jurisdiction along the corridor. The northern segment of this project covers 56 miles. In order to adequately provide out-reach in this large of an area, there must be a public hearing in every impacted jurisdiction, much like the first round of Public Information meetings.
16. There must be ongoing coordination with the local jurisdictions and agencies, especially with respect to the design exception requests. As these have impacts on the operations of transit service and streets within local control, a satisfactory resolution of these issues must involve all stakeholders so that these operations can continue in a safe and efficient manner.

Rick Taube

From: Alfred Harf [aharf@omniride.com]
Sent: Wednesday, December 17, 2008 3:08 PM
To: Rick Taube; robinson@gwregion.org; rkirby@mwcog.org; Althea Evans; Betsy Massie; Doris Lookabill; Eric Marx; Joyce Embrey
Cc: aharf@omniride.com
Subject: FW: Updates from TheNewspaper.com

FYI

From: bounce-18806038@emailenfuego.net [mailto:bounce-18806038@emailenfuego.net] **On Behalf Of** TheNewspaper
Sent: Wednesday, December 17, 2008 2:25 PM
To: Alfred Harf
Subject: Updates from TheNewspaper.com

Updates from TheNewspaper.com

Toll Road Values Plunge

Posted: 17 Dec 2008 11:28 AM CST

One of the world's largest toll road operators admitted for the first time a fundamental weakness in the public-private partnership model it championed. Australia's Macquarie Bank yesterday admitted the toll road portfolio of the company's infrastructure group is worth 25 percent less today than it was worth as recently as July. Macquarie runs the the South Bay Expressway in California, the Dulles Greenway in Virginia, the Chicago Skyway in Illinois and the Indiana Toll Road in addition to a number of other toll roads in Europe and Australia.



"This outcome has been affected by changes to asset discount rates reflecting the current market environment, lower forecast traffic volumes driven by the recessionary environment in the Northern Hemisphere, higher assumed financing costs across the portfolio, and the impact of macroeconomic factors such as long term inflationary expectations and foreign exchange rates," the company explained in a statement.

Macquarie's 2008 Annual Report, released at the end of June, stated the company's eleven toll roads were worth a total of A\$8.6 billion. The company's calculation of this value is defined as, "in today's terms the cash the toll road is expected to generate over the life of the concession (the period over which the right to levy tolls is given)." As of yesterday, that total value had slumped to just A\$6.5 billion.


For several years, tolling advocates had pointed to Macquarie as the model of success. So many executives became rich at the company that it even became known as a "millionaire factory." With easy credit and cheap financing the company was able to create the appearance of growth through continual acquisition of public assets. Now the severe tightening of the credit market over the past year has removed that option. The company faces traffic slumps of between three and twenty-three percent, depending on the road.

"The subdued traffic results across Macquarie Infrastructure Group's portfolio were a consequence of the slowing global economy and a combination of other factors including higher petrol prices, adverse weather conditions in Toronto, improvements to free road alternatives," the company stated.

The response has been to raise toll severely. As of January 1, 2009, motorists on the Greenway will pay 33 percent more to travel to and from work each day as a result of a toll hike labeled, "congestion management pricing." Other toll hikes across the network beyond the rate of inflation ensured an operating revenue growth of 3 percent. Despite reporting A\$10.3 billion in debt, backed by just A\$6.5 billion in assets, the company announced a 10 cent dividend for shareholders funded by this debt. **Source**

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Rick Taube

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Cc: Althea Evans; Betsy Massie; Doris Lookabill; Eric Marx; Joyce Embrey
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FYI. Findings that contrast with the Halcrow Study.

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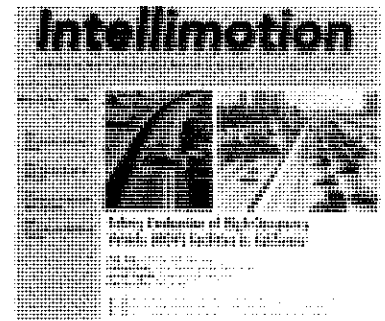
Study Exposes HOV Lane Dangers

Posted: 09 Dec 2008 09:30 AM CST

Three years ago, Texas researchers discovered that the most common form of High Occupancy Vehicle (HOV) or carpool lane was associated with a significantly higher risk of injury accidents (**view study**). A recent University of California study now suggests a remedy intended to reduce HOV lane risk may actually be making the already dangerous lanes even less safe.

Researchers with California Partners for Advanced Transit and Highways (PATH), a joint venture of the state Department of Transportation and the University of California, looked at accident data for two types of carpool lanes in California. They considered 279 miles of "continuous" HOV lanes, primarily in the northern part of the state, where drivers can enter or exit the HOV facility at any point. The report then analyzed another 545 miles of "limited access" lanes that used either painted stripes or flexible plastic barriers to restrict cars from entering or exiting except at pre-determined locations. Although the limited-access lanes promised smoother travel with fewer interruptions from general purpose traffic, they also delivered deadlier travel.

"Rear end and sideswipe collisions together comprised over 90 percent of all collisions in both facilities," the report stated. "Higher Property Damage Only collision rates were observed in both the HOV and left lanes of the HOV facility with limited access. The combined injury related collision rates for the HOV and left lane was higher for the



limited access."

The California study avoided comparing the HOV lane accident rate with general purpose lane accident rates, as HOV remains popular with the public agencies that fund research. In 2005, however, the Texas Transportation Institute found that during peak traffic times, traffic in HOV lanes could at times move up to 35 MPH faster than regular lanes, which is consistent with the fundamental theory behind HOV. When slower cars tried to merge into the faster HOV lane, they were often rear-ended by traffic unable to slow down in time. Likewise, the faster HOV traffic trying merge into slower, regular traffic caused the left-lane injury accident rate to soar at least 150 percent, according to the Texas findings.

The California study attempted to isolate likely causes for the higher accident rates. Because HOV facilities take up a significant amount of additional road space compared to general purpose lanes, the amount of shoulder space is often reduced. This created a source of conflict.


"Collision rates diminish with an increase in shoulder width, regardless of the type of access associated with the HOV lane," the California study found.

In addition, the highest accident rates were found to be within 0.3 miles of an on-ramp or off-ramp for the limited access lanes. This suggests that concentrating the merge areas compounded the risk of accident caused by the radical speed differential between HOV and general purpose traffic. The Texas study found that only HOV lanes separated by permanent concrete barriers had a lower overall risk of accidents.

"The findings from this research show that the HOV facility with limited access offers no safety advantages over the one with a continuous access," the California study concluded. "The combined collision rates of the HOV and its adjacent lane were higher for the HOV facility with limited access." **Source**

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Intellimotion

Keeping up with California PATH Research in Intelligent Transportation Systems

Volume 14, No. 2 2008

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Safety Evaluation of High-Occupancy Vehicle (HOV) Facilities in California

Kitae Jang, UC Berkeley, Traffic Safety Center
Koohong Chung, Caltrans, Highway Operations Special Studies
David R. Ragland, UC Berkeley, Traffic Safety Center
Ching-Yao Chan, California PATH

High Occupancy Vehicle (HOV) lanes have been implemented on urban freeways to mitigate continuously growing traffic congestion and improve overall mobility within metropolitan freeway systems. HOV lanes allow vehicles carrying more passengers to bypass the congested General Purpose (GP) lanes thereby encouraging the use of carpools and public transportation to move more passengers per lane with a fewer number of vehicles. In California, HOV lanes were first introduced in 1970's and increasingly implemented in congested freeway segments in Southern and Northern California metropolitan regions. As of 2005, HOV lanes comprised 1,305 (directional) lane-miles of freeway, with 895 lane-miles located in Southern California, 410 lane-miles in Northern California, and 950 additional lane-miles of HOV lanes have been proposed for construction.

Since their inception, two configurations for HOV lanes—continuous and limited—have emerged in

California (figure 1, pg 2). Continuous access HOV lanes allow vehicles to enter or exit the HOV facility continuously along the freeway such that lane changing maneuvers are not concentrated at specified location; on the other hand, the traffic operation in the continuous HOV lane is more frequently interrupted by the lane changing vehicles. Limited access HOV lanes have specified ingress and egress locations that permit maneuvers to enter and exit, and are separated from other freeway lanes by buffer zones, demarcated by pavement markings or physical barriers. Such separation is intended to allow less interrupted traffic flows and offer protection to freely flowing traffic in the HOV lane independent of the traffic conditions in GP lanes. Predominant in Northern California, continuous access HOV lanes are in operation only during peak hours, while limited access HOV lanes, which are predominant in Southern California, are in operation 24 hours a day, seven days a week.

continued on page 2

California PATH—Partners for Advanced Transit and Highways—is a collaboration between the California Department of Transportation (Caltrans), the University of California, other public and private academic institutions, and private industry.

PATH's mission: applying advanced technology to increase highway capacity and safety, and to reduce traffic congestion, air pollution and energy consumption.

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continued from page 1

The present study evaluated traffic collision patterns in continuous and limited access HOV lanes and investigated the attributes accounting for safety performance of HOV lanes.

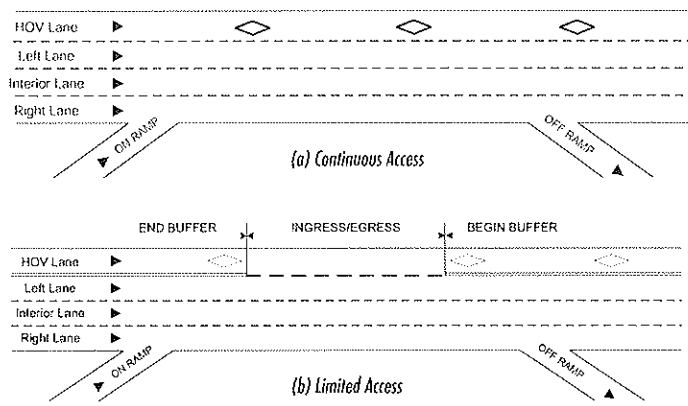


Figure 1 HOV facility types in California.

Comparison of Collision Distribution (Statewide)

A statewide comparison of limited and continuous access HOV facilities was conducted. Collision data from the Traffic Accident Surveillance and Analysis System (TASAS) between year 1999 and 2003 along 824 miles of freeways with HOV facilities were examined, including 279 miles of HOV lanes with continuous access and 545 miles with limited access. For the purpose of comparing the collision distributions in different HOV facilities, only the collision data during the peak hours were analyzed since the continuous access HOV lanes operate as regular lanes outside of the peak hour period.

Rear-end and sideswipe collisions together comprised over 90 percent of all collisions in both facilities. In continuous access HOV lanes, 57 percent of collisions were rear-end and 34 percent were sideswipe collisions. In limited access HOV lanes, 64 percent were rear-end, and 26 percent were sideswipe collisions (figure 2).

The difference in types of collisions observed in continuous versus limited access HOV lanes could be due to the difference in traffic movements inherent to continuous and limited access HOV facilities. Compared with the traffic in limited access HOV lanes, the traffic in continuous access HOV lanes are more likely to be exposed to continuous interaction with traffic in adjacent lanes, and thus there is

a greater occurrence of sideswipe collisions. On the other hand, the traffic in limited access HOV lanes are prohibited from changing lanes except at ingress/egress areas and tend to have more interaction with vehicles in the back or front than those in adjacent lanes such that they experience a greater number of rear-end collisions.

The distribution of collisions in the HOV lane and its adjacent lane was examined to determine whether there is a consistent pattern of collisions between the two different types of HOV facilities. The lane adjacent to the HOV lane is called the left lane by its definition within TASAS.

A higher distribution of both Property Damage Only (PDO) and injury related collisions was observed in the HOV and left lanes of the HOV facilities with limited access. It can be seen that the limited access facilities have a considerably higher percentage of collisions, PDO or injury, concentrated in the HOV and left lanes (figure 3).

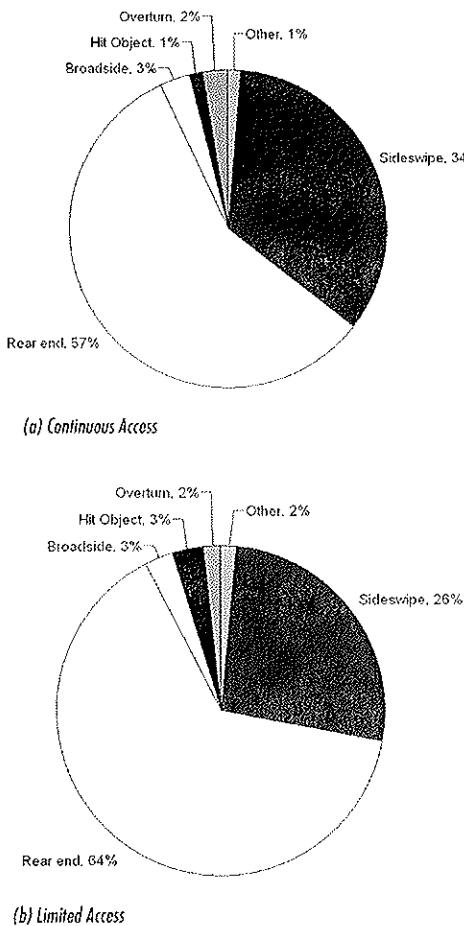


Figure 2 Type of collisions in HOV lanes.

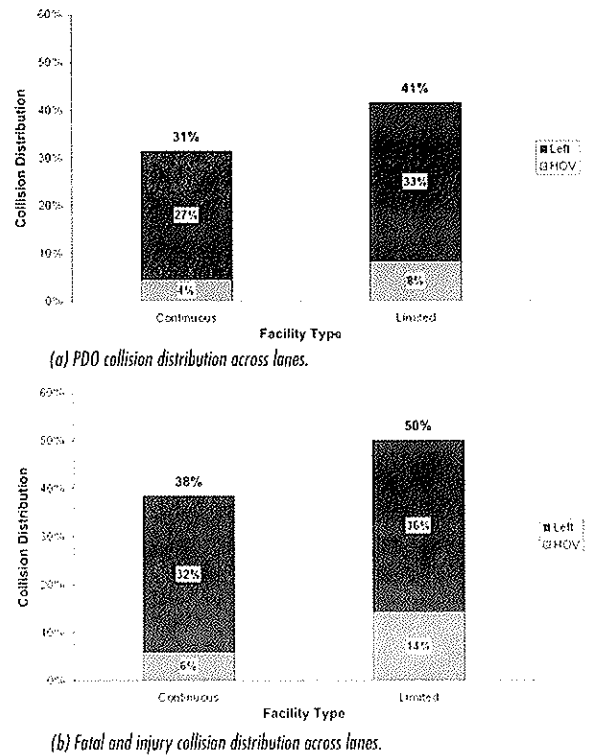


Figure 3 Collision distribution across lanes.

Comparison of Collision Rates (Selected Routes)

The differences observed in collision distribution could have been the result of the difference in lane utilization of traffic. To investigate this phenomenon further, a more detailed analysis was conducted for a selective list of routes, for which detailed geometric and traffic data were available. These freeway segments were suggested by regional transportation engineers from California Department of Transportation (Caltrans). The routes were included in the detailed analysis on the basis that these routes shared similar traffic patterns, according to local district engineers who were familiar with the configurations and operations of these freeway segments.

continued on page 4

Table 1: List of eight study sites.

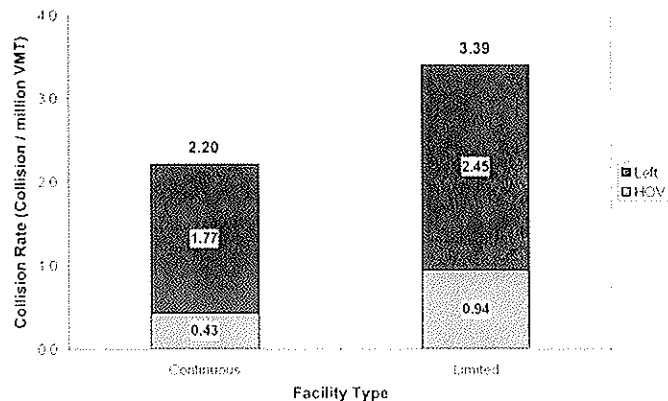
Facility Type	County	Freeway	Length (Mile)	Operation Hours
Continuous	Contra Costa	I-80E	10	Weekdays, 5~10AM & 3~7PM
	Contra Costa	I-80W	9.8	Weekdays, 5~10AM & 3~7PM
	Alameda	I-880N	7.4	Weekdays, 5~10AM & 3~7PM
	Santa Clara	SR-101S	13.5	Weekdays, 5~10AM & 3~7PM
Limited	Los Angeles	I-105E	15.7	24 Hour
	Los Angeles	I-105W	14.3	24 Hour
	Los Angeles	I-210E	11.6	24 Hour
	Los Angeles	I-405S	9.3	24 Hour

continued from page 2

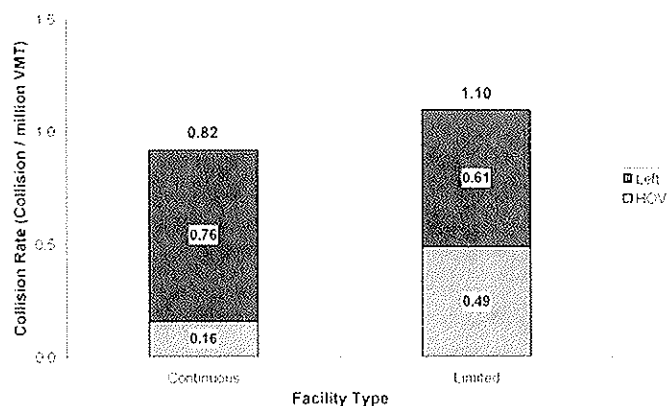
Using traffic volume data from the Freeway Performance Measurement System (PeMS), collision per million Vehicle Miles Traveled (VMT) was calculated by dividing the number of collisions by total operation hours, average hourly traffic volume and lane-mile for HOV and left lanes. Higher PDO collision rates were observed in both HOV and left lanes of the HOV facility with limited access. The combined injury related collision rates for the HOV and left lane were higher for the limited access. However, the injury related collision rate for the left lane alone was higher for the continuous access HOV facility. All the differences except for the difference of injury related collision rates in left lanes were statistically significant at the 95 percent level of confidence (figure 4).

Geometric Factors

Results from detailed analysis of HOV segments were conducted to explain the relationship between collision rates in



(a) PDO collision rate.



(b) Fatal and injury collision rate.

Figure 4 Collision rates.

HOV facility and geometric attributes, including shoulder width, length of the access, and the proximity of the access to its neighboring ramps. The same collision data set from the eight routes was used for this part of the analysis.

1. Shoulder width

Effects of shoulder width on safety performance are illustrated (figure 5) with the observed collision rates for the eight freeway segments plotted versus the corresponding shoulder width. The plot indicates that collision rates diminish with an increase in shoulder width, regardless of the type of access associated with the HOV lane. The group of limited access does exhibit a higher collision rates when compared to the group of continuous access with comparable shoulder width.

2. Total (Shoulder + HOV Lane + Buffer) width

The total width is defined as the lateral space including the shoulder, the HOV lane and buffer. A scatter plot (figure 6) of collision rate versus total width was constructed and a trend line for each type of HOV facility was estimated based on the scatter plot. Narrower total width was associated with a higher collision rate in both types of HOV lanes. Notably, the trend line for the limited access, shown as a black line, exhibits remarkable resemblance to the trend line of the continuous access, a grey line, but with a vertical shift upward. The pattern implies that given the same amount of total width, employing continuous access HOV lanes can result in fewer numbers of collisions; more shoulder width can be allocated to the HOV lane with continuous access since it does not require a buffer.

3. Spatial collision patterns

Continuous Risk Profile (CRP) method, which can generate a variation of risk measurement interpretable as the number of collisions per unit distance along a freeway, was applied to investigate the spatial distribution of collisions along the freeway. The CRP plots (figure 7) for HOV and left lanes of the eight routes were constructed to examine the spatial distribution of collision concentration locations along the freeways. Using CRP analysis, the followings were observed.

- In the continuous access facility:
 - Each of the peaks accompanies a peak in adjacent left lanes.
 - This implies that the factors causing the concentration of collisions appear to have equal influence on both HOV and left lanes.
- In the limited access facility:
 - Some of the peaks are observed only in either HOV or left lane.
 - These peaks were often found at locations where HOV lane is separated by buffers from the adjacent GP lanes where lane change is prohibited.
 - This indicates that lane change maneuvers are not necessarily a collision causative factor at this location of collision concentration.

4. Ingress/Egress analysis

To understand the potential impacts of traffic movements near ingress/egress areas and nearby freeways, a detailed analysis is carried out for a number of sites. The site samples were obtained from 24 different ingress/egress sections along the four limited access HOV lanes, for which per lane traffic volumes were available. No apparent systematic relationship can be identified between the collision rates and the distance from ingress/egress to the nearby on- or off-ramps. However, three locations showed significantly higher collision rates than the average collision rate in limited access HOV lanes. It was found, after inspecting the configurations of these three locations, that these three ingress/egress segments were associated with the following common features:

- (1) They were located within 0.3 mile of the nearest on- or off- ramp,
- (2) They had short access lengths (0.25 mile), and
- (3) They possessed high traffic volume in the HOV lane during peak hours (1000–1200 vehicles per hour versus 700–800 vehicles per hour on average).

Summary of Findings and Future Research

The findings from this research show that the HOV facility with limited access offers no safety advantages over the one with a continuous access. The combined collision rates of the HOV and its adjacent lane were higher for the HOV facility with limited access.

The relationship between collision rates in HOV lanes with respect to its shoulder width, length of the access, and the proximity of the access to its neighboring ramps were studied. HOV facilities with shoulder width greater than 8ft displayed significantly lower collision rates regardless of access type. Based on the analysis of total width and crash rates, it can also be inferred that facilitating HOV lane with continuous access may result in lower collision rate, given the same total width of right of way. Furthermore, it was found that limited-access HOV facilities with a combination of short ingress/egress length and a close proximity to the nearest on- or off-ramp tends to exhibit markedly higher collision rates than other limited access freeway segments.

For the evaluation of the relationship between the collision rate and the total width, the present study did not attempt to quantify the effect of individual width element if given the same total width. This is a critical question that needs to be further explored because it can be used as a guideline for allocating spaces where the right-of-way is limited. In addition, additional study sites should be included to evaluate the relationship between the length of ingress/egress and its proximity to the neighboring on or off ramps. These remain the topics of future research. ☼

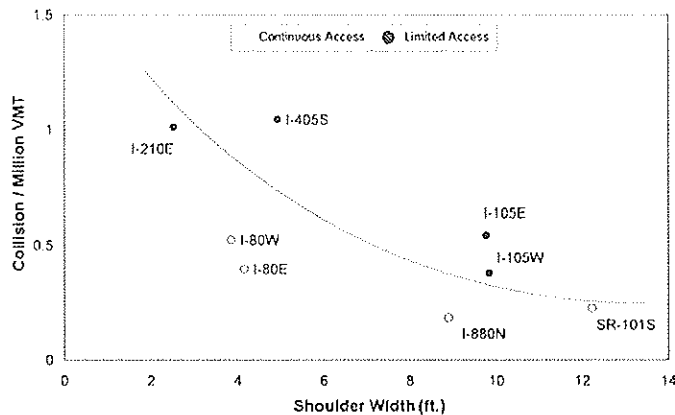


Figure 5 Relationship between shoulder width and collision rate.

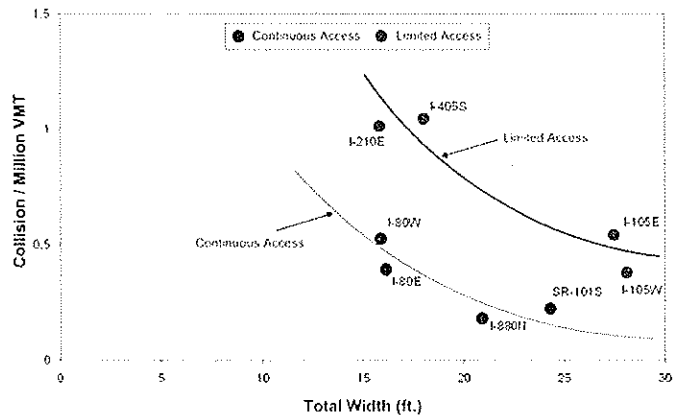


Figure 6 Relationship between total width and collision rate.

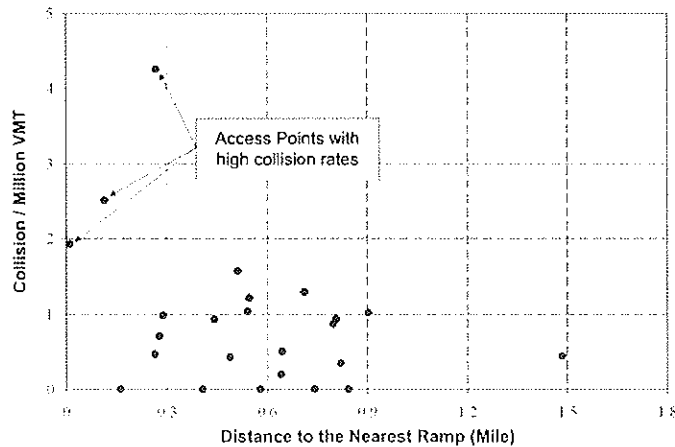


Figure 7 Relationship between collisions per mile per hour and distance to nearest entrance/exit ramp in limited access HOV facilities.

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PeMS - Performance Management System: <https://pems.cecs.berkeley.edu/>



One-Way Passenger Trips on Transit Systems Serving Northern Virginia

	July-Nov 2008	July-Nov2007	Percent Change
Alexandria Transit (DASH)	1,756,027	1,708,856	3%
Alexandria - King Street Trolley	337,020	n/a	n/a
Arlington Transit (ART)			
City of Fairfax (CUE)	478,595	456,003	5%
Fairfax Connector			
Loudoun County Transit	382,798	312,435	23%
Virginia Regional Transit - Loudoun	239,716	186,816	28%
PRTC Omni Ride/Omni Link	1,279,255	1,172,813	9%
Virginia Railway Express	1,622,106	1,485,973	9%
WMATA Virginia Metrobus*	9,865,658	8,623,724	14%
WMATA Virginia Metrorail	43,309,893	41,571,999	4%
TOTAL	59,271,068	55,518,619	7%

Source: Northern Virginia transit systems compiled by NVTC.

FY 2008 Metrobus ridership data is being researched. FY 2009 data has been verified by WMATA.

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Public Transit Ridership Surges in Third Quarter of 2008



Americans set public transportation ridership records in the third quarter of 2008, according to just-released APTA statistics. From July through September, despite the plummeting price of gas, riders took more than 2.8 billion trips: an increase of 6.5 percent, the largest quarterly increase in public transportation ridership in 25 years. In the same time frame, according to the Federal Highway Administration, vehicle miles traveled (VMT) on the nation's highways declined by 4.6 percent. This marks the 11th consecutive month of decreased VMT.

"The record increase in public transportation trips demonstrates the exceptional value of public transportation in today's economy," said APTA President William W. Millar. "The fact that public transit ridership surged while gas prices and highway travel declined shows a growing demand for more bus and rail services."

Last year, people took 10.3 billion trips on U.S. public transportation, the highest number in 50 years. In the first quarter of 2008, public transportation ridership rose by 3.4 percent. In the second quarter of the year, as gas prices skyrocketed to more than \$4 a gallon, public transit ridership went up again, by 5.2 percent. This third-quarter increase continues the trend of more and more Americans turning to public transportation.

Calling for an economic stimulus package that includes federal public transportation investment, Millar said, "Investing in public transit will quickly create tens of thousands of American jobs and help get our economy back on track. In addition, increased public transit use reduces our dependence on foreign oil and lessens carbon emissions. To sum it up, public transportation is good for the economy, the environment, and for energy independence," he said.

Light rail (modern streetcars, trolleys, and heritage trolleys) had the highest percentage of ridership increase among all modes: 8.5 percent for the third quarter. Light rail systems showed double-digit increases in Baltimore, 19.6 percent; Minneapolis, 18.3 percent; Sacramento, 16.5 percent; New Jersey, 15.9 percent; Los Angeles, 15.3 percent; Dallas, 15.2 percent; Denver, 15 percent; Buffalo, 13.4 percent; and Memphis, 13.3 percent.

Overall bus ridership posted the second largest ridership increase for the quarter, 7.2 percent. Bus travel in all community sizes saw ridership increases; communities with a

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population of less than 100,000 had an 11.6 percent increase. The highest increases among the largest bus agencies occurred in Orange County, CA, 23.9 percent; Phoenix, 15.2 percent; St. Louis, 15 percent; San Diego, 14.4 percent; Atlanta, 13.8 percent; Portland, OR, 11.8 percent; Seattle, 11.5 percent; Denver, 11.5 percent; Baltimore, 11 percent; and Chicago, 10.1 percent.

Commuter rail ridership grew by 6.3 percent. The commuter rail systems with double-digit ridership growth were Albuquerque, 35.8 percent; Pompano Beach, FL, 32.9 percent; New Haven, 32.2 percent; Portland, ME, 29.6 percent; Oakland, CA, 26.1 percent; Stockton, CA, 22.5 percent; Seattle, 22.4 percent; Harrisburg, PA, 21.7 percent; Dallas, 18.8 percent; Los Angeles, 17 percent; and San Carlos, CA, 16.4 percent.

Ridership on heavy rail (subways and elevated trains) increased by 5.2 percent. The heavy rail systems with the highest increases in ridership for the 2008 third quarter were Los Angeles, 14.1 percent; San Juan, PR, 13.5 percent; Lindenwold, NJ, 13.3 percent; Miami, 12.1 percent; and Atlanta, 11.3 percent.

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NEWS HEADLINES

Falling Gas Prices Do NOT Translate into Decreases in Ridership

During the months when gas prices kept rising across the U.S. and ridership on public transportation nearly went off the charts, the experts asked: What will happen when the gas prices come down? Will ridership statistics fall as well?

While riders made clear choices during this tumultuous past few months, the jury was still out on whether those choices were temporary or permanent. Little by little, the jury is filing back in, and the verdict is: people are still choosing to take public transit.

Virginia Railway Express (VRE) commuter rail in Alexandria, VA, posted 998,329 passenger trips for the first three months of Fiscal Year 2009 (July, August, and September), 113,775 more than the same time last year. "It's hard to argue with the numbers when you see ridership growing by 12.9 percent," said VRE Operations Board Chairman John Jenkins. "We are proof positive that when you put a great product out there, people will embrace it. I think people today rely on VRE far more than in past years because it's a viable alternative to the car, and our performance is such that people are very confident in the riding experience once they try us."

The Riverside Transit Agency (RTA) in Riverside, CA, saw a record surge in ridership during September, even as gas prices continued to plunge from their summertime highs. RTA buses recorded more than 757,000 boardings in September, a record-setting 28 percent increase compared to September of 2007, while ridership on the CommuterLink express routes showed a 97 percent jump compared with the previous year. "We are committed to keeping this momentum going and ensuring that our customers continue to receive the same high-quality service they have come to expect," said RTA Chairman of the Board Karen Spiegel, who called the ridership increases "very exciting news."

The Washington region continued to experience record ridership levels even as gas prices began dropping. The Washington Metropolitan Area Transit Authority announced that its September ridership was 8.1 percent higher than the previous September, and early data indicates that the numbers in November will also rise.

"The fact that ridership has remained strong despite lowering gas prices proves how vital public transportation is in the DC metropolitan area," said WMATA spokesperson Steven Taubenkibel. "People have continued to rely on Metro because of the service we provide throughout the region—its ease of use and its convenience. Whether it's rush hour or off-peak travel or sports events or late night evenings, people use mass transit in this region and the numbers speak for themselves. It's great for mass transit, it's great for transit in general."

December 15, 2008

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In Seattle, the increase for Sound Transit in Seattle was 22.2 percent. "Each time [riders] climb aboard Sounder [Sound Transit commuter rail], they wave goodbye to the costs and stress of driving, and they reduce greenhouse gases and the number of cars on the road," said Sound Transit Board Chair and Seattle Mayor Greg Nickels.

If these ridership numbers are not confounding enough to experts, they can look at what's taking place in Miami. To cope with the pressures of high diesel prices and a poor economy, Miami-Dade Transit (MDT) recently raised its fares for only the second time in 17 years. The response? No perceptible drop in ridership and nearly no complaints from passengers.

Before MDT implemented the new fare, however, the agency and county officials launched an extensive public relations campaign to explain why the increase was needed.

"We had rather an extensive public information campaign, including radio interviews, as well as flyers [in English, Spanish, and Haitian Creole] we passed out at major transit stations to let people know why it was necessary. We were faced with raising fares or eliminating as many as 15 routes. And once people understood that, they were far more accepting of the fare increases," said MDT spokesman John Labriola. He added: "High gas prices were an incentive for people to start using transit. But once started, they discovered it was better than being stuck in traffic and less stressful. So they stayed with us, even as gas prices started to fall."

Historically, when the economy has gone into a downturn, ridership has decreased. And the economy has clearly not doing well. For instance, based on data issued by the federal Bureau of Labor Statistics, the nation lost 284,000 jobs in September and 240,000 in October—and since the beginning of the year, a total of 1.2 million jobs. ADP, a payroll processor, estimated in its latest monthly employment report that private businesses trimmed 250,000 jobs in November on a seasonally adjusted basis, the largest drop in seven years.

So this rise in ridership while the economy falls is uncharted territory for public transit—but should these increases continue for the next several months, it will be a strong indicator that riders have committed to choosing transit over driving.

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U.S. Department of Energy - Energy Efficiency and Renewable Energy EERE News

This is an excerpt from [EERE Network News](#), a weekly electronic newsletter.

December 17, 2008

U.S. Driving Decreases for the Twelfth Straight Month

People in the United States drove 3.5% fewer miles in October 2008 than they did in October 2007, making October the twelfth consecutive month of year-to-year declines in U.S. vehicle miles traveled, according to the U.S. Department of Transportation (DOT). From November 2007 to October 2008, U.S. residents drove 100 billion fewer miles than the year before, marking the largest ever continuous decline in U.S. driving. October alone saw a year-to-year drop of 8.9 billion vehicle miles, which is the largest October decline since 1971. And while the DOT report doesn't try to explain the drop in driving, an October report from HNTB Companies says the decrease is partly due to a shift toward public transportation. A nationwide poll showed that more than 24 million U.S. residents—11% of the adult population—are using public transportation more than they did last year, and 16% say they expect to increase their ridership in the coming year. Although many were motivated by high gasoline prices, they also discovered the convenience, traffic avoidance, and environmental benefits of public transit. See the press releases from the [DOT](#) and [HNTB](#).



The traffic on U.S. roadways has been a lot lighter for the past 12 months.

Credit: Warren Gretz, NREL

That explanation is backed up by American Public Transportation Association (APTA), which reports a year-to-year increase in public transportation trips of 6.5% for the third quarter of 2008. That's the largest quarterly increase in public transportation ridership in a quarter century, and it occurred even as gasoline prices were declining. Light rail had the highest increase in ridership, followed by bus, commuter rail, and heavy rail travel (subways and elevated trains). Intercity travel by heavy rail is also on the uptick, as Amtrak experienced an 11.1% increase in ridership for its 2008 fiscal year, which ended on September 30. The number of rides taken on Amtrak trains increased by 28.7 million for the year, marking the sixth straight year of ridership gains. See the press releases from [APTA](#) and [Amtrak](#).

Travel within the United States is expected to drop even more this holiday season, according to HNTB. The company's most recent nationwide survey found that 45% of U.S. residents plan to stay home for the holidays. Of those that do travel more than 50 miles, 75% expect to drive, while only 17% plan to fly, 4% will take the train, and 2% will travel by bus, all of which suggests that the shift to mass transit is greater for work commuters than for people taking vacations. The travel plans are also bad news for the airline industry, which saw a year-to-year decline in travelers of 8.4% for the month of September, according to the Bureau of Transportation Statistics (BTS). That's the seventh consecutive month of year-to-year declines for the U.S. airline industry. But thanks to the weak dollar, international travelers are helping to prop up the U.S. airlines. Compared to 2007, U.S. airlines carried 2.8% fewer domestic passengers in the first nine months of 2008, but 3.2% more international passengers. See the press releases from [HNTB](#) and [BTS](#).

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Content Last Updated: December 17, 2008

Article from: www.thenewspaper.com/news/26/2635.asp

12/23/2008

US DOT Misreports Gasoline Tax Revenue

Motor fuel excise tax revenue was up \$185 million in 2008, not down, contrary to US Department of Transportation claims.

The US Department of Transportation (US DOT) has falsely suggested that the nationwide drop in vehicle miles traveled is endangering the revenue source used to maintain America's highway network. Soaring gasoline prices in the summer and the ongoing recession together forced motorists to cut back substantially on travel, resulting in 100 billion fewer miles being driven in fiscal 2008. Transportation officials seized upon these facts to argue that the gas tax is unsustainable and that the country must quickly shift to tolling to save the highway trust fund.



"As driving decreases and vehicle fuel efficiency continues to improve, the long term viability of the Highway Trust Fund grows weaker," Transportation Secretary Mary Peters said in a December 12 statement. "The fact that the trend persists even as gas prices are dropping confirms that America's travel habits are fundamentally changing. The way we finance America's transportation network must also change to address this new reality, because banking on the gas tax is no longer a sustainable option."

The federal Highway Trust Fund took in \$3 billion less in revenue in fiscal 2008 than it did in 2007, and Federal Highway Administrator Tom Madison placed the blame squarely on the gas tax.

"This (drop in revenue) underscores the need to change our policy so American infrastructure is less dependent on the amount of gas American drivers consume," Madison said.

The American Road and Transportation Builders Association (ARTBA) crunched the numbers and found this assertion to be entirely untrue. In fiscal 2007, the US Treasury reported that a total of \$29.4 billion was collected from the taxes on gasoline and diesel fuel. In 2008, the total figure *grew* by \$185 million to \$29.6 billion. Lower traffic volumes did cause gasoline tax revenue to drop \$70 million, but this figure was more than offset by a \$256 million increase in revenue from the tax on diesel, which is primarily paid by the commercial trucking industry. View revenue chart.

These truckers, hit by tough economic times, cut expenses significantly. Sales of new rigs plunged in 2008. That caused a \$2.4 billion drop in revenue from the 12 percent tax on the retail sales of trucks and trailers. An accounting change in the way kerosene and similar taxes were transferred ended up showing a paper loss of \$722 million from the fund. Together these factors, which are unrelated to the number of vehicle miles traveled (VMT) in 2008, accounted for the \$3 billion drop in trust fund revenue.

"The US DOT misused that data to suggest the federal motor fuels tax can no longer finance federal investments in highway and mass transit improvements," ARTBA Vice President William Buechner said. "The data in fact suggest that the federal motor fuels taxes can remain a viable source of revenues for highway investments for the foreseeable future. The trust fund's real problem is not the decline in VMT, but rather the economic slowdown and the fact the federal motor fuel tax rates have not been changed since 1993."

TheNewspaper has previously reported that gas tax revenues have not plunged at the state level. In Virginia, for example, fuel tax revenues were up 2.6 percent in fiscal 2008 (more). Motor carrier fuel tax receipts likewise increased in Illinois (more). At the same time, overall traffic has plunged on toll roads forcing huge increases in the tolling rates to prevent a loss in profit for private investors (more).



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The Daily Grind

America's Worst Small Towns For Commuters

Jon Bruner, 12.09.08, 12:01 AM ET

New York City's subway system irks travelers on a daily basis. But it's likely less frustrating than the roads those in Linton Hall, Va., take to work.

The 21,118-person town is 35 miles from Washington, D.C., and the 78% of residents who drive alone each day take an average of 46.3 minutes to get to work. That's seven minutes longer than New Yorkers and 17 minutes longer than Angelenos.

In fact, the Washington, D.C., area is by far the worst part of the country for small-city commutes. Of the 100 small towns with the longest commutes, 18 are in Maryland and 10 are in Virginia—all of which are in the suburban sprawl radiating from Washington and Baltimore.

Illinois comes in second, with 16 suburbs of Chicago making the 100 worst cities list.

Brentwood, Calif., Fort Washington, Md., Los Banos, Calif., and Clinton, Md., round out the top five.

Behind the Numbers

We compiled our list using data released Tuesday by the U.S. Census Bureau. It ranks cities, towns and Census-designated places by the average amount of time it takes for residents to get to work. The data, of places with populations between 20,000 and 64,999, come from the U.S. Census Bureau's three-year American Community Survey, which, between 2005 and 2007, asked respondents across the country how long it took them to get to work in the previous week.

The results show that many of the worst commutes begin in towns on the fringes big cities. Take Linton Hall, Va. With areas closer to D.C. growing more crowded and expensive, boom-time buyers looking for affordable new construction found themselves in this little town.

"The developers out here did a really good job of selling a lifestyle," says Linton Hall Realtors owner and broker Ashley Leigh. Linton Hall is especially popular with military contractors, he says, many of whom brave the 35-mile drive to the Pentagon in Arlington, Va., in order to live in new, spacious houses at low prices.

Linton Hall's commutes fall in line with the typical fringe-development pattern, says Robert Dunphy, senior resident fellow for transportation and infrastructure at the Urban Land Institute. Developers build housing on the outskirts of metropolitan areas, and residents take on long commutes to distant jobs. Employers gradually move

outward and commutes shorten, but those new jobs draw housing development into even more distant areas.

In Depth: Worst Small Towns For Commuters

In Depth: Best Small Towns For Commuters

The longest commutes tend to be car-centric: More than three-quarters of Linton Hall's workers drive to work alone, for instance, and only 4% take public transportation. The exception to that rule is Bainbridge Island, Wash., served by ferry from Seattle. Commutes there average 42 minutes, but 29% of commuters take public transportation to work.

Many cities with short commutes are also among the most walkable. In State College, Pa., where the average commute takes 13 minutes, 45% of workers reported walking to their jobs. More than 30% of commuters walk to work in the college towns of Athens, Ohio, and Oxford, Ohio, where commutes all average less than 15 minutes.

Aberdeen, S.D., had the shortest commutes on average—just 10.4 minutes. Two forts are also among the places with the easiest commutes: Fort Bragg in North Carolina and Fort Hood in Texas. There, like in those college towns with short commutes, residents live very close to work.

That type of arrangement is likely to remain rare in many of the nation's exurbs. Though the recession might seem to help commutes—traffic congestion typically eases during downturns—new jobs aren't appearing in fringe towns, so residents will need to stick with the far-away jobs they have.

If you liked this story, read:

Best Middle-Class Housing Markets

This has been the case with Linton Hall. Since the economy has cooled and the development cycle slowed, home prices in the town has declined roughly 40%, compared with 25% to 30% drops in suburbs closer to Washington.

America's Most And Least Family-Friendly Cities

"The jobs just haven't materialized out here," says Leigh. Still, he points to new Lockheed Martin and FBI offices nearby and hopes that more employers will move toward the western suburbs.

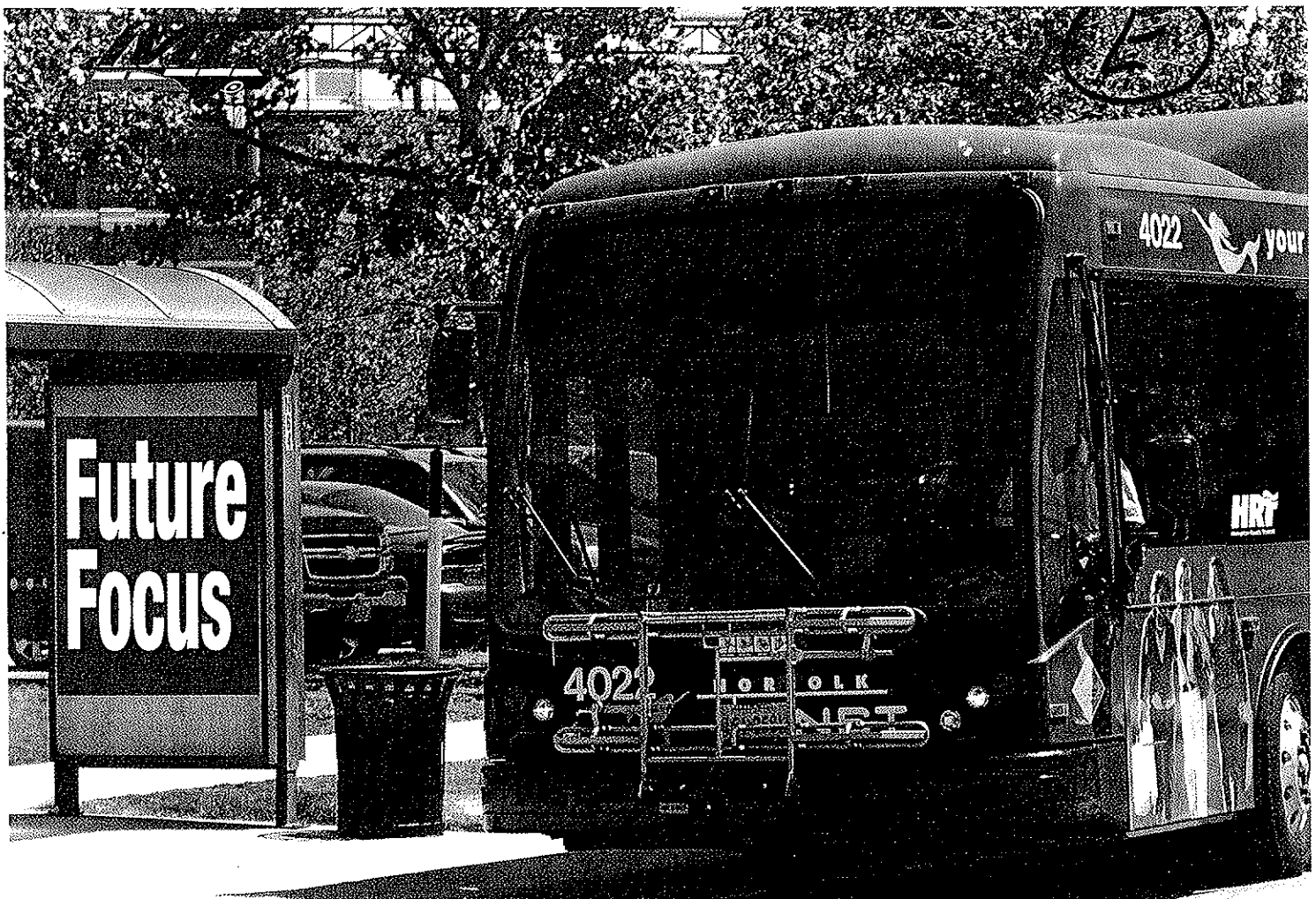
To counteract this situation, Dunphy says that rapidly growing areas need to take a regional approach to limiting fringe development.

"People are taking on long commutes in part because of what's being provided," he says, noting that compact, walkable housing is underprovided.

Better planning will also need to involve limits on how far out of the city employment centers can move, he says, in order to slow the cycle of jobs moving outward and pushing housing development even further. Barack Obama has promised to create an Office of Urban Policy, which could help direct regions and states to formulate healthy development policies.

But until these regions find some direction for their development, the cycle will likely continue—with attendant long commutes.

As Dunphy says, "The easiest development is always on the edge."



Michael Townes, APTA's immediate past chair and president/CEO of Hampton Roads Transit, keeps his eye on what's to come.

by Leah Harnack

"Someone with laser-like focus on the future," that is one of the phrases American Public Transportation Association President Bill Millar used to describe Michael Townes, 2007-2008 APTA chair and president/CEO of Hampton Roads Transit, at APTA's Annual Meeting and Expo in San Diego. His term as chair came to an end as he danced with Dr. Beverly Scott, 2008-2009 APTA chair and CEO of MARTA. Of his tenure as chair, Townes spoke of the extraordinary year, the honor of serving and the incredible opportunity he had to make a difference in an industry he loves.

When I talked to Townes prior to the Annual Meeting, he knew this passing of the gavel would be a bittersweet time. He had said, "There will be a sense of relief

that it has come to an end, but there will be a bit of disappointment that it's come to an end as well."

It has been a tremendous honor Townes said, of being chair. He also said, "It's an opportunity for me to give back to an industry which I care deeply about, which I've spent my life trying to advance."

But it's also demanding and time-consuming to serve as chair. He clarified, it's not time consuming in that he needed to do everything. "We've got all these great people that are doing the work, but it's demanding in terms of you ask people to do things, then you should be there to support them." He added, "You should live your responsibilities in terms of presiding over the meetings that are expected for you to



preside over and being the cheerleader for things like the American Public Transportation Foundation.

"It's honorific. You feel good about yourself, it makes you feel like you've achieved something in your career field and you

have," he said. "You're right there at the point which significant activities and decisions are being made."

TRANSIT AROUND THE WORLD

Townes' father had been involved in the charter coach business and that served as one induction to transit. The other would be an internship. "I had become interested in planning while in undergraduate school," Townes says. "What led to the focus on transportation was an internship at a local MPO, before they were even called MPOs."

It's the intensity of the operations and the aspect of working in a field that provides a service to the community. "You can do things that are valuable to the community



Photo courtesy of Hampton Roads Transit.

you live in and have a direct impact — a positive impact — on people's lives in terms of providing connections for them to have access to improve their lives through education and access to jobs."

While at his internship at the Planning District Commission in Virginia, those thoughts stuck with him as that is how he would like to spend his professional career.

For the past 23 years Townes has been in Hampton Roads and in January 2002, he was selected as the first president and chief executive officer of the renamed Hampton Roads Transit. It wasn't intentional to come back to his hometown, but he did joke that it is to the liking of his parents.

While in graduate school and as a result of those experiences at the Planning District Commission, he was recruited by ATE Management and Service Company Inc., the predecessor company of First Transit. During his interview in Cincinnati he realized that there was this big world of public transportation out there and that there were a variety of opportunities that could come his way with the firm. "One of the things that I found out

in the set of interviews was that they had at the time, a major turnkey contract to plan and build and train Saudis to plan and build a transit system," says Townes. "There's the opportunity to be involved in that contract and go over to help Saudis set up transit operations in their country.

"That was very exciting for a young man my age coming out of school, post-Vietnam-era-graduate who wanted to see the world but didn't necessarily want to join the military." He continues, "And within two years of my tenure at Greater Richmond's Transit I was able to access that opportunity through ATE and I went over to Saudi Arabia."

Townes was the director of planning, marketing and scheduling for the El Tiaf division of the Saudi Arabian Public Transport Company. He says about the challenging job and environment, "You either didn't do well and didn't stay around long or you challenged yourself and you found out that you could meet the challenges of this environment and you gained confidence and experience by that."

Townes was one of those that did well in that environment. Not only did he gain experience and confidence, as he says, he came back with a "lucky strike extra."

"I had no inkling that I would meet my future wife in the Kingdom of Saudi Arabia, but I did." His wife is from the Philippines and was in the Kingdom as a nurse. When Townes' contract came to an end, he left and went to Stockton, Calif., still with ATE, to be the assistant general manager, where his future wife's sister lived. Townes says that provided an opportunity for them to get together and they got married.

Or at least that's the short version. He tells the story with amazing detail, as if it had all happened yesterday. A story of suspect illegal immigration, miscommunication, flying to Manila and INS interviews unravels to explain how he and his wife got together some 25 years ago.

He also shares that his two daughters, having spent more time at the doctor's office than at the transit company, have gone into nursing. "I was just joking with my daughters the other day. I mentioned transportation and I got the old, the turned-up-nose look."

CHANGING TIMES IN HAMPTON ROADS

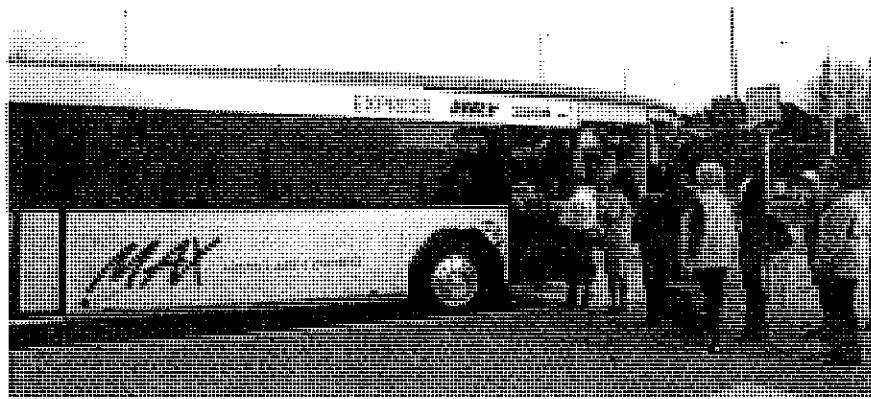
Townes explains that when he first moved to Hampton Roads back in 1986, it was a long distance call from Hampton to downtown Norfolk. Now, he says, it is a very typical travel pattern for someone to live in Hampton and work in Norfolk. There were two transit systems back in 1986; Pentran, servicing the peninsula and TRT, servicing South Hampton Roads.

Two agencies created a natural sense of competition for funding, principally at the state level. Also, with the expanding travel patterns, the region needed to be approached as one region, which would be impossible to do with two agencies.

The association with APTA, Townes says, helped this region in uniting to one transit agency. Back when ISTEA became law, officials at Pentran and TRT knew about the provisions of STP and CMAQ that were coming into law with ISTEA, as well as the new regional decision-making funding distribution processes that were embedded in the MPOs as a result of ISTEA. "We got together and we determined that we wanted to fund these project needs from these new regional and flexible sources of funds," Townes says. "But it required our fledgling, newly reformed MPO to distribute these funds to us so we developed a strategy where I would go talk to my mayor who was associated with the project and they would do the same with their mayor and we would come to the MPO and through the strength and influence of these mayors, we would get these projects funded.

"We had gone on our side of the water, we had talked to our mayor, Mayor Frank, and he understood the need for the project and he understood the process because we explained it to him." He continues, "He recognized that there was going to be, for the foreseeable future, opportunities when a city like his wanted something and needed the support of the other cities in the region, to get it and that vice versa would happen in the future. So there would be more or less, trade-offs, and he was willing to trade off for these projects."

He adds with a laugh, "The mayor of Norfolk, however, wasn't as well persuaded



as the mayor of Newport.” He says, “When we came to the MPO meeting, we expected the two of them to work together to move these projects forward but the mayor of Norfolk expressed some objection but the mayor of Newport News, who we had briefed very, very well, stood up and basically, very eloquently said, ‘These are important projects for the two transit agencies. Newport News is very much in favor of the project, we consider this a top priority project. We expect it to be funded and if it is not funded when the time comes for one of your communities to want our support on projects, it may not be forthcoming.’”

“The mayor of Norfolk understood that very, very well,” says Townes. “He sat down and the end of the story is that the projects were funded. And we built two transportation centers as a result of it.”

Townes stresses, “But the bottom line is, because of our APTA association, we came in with knowledge, we came in prepared, we were able to advocate for projects, we were able to communicate to the decision makers the need for the projects, the process for getting them funded.” He continues, “My mayor from Newport News particularly became very knowledgeable about what he needed to do and he used that knowledge to get the favor of the transit project.”

FORMATION OF HRT

Hampton Roads Transit is in a region of seven independent cities, but it’s really one big urban area. When the area wasn’t built up to one urban area, it worked with two separate agencies. But as Townes explains, the visionary people understood that the region was growing and that, in terms of public transportation, the region needed to

be looked at as one; it was going to be impossible to do with two transit agencies.

“Two agencies also created a natural sense of competition for funding, principally at the state level,” Townes says. “They came together on the basis that it’s good for the region to look at one agency that can advance major transit goals and obviously, the vision was to start a light rail system and grow it into a regional rail transportation network.”

Not only was there the natural competition between two agencies, the governmental structure of Virginia sets up natural competition between jurisdictions. In Virginia, every community is separate from every other community, Townes explains. And, being a Dillon’s Rule state, no community can raise any fee or assess any tax without the express permission of the Virginia General Assembly. Townes adds, “Virginia is a state where our governor serves one term and is a lame duck the day he or she is elected.

“Despite all those conflicts, we looked in Northern Virginia and we saw that in terms of transportation, and specifically public transit, they had a way of getting together before each Virginia General Assembly session and arguing among themselves and developing a consensus and coming to Richmond and advocating for that consensus to be very successful in attracting state resources to support public transportation needs.” He adds, “Far more successful than Hampton Roads.”

By eliminating the additional layer of competition between two agencies in the region, they could overcome that and achieve some of the success that they saw happening in Northern Virginia. “I think both of those visions have turned out to be reality,”

Townes states. “We are in construction for light rail and we now have a much greater, robust, full voice in the Virginia General Assembly and we are achieving significant support from the Virginia General Assembly, including enhanced financial support.”

In Townes’ candid way he does say of the two agencies merging, “We needed to improve and advance public transportation. A goal we still have to achieve. We haven’t gotten there by any stretch yet; we’re working on it.”

Hampton Roads Transit was formed in October 1999, after the merger between Pentran and TRT. It serves the cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk and Virginia Beach, servicing an area population of 1.3 million.

“The seven cities came together under state law to form HRT,” says Townes. “The state law requires that the transportation district has a method for allocating the cost of revenues among its members. “ As Townes describes it, the cities come to the “transit store” and buy services from HRT. “It’s HRT’s job to put it together and make it operate in a regional fashion.

“The bad news is, because we don’t have a dedicated source of funds and because we’re looking for general fund money to fund transit operations for seven municipalities, it’s almost impossible to grow transit service,” he states. “It’s difficult because the cities are under a lot of strains for municipal services. It’s not that they don’t want to run transit, it’s just the way it works out.”

THE TIDE

Talking to Townes, it is clear HRT is headed in the right direction and still has a lot of hard work ahead. It was hard work and strong belief that got it as far as it is today. “The conventional belief was that HRT would never make it through the New Starts process and that the project would never receive federal approval,” he says. “We believed in the project, we believed in our region, we know that the statement of purpose and need is real and it was, in a matter of working, very hard to give complete, honest information to the FTA and to advocate to the FTA and Congress to understand the tremendous growth in this region.”



The challenge that the region has is with the fact that it's a coastal region. Transportation infrastructure development is complicated by many water crossings. This also, however, contributes to the strategic value to the nation of the region. Not only a major harbor on the East Coast, it is home to the world's largest naval base.

Townes says, "It took a serious belief in ourselves and in our project and in our region. It took a never-say-die attitude. It took a partnership between Norfolk and HRT and within our commission; it took the other six cities to be supportive of Norfolk's effort to move ahead."

The Tide is something HRT takes an awful lot of pride in, Townes says. "How it came about is a result of a lot of hard work and a result of a never-say-die attitude on the part of Jane Whitney, who's the senior vice president of development here at HRT." He also refers to her as the mother of light rail in Hampton Roads. "She lived with that project literally for almost two decades," he says.

He also commends the leadership of the city of Norfolk and Hampton Roads. "Willing to step out a single entity, to put in light rail as a starter line and anticipate that other communities would join. I think it was quite a significant risk on the part of the city and quite a show of leadership in this region."

The construction started in December 2007 and, despite the construction marketplace prices rising, it is going well. HRT has been working closely with local institutions to make sure everyone remains in alignment and that they remain stakeholders and partners with HRT. One of the partnerships he mentions is with Norfolk State University.

The university is adjacent to the line, about midway through the run, and has two state sites, one on either end of campus. There were legitimate needs of the university to ensure that the station sites were compatible with what occurs on campus and that the learning environment wasn't in any way jeopardized. In exchange, Townes says the project was able to provide Norfolk State with substantial land to advance some of its interest in terms of a research capability near the campus. It's also been agreed to that going forward there may be some joint development opportunities.

"I think that that very complicated partnership is working out very well but there was a point and time that we didn't have full agreement of the parties and that caused some minor complications for early construction," Townes explains. "Right now I would say that because we have a couple more for bid packages to open and to award, we don't have complete certainty of the impact on the total budget for the final budget for the project. We don't know exactly whether we're going to be within the timeframe of the FTA or whether we will have to ask the FTA to recognize a slight delay.

"It took a serious belief in ourselves and in our project and in our region."

-Michael Townes

"I think overall, given what I know about the construction environment, given what I know about the capacity of the transportation industry and support groups to support the development of rail projects, there is kind of a deficit of capacity out there." He stresses, "I think we're doing pretty darn good."

A project as large as The Tide is hard on an agency's staff. It presents many challenges, but, as Townes says, it provides an opportunity to look at all of the internal practices and capabilities. "Sometimes it's not pretty," Townes laughs. "To look inside the agency and discover that some capabilities might be lacking, but actually, when you step back from it, it's an opportunity for us to improve in almost every aspect of what we do." He emphasizes, "It has kind of revealed to us our strengths and some of our weaknesses and we see that as something that is good because it allows us to maximize our strengths and allows us to work toward improving our weaknesses, and we're doing just that."

HRT LOOKING FORWARD

Another area HRT is focusing on is sustainability. "We have a big commitment of moving toward becoming one of the most

sustainable transit organizations in the industry," Townes says. As signatories to the International Association of Public Transport (UITP) accord, the agency has a defined goal it is working toward. "I feel that the UITP construct presented a framework that offered a positive challenge to a staff that already had a great deal on its plate." He continues, "I thought it would help me articulate to this staff that was already under challenge, why accepting an additional challenge such as moving toward sustainability was not only important, but necessary and in their interest.

"And it has done that," he confirms. "We have moved to low sulfur diesel, we have instituted a no-idling policy, we have gone to hybrid vehicles in a large way and we will continue moving in that direction," he says. HRT has also implemented high-speed, point-to-point express bus services and a host of green practices in the offices.

"I think one of the main things we've done is we've instituted a position inside of HRT which is responsible for being the heart and soul of our sustainability effort," Townes says. "We hired a great man, Scott Demarker, who is going to help bring all of this together in to a more cohesive program."

I ask Townes why sustainability is so important to the agency when they have so many other projects to be focused on. "The vehicles are a major focus of what we do in terms of sustainability in transit," Townes explains. "But the vehicles are supported by our support infrastructure and if we forget about our support infrastructure, then a major part of our responsibility is being ignored.

"Maintaining the vehicles at a high level is important but if your support infrastructure isn't situated in a way where you are practicing high sustainability practices with those, you lose the value both financially and conceptually from having focused on the vehicles themselves to the exclusion of the support infrastructure."

Also on Townes' mind — and everyone else's in the industry — is the nearing end of SAFETEA-LU. Townes and I spoke about the upcoming authorization process. "I think it's a major change," he says. "The nation has to recognize that the day of \$2 or less gas is gone. I think that the debate over whether greenhouse gases are having a real effect



on the planet's atmosphere's chemistry is substantially over.

"Recognizing these things, we need to have a major change in the way that we run and fund transportation infrastructure in this nation." He stresses, "One thing for sure that I want to say straight right up front is that there needs to be a strong federal role. The belief that you can devolve the cost and the responsibility for a national transportation infrastructure is an erroneous belief, so let's start from the standpoint that there needs to be a strong federal role."

He also points out that we haven't invested in our infrastructure here in America at the rates that our global competitors are investing in infrastructure. "If we want this nation to maintain its leadership in the world, we have to invest for that leadership.

"I am looking for radically more money. I am looking for new, flexible program structures. I am looking for something that has some performance basis in terms of the funding. And I want the program to be focused on increasing and improving the transportation infrastructure that exists now."

Repeating his concern, he says, "There needs to be an undeniable federal role."

As chair of APTA, he tells me about the group of people leading APTA's process to develop the industry's positions for the next authorization. He mentions the chair and vice chair for APTA's legislative committee, Bill Volk, managing director, Champaign-Urbana Mass Transit District, and Barry J. Barker, executive director of the Transit Authority of River City. "They've done a wonderful job," he says. "And Barry Barker has also chaired a subcommittee on program structure where a great deal of the detailed work is being done."

Townes also talks of the task force that is specifically working on the reauthorization issues themselves. He says it is being chaired by John Catoe, general manager of Washington Metro, and also included on the task force is Stephanie Negriff, executive director of the The Big Blue Bus in Santa Monica and Alan Wolkin, senior vice president of APTA business member Infoconsul. "They have done tremendous work." He changes direction a bit, stating, "That's the thing that gives me the greatest

sense of accomplishment and satisfaction, is to see the high-level involvement and hard work of not only these leaders, but all the members of the association who pitched in to do this work."

With a laugh he adds, "The chair gets to take the credit for this but really, the only credit that chair can take is picking good people to do important work and I did make some good choices there."

WORKING WITH APTA

Reflecting on his tenure as chair, he continually goes back to the work everyone in the industry has done in this past year. When I ask what he's most proud of, he replies, "There are a number of things that I'm proud of, but the thing that I'm most proud of is nothing that I have done specifically by myself. It's rather that people have stepped up and have accepted the leadership roles that I have asked them to accept." He adds, "And they have performed at a very, very high level."

Chief among those he mentioned was Lee Sander, executive director and CEO of the New York MTA and chair of TransitVision 2050. "When I was first vice chair and I was thinking what I would like to accomplish, not just 'I,' but the association to be challenged to accomplish during my term, it occurred to me that it was time once again for APTA to think about, in very global ways, the future."

He points to two forces that really made this the time where it needed to be done. One was the looming expiration for the authorization of SAFETEA-LU and the need to reauthorize the surface transportation program. The other was the strains within the association that needed to be addressed so the coalition could continue to perform at a high level. "Those strains," he clarifies, "having to do with the natural tension that arises between large and small properties, between operators and board members and business members.

"I encouraged Howard Silver, who was chair at the time, to institute a visioning process," Townes says. "It was logical and necessary for us to sit down and do some visionary thinking about what we saw in the future so that we could articulate that future



Townes' term as APTA chair came to an end as he danced with Dr. Beverly Scott, 2008-2009 APTA chair and CEO of MARTA.

to other people and we could position our legislative process in such a way that was in alignment with our vision.

"When I became chair, it occurred to me and Bill Millar that the duties of APTA chair are somewhat time-consuming and that this visioning process needed someone that was going to lead it with a great deal of focus and that we needed to have a very credible and experienced senior leader to do that." Townes states, "And Lee Sander accepted that task and has far exceeded my expectations."

TransitVision 2050 was adopted by the association's board of director's executive committee at APTA's Annual Meeting. "That's the culmination of my term so I see that as a major accomplishment I wanted to have done while I was in office and all of the credit goes to the task force and the credit for leading the task force through the difficult and productive part of the process goes to Lee Sander," Townes stresses.

There were also several others Townes specifically mentioned. A subset of the TransitVision 2050 process was how the association addresses its structure, how it manages the natural tensions between the segments of the association. A task force was set up to work through those issues, the Framework for the Future task force. "There are three co-chairs of that task force," Townes says. "They're all past chairs of APTA. They are George Dixon, who's a board member at Cleveland's RTA and Les White, he is the general manager of the system in Santa Barbara, a small system in California, and also John Bartosiewicz, who is a senior vice

president of McDonald Transit Associates, and is also the former general manager of The T in Fort Worth, Texas.

"These three people have taken on — these are very difficult issues to talk about," Townes stresses, "possibly changing the bylaws, reforming the governance, the structure of an association.

"They and their task force have taken these issues on with a great deal of urgency,

a very collaborative fashion and in a way that has raised a sense of calm, I think, among some of the factions in the association." Townes explains that their output is due in November and at that time, will go to the executive committee at the executive committee's retreat. He adds, "The draft work has been stellar and I expect that their outcomes will help us address some of these difficult issues in a very positive way."

STAY CONNECTED, BE INVOLVED

Townes had shared how the association with APTA helped with the resources available to them when they were working at combining Pentran and TRT to become Hampton Roads Transit, but there are other benefits to the involvement that he believes in.

"You build the relationships with the FTA, the relationships in Congress, with Congressional staffers, Congress people, themselves," he says. "It's the interaction with your colleagues and the sharing of information and the networking.

"We all have shared interests. We do compete with one another in terms of there is national competition for New Starts funding, but we have different interests because of the different natures of our authorities. But, substantially we are a collegial, cooperative industry and that takes place through APTA."

HRT has a board that also thinks association involvement is important. Jim O'Sullivan, who preceded Townes as the executive director of Pentran, had proven the value to the board. "He was on APTA's executive committee at the time and involved with other things outside the agency that benefited the agency," Townes says. "So the board already understood that and as time went by during the period of time that we had two agencies in Hampton Roads, I think it was pretty obvious that Pentran was obtaining relative success.

"I think that relative success was obvious to board members at TRT and they were wise enough to attribute some of that to involvements that we had that they didn't have at that higher level," Townes explains. Once the merger was complete, Townes says it has always been seen as a benefit and it was a natural progression to follow that philosophy.

Being involved, working together and the research and development of young people is something Townes says has always been important to him. "It is just something that I think is natural if you care about what you do..." He adds, "If you care about its future and the future of anything ... it has to do with the capabilities of those coming behind us to deal with the challenges that are coming before us." ■

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Tim Hering, president of Railworks and transportation systems maintenance



AGENDA ITEM #13

TO: Chairman Eulle and NVTC Commissioners
FROM: Scott Kalkwarf and Coletia Quarles
DATE: December 31, 2008
SUBJECT: NVTC Financial Items for November, 2008

Attached for your information are NVTC financial reports for November, 2008.



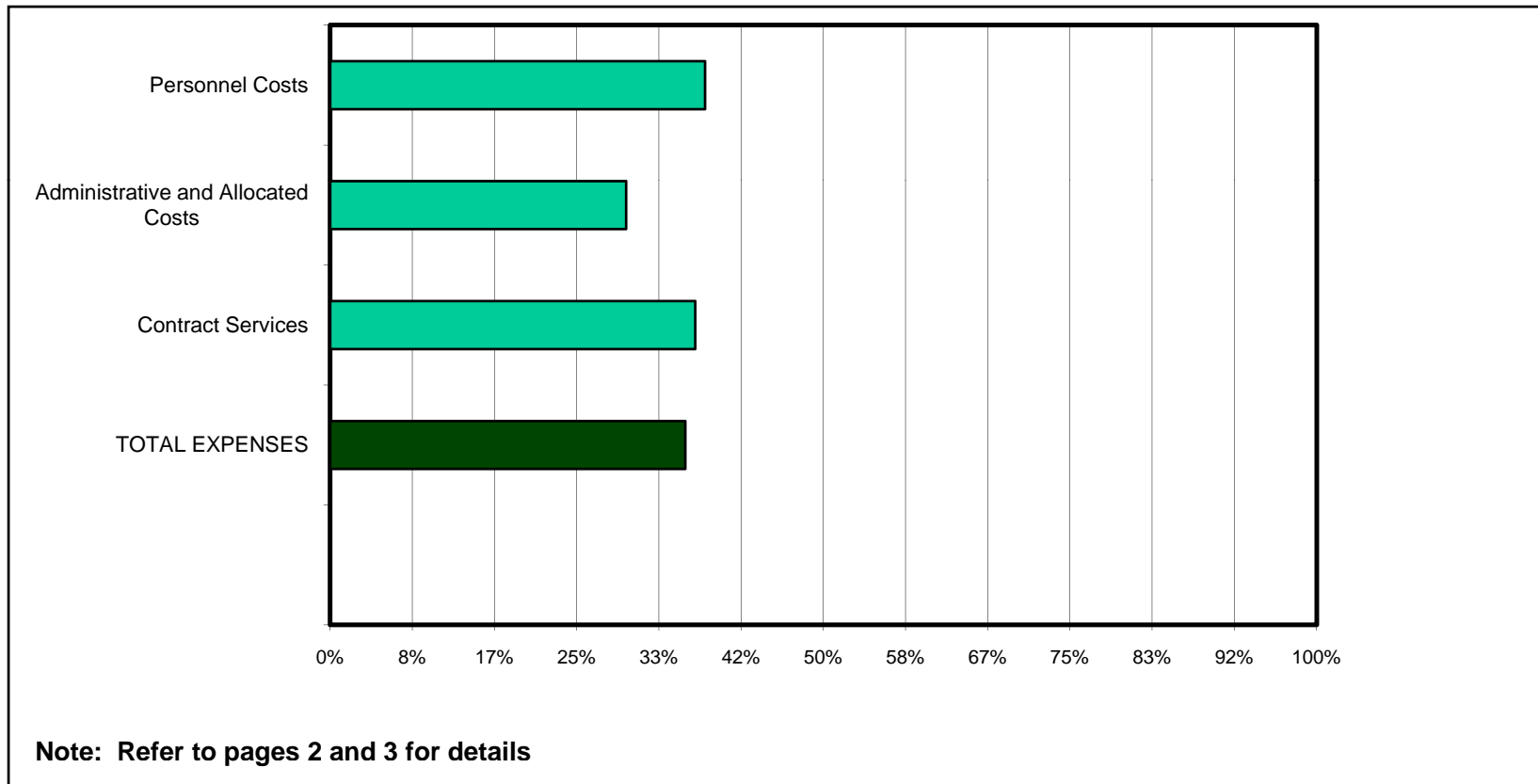
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Northern Virginia Transportation Commission

Financial Reports

November, 2008

Percentage of FY 2009 NVTC Administrative Budget Used
November, 2008
(Target 41.66% or less)



**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
November, 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	\$ 56,050.64	\$ 274,091.87	\$ 700,900.00	\$ 426,808.13	60.9%
Temporary Employee Services	-	-	1,000.00	1,000.00	100.0%
Total Personnel Costs	56,050.64	274,091.87	701,900.00	427,808.13	61.0%
<u>Benefits</u>					
Employer's Contributions:					
FICA	3,362.38	18,914.98	47,400.00	28,485.02	60.1%
Group Health Insurance	3,407.47	19,022.31	62,900.00	43,877.69	69.8%
Retirement	5,866.00	24,730.00	57,600.00	32,870.00	57.1%
Workmans & Unemployment Compensation	336.36	875.17	3,200.00	2,324.83	72.7%
Life Insurance	256.43	1,201.85	4,100.00	2,898.15	70.7%
Long Term Disability Insurance	280.79	1,305.35	4,400.00	3,094.65	70.3%
Total Benefit Costs	13,509.43	66,049.66	179,600.00	113,550.34	63.2%
<u>Administrative Costs</u>					
Commissioners Per Diem	1,150.00	4,600.00	42,000.00	37,400.00	89.0%
<i>Rents:</i>					
Office Rent	15,192.40	76,504.00	188,730.00	112,226.00	59.5%
Parking	14,534.40	72,672.00	176,780.00	104,108.00	58.9%
	658.00	3,832.00	11,950.00	8,118.00	67.9%
<i>Insurance:</i>					
Public Official Bonds	-	500.00	4,500.00	3,900.00	86.7%
Liability and Property	-	500.00	2,600.00	2,100.00	80.8%
	-	-	1,800.00	1,800.00	100.0%
<i>Travel:</i>					
Conference Registration	15.00	1,922.01	16,700.00	14,777.99	88.5%
Conference Travel	-	75.00	2,100.00	2,025.00	96.4%
Local Meetings & Related Expenses	-	517.55	4,700.00	4,182.45	89.0%
Training & Professional Development	15.00	1,329.46	6,400.00	5,070.54	79.2%
	-	-	3,500.00	3,500.00	100.0%
<i>Communication:</i>					
Postage	320.92	2,772.16	11,950.00	9,177.84	76.8%
Telephone - LD	-	661.18	4,700.00	4,038.82	85.9%
Telephone - Local	-	385.46	1,350.00	964.54	71.4%
	320.92	1,725.52	5,900.00	4,174.48	70.8%
<i>Publications & Supplies</i>					
Office Supplies	1,672.49	5,525.96	23,900.00	18,374.04	76.9%
Duplication	496.47	1,290.52	4,200.00	2,909.48	69.3%
Public Information	1,176.02	4,235.44	9,700.00	5,464.56	56.3%
	-	-	10,000.00	10,000.00	100.0%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
November, 2008**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	79.95	1,593.75	25,650.00	24,056.25	93.8%
Furniture and Equipment	-	-	13,150.00	13,150.00	100.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	79.95	1,593.75	11,500.00	9,906.25	86.1%
<i>Other General and Administrative</i>	629.26	3,232.03	6,950.00	3,717.97	53.5%
Subscriptions	-	-	400.00	400.00	100.0%
Memberships	72.43	562.15	1,800.00	1,237.85	68.8%
Fees and Miscellaneous	368.75	1,310.33	2,950.00	1,639.67	55.6%
Advertising (Personnel/Procurement)	188.08	1,359.55	1,800.00	440.45	24.5%
40th Anniversary	-	-	-	-	0
Total Administrative Costs	<u>19,060.02</u>	<u>96,649.91</u>	<u>320,380.00</u>	<u>223,630.09</u>	<u>69.8%</u>
<u>Contracting Services</u>					
Auditing	-	7,500.00	18,000.00	10,500.00	58.3%
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>7,500.00</u>	<u>20,000.00</u>	<u>12,500.00</u>	<u>62.5%</u>
 Total Gross G&A Expenses	 <u>\$ 88,620.09</u>	 <u>\$ 444,291.44</u>	 <u>\$ 1,221,880.00</u>	 <u>\$ 777,488.56</u>	 <u>63.6%</u>

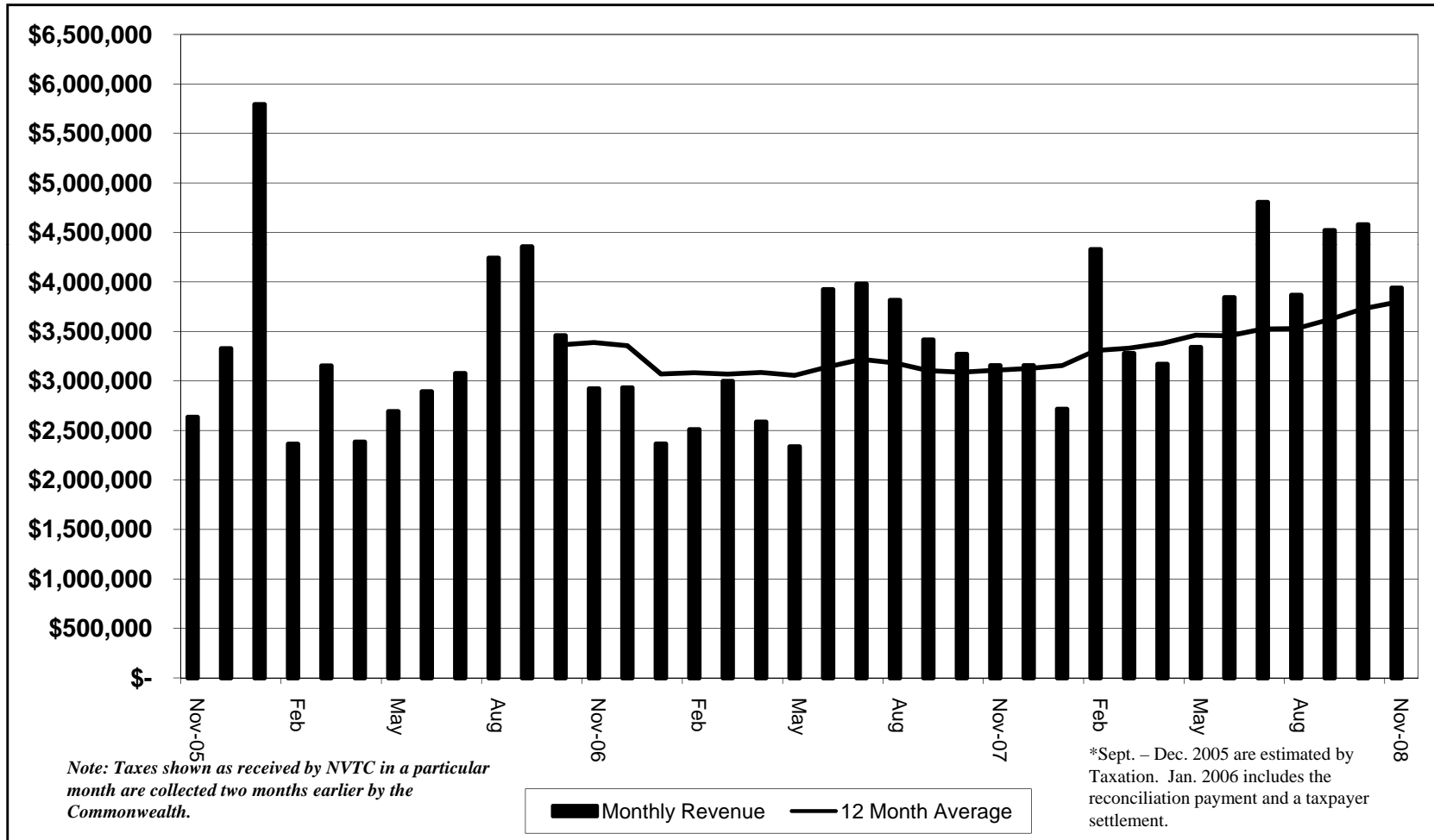
**NVTC
RECEIPTS and DISBURSEMENTS
November, 2008**

<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						
18	Dept. of Taxation	Motor Vehicle Fuels Sales tax				\$ 3,939,905.78
18	DRPT	FTM/Admin grant receipt				5,247,696.00
21	VRE	Staff support		6,266.28		
21	American General	Insurance refund		11.64		
30	Banks	Interest earnings		6.00	1,368.88	231,320.63
			<u>-</u>	<u>6,283.92</u>	<u>1,368.88</u>	<u>9,418,922.41</u>
DISBURSEMENTS						
1-30	Various	NVTC project and administration	(82,084.77)			
17	City of Fairfax	Other operating			(22,494.92)	
25	Stantec	Consulting - Bus Data	(36,891.79)			
30	Wachovia	Bank charges	(39.95)			
			<u>(119,016.51)</u>	<u>-</u>	<u>(22,494.92)</u>	<u>-</u>
TRANSFERS						
25	Transfer	From LGIP to LGIP (NTD project)			36,891.79	(36,891.79)
25	Transfer	From LGIP to checking	140,000.00		(140,000.00)	
			<u>140,000.00</u>	<u>-</u>	<u>(103,108.21)</u>	<u>(36,891.79)</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ 20,983.49</u>	<u>\$ 6,283.92</u>	<u>\$ (124,234.25)</u>	<u>\$ 9,382,030.62</u>

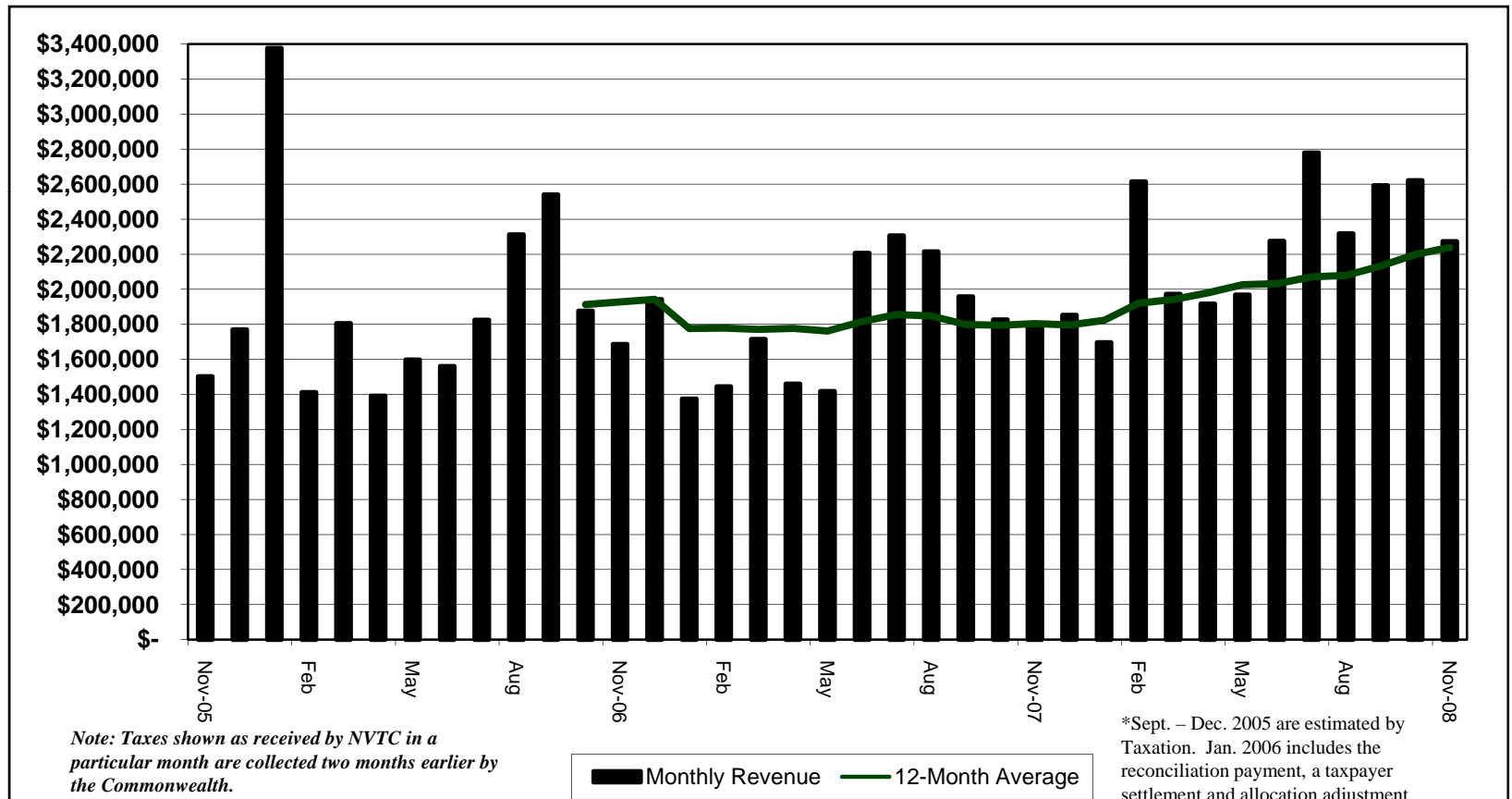
**NVTC
INVESTMENT REPORT
November, 2008**

<u>Type</u>	<u>Rate</u>	<u>Balance 10/31/2008</u>	<u>Increase (Decrease)</u>	<u>Balance 11/30/2008</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	\$ 85,750.54	\$ 20,983.49	\$ 106,734.03	\$ 106,734.03	\$ -	\$ -
Wachovia: NVTC Savings	0.04%	194,985.84	6,283.92	201,269.76	201,269.76	-	-
<u>Investments - State Pool</u>							
Nations Bank - LGIP	2.55%	108,037,016.60	9,257,796.37	117,294,812.97	568,466.02	98,901,865.00	17,824,481.95
		<u>\$ 108,317,752.98</u>	<u>\$ 9,160,829.53</u>	<u>\$ 117,602,816.76</u>	<u>\$ 876,469.81</u>	<u>\$ 98,901,865.00</u>	<u>\$ 17,824,481.95</u>

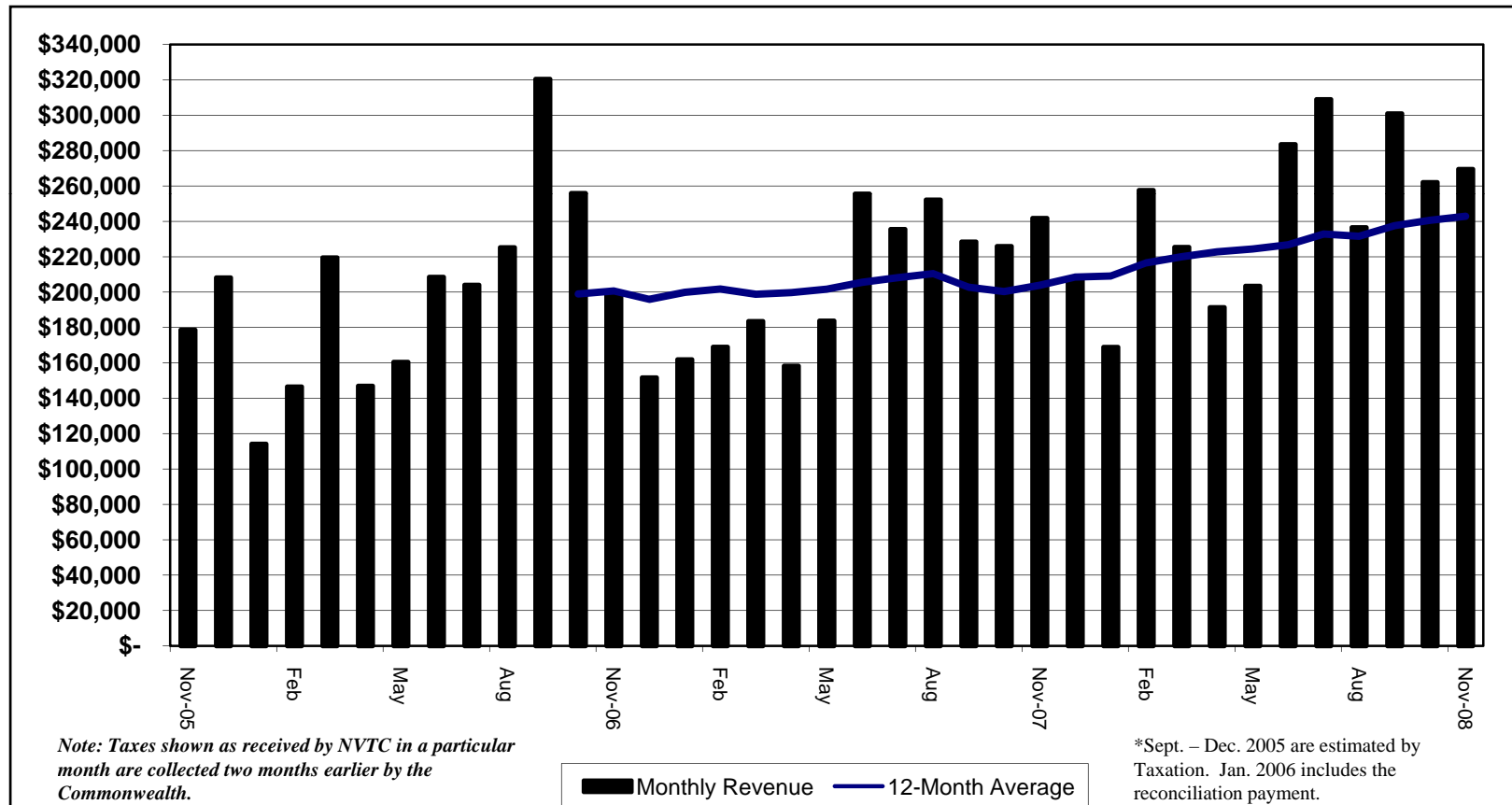
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2006-2009



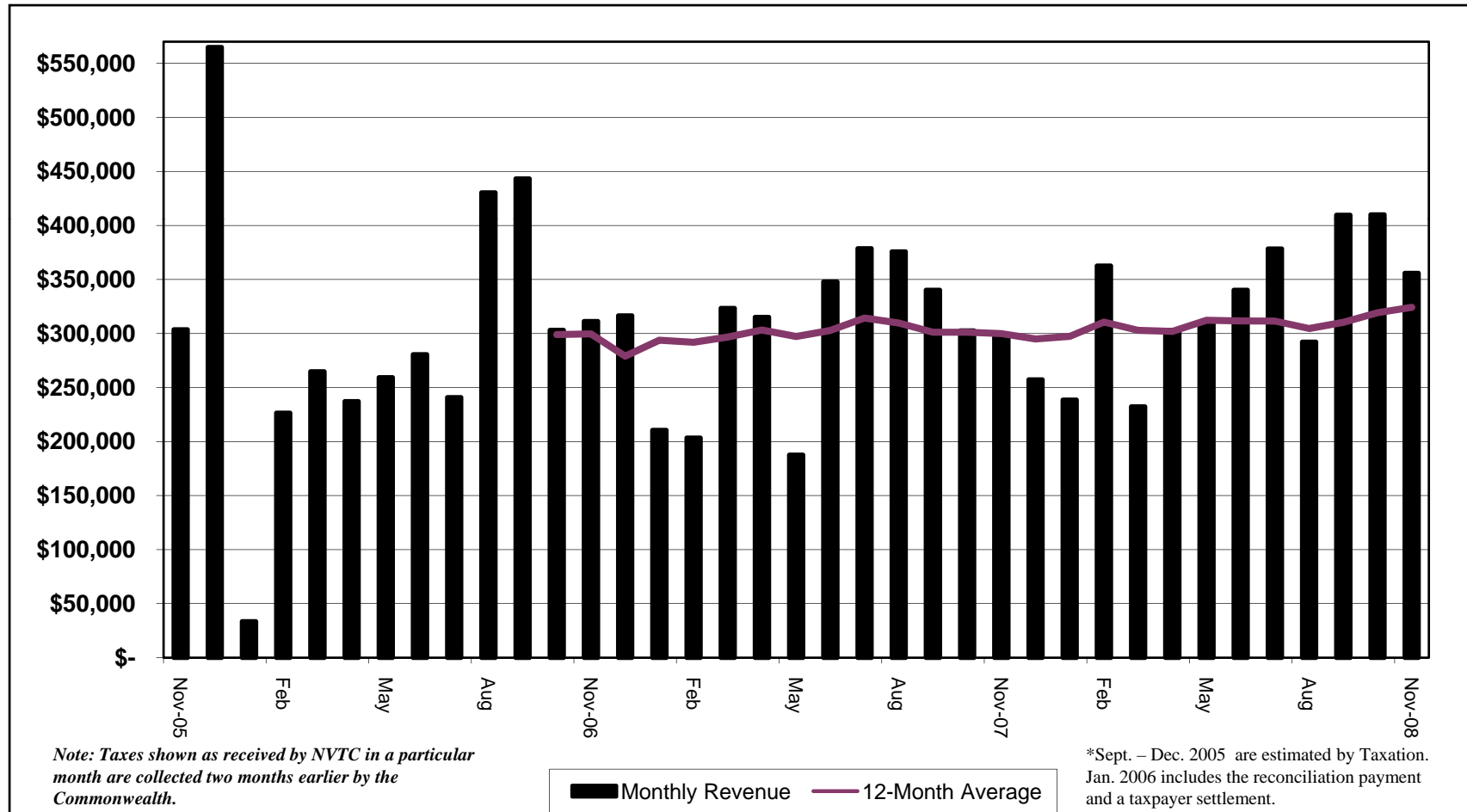
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2006-2009



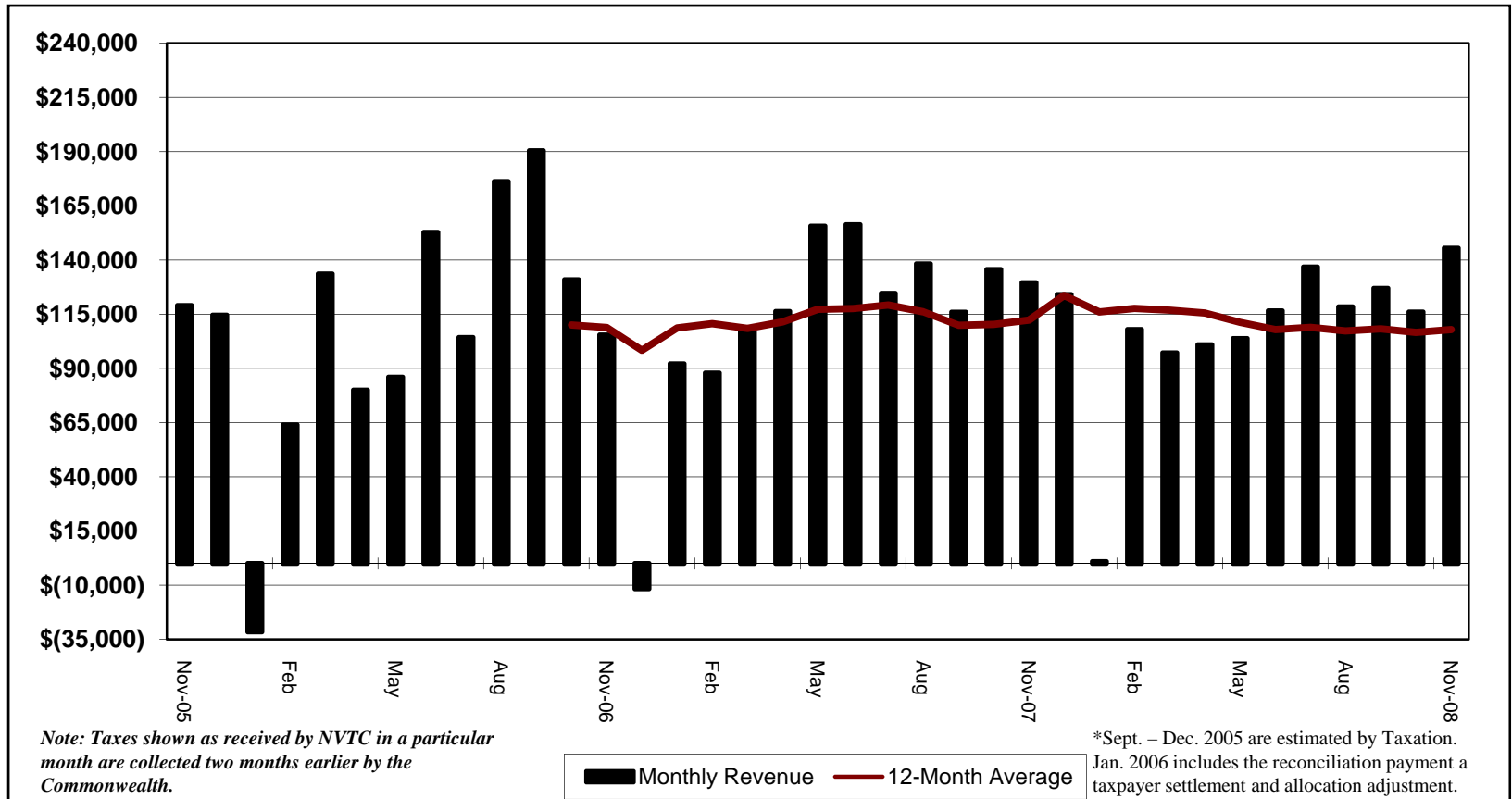
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2006-2009



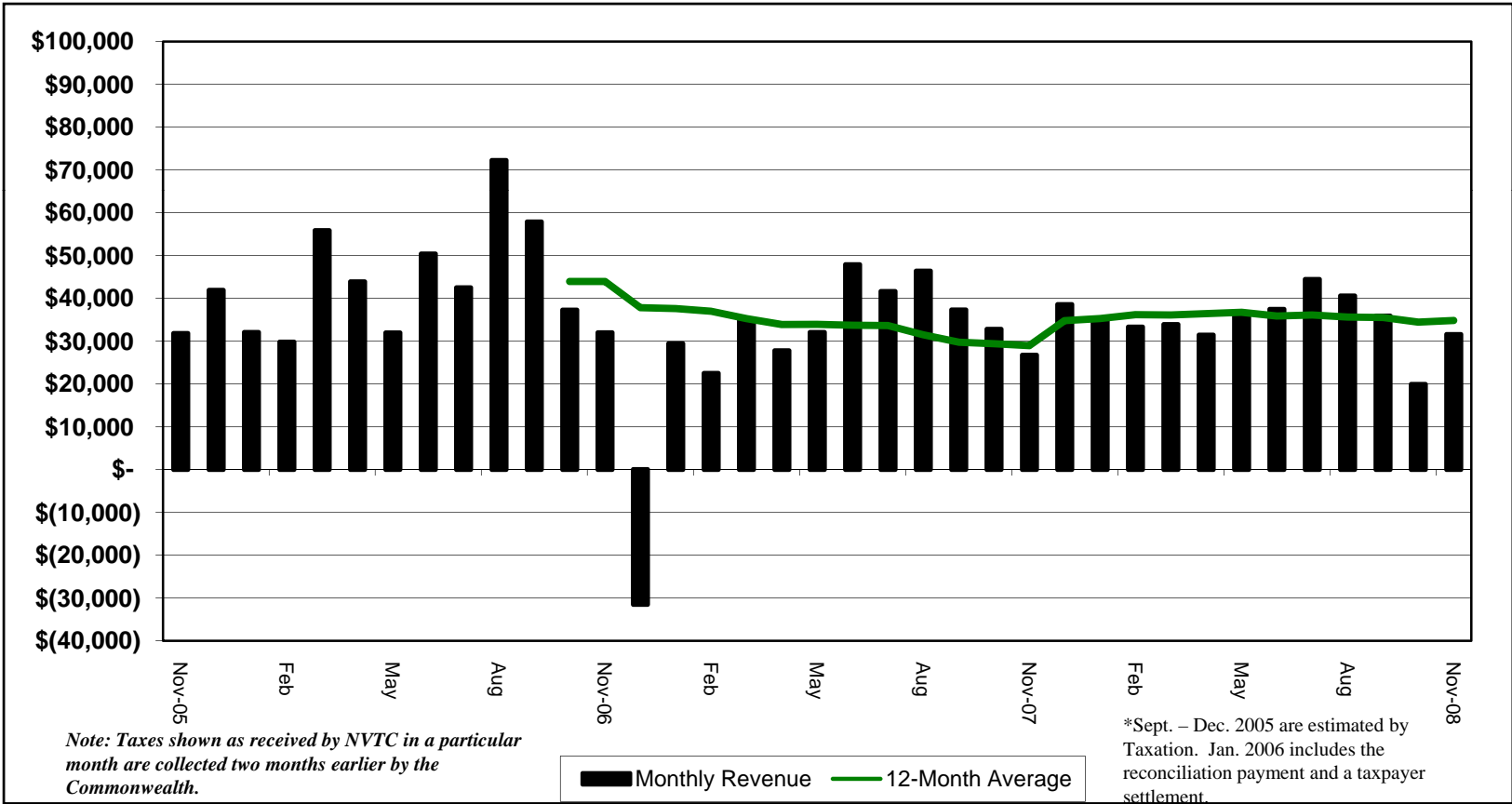
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2006-2009



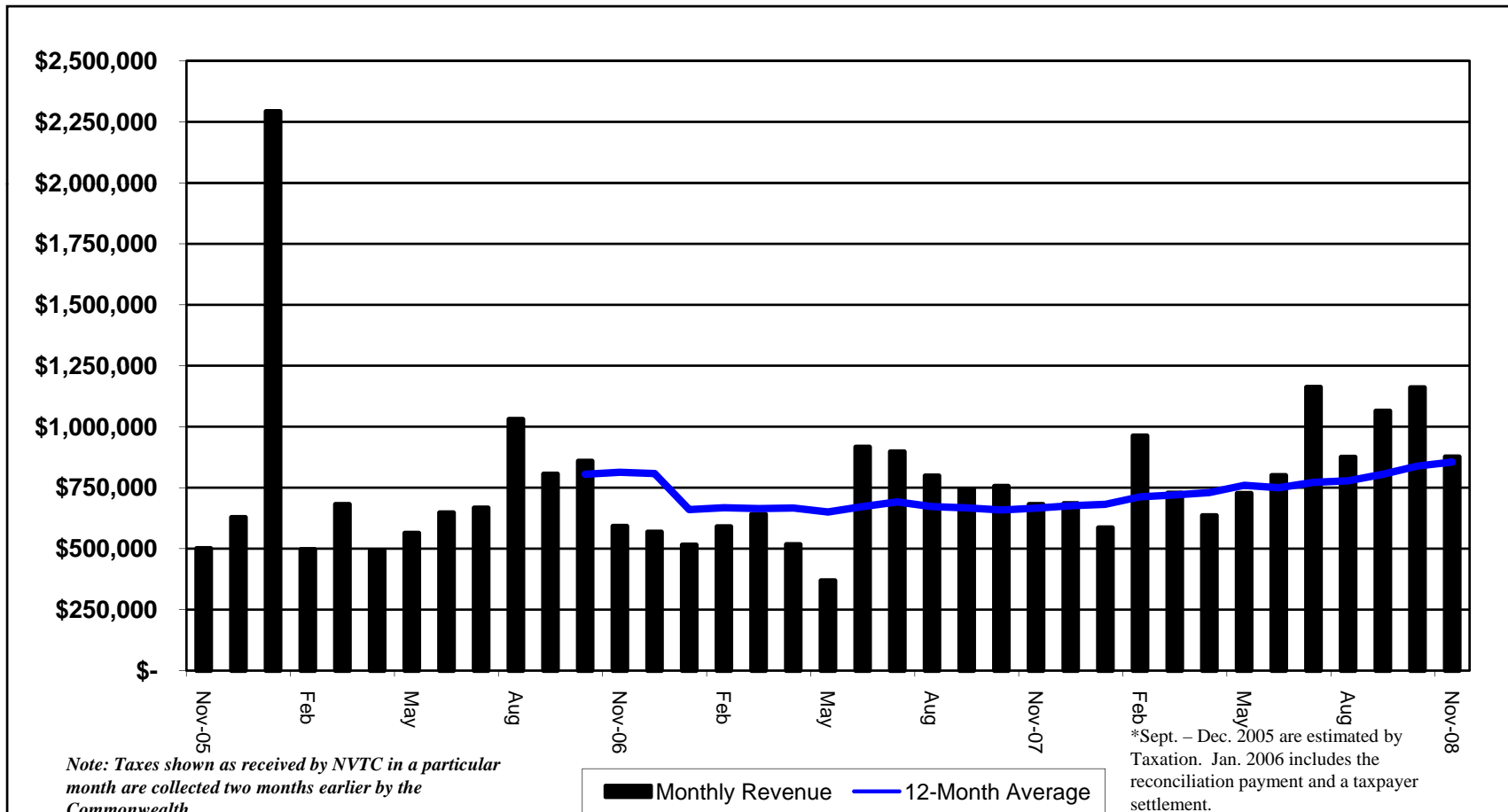
NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2006-2009



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2006-2009



NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2006-2009



M I N U T E S

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA DECEMBER 19, 2008



**VIRGINIA RAILWAY
EXPRESS**

BOARD MEMBERS

**JOHN JENKINS
CHAIRMAN**

**SHARON BULOVA
VICE-CHAIRMAN**

**CHRIS ZIMMERMAN
TREASURER**

**PAUL MILDE
SECRETARY**

**MAUREEN CADDIGAN
WALLY COVINGTON
PATRICK HERRITY
FRANK JONES
MATT KELLY
KEVIN PAGE
GEORGE SCHWARTZ
PAUL SMEDBERG
JONATHAN WAY**

ALTERNATES

**MARC AVENI
BRAD ELLIS
JAY FISETTE
TIMOTHY LOVAIN
MICHAEL MAY
JEFF MCKAY
MARTIN NOHE
BRYAN POLK
JOHN STIRRUP**

**DALE ZEHNER
CHIEF EXECUTIVE
OFFICER**

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Alexandria, VA 22314-2730
(703) 684 – 1001
FAX: (703) 684 – 1313
Web Site: www.vre.org

MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
Wally Covington (PRTC)	Prince William County
Patrick Herrity (NVTC)*	Fairfax County
John D. Jenkins (PRTC)	Prince William County
Matthew Kelly (PRTC)	City of Fredericksburg
Kevin Page	DRPT
George H. Schwartz (PRTC)	Stafford County
Paul Smedberg (NVTC)	City of Alexandria
Jonathan Way (PRTC)	City of Manassas
Christopher Zimmerman (NVTC)*	Arlington County

MEMBERS ABSENT	JURISDICTION
Frank C. Jones (PRTC)	City of Manassas Park
Paul Milde (PRTC)	Stafford County

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Jay Fisetite (NVTC)	Arlington County
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	
Donna Boxer – VRE	Sirel Mouchantaf – VRE
Anna Gotthardt – VRE	Peyton Onks – Sup. Herrity's office
Al Harf – PRTC staff	Dick Peacock – citizen
Ann King – VRE	Mark Roeber – VRE
Mike Lake – Fairfax County	Mike Schaller – citizen
Trinh Lam – VRE	Brett Shorter – VRE
Bob Leibbrandt – Prince William County	Jennifer Straub – VRE
Steve MacIsaac – VRE counsel	Kitja Weir- DC Examiner
April Maguigad – VRE	Sara Wolfenden – Stafford County
Betsie Massie – PRTC staff	Dale Zehner – 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 9:38 A.M. Following an Invocation and the Pledge of Allegiance, roll call was taken.

Chairman Jenkins announced that the Nominating Committee, consisting of Board Members Bulova and Caddigan, will recommend a slate of officers for 2009 at the January VRE Operations Board meeting.

[Mr. Zimmerman arrived at 9:41 A.M.]

Approval of the Agenda – 3

Mr. Kelly moved, with a second by Ms. Bulova, to approve the agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Page, Schwartz, Smedberg, Way and Zimmerman.

[Mr. Herrity arrived at 9:42 A.M.]

Minutes of the November 21, 2008, VRE Operations Board Meeting – 4

Ms. Caddigan moved, with a second by Mr. Kelly, to approve the minutes. The vote in favor was cast by Board Members Bulova, Caddigan, Herrity, Jenkins, Kelly, Page, Schwartz, Way and Zimmerman. Board Members Covington and Smedberg abstained.

Chairman's Comments – 5

Chairman Jenkins announced that VRE collected 650 toys and \$7,500 in cash and gift card donations for the Marine Corps' Toys for Tots campaign. VRE also had a very successful 12th Annual Operation Lifesaver Santa Trains on Saturday, December 13, 2008. Tickets sold out and another 2,500 toys were collected that day for the Toys for Tots campaign.

Chief Executive Officer's Report – 6

Mr. Zehner agreed that the Santa trains were very successful. Every Santa was accompanied by a Mrs. Clause and staff anticipates having a Santa and Mrs. Claus on all trains next year. VRE ridership is still up although the growth rate is slowing significantly. On-time performance dipped in November for several reasons, including CSX issuing slow orders until repairs were completed on some sections of tracks. Mr. Zehner has discussed this issue with Jay Westbrook of CSXT, who has stated that the rail line between Washington, D.C. and Fredericksburg will need to be re-railed within the next year or two.

Mr. Zehner explained that VRE had not planned to run service on Inauguration Day, but will now run following requests from the federal government and general public. Each

round trip ticket will be \$25 and for specific reserved trains. To address safety concerns, CSX, Amtrak, and the local jurisdictions are helping by providing police officers at every station. VRE will not stop at Franconia/Springfield, Crystal City or Alexandria since those stations are already served by Metro.

Ms. Bulova stated that she has been getting telephone calls from regular riders who need to work that day and have been told that their monthly ticket will not be honored. Mr. Zehner stated that it is VRE's intent to accommodate these riders. Ms. Bulova stated that regular riders are very important to VRE and VRE should be loyal to them. Ms. Caddigan agreed, but stated that since a newspaper already reported that monthly tickets would not be honored, VRE needs to get this information out.

Mr. Zehner provided more details about the commemorative ticket. Instructions will be included with the ticket highly recommending that riders disembark at L'Enfant station because of the security barriers that will be up along Pennsylvania Avenue. Mr. Covington asked what is the percentage of VRE riders who purchase monthly tickets. Mr. Zehner responded that it is approximately 45 percent. Mr. Covington suggested that this is an opportunity for VRE to show that the monthly pass is a premium pass and to encourage other riders to purchase the monthly pass. Mr. Zehner stated that he will notify passengers early next week that those riders who need to work on Inauguration Day can submit their monthly ticket to obtain reserved tickets to ride on Inauguration Day – the exact details will need to be worked out.

Mr. Covington suggested offering tickets to local tourism boards so they can put together packaged hotel deals. It could be a promotional incentive. Mr. Smedberg stated that larger jurisdictions could include information about the special VRE ticket on their websites. Chairman Jenkins suggested Board Members contact their jurisdictional staff about this.

Mr. Zehner also announced that VRE will be featured in an upcoming Discovery Channel program about "living green" in which the cameras follow a woman throughout her day. It includes footage of her commuting to work via VRE. Board Members will be notified when the program will air.

Mr. Zehner reported that the Burke Centre garage facility is now complete. It is a beautiful facility, including the design, landscaping, and integrated bus area. Ms. Bulova stated that the community initially opposed the project but now is proud of their participation in the design process. She thanked VRE staff for a memorable ribbon cutting ceremony.

VRE Riders' and Public Comment – 7

Dick Peacock stated that lower gas prices result in lower gas taxes collected for the jurisdictions. He also stated that VRE has an excellent safety record. The local subsidies should be looked at in terms of the value VRE produces. Every time a police

officer has to respond to an accident or crime, it is money out of the pockets of the community. The region is getting a lot of value with VRE service. He encouraged VRE to keep the fare increase in July as low as possible. He stated that another way to increase revenue is to lower discounts on monthly and senior citizen passes. He also stated that VRE should target environmental groups to put up paid advertising on the trains and stations. Chairman Jenkins reported that the two flags at the Woodbridge Station have been replaced, which Mr. Peacock had previously inquired about.

Chairman Jenkins reminded Board Members that there was a major passenger rail disaster recently in California, which killed 25 people and injured approximately 135 people. He cautioned that this type of accident will have a ripple effect on insurance costs, which will impact all commuter rail operations. Fortunately, VRE has a very good safety record, with no fatalities.

Referral of the Revised FY 2009 and Recommended FY 2010 VRE Operating and Capital Budget Options to the Commissions and Localities – 8A

Mr. Zehner reported that the VRE Operations Board is being asked to adopt the revised FY 2009 budget and the recommended FY 2010 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption. The major assumptions for the FY 2010 budget are as follows: no service changes with a continuation of the 30-train operation; a projected average daily ridership of 15,600 passengers; projected fare revenue of \$26.9 million with a six percent fare increase; continued restoration of the \$10 million Insurance Trust Fund over a multi-year period; and jurisdictional subsidies reduced by approximately \$900,000. Most jurisdictions' subsidy would go down with the exception of Arlington, Alexandria and the City of Fredericksburg.

Mr. Zehner stated that VRE costs have increased by \$6 million compared to last year's budget, primarily due to increased operating costs and continuing to restore the Insurance Trust Fund reserve.

Mr. Zehner reported that VRE ridership growth has begun to level off and concern among staff is that as gasoline prices fall and VRE's fares increase (7 percent proposed in January 2009), some riders may leave. VRE passengers are sensitive to costs. VRE has had seven fare increases over the last 8-9 years. He cautioned that large fare increases, coupled with unpredictable or uncontrollable events, such as weather, crowding, service issues, or on-time performance, may cause riders to leave VRE and once they leave they do not normally come back. VRE has to stay competitive to maintain ridership.

Mr. Zehner reviewed the four budget areas that are unpredictable and volatile: diesel fuel costs, state funding, ridership, and insurance costs. The budget recommendations reflect the best assumptions concerning these issues. Yesterday, the state reduced the state capital and operating transportation budget, which included a \$1.3 million decrease in VRE's FY 2009 funding. For FY 2010 it will drop another \$750,000. The recent fare increase included the assumption that fare revenue would produce operating

revenue of \$1.2 million, which will help cover the \$1.3 million state funding deficit. Staff will continue to find a way to cover the FY 2010 state deficit.

Mr. Zehner reported that to save money, VRE's marketing budget has been stripped from the overall budget for next year. VRE will not be able to run a marketing campaign if ridership dips down.

Mr. Zehner then reviewed the CAO Task Force recommendations for the FY 2010 preliminary budget, which have some differences from the staff recommendations. The Task Force recommends a 10 percent fare increase; further reduction in jurisdictional subsidies; no additional train service in 2012 and 2014 unless the revenue situation improves; an increase in the annual escalation rate; and reduced diesel fuel expenditures from an average price of \$2.65 per gallon to \$2.50 per gallon in FY 2010.

Mr. Zehner expressed his concern regarding diesel fuel costs because of the volatile market. He expects to be able to lock fuel prices in spring, 2009 and he will work to get a lower price. He cautioned that if VRE has significant ridership loss, there will be real budget issues going into FY 2010. Lower fuel prices are a "double edged sword" in that it reduces operating expenses, but also lowers jurisdictions' gas tax revenues. Also, riders who switched to rail because of high fuel costs, now have more commuting options. VRE needs to maintain its service level.

Mr. Way stated that he can understand the rationale for the six percent fare increase, but since service level factors seem to be more important than fares, he asked if VRE could do more to increase the quality of service. Mr. Zehner responded that operations are fully funded so any increase to operating aspects of the budget would only make a marginal difference in service quality. Ms. Bulova stated that she finds Mr. Zehner's comments and concerns regarding the fare increase compelling. Chairman Jenkins stated that he is hearing rumors from the financial sector that fuel production will be cut back and the price of gas will go back up. He has reviewed the budget in great detail with staff and he has no problem supporting the staff recommendations.

Mr. Schwartz reflected that the jurisdictions are experiencing economic challenges as well. He stated that it is going to be difficult for him to vote against a further \$300,000 reduction in jurisdictional subsidy outlined in the CAO Task Force recommendations. Stafford County supports the CAO recommendations of a 10 percent fare increase and further reduction in local subsidies. He stated that Mr. Zehner's concerns regarding lost ridership due to increased fares is only hypothetical and what might happen.

Mr. Way stated that he has trouble philosophically with raising fares and giving money back to the jurisdictions. It is a left-handed way of balancing the budget. He suggested staff squeeze additional savings out of the budget. Mr. Zehner responded that he can try and squeeze harder, but that he does not know how much more he can reduce from the budget. Mr. Kelly stated that every jurisdiction is looking at significant cuts in services. It is a grim situation. His vote on the budget must take into consideration what conditions the City of Fredericksburg is facing and he hopes that riders understand these conditions. He speculated that if VRE does only a six percent fare increase, VRE will have to consider more increases in the future until the state steps up and solves the

funding problem. He stated that the CAO recommendations concerning fuel prices leaves some wiggle room to play within the budget. As presented now, Mr. Kelly stated that he cannot support the staff recommendations.

Mr. Covington expressed his opinion that the proposed budget is a good flexible place to start and it will be revisited over the next few months. He is confident in Mr. Zehner's proposal. Ms. Caddigan asked Mr. Schwartz and Mr. Kelly if the staff recommendations included a 10 percent fare increase, would they vote in favor of the motion. Both replied yes. She stated that VRE just instituted a fare increase and she struggles with voting for another large fare increase. She hopes for the stimulus package promised by the federal government. She expressed her support for staff's budget recommendations.

Mr. Smedberg asked for clarification as to why Arlington and Alexandria's subsidies are increasing, while others are decreasing. Mr. Zehner stipulated that the allocation formula provides for Arlington and Alexandria's subsidies to annually increase by five percent. Mr. Smedburg encouraged VRE to advocate for federal funding as part of any stimulus package.

Mr. Zimmerman stated that staff has a difficult job balancing everything in the budget. He has a philosophical disagreement concerning the rationale behind the subsidy increase for Alexandria and Arlington. However, he is willing to support the budget even though Arlington, Alexandria and the City of Fredericksburg will be paying more while the other jurisdictional subsidies are being cut. Every jurisdiction is experiencing financial difficulties. He observed that it takes a long time to get riders back if they leave. A six percent fare increase on top of a seven percent (and before that a three percent fare increase) is worrisome. Staff's budget recommendations are a good starting point. For the long term, it makes no sense to cut back plans for growth in the near future as proposed by the CAO recommendation. Mr. Kelly stated that he disagrees with Mr. Zimmerman's assumption that local governments have a responsibility to pick up the slack when funding should come from some other source. He stated that it is important to continue to seek federal support and funding.

Ms. Caddigan moved, with a second by Ms. Bulova, to approve Resolution #8A-12-2008, which would adopt the revised FY 2009 budget and the recommended FY 2010 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption.

Mr. Covington noted that Forbes Magazine has recognized two areas in Prince William County as part of the worst commuting areas in small towns. This should attract some attention as to what service VRE provides and could provide to these areas.

Mr. Smedberg asked if the resolution should include wording reaffirming that the budget is built on the average daily ridership of 15,600 passengers and the need to maintain ridership as well as an efficient level of service. Ms. Caddigan and Ms. Bulova, as maker and seconder of the motion, agreed to this friendly amendment. There were no objections.

In response to a question from Mr. Way, Mr. Zehner explained that the budget package attached to the revised budget item would be sent to the Commissions, along with a copy of the amended resolution.

Chairman Jenkins asked for a roll call vote. Those in favor of the motion were Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Page, Smedberg, Way and Zimmerman. Mr. Kelly and Mr. Schwartz voted no. The motion passed.

Authorization to Issue a Request for Proposals for Locomotive Maintenance – 8B

Mr. Zehner stated that Resolution #8B-12-2008 authorizes the CEO to issue a Request for Proposals for maintenance of VRE locomotives. He explained that the current contract expires in March 2009. Amtrak currently holds the core contract to inspect and maintain (but not repair) VRE's locomotives. Amtrak's contract expires on June 30, 2010. Under the current maintenance and repair contract, VRE has been able to perform top deck rebuilds on ten locomotives as well as conduct nine other system-wide programmed improvements to the locomotive fleet. The proposed contract will include the same scope of services and would run from March 2009 through June 30, 2010, at which time whoever is awarded the new Operations and Maintenance Contract will assume full locomotive inspection, maintenance and repair responsibilities. There was no discussion.

Mr. Zimmerman moved, with a second by Mr. Smedberg, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Grant a Utility Easement to Spotsylvania County at the Crossroads Yard – 8C

Mr. Zehner reported that Resolution #8C-12-2008 would authorize him to grant a water line easement to Spotsylvania County within the VRE Crossroads Maintenance Yard. The easement will be 20 feet wide and extend from the beginning of the yard access road to the first fire hydrant inside of the yard gate. Spotsylvania County will take ownership and provide on-going maintenance of the water supply line covered by this easement. The water line easement and associated deed of dedication has been prepared and is currently under legal review by VRE counsel. Following Board authorization and approval, the water line easement will be recorded with Spotsylvania County. There were no questions.

Ms. Caddigan moved, with a second by Mr. Kelly, to approve Resolution #8C-12-2008. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Award a Construction Contract for a Platform Extension at Burke Centre – 8D

Mr. Zehner explained that the VRE Operations Board is being asked to authorize him to award a contract to Grunley Walsh U.S., LLC for the construction of a platform extension at the Burke Centre VRE station in an amount of \$995,000, plus a contingency of 10 percent (\$99,500), for a total amount not to exceed \$1,094,500.

Mr. Zehner reported that six bids were received on November 14, 2008 and following review of the bids, staff recommends award to the lowest responsive and responsible bidder, Grunley Walsh U.S., LLC. There were no questions from Board Members.

Ms. Bulova moved, with a second by Mr. Zimmerman, to approve Resolution #8D-12-2008. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Extend Amended Operating/Access Agreement with CSXT – 8E

Mr. Zehner stated that the VRE Operations Board is being asked to recommend that the Commissions authorize VRE's CEO to execute an extension of the existing Amended Operating/Access Agreement with CSXT to July 31, 2009. Resolution #8E-12-2008 would accomplish this.

Mr. Zehner reported that progress on negotiations has slowed 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. An extension of the current agreement is needed while this issue is resolved.

In response to a question from Ms. Bulova, Mr. Zehner explained that funding for the CSX track access fees have been included in the FY 2009 and FY 2010 budgets, including an annual escalation of four percent. He stated that the escalation amount is based on a contractual agreement with the railroad.

Ms. Caddigan moved, with a second by Ms. Bulova, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Extend Amended Operating/Access Agreement with Norfolk Southern – 8F

Mr. Zehner stated that the VRE Operations Board is being asked to recommend that the Commissions authorize VRE's CEO to execute an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to July 31, 2009. Resolution #8F-12-2008 would accomplish this.

Mr. Zehner reported that agreement on the level of liability coverage cannot be resolved at this time since Norfolk Southern also insists on including a higher level of liability and terrorism coverage in the new agreement. In response to a question from Mr. Smedberg, Mr. Zehner stated that the motion also includes a four percent annual escalation based on the contractual agreement with Norfolk Southern.

Mr. Covington moved, with a second by Mr. Kelly, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Page, Schwartz, Smedberg, Way and Zimmerman.

Adjournment


Chairman Jenkins announced that the next meeting is scheduled for January 16, 2009. Mr. Covington observed that this is a state holiday. Board Members agreed to move the meeting date to January 23, 2009 at 9:30 A.M.

Mr. Kelly moved, with a second by Ms. Bulova, to adjourn the meeting. The vote in favor was unanimous. Chairman Jenkins adjourned the meeting at 11:05 A.M.

Approved this 23rd day of January, 2009.

Chairman

Secretary

CERTIFICATION
This certification hereby acknowledges that the minutes for the December 19, 2008 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.
 _____ Rhonda Gilchrest

Documentation of FHWA Review

I-95/I-395 HOV/Bus/HOT Lanes Project 0095-96A-107, PE101; UPC #70849

Based on the preliminary environmental impact information compiled by VDOT through the State Environmental Review Process and extended discussions with our Headquarter's Office regarding a variety of environmental issues including independent utility and logical termini, FHWA approved this project as a Categorical Exclusion (CE) on August 31, 2006, with conditions. In June of 2007, FHWA reconsidered and affirmed its decision to prepare a CE when we were made aware of proposed changes to the scope of the project at the southern end to address one of these conditions. Based on my review of the CE and supporting documentation submitted by VDOT as well as additional discussions and the resolution of issues with them, I find this documentation acceptable and sufficient to support the original CE determination.

The scope of the project covered by the CE and supporting document includes the following components:

Re-stripe the existing two-lane HOV facility from Eads Street to 0.6 miles south of the Route 234 interchange to three HOV/HOT lanes;

Construct two new HOV/HOT lanes in the median from the existing terminus south of Route 234 to just south of Joplin Road and extend a single HOV/HOT lane to just north of Route 610 (Garrisonville Road);

As identified in the draft Interchange Justification Report dated October 2008, add new entry/exit points between the general purpose lanes and the HOV/HOT lanes at eleven locations; modify four existing entry/exit points; and upgrade an existing ramp to a direct flyover ramp;

New structures include a Lorton Bus-rail Transfer Station pedestrian bridge and the structures associated with the flyovers that will provide access between the HOV/HOT lanes and the general purpose lanes; existing structures at Telegraph Road over I-95 and the Franconian-Springfield pedestrian bridge will be replaced.

The CE supporting documentation reviewed to support this decision consisted of the following:

Noise Analysis Technical Report, December 2008;
Air Quality Analysis Technical Report, November 2008;
Joint Permit Application, October 2008;
Draft Interchange Justification Report, October 2008;
Existing Conditions Report, March 2008;
Section 4(f) Applicability Analysis, December 2007;

As referenced above, FHWA concurred with VDOT's recommendation to prepare a CE on August 31, 2006, with conditions. Those conditions were as follows:

1. FHWA required that a series of Citizen Information Meetings (CIM) be held (at least three) in the corridor to present the project to the public and solicit their input prior to the completion of the CE. Based on the results of these CIMs, FHWA would reassess its decision to prepare a CE. In addition, even though no right-of-way acquisition was anticipated, FHWA also required a public hearing be held upon completion of the environmental documentation.

Status: Five CIMs were held in the corridor on July 23, 24, 25, 26, and 30, 2007. A summary of the CIMs and the issues raised were presented to FHWA for consideration. While the CIMs tried to focus the public on environmental issues, only 26 of the 427 comments submitted addressed environmental issues. In addition, a lot of questions were submitted via e-mail on the project, which were then synthesized into 97 questions. Of these, only three related to environmental matters. In all, none of the environmentally-related comments or questions that were submitted raised any issues that were not already considered or being addressed as part of the development of the environmental documentation for the project. Accordingly, FHWA saw no cause to change its decision to prepare a CE based on the results of the CIM. Finally, public hearings will be held in early 2009.

2. FHWA required that an analysis be conducted to demonstrate that the proposed project would not have a significant impact on travel patterns, which is one of the regulatory requirements that must be met for a CE.

Status: An analysis has been conducted and is ongoing as part of the interchange justification report process that addresses the travel pattern issue. This analysis shows that the project will not have a significant impact on travel patterns but identified eight locations where there would be a negative impact on operations. At these locations, improvements are proposed and identified in the draft Interchange Justification Report to mitigate these negative impacts on operations. A final decision on these proposed improvements will be made by FHWA when the Interchange Justification Report is formally submitted by VDOT for review and approval. Generally speaking, the majority of proposed improvements involve geometric improvements, signalization, and the modification of ramps that do not normally have a significant impact on the environment. To the extent that these proposed improvements are not already considered within the existing scope of the project, a decision will be made when they are approved whether additional environmental analysis is needed to account for them in the project scope.

3. FHWA required that the consultant identify the design exceptions that would be needed to accommodate the project and initiate the process for seeking approval of those design exceptions prior to the completion of the NEPA process.

Status: Possible design exceptions have been identified, and the design exception process was initiated on a parallel track with the development of the environmental documentation. Many discussions, meetings, reviews and workshops have been held related to design exceptions, and VDOT and their general engineering consultant are conducting their final reviews before approval and submittal to FHWA. The supporting documentation for the CE for the current scope assumes that the design exceptions that appreciably affect the footprint and assessment of direct impact will be approved, which appears to be a reasonable assumption at this point in the project development process.

4. FHWA required that the consultant work with WashCOG to determine if the proposed project represented by the re-striping and shoulder reconstruction represented a regionally significant project subject to conformity.

Status: The project was added to the long range plans for both the Washington D.C. metropolitan area and the Fredericksburg region and subject to conformity. The project is currently in a conforming transportation improvement program and long range transportation plan for these two areas and is consistent with the scope and concept used to demonstrate conformity.

5. FHWA required that the consultant demonstrate that the proposed project represented by the re-striping and shoulder reconstruction did not point the proverbial loaded gun at the roadway network at either termini forcing additional improvements be made beyond the scope of our project. Should the project trigger additional problems needing resolution, the project would need to be designed accordingly to preclude them.

Status: This has been done with the documentation submitted by VDOT on December 18, 2008, which adequately demonstrates that the HOT Lanes project will not point the proverbial loaded gun at the transportation network at the northern end creating operational issues that worsen traffic conditions above and beyond what can be expected at these locations if the HOT Lanes project was not developed (i.e. No-Build condition) and thereby, requiring/triggering the need for additional improvements that are not already included in the scope of the project. At the southern end of the project, approximately nine miles of additional improvements have been added to the scope of the project to address this issue.

Prior to submitting the CE and supporting documentation to FHWA for review, VDOT received a handful of letters asking that they refrain from submitting the documentation to FHWA for approval pending the resolution of several concerns that were identified. These letters came from the Northern Virginia Transportation Commission, Potomac and Rappahannock Transportation Commission, and the Northern Virginia Transportation Authority. FHWA has reviewed these letters and determined that they do not raise any

environmental issues that would prevent FHWA from completing its review of the CE and the supporting documentation. The issues raised involve design, safety, enforcement, public outreach, operational, toll and revenue, commuter parking, etc. that are being addressed by the project sponsors. Should the resolution of these issues or concerns result in changes to the scope of the project, additional environmental analysis may be required.

There are a few specific environmental issues that are worth highlighting as well as the manner in which the issues were resolved.

A variety of air quality-related issues were addressed in the Air Quality Analysis Technical Report:

1. A quantitative mobile source air toxics (MSAT) analysis was prepared for six toxics which showed that there would be marginal increases in the production of MSAT pollutants between the No-Build and the Build alternatives on the affected network (less than two percent in 2030). However, this increase would be more than offset by the reduction in MSAT pollutant production predicted to occur when the Build alternative is compared to the existing year condition. Therefore, despite increases in traffic between 2006 and 2030, the overall MSAT emissions in the corridor are expected to decrease significantly during this period in the magnitude of 30% or more.
2. Regarding PM_{2.5}, the project is considered a project of air quality concern and a qualitative analysis was prepared which showed that the project would not cause or contribute to any new localized PM_{2.5} violations or increase the frequency or severity of any existing violations or delay timely attainment of the National Ambient Air Quality Standards for PM_{2.5}.
3. A micro-scale carbon monoxide (CO) analysis was prepared which demonstrated that the predicted one and eight-hour CO concentrations for the project would be well below the National Ambient Air Quality Standards for CO.
4. The project was subjected to the transportation air quality conformity requirements. In this regard, the project comes from the FY 2008-2013 TIP and 2007 CLRP for the Washington, D.C. Metropolitan Area found to conform with the Clean Air Act requirements for the 8-hour ozone standard and regional PM_{2.5} by FHWA and FTA on June 11, 2008. The project also comes from the FY 2007-2010 TIP and FY 2030 CLRP for the Fredericksburg region found to conform with the Clean Air Act requirements for the 8-hour ozone standard by FHWA and FTA on September 16, 2008.

Greenhouse gas emissions (as they relate to global climate change) were not addressed as part of the Air Quality Analysis. Climate change is inherently a global issue that is more appropriately addressed, minimally, at the regional level or even more appropriately at the state or national level by assessing the impact of transportation systems as opposed to individual projects. Further, climate change does not readily lend itself to an analysis at


the local level, and national standards have not been established. Relative to the scope of global climate change, any change in greenhouse gas levels as a result of the project are likely to be insignificant. The magnitude of the changes in climate caused by the project and any corresponding impacts on environmental resources would be too small to measure since current analytical tools are not sophisticated enough to accurately reflect minute differences. Attributing any environmental consequences to the differences in emissions or assessing how they contribute to impacts occurring around the world is not possible in any meaningful way. As a result, we cannot have confidence that the assessment of greenhouse gas emissions from the project will yield information that will be helpful to the public or relevant to project decision making.

A noise analysis was prepared for the project which determined that there are a total of 5,023 dwelling units exposed to noise impacts under the existing condition in the project corridor. Under the 2030 No-Build condition, 5,107 homes are predicted to be impacted. Under the 2030 Build condition, 5,225 homes will be exposed to noise impacts. In all cases, the noise impact is one where the FHWA Noise Abatement Criteria will be approached or exceeded. For the overwhelming majority of receptors, the difference in noise levels between the 2030 Build condition and the 2030 No-Build condition or the 2006 existing condition will be marginal (less than 3 dB(A)). In no instance will the noise impact be one of a substantial increase over existing noise levels. To address these noise impacts, noise barriers are being considered. It is estimated (based on a cost of \$45/sq. ft.) that approximately \$60 million worth of reasonable noise barriers can be constructed, which would protect 3,874 impacted receptors and benefit another 4,467 receptors not currently impacted. Further, approximately \$8.7 million worth of noise barriers will be needed to replace existing noise barriers. Finally, approximately \$8.5 million worth of barriers are under consideration to protect recreational land uses. These noise barrier estimates are considered preliminary at this point; a final decision on noise barriers will be made after additional design information is developed and reviewed by the joint FHWA-VDOT Noise Abatement Committee.

The project, including stormwater management measures, will impact approximately 5.5 acres of wetlands which includes impacts to forested, scrub-shrub, and emergent wetlands. The majority of these impacts will occur south of Dumfries Road where the project will construct new lanes within the existing undisturbed median, which is characterized primarily by vegetation and forested resources. North of Dumfries Road where the project consists of restriping the existing HOV lanes, wetland impacts are minimal and for the most part, limited to stream crossings and wetlands located in forested areas along the edge of the existing facility. Wetland impacts will be mitigated through the purchase of wetland and stream bank credits as well as the restoration and buffering of streams. A review of the joint permit application demonstrates that the project has avoided and minimized impacts to wetlands to the extent practicable given the scope of the project. For example, wetlands located in the median have been avoided where sufficient width exists in the median to accommodate both the proposed project and wetlands. Elsewhere, at stream and creek crossings, wetland impacts have been minimized by perpendicular crossings while avoidance is impractical since the crossings traverse the entire right-of-way. Therefore, in accordance with Executive Order 11990, *Protection of Wetlands*, it has been determined that there is no practicable alternative to the proposed construction in wetlands and that the proposed action includes all planning to minimize harm to wetlands which may result from such use as demonstrated by the joint permit application under review by the USACE.

There are no known archeological sites within the archeological area of potential effect that will be impacted by the project. Several previously recorded sites within the area of potential effect were reviewed in the field but most of them have been destroyed. Several new archeological deposits/sites were identified during the surveys for this project, but most of them are not considered eligible for the National Register. A handful of sites within the area of potential effect were determined to be potentially eligible, but these sites are outside the area of disturbance for the project and will be avoided. Therefore, additional work necessary to make a formal determination of eligibility is not needed. Six existing architectural resources were identified within the architectural area of potential effect (Fairlington Historic District, Marumsco Acres Subdivision, Cardinal Drive area, Van Buren Drive, Prince William Forest Park, and Aquia Church), and the Virginia State Historic Preservation Officer (SHPO) concurred with a conditional no adverse effect determination on August 5, 2008. Of particular interest to the SHPO is the design and placement of the noise barriers in the vicinity of Fairlington Historic District, a National Register of Historic Places-listed property. As a condition of the no adverse effect determination, VDOT will submit information to the SHPO on the location and design of sound barriers if they are included in the project to protect the Fairlington Historic District.

This CE is approved in accordance with 23 CFR 771.117(d). VDOT submitted documentation which demonstrates that the specific conditions or criteria for CEs are satisfied and that significant environmental effects will not result. Specifically, the project will not induce significant impacts to planned growth or land use for the area; do not require the relocation of significant numbers of people; do not have a significant impact on any natural, cultural, recreational, or historic or other resource; do not involve significant air, noise or water quality impacts; do not have significant impacts on travel patterns; or do not otherwise, either individually or cumulatively, have any significant environmental impacts. As with any CE and supporting documentation which is presented to the public at a public hearing following FHWA approval, FHWA's approval is contingent upon FHWA not receiving any comments that raise environmental issues not already considered or raise the prospect of significant environmental impacts.



Approving FHWA Official 1/9/09

Categorical Exclusion (CE)

Project Information

Project Name:	I-95/I-395 PPTA HOT Lanes	Federal Project#:	NH-095-2(487)
Project Number:	0095-96A-107, P101	Project Type:	Construction
UPC:	70849	Charge Number:	00070849, Activity 605
Route Number:	95	Route Type:	Interstate
Project Limit--From:	Eads St. Interchange - Arlington, VA	To:	Garrisonville Road Interchange - Stafford, VA
Additional Project Description:	Re-stripping existing two-lane HOV facility from Eads Street to 0.6 mi south of Rte. 234 interchange to three HOV/HOT Lanes; from Rt. 234 south to Rt. 610 Garrisonville exit, new HOV/HOT lanes construction in median. Flyovers and slip ramps will connect HOV/HOT lanes to existing general purpose lanes.		
District:	City/County:	Residency:	
Northern Virginia	Northern Virginia District Wid		

Date CE level document approved by VA Division FHWA: 08/31/2006

FHWA Contact: Sundra, Edward S

Project in STIP: Yes

In Long Range Plan? Yes

CE Category 23 CFR 771.117: d01

Description of Category: Modernization of a highway by resurfacing, restoration, rehabilitation, reconstruction, adding shoulders, or adding auxiliary lanes (e.g. parking, weaving, turning, climbing).

Logical Termini and Independent Utility: Yes

Comments: FHWA concurred with proj. issues of scope, logical termini & independent utility on Aug 31, 2006. FHWA identified 5 conditions to be met for approval of a CE: 1) Citizen Information Meetings, 2) traffic analysis without significant impact on travel patterns, 3) design exceptions identified & approval process initiated prior to completion of CE, 4) if proj. is regionally significant & include in conforming CLRP for construction, & 5) demonstrate proj. does not force additional improvements be made beyond scope of this project (if operational problems are identified, project must be designed to preclude them). Documentation addressing compliance with 5 conditions is provided with CE. Springfield Interchange Phase VIII which provides HOV connections between I-95/395/495 is under construction. No final decision has been made to convert Ph VIII HOV to HOT for continuous HOT Lane system. When oper. analyses are complete & decision is made, need for more env. documentation will be assessed

Typical Section: Eads St. to Shirlington Rotary - three 11' lanes with variable shoulders. Shirlington Rotary to Prince William Pwy. - 2.5' left shoulder-11'lane-12'lane-11'lane-10'right shoulder. Prince William Pwy. to Dumfries Rd. - three 12' lanes with 12' shoulders. Dumfries Rd. to Garrisonville Rd. - two 12' lanes with 12' shoulders.

Structures: New structures: Lorton Bus-rail Transfer Station Pedestrian Bridge; 7 General purpose lane-to-HOT Lanes/HOT-to-GP flyovers at various locations; new HOT Lanes bridges over Aquia, Chopawamsic Creeks, Russell Rd. & Joplin Road. Structures to be replaced: Telegraph Rd. over I-95; Franconia-Springfield Pedestrian Bridge.

SOCIO-ECONOMIC

Minority/Low Income Populations: Present with no impact **Disproportionate Impacts to Minority/Low Income Populations:** No
Source: I-95/I-395 HOV/Bus/HOT Lanes Project, Existing Conditions, March 2008
Existing or Planned Public Recreational Facilities: Present with no impact
Community Services: Present with no impact
Consistent with Local Land Use: Yes
Source: I-95/I-395 HOV/Bus/HOT Lanes Project, Existing Conditions, March 2008
Existing or Planned Bicycle/Pedestrian Facilities: Not Present
Source: I-95/I-395 HOV/Bus/HOT Lanes Project, Existing Conditions, March 2008
Socio-Economic Comments: Seventy-seven community facilities and services, primarily places of worship, and schools are within the project study corridor. Eleven emergency services facilities are present in the study corridor. No community service would be directly affected by the proposed project.
Twenty recreational facilities are in close proximity to the proposed project. Based on the most current design plans available, the proposed project will not impact any of the facilities.
No bicycle or pedestrian facilities are incorporated into the proposed interstate system project.

SECTION 4(f) and SECTION 6(f)

Use of 4(f) Property: No
Source: Section 4(f) Applicability Analysis, December 2007. Twenty-five 4(f) properties are in close proximity to the proposed project. Based on the most current design plans available, the proposed project will not require the use of any of the properties and a formal 4(f) evaluation will not be required.
6(f) Conversion: No **Acres of Conversion:**
4(f) and 6(f) Comments: No 6(f) property was identified in proximity to the proposed project.

CULTURAL RESOURCES

Section 106 Effect Determination: NO ADVERSE EFFECT
Name of Historic Property: Fairlington Historic District **DHR Concurrence date:** 08/05/2008
MOA Execution Date: None
Cultural Resource Comments: As a condition of VDHR's No Adverse Effect, it will be necessary to coordinate any Fairlington Historic District noise barrier plans with local governments and VDHR for review and consideration and provide any local government's comments to VDHR for consideration.

NATURAL RESOURCES

Waters of the U.S.: Present with impacts Compensatory Mitigation Required

Linear Feet of Impact: 10727

Federal Threatened or Endangered Species:

Bald Eagle (*Haliaeetus leucocephalus*)-Federal:LT-Present with no impact
Dwarf Wedgemussel (*Alasmodonta heterodon*)-Federal:LE-Present with impacts
Harperella (*Ptilimnium nodosum*)-Federal:LE-Present with no impact
Sensitive Joint-vetch (*Aeschynomene virginica*)-Federal:LT-Present with no impact
Small Whorled Pogonia (*Isotria medeoloides*)-Federal:LT-Present with no impact

T&E Review:

100 Year Floodplain: Present with no impact

Regulatory Floodway Zone: Not Present

Public Water Supplies: Not Present

Tidal Waters/Wetlands: Present with impacts

Wetlands: Present with impacts

Wetlands: Acres of Impact: 5.45

Wetland Type: Forested

Permits Required: Yes

Natural Resource Comments: According to the Virginia Department of Health, Office of Drinking Water, the Study Corridor contains no public drinking water supplies; no raw water intakes downstream, no treatment units, and no distribution system components. Responses to scoping letters from the DEQ did not contain reference to the groundwater mapping system, wellhead protection areas or groundwater recharge areas, however, according to the Virginia Department of Health, Office of Drinking Water, there are no groundwater sources in the Study Corridor that will be directly impacted by the proposed project. Locations of wetlands and streams within the project limits and their impacts are listed in the Summary of Impacts to Jurisdictional Wetlands and Other WOUS as an attachment to this CE. Demonstrated minimization of wetland and other WOUS impacts as well as required compensatory mitigation for unavoidable impacts will be coordinated with federal and state regulatory agencies during the permitting process.

AGRICULTURAL/OPEN SPACE

Open Space Easements: Not Present

Agricultural/Forestal Districts: Not Present

Source: I-95/I-395 HOV/Bus/HOT Lanes Project, Existing Conditions, March 2008

Agricultural/Open Space Comments: According to Virginia Department of Agriculture and Consumer Services, only Fairfax and Prince William counties have Agricultural and Forestal Districts. There are no agricultural or forestal districts in the Fairfax County or Prince William County portions of the Study Corridor.

FARMLAND

NRCS Form CPA-106 Attached? No

NRCS Form CPA-106 not attached because:

Land already in Urban use.

Entire project in area not zoned agriculture.

Alternatives Analysis Required? No

Source: I-95/I-395 HOV/Bus/HOT Lanes Project, Existing Conditions, March 2008

Farmland Comments: Soils data for Arlington, Fairfax, Prince William, and Stafford counties indicate that Prime Farmland soils are present in the Study Corridor. Soils categorized as prime farmland are present within the Study Corridor, however, the land is already converted or committed to urban development. It is not being actively farmed and no farmland would be affected.

INVASIVE SPECIES

Invasive Species in the project area? Yes

VDCR indicated that the potential exists for some VDOT projects to further the establishment of invasive species. All seeds used will be tested in accordance with the Virginia Seed Law to ensure there are not prohibited Noxious Weed-Seeds in the seed mixes.

Invasive Species Comments:

AIR QUALITY

Carbon Monoxide

This project is located in: A Carbon Monoxide Maintenance Area (Arlington and Alexandria Cos.)

CO Microscale Analysis Required for NEPA? Yes

- ✓ The design year 24-hour forecasted traffic exceeds the thresholds outlined in the VDOT's Memorandum of Understanding with FHWA dated August 4, 2004, and therefore a CO air quality analysis is required.

The portion of the project that lies outside of Alexandria city and Arlington county is located in a CO attainment area.

Ozone

This project is located in: An 8-hour Ozone Nonattainment Area

- ✓ This project is modeled properly for conformity in the 2007 LRP.

The majority of the project is located in the VA-DC-MD moderate 8-hour ozone nonattainment area, and was found to conform to TPB's FY 09-14 TIP and 2007 CLRP. The portion that lies in Stafford county is within the Fredericksburg 8-hour ozone maintenance area, and was found to conform to FAMPO's FY 07-10 TIP and 2030 CLRP.

Particulate Matter

This project is located in: A PM2.5 Nonattainment Area

- ✓ This project is modeled properly for conformity in the 2007 LRP.

PM Hotspot Analysis Required for NEPA? Yes

The portion of the project that lies within Stafford county is located within a fine particulate matter attainment area.

Mobile Source Air Toxics

This project requires: A quantitative MSAT analysis

- ✓ This project creates or adds significant capacity to urban highways such as interstates, urban arterials, or urban collector-distributor routes with traffic volumes where the AADT is projected to be in the range of 140,000 to 150,000, or greater, by the design year.
- ✓ This project is proposed to be located in proximity to populated areas in rural areas or in proximity to concentrations of vulnerable populations (i.e., schools, nursing homes, hospitals).

The I-95/395 HOV/Bus/HOT Lanes project was assessed for potential air quality impacts and conformity with all applicable air quality regulations and requirements. The models, methods, and assumptions used in this assessment, as well as the findings, are documented in a separate Air Quality Analysis. The Analysis evaluated the project's anticipated impact on carbon monoxide, fine particulate matter, mobile source air toxics (MSAT), and ozone concentrations and/or emissions in the vicinity of the project. The findings indicate that the project would meet all applicable air quality requirements of the National Environmental Policy Act (NEPA) and transportation conformity rule. As such, this project was not found to cause or contribute to a new violation, increase the frequency or severity of any violation, or delay timely attainment of national ambient air quality standards (NAAQS) as established by the US Environmental Protection Agency.

NOISE

Noise Scoping Decision: Type I - Noise study required

Barriers Under Consideration? Yes

Noise Comments: The potential noise impact for the I-95/395 HOT Lanes Project was assessed in accordance with FHWA and VDOT noise assessment guidelines. The FHWA guidelines are set forth in 23 CFR Part 772. VDOT's regulations are contained within the State Noise Abatement Policy, and are consistent with the FHWA guidelines. Under existing conditions, 5023 receptors are exposed to noise impact. In the 2030 No-build condition, 5107 receptors are predicted to be impacted; in the 2030 Build condition, 5225 receptors are predicted to be impacted. Parks and recreational areas were also predicted to be impacted. Noise abatement was evaluated wherever an impact was predicted. New cost-reasonable barriers would protect 3874 dwellings and benefit 4467; replacement barriers would protect 160 and benefit 298 receptors. Additional barriers would benefit recreational land use. See attached Noise Technical Report for details.

RIGHT OF WAY AND RELOCATIONS

Residential Relocations: No

Commercial Relocations: No

Non-Profit Relocations: No

Right of Way required? No

Septic Systems or Wells: Not Present

Hazardous Materials: Not Present

Source: I-95/I-395 HOV/Bus/HOT Lanes Project, Existing Conditions, March 2008

ROW and Relocations Comments: Minor amounts of temporary construction easements may be required along the project length for utility relocation, drainage, and construction access. No privately-owned structures are present within the right of way.

Six hazardous materials sites were identified within or adjacent to the existing right of way following searches of 31 Federal and 18 Commonwealth and local databases. All hazardous materials sites have been closed or remediated.

CUMULATIVE AND INDIRECT IMPACTS

Present or reasonably foreseeable future projects (highway and non-highway) in the area: Yes

Impact same resources as the proposed highway project (i.e. cumulative impacts): No

Indirect (Secondary) impacts: No

Source: VDOT Transportation Planning

Cumulative and Indirect Impacts Comments: Past actions (trans. proj & residential, comm, and gov. development) in the proj area have destroyed most of the historical env. resources; those remaining are degraded and fragmented. Resources will continue to be impacted by present and reasonably foreseeable actions, including extension of HOV/HOT lanes to Spotsylvania area to the south and a possible 14th St bridge across Potomac Rvr to the north. Other large-scale present and reasonably foreseeable actions include 4th-lane widening on I-95, extension of FFX Cnty Pkwy and development associated with BRAC at Fort Belvoir, and proposed residential/comm development such as Potomac Town Ctr and Woodstream. These will continue to reduce forested resources and may have added impacts on wetlands. However, the incremental impacts from this proposed proj on forested and wetland resources, when considered within the context of the cumulative impacts from past, present and reasonably foreseeable future actions, are not considered significant.

PUBLIC INVOLVEMENT

Substantial Controversy on Environmental Grounds: No

Source: Summary Report Citizen Information Meetings, July 23, 24, 25, 26, & 30, 2007.

Public Hearing: Yes **Type of Hearing:** Combined Hearing

Other Public Involvement Activities: Yes

Type of Public Involvement: Citizen Information Meetings in Alexandria, Arlington, Fairfax, Prince William, Stafford on July 23, 24, 25, 26, & 30, 2007.

Public Involvement Comments: The preponderance of comments from the CIM's regarded tolling, slugging, carpooling, safety issues and operation of electronic toll collection system. There were no new environmental issues raised other than those already identified as a result of the scoping process.

COORDINATION

State Agencies:

DEQ - Air Division
Department of Game and Inland Fisheries
Department of Forestry
Dept. of Mines, Minerals and Energy
Department of Health
Department of Conservation and Recreation
VA Marine Resources Commission
Department of Historic Resources
DEQ - Water Division
DEQ - Waste Division
Virginia Outdoors Foundation

Federal Agencies:

National Park Service
Environmental Protection Agency
NRCS
U.S. Army Corps of Engineers
U.S. Fish and Wildlife Service
US Dept. of Housing and Urban Dvlmnt.

Local Entity:

Stafford Parks and Recreation
Prince William County/City Planner
Stafford County/City Planner
Prince William Regional Park Authority
Northern Virginia District Regional Park Authority
Fairfax Regional Park Authority
Alexandria Parks and Recreation
Prince William Planning District
Dumfries Town/City Manager
Alexandria Economic Development Office
Arlington Economic Development Office
Fairfax Economic Development Office
Prince William Economic Development Office
Alexandria County Health Department
Fairfax County Health Department
Arlington Community Development
Fairfax County Administrator
Stafford County Administrator
Alexandria County/City Planner
Fairfax County/City Planner
Alexandria Housing Director
Alexandria Office of Transportation
Fairfax Office of Transportation
Prince William Office of Transportation
Stafford Parks and Recreation
Prince William Public Works
Dumfries Public Works
Fairfax Superintendent of Schools
Alexandria Town/City Manager
Arlington Town/City Manager
Fairfax Public Works
Arlington Parks and Recreation
Fairfax Parks and Recreation

Other Coordination Entities:

Northern Virginia Soil & Water Conservation Dist.
Northern Virginia Transportation Commission
Metropolitan Washington Area Transit Authority
Metropolitan Washington Council of Governments
Northern Virginia Planning District Commission
Northern Virginia Regional Commission

This project meets the criteria for a Categorical Exclusion pursuant to 40 CFR 1508.4 and 23 CFR 771.117 and will not result in significant impacts to the human or natural environment.

One-Way Passenger Trips on Transit Systems Serving Northern Virginia

	<u>July-Nov 2008</u>	<u>July-Nov2007</u>	<u>Percent Change</u>
Alexandria Transit (DASH)	1,756,027	1,708,856	3%
Alexandria - King Street Trolley	337,020	n/a	n/a
Arlington Transit (ART)	615,332	482,806	27%
City of Fairfax (CUE)	478,595	456,003	5%
Fairfax Connector	4,303,327	4,129,964	4%
Loudoun County Transit	382,798	312,435	23%
Virginia Regional Transit - Loudoun	239,716	186,816	28%
PRTC Omni Ride/Omni Link	1,279,255	1,172,813	9%
Virginia Railway Express	1,622,106	1,485,973	9%
WMATA Virginia Metrobus*	9,865,658	8,623,724	14%
WMATA Virginia Metrorail	43,309,893	41,571,999	4%
TOTAL	<u>64,189,727</u>	<u>60,131,389</u>	<u>7%</u>

Source: Northern Virginia transit systems compiled by NVTC.

FY 2008 Metrobus ridership data is being researched. FY 2009 data has been verified by WMATA.

One-Way Passenger Trips on Transit Systems Serving Northern Virginia

	July-05	July-07	Percent Change	August-08	August-07	Percent Change	September-08	September-07	Percent Change	October-08	October-07	Percent Change	November-08	November-07	Percent Change
Alexandria Transit (DASH)	378,270	349,068	8%	354,275	368,112	-4%	352,385	326,798	8%	370,349	354,126	5%	300,748	310,652	-3%
Alexandria - King Street Trolley	73,184	n/a	n/a	71,081	n/a	n/a	61,123	n/a	n/a	66,349	n/a	n/a	65,283	n/a	n/a
Arlington Transit (ART)	125,485	93,932	34%	125,813	100,017	26%	126,820	93,556	36%	129,220	100,810	28%	107,994	94,491	14%
City of Fairfax (CUE)	82,773	78,862	5%	95,762	92,597	3%	106,202	96,208	10%	108,233	102,144	6%	85,625	86,192	-1%
Fairfax Connector	948,821	807,863	17%	912,103	911,062	0%	780,225	767,643	2%	906,461	858,055	6%	755,717	785,341	-4%
Loudoun County Transit	80,497	60,409	33%	75,415	67,453	12%	80,589	59,165	36%	83,591	66,973	25%	62,706	58,435	7%
Virginia Regional Transit - Loudoun	47,378	35,070	35%	48,208	39,491	22%	48,542	36,987	31%	54,272	40,217	35%	41,316	35,051	18%
PRTC Omni Ride/Omnii Link	228,440	228,809	0%	273,974	255,617	7%	284,177	218,320	30%	255,965	248,846	3%	236,699	211,221	7%
Virginia Railway Express	338,591	292,043	16%	319,222	317,035	1%	340,516	275,476	24%	352,652	323,994	9%	271,125	277,425	-2%
WMATA Virginia Metrobus*	2,001,532	1,662,729	20%	1,997,314	1,919,441	4%	2,033,280	1,534,273	33%	2,126,256	2,304,593	-8%	1,725,905	1,586,708	9%
WMATA Virginia Metrorail	6,537,595	6,023,935	9%	5,803,505	5,648,328	3%	8,000,196	7,815,770	2%	9,100,427	8,749,351	4%	7,843,304	7,786,157	1%
TOTAL	10,842,566	9,632,720	13%	10,076,673	9,719,253	4%	12,214,055	11,224,196	9%	13,379,193	13,046,905	3%	11,497,022	11,241,673	2%

Source: Northern Virginia transit systems compiled by NVTC.
 FY 2008 Metrobus ridership data is being researched. FY 2009 data has been verified by WMATA.