



NVTC COMMISSION MEETING

THURSDAY, MARCH 5, 2009

NVTC CONFERENCE ROOM

8:00 PM

NOTE: A buffet supper will be provided for attendees.

AGENDA

1. Minutes of the NVTC Meeting of February 5, 2009.

Recommended Action: Approval.

2. VRE Items.

- A. Report from the VRE Operations Board and Chief Executive Officer--Information Item.
- B. Amendment to the Washington-Richmond Corridor Improvement Project MOU Between VRE, DRPT and CSXT--Action Item/Resolution #2123.

3. Legislative Items.

Staff will review with the commission completed actions of the General Assembly as well as the status of federal stimulus funds.

Recommended Action: Direct staff to prepare letters to the Governor, General Assembly delegation and members of Congress to follow up on issues requiring further legislative and executive action.



4. Metro Items.

- A. FY 2010 Budget Review
- B. Metro Matters Bonds
- C. General Manager's Board Reports
- D. Inauguration Day Performance

Discussion Item.

5. I-95/395 HOT Lanes Project.

Staff will review the status of the project and provide copies of relevant letters and resolutions addressing the impacts of the project.

Discussion Item.

6. Transit Ridership in Northern Virginia in FY 2009.

Staff will present results for the first seven months of the year.

Information Item.

7. Regional Transportation Items.

- A. Improving Land Use and Transportation Coordination.
- B. MWCOG/TPB 2007/2008 Household Travel Survey.
- C. Household Spending on Housing and Transportation in Northern Virginia Jurisdictions.
- D. Biomethane Buses.
- E. New Commuter Bus Service.

Information Item.

8. NVTC's 2009 Handbook.

Each year NVTC updates its handbook and posts it on its website. Excerpts are provided.

Information Item.

9. NVTC Financial Items for January, 2009.

Information Item.



AGENDA ITEM #1

MINUTES
NVTC COMMISSION MEETING – FEBRUARY 5, 2009
ROOM 3 EAST, GENERAL ASSEMBLY BUILDING
RICHMOND, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Zimmerman at 5:55 P.M.

Members Present

Sharon Bulova
Adam Ebbin
William D. Euille
Jay Fisette
John Foust
Corey Hill (alternate)
Mary Hynes
Jeffrey McKay
David F. Snyder
Christopher Zimmerman

Members Absent

David Albo
Charles Badger
Kelly Burk
Jeffrey Greenfield
Catherine Hudgins
Mark R. Herring
Pat Herrity
Joe May
Thomas Rust
Paul Smedberg
Mary Margaret Whipple

Staff Present

Kala Quintana
Rick Taube



Oath of Office for New Commissioner

Chairman Zimmerman administered the oath of office to John Foust, Supervisor from the Dranesville District of Fairfax County.

Minutes of the January 8, 2009 NVTC Meeting

Mr. Euille moved, with a second by Mrs. Hynes, to approve the minutes. The vote in favor was cast by commissioners Bulova, Ebbin, Euille, Fisette, Foust, Hill, Hynes, McKay, Snyder and Zimmerman.

FY 2010 State Transit Grant Applications

Mr. Taube asked the commission to approve Resolution #2122, which retroactively approved state aid applications submitted by NVTC staff to meet DRPT's February 2, 2009 deadline.

The eligible amounts requested on behalf of WMATA, local bus systems and VRE totaled \$260.6 million, but Mr. Taube noted that DRPT will have insufficient funding to provide the full amount requested, unless the General Assembly acts to fill the gap.

Mr. Euille moved approval of Resolution #2122 and Mrs. Bulova seconded. The unanimous vote in favor was cast by commissioners Bulova, Ebbin, Euille, Fisette, Foust, Hill, Hynes, McKay, Snyder and Zimmerman.

NVTC Financial Items for December, 2008

There were no comments or questions on the monthly report presented by Mr. Taube.

Legislative Items

The following three items were discussed jointly with the Northern Virginia Transportation Authority:

Metro Compact Amendments: Delegate Ebbin explained his HB 2596 to amend the WMATA Compact in order for Virginia to qualify for a share of \$1.5 billion of new federal funding for WMATA. His bill as introduced was identical to the version passed by the District of Columbia Council. However, a substitute was adopted in committee and is now on the House floor that is identical to Senator Whipple's SB 1511. Both bills currently do not contain a provision that would require federal funding as a condition for new federal Metro Board members. Delegate Ebbin mentioned that his bill may be amended in the Senate to restore it to its original form which would lead to a conference. Also, even if the bills are passed in their current form the Governor may ultimately choose to amend the bill to restore the restrictive provision regarding federal

board members, if necessary to conform to the compact amendments passed by D.C. and Maryland.

Chairman Zimmerman stated that the Virginia and Maryland DOT secretaries favor the clean version of the bills.

Delegate Ebbin left the meeting.

Budget Amendments 449 1h and 449 1s: Mr. Taube distributed a memorandum explaining the unintended consequences of these amendments. The objective of the amendments, supported by the Virginia Transit Association and NVTC, is to provide more operating assistance funds to transit operators relative to capital assistance. However, because Northern Virginia receives a higher proportion of capital assistance relative to operating than does the rest of the state, the method used in the budget amendment penalizes Northern Virginia. For example, in FY 2009 the loss would be \$2.1 million.

Mr. Taube went on to explain that even if the budget amendment does not pass, Northern Virginia was hurt in FY 2009 by DRPT's policy of funding Metro Matters and VRE primarily from the Mass Transit Fund with a much lower matching ratio than received by projects funded by bonds. His memorandum offered proposed language to address both issues.

He went on to report that VTA's Executive Director, Linda McMinimy, has already spoken with the patrons and obtained their agreement to revise the amendments to incorporate the language in the memo addressing the first issue-- the loss of revenue due to the shift of capital to operating within the MTF. The new language would provide flexibility for each transit system, after it receives its state grant for FY 2010, to ask DRPT for permission to shift some capital funding to operations. This would eliminate the adverse redistributive effect in the original language.

Because the problem appears to be solved, no action was requested.

Changes to NVTC/PRTC Motor Fuels Tax: Mr. Taube distributed a memorandum describing SB 1532, Senator Saslaw's bill that would apply a 2.1% tax on sales within NVTC and PRTC of motor fuels by distributors while eliminating the current 2% tax on retail sales of gasoline. Mr. Taube pointed out that the fiscal impact statement for the bill predicts a net revenue gain for the commission due to the higher rate and the patron is reported to believe that improved compliance would also yield increased revenues.

Mr. Taube went on to point out that the predicted revenue effect depends crucially on the assumed retail markup, which varies by firm and for which no hard evidence exists. If the fiscal impact statement assumed an average markup of 8% instead of 4%, then the commissions would lose \$1.7 million annually instead of gaining \$400,000. Published references support retail markups of almost 10% and retail stations currently for sale in Fairfax County report margins of 8% or higher.

In light of this uncertainty but with due deference to the patron's expertise in this industry, Mr. Fisetto moved that the commission approve the staff recommendation to work with the patron of the bill to refine it to guarantee at least as much revenue under the new approach as would occur under the current approach. To accomplish this, at a minimum the new tax rate should be higher than 2.1%. Mr. Snyder seconded the motion. It was adopted unanimously with affirmative votes from commissioners Bulova, Euille, Fisetto, Foust, Hill, Hynes, McKay, Snyder and Zimmerman.

Members of the Northern Virginia Transportation Authority were participating in the legislative discussion. Ms. Pandak made an identical motion, seconded by Mr. Maller. That motion also passed unanimously for NVTA.

NVTA and NVTC members went on to discuss several additional legislative issues, led by Mr. Biesiadny. Mrs. Hynes distributed copies of a January 27, 2009 resolution adopted by the Arlington County Board regarding the I-95/395 HOT lanes project. It concludes that the Categorical Exclusion to NEPA granted by FHWA was improperly approved. The resolution withholds the support of Arlington County for the project until the county's questions and concerns are adequately addressed. Mr. Nohe reminded the group of several actions taken by the Prince William County Board of Supervisors to express disapproval of portions of the project.

Ms. Pandak mentioned an idea she heard expressed that NVTA should use stimulus funds to take over the I-95/395 HOT lanes project so it could be more responsive to local needs.

Mr. Snyder mentioned that TPB can begin to play a more active role in influencing stimulus project decisions if Northern Virginia believes the commonwealth is making unwise project choices.

Mr. Snyder also suggested NVTC should commend WMATA and local transit systems for excellent performance on Inauguration Day.

Adjournment

Chairman Zimmerman adjourned the NVTC meeting at 6:55 P.M.

Approved this 5th day of March, 2009.

Christopher Zimmerman
Chairman

William Euille
Secretary-Treasurer



AGENDA ITEM #2

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube
DATE: February 26, 2009
SUBJECT: VRE Items

- A. Report from the VRE Operations Board and VRE's Chief Executive Officer – Information Item.
- B. Amendment to the Washington-Richmond Corridor Improvement Project MOU Between VRE, DRPT, and CSXT--Action Item/Resolution #2123.



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Report from the VRE Operations Board

Attached for your information are minutes from the VRE Operations Board meetings of January 23, 2009 and February 20, 2009. Also provided is the monthly report of VRE's Chief Executive Officer, together with reports on ridership and on-time performance.

The VRE Operations Board has elected new officers for 2009, as follows:

Chairman: Chris Zimmerman
Vice-Chairman: Paul Milde
Treasurer: Wally Covington
Secretary: Sharon Bulova



CHIEF EXECUTIVE OFFICER'S REPORT

January 2009

MONTHLY DELAY SUMMARY

	September	October	November	December
System wide				
Total delays	55	93	99	75
Average length of delay (mins.)	13	19	16	14
Number over 30 minutes	2	11	7	3
Days with Heat Restrictions/Total days	0/21	0/22	0/17	0/19
On-Time Performance	90.9%	85.4%	80.6%	86.5%
Fredericksburg Line				
Total delays	29	50	60	47
Average length of delay (mins.)	16	19	15	15
Number over 30 minutes	2	8	3	2
On-Time Performance	89.4%	82.5%	73.8%	81.4%
Manassas Line				
Total delays	26	43	39	28
Average length of delay (mins.)	11	18	17	14
Number over 30 minutes	2	3	4	1
On-Time Performance	92.3%	87.8%	86.1%	90.8%

SYSTEM RIDERSHIP

December is usually our lowest ridership month of the year. The total number of December trips in 2008 was 15.6% higher than in December 2007. The first half of the fiscal year had a 10.9% higher ridership in FY 2009 than the same period in FY 2008. In the last six months, we had nearly 2 million passenger trips, with 1,919,462 trips taken between July and December 2008.

SYSTEM ON TIME PERFORMANCE

System wide on-time performance (OTP) was 86.5% in December (up nearly 7% from November), with an OTP of 81.4% on the Fredericksburg Line and 90.8% on the Manassas Line. 30% of the delays were attributed to slow orders/restricted speeds or signal issues. Only 7% of the delays were related to mechanical issues. The Manassas line had 8 days in December with 100% on-time performance and the Fredericksburg Line also had 8 days with 100% on-time performance, with 5 days of combined 100% on-time performance.

INAUGURATION DAY

VRE operated a full train schedule on Inauguration Day, January 20, 2009. Information on schedule and ticket purchasing was posted on VRE's website on December 12, 2008. Tickets went on sale on December 16, 2008. Reserved round-trip tickets were sold for \$25.00 each. By

the week prior to the Inauguration, all trains sold out with the Fredericksburg Line selling out first. VRE staff, local law enforcement, VIPR teams and railroad SWAT teams were at the stations on the day of the event.

VRE SAFETY AND SECURITY

Over the past several 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 were performed 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 reflected the new prices as of January 5, 2009.

LOCOMOTIVE PROCUREMENT

The kick off meeting with Motive Power is scheduled for January 28th when the production schedule for the first 5 locomotives will be established. These locomotives will be Tier-2 and will be delivered to VRE by December 2010. Locomotives delivered after January 2012 must be Tier-3.

MONTHLY PERFORMANCE MEASURES – DECEMBER 2008

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
December Fredericksburg OTP Average	81.4%
December Manassas OTP Average	90.8%
VRE DECEMBER OVERALL OTP AVERAGE	86.5%

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2009 Passenger Totals	1,919,462
VRE FY 2008 Passenger Totals	1,731,041
PERCENTAGE CHANGE	10.9%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
DECEMBER 2008	297,356
DECEMBER 2007	245,068
PERCENTAGE CHANGE	15.6% NORMALIZED
SERVICE DAYS (CURRENT/PRIOR)	21 / 20



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA JANUARY 23, 2009

VIRGINIA RAILWAY EXPRESS

BOARD MEMBERS

CHRIS ZIMMERMAN
CHAIRMAN

PAUL MILDE
VICE-CHAIRMAN

WALLY COVINGTON
TREASURER

SHARON BULOVA
SECRETARY

MAUREEN CADDIGAN
PATRICK HERRITY
JOHN JENKINS
MATTHEW KELLY
SUHAS NADDONI
KEVIN PAGE
GEORGE SCHWARTZ
PAUL SMEDBERG
JONATHAN WAY

ALTERNATES

MARC AVENI
CHARLES BADGER
BRAD ELLIS
JAY FISETTE
FRANK JONES
TIMOTHY LOVAIN
MICHAEL MAY
JEFF McKAY
MARTIN NOHE
BRYAN POLK
JOHN STIRRUP

DALE ZEHNER
CHIEF EXECUTIVE
OFFICER

1500 King Street, Suite 202
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
Paul Milde (PRTC)	Stafford County
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
Matthew Kelly (PRTC)	City of Fredericksburg
Suhas Naddoni (PRTC)	City of Manassas Park

ALTERNATES PRESENT	JURISDICTION
Charles Badger	DRPT

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Brad Ellis	City of Fredericksburg
Jay Fiset (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
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

STAFF AND GENERAL PUBLIC	
George Billmyer – citizen	Betsie Massie – PRTC staff
John Duque – VRE	Sirel Mouchantaf – VRE
Anna Gotthardt – VRE	Peyton Onks – Sup. Herrity's office
Al Harf – PRTC staff	Dick Peacock – citizen
Ann King – VRE	Lynn Rivers – Arlington County
Mike Lake – Fairfax County	Mark Roeber – VRE
Bob Leibbrandt – Prince William County	Mike Schaller – citizen
Steve Maclsaac – VRE counsel	Jennifer Straub – VRE
April Maguigad – VRE	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 9:35 A.M. Following the Pledge of Allegiance, roll call was taken.

Remarks from Outgoing Chairman and Installation of New Officers – 2

Chairman Jenkins expressed his appreciation for being given the opportunity to serve as Chairman in 2008. He is very proud to have served as VRE Chairman for two different terms. This past year, VRE had a remarkable year with record breaking ridership, hitting 17,000 daily passenger trips several times. For Inauguration Day, VRE was sold out, averaging 16,000 people being transported to and from the Inauguration without incident. He thanked staff for their hard work. He recognized Ann King, Jennifer Straub, April Maguigad and Mark Roeber for their assistance throughout the year helping make his job as Chairman easier.

Chairman Jenkins stated that he previously appointed a Nominating Committee consisting of Board Members Caddigan and Bulova. He asked Ms. Caddigan to provide the Nominating Committee report. Ms. Caddigan stated that the Committee recommends the following slate of officers for 2009:

Chairman: Chris Zimmerman
Vice-Chairman: Paul Milde
Treasurer: Wally Covington
Secretary: Sharon Bulova

There were no other nominations. Chairman Jenkins declared the nominations closed. Ms. Bulova moved, with a second by Ms. Caddigan, to approve the slate of officers. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Milde, Page, Smedberg, Way and Zimmerman.

Mr. Jenkins passed the gavel to newly elected Chairman Zimmerman. Chairman Zimmerman presented a gift of appreciation to Mr. Jenkins for his service as chairman during 2008.

[Mr. Schwartz arrived at 9:43 A.M.]

Approval of the Agenda – 4

Ms. Bulova moved, with a second by Mr. Smedberg, to approve the agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Minutes of the December 19, 2008, VRE Operations Board Meeting – 5

Ms. Bulova moved, with a second by Ms. Caddigan, to approve the minutes. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Page, Schwartz, Smedberg, Way and Zimmerman. Mr. Milde abstained.

New Chairman's Comments – 6

Chairman Zimmerman stated that it is an honor to serve as the Chairman of the VRE Operations Board. VRE had a remarkable year last year and one of the most successful years in VRE's history. VRE sustained ridership even when gas prices fell, which is an indication of the tremendous improvements VRE has made in its quality of service. At the same time, VRE, as well as local governments, are faced with a very difficult time with the current economic crisis. Following transit's most successful day in this region (Inauguration Day), as well as a great year overall for transit ridership in 2008, the transit industry is facing issues such as energy independence, global warming, traffic congestion, and air pollution. People need to use transit more and more as these issues are addressed. However, because of the budget crisis, transit agencies are having to make severe budget cuts, which could impact service. WMATA is scheduled to cut almost 900 jobs. VRE has had to have three fare increases in the last 18 months. Chairman Zimmerman expressed his concern that the federal answer of a stimulus package will not fully address these issues. Hopefully, VRE should receive some funds to purchase locomotives from the stimulus package, but there does not seem to be any federal understanding that the transit industry needs to maintain its services, not just receive funding for capital projects. He stated that the real challenge will be to maintain VRE's service and the reputation that it has earned.

Chief Executive Officer's Report – 7

Mr. Zehner gave an overview of VRE service on Inauguration Day. It was a good day for transit and for VRE. He provided a detailed description of how many people were involved to make VRE's service a success on January 20th. Eighty percent of the VRE passengers were not regular riders. The crowds were large, but they were orderly and patient. In the afternoon, many of the people wanted to leave early because of the cold weather. VRE moved a lot of people out of town quickly by packing the trains. CSX and Norfolk Southern railroads were extremely helpful and held back freight trains. Union Station was so crowded that the Fire Marshall shut it down and limited the number of people who could enter at one time. VRE turned back two trains to Union Station to pick up VRE passengers who got caught in the crowds and missed their trains. In response to a question from Mr. Covington, Mr. Zehner stated that the \$25 ticket revenues covered VRE's costs for the day. In response to a question from Chairman Zimmerman, Mr. Zehner stated that VRE sold about 9,000 round-trip tickets, but only approximately 8,000 tickets were used.

Mr. Zehner reported that ridership is up 15 percent higher than last December of 2007. Year-to-date, VRE ridership is up 11 percent. On-time performance was 92 percent on the Fredericksburg line and 94 percent on the Manassas line.

VRE Riders' and Public Comment – 8

George Billmyer stated that VRE needs a better funding base because it cannot operate the service that passengers want now. One success story is in Los Angeles, where a sales tax was passed by ballot that will bring in \$40 billion for transit over the next 30 years. The high speed rail line from Richmond is another initiative underway.

Dick Peacock stated that he agrees with Mr. Billmyer's comments. He stated that the Commonwealth needs to raise the gasoline sales tax, which has not been raised in 22 years. Fuel prices are down and people should have more money to cover the tax increase. Property taxes are also down. He thanked Mr. Zehner and his staff for providing great service on Inauguration Day. Out-of-town visitors had a good experience on VRE. When they have a good experience, they are encouraged to come back as tourists, which will increase revenues because they will spend money in the region. Chairman Zimmerman agreed that the gasoline tax should be increased.

Authorization to Amend the Contract for Warehouse Management – 9A

Mr. Zehner reported that the VRE Operations Board is being asked to authorize him to amend the contract with RailPlan International, Inc., for the management of the VRE warehouse in Manassas, Virginia, by extending the contract through June 30, 2010 in an amount not to exceed \$402,000. Resolution #9A-01-2009 would accomplish this.

Mr. Zehner explained the rationale for extending the contract. The second and final option year of the RailPlan contract expires in April of 2009. VRE intends to award a new Operations and Maintenance contract to become effective on July 1, 2010, which includes management of the VRE warehouse. After consultation with VRE counsel, it was determined that the limited duration of this contract, coupled with the extensive costs incurred by a new firm to train and mobilize, would make it cost prohibitive for a new proposer to successfully submit a proposal. In addition, if the option to advertise a wholly new RFP for these services for 14 months were pursued, a new warehouse management firm is estimated to require two months to become fully and reliably trained in the use of the warehouse inventory control software system. As such, it was concluded that the existing firm would have an unfair advantage over new proposers. Therefore, it was determined that the existing contract be extended.

Ms. Caddigan moved, with a second by Mr. Smedberg, to approve Resolution #9A-01-2009. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herry, Jenkins, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Award a Contract for Septic Tank Plumbing of VRE Fleet – 9B

Mr. Zehner stated that Resolution #9B-01-2009 authorizes the CEO to enter into a contract with Don's Johns, Inc., of Chantilly, Virginia, for septic tank pumping services for the VRE fleet in the amount of \$238,000 over a three year period. Following a competitive procurement process, VRE received only one proposal, but it exceeded the budget for these services. The solicitation was cancelled and a second RFP was posted on November 25, 2008, with proposals due on January 5, 2009. One proposal was received that was less than the bids received during the first solicitation. Following review, a recommendation is being made to award the contract to Don's Johns. The term of the contract would be for one year, with options for two additional years, exercised at the discretion of the CEO.

Mr. Milde moved, with a second by Mr. Covington, 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.

Closed Session – 10A

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

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (7) of the Code of Virginia), the VRE Operations Board authorizes a Closed Session for the purpose of discussing legal matters concerning an amendment to the Washington-Richmond Corridor Improvement Project MOU between VRE, DRPT and CSX.

The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

The Board entered into Closed Session at 10:05 A.M. and returned to Open Session at 11:03 A.M.

Chairman Zimmerman moved, with a second by Ms. Bulova, the following certification:

The VRE Operations Board 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 Chapter 37, Title 2.2 of the Code of Virginia were 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 Board Members Caddigan, Covington, Jenkins, Kelly, Milde, Page, Schwartz, Way and Zimmerman.

In response to a question from Ms. Bulova, Mr. Zehner stated that VRE has requested stimulus funding for \$60 million for VRE locomotive acquisition. It has been estimated that the federal government is considering \$17 million for VRE locomotives, which would pay for four more locomotives. The Commonwealth of Virginia may request funds for rail improvement projects along the CSX corridor, including the Cherry Hill Station.

Washington-Richmond Corridor – 10A

Mr. Page announced that a milestone has been reached where the last two Washington-Richmond Corridor improvement projects will be completed in 2009. The Commonwealth has proposed for this calendar year to provide demonstrations on two very important corridors, which will positively impact VRE. Two intercity passenger rail demonstrations will be initiated, one from Richmond and one from Lynchburg to Washington, D.C. The first challenge is an amendment to the MOU with the two Commissions. He stated that it is very important for the VRE Operations Board to at least move it forward to the Commissions for them to review and take action at their February meetings.

Mr. Page stated that time is of the essence. The Commonwealth plans to make modifications to the Richmond and Lynchburg train stations; complete the rehabilitation of two eight-car train sets and two locomotives; and complete all the negotiations with the railroads and Amtrak. It is understood that VRE and the Commissions may have some concerns that will need to be addressed. In conclusion, he asked that the Board take action to at least forward this MOU to the Commissions.

Mr. Badger stated that this is a very important project to the Commonwealth. This request is exceptional because of the limited time this project has been presented to the Board and the need for quick action. Chairman Zimmerman sympathized with the time crunch, but he observed that it does not seem possible that it could be presented and action taken by the Commissions at their February meetings. The Operations Board does not have anything to pass along because negotiations are ongoing. Secondly, the February time frame does not work for NVTC since they are having an abbreviated meeting down in Richmond, which would not allow enough time to discuss the issue. March is the earliest time the Commissions could be expected to consider it. Chairman Zimmerman stated that it is his opinion that the Commissions will expect the VRE Operations Board to fully review the MOU before the Commissions are asked to act on it. Mr. Badger stated that he appreciates the Chairman's comments. He stated that the process has been a moving target where an agreement seems to be reached and then an issue arises that needs to be negotiated.

Chairman Zimmerman stated that the Commonwealth's plan and goals are good for the future of transportation across the state. However, there is a concern that before implementing any demonstration project, it is important to make sure that it will not

detract or damage existing rail service. Mr. Badger stated that the Commonwealth fully understands these concerns and will not push forward anything that would damage VRE service.

In response to a question from Mr. Schwartz, Mr. Page stated that an official name of the rail service has not been determined yet. It is now referred to as the "Richmond to Washington" and the "Lynchburg to Washington" service. Chairman Zimmerman stated that an issue is how the service would be branded or presented to the public. He asked if it would be essentially a component of Amtrak service? Mr. Badger explained that it is going to be a state sponsored Amtrak train. When passengers board a train in Lynchburg or Richmond, they can travel farther than Washington, D.C., since Amtrak runs service further north, such as New York City.

Mr. Schwartz asked if there is any plan to have a unified statewide rail service in the future, under one brand and one logo. Mr. Badger stated that this could be looked at in the future. Mr. Page stated that specific corridors are being identified for service and the branding of the service will occur as the project moves forward.

[Mr. Milde left the meeting at 11:16 A.M.]

Adjournment

Chairman Zimmerman announced that the next meeting is scheduled for February 20, 2009. Without objection, Chairman Zimmerman adjourned the meeting at 11:18 A.M.

Approved this 20th day of February, 2009.

Christopher Zimmerman
Chairman

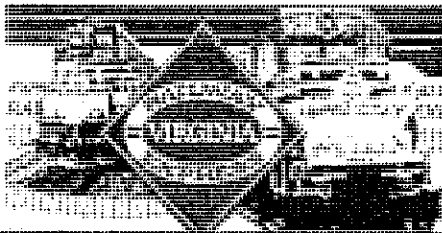
Sharon Bulova
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the January 23, 2009 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilcrest

Rhonda Gilcrest



CHIEF EXECUTIVE OFFICER'S REPORT

February 2009

MONTHLY DELAY SUMMARY

	October	November	December	January
System wide				
Total delays	93	99	75	39
Average length of delay (mins.)	19	16	14	21
Number over 30 minutes	11	7	3	7
Days with Heat Restrictions/Total days	0/22	0/17	0/19	0/18
On-Time Performance	85.4%	80.6%	86.5%	93.1%
Fredericksburg Line				
Total delays	50	60	47	21
Average length of delay (mins.)	19	15	15	22
Number over 30 minutes	8	3	2	4
On-Time Performance	82.5%	73.8%	81.4%	91.8%
Manassas Line				
Total delays	43	39	28	18
Average length of delay (mins.)	18	17	14	21
Number over 30 minutes	3	4	1	3
On-Time Performance	87.8%	86.1%	90.8%	94.2%

SYSTEM RIDERSHIP

The total number of January trips in 2009 was 8.4% higher than in January 2008. The year to date gain through January in ridership was 8.1%. This annualized gain in ridership is less than we experienced in December (10.9%) and November (9.1%). Because passengers were able to buy ten-trip tickets before the fare increase went into effect, we expect to have more information next month on the impact of the January fare increase on overall ridership.

SYSTEM ON TIME PERFORMANCE

VRE implemented a schedule change on the Fredericksburg Line on Monday, January 5, 2009. The schedule change was the result of a systematic study of past performance. Most trains had changes to the intermediate stations as well as their final destination, with most having between 1 and 6 minutes added to the schedule. All trains kept their original departure times.

Our goal is to sustain on-time performance above 90% on both rail lines. We achieved the goal in January and February on-time is tending to be above 90%. In addition, in March we are planning to do a systematic study of on-time performance on the Manassas Line with the goal to make any schedule adjustments in the April time frame.

COMMEMORATIVE INAUGURATION TICKETS AVAILABLE FOR SALE

Last month, VRE began selling the remaining Commemorative inauguration tickets. We have 26 unique tickets with train numbers available for sale, either individually or as a full set for collectors. We are selling single tickets for \$5 and a full set for \$100. As of last week, we sold \$450.00 worth of the Commemorative tickets. Information and the order form are available on our web site.

EQUIPMENT UPDATE

The 10-car Sumitomo order (to replace the Kawasaki cars) is actively underway. The stainless steel for the cars will arrive at the assembly plant in Japan this month and we will receive the cars in two shipments of 5-cars each in February and March of 2010.

NEW LOCOMOTIVE UPDATE

During the first week of February, VRE staff traveled to the manufacturing plant for Motive Power Inc. (MPI), in Boise, Idaho for a plant inspection and kick-off meeting for the five new locomotives. The manufacturing system is very impressive and is used as a training facility for equipment maintenance staff. The production process for VRE's five locomotives begins in July of this year, with the fabrication of frames, and continues until October 2010, when VRE takes delivery of all five. The kick-off meeting resulted in plans for several of the MPI staff to visit VRE in order to familiarize themselves with our operation and needs.

WOODBIDGE STATION EXPANSION

Work is underway to construct a second platform at the VRE Woodbridge Station. This project will design and construct a 600 ft long second platform with a canopy along the west side of the station. The new platform will be connected to the existing parking garage via a 142 ft long overhead pedestrian bridge. A new stair and elevator tower will allow commuters to access the new platform directly from Route 1 via a kiss and ride entrance, which will be constructed at a later date. The second platform is scheduled for completion this summer with a budget of \$6.7 million.

MONTHLY PERFORMANCE MEASURES – JANUARY 2009

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
January Fredericksburg OTP Average	91.8%
January Manassas OTP Average	94.2%
VRE JANUARY OVERALL OTP AVERAGE	93.1%

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2009 Passenger Totals	2,214,593
VRE FY 2008 Passenger Totals	2,048,687
PERCENTAGE CHANGE	8.1%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
JANUARY 2009	295,131
JANUARY 2008	317,646
PERCENTAGE CHANGE	8.4% NORMALIZED
SERVICE DAYS (CURRENT/PRIOR)	18 / 21

Monthly Ridership and OTP: January 2009

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*	1,120	1,128	2,248	100%	1,618	1,268	2,886	100%	5,134	100%
3										
4										
5	3,958	3,982	7,940	100%	4,314	4,732	9,046	100%	16,986	100%
6	4,187	4,166	8,353	100%	4,433	4,965	9,398	100%	17,751	100%
7	3,932	4,231	8,163	88%	4,325	4,939	9,264	92%	17,427	90%
8	3,950	4,077	8,027	94%	4,541	4,653	9,194	85%	17,221	90%
9	3,496	3,247	6,743	88%	3,802	3,812	7,614	92%	14,357	90%
10										
11										
12	3,835	4,016	7,851	94%	4,040	4,372	8,412	92%	16,263	93%
13	4,053	3,984	8,037	100%	4,231	4,671	8,902	85%	16,939	93%
14	4,108	4,056	8,164	88%	4,510	4,761	9,271	92%	17,435	90%
15	3,907	3,798	7,705	100%	4,543	4,913	9,456	69%	17,161	88%
16	3,241	3,318	6,559	94%	3,825	3,539	7,364	100%	13,923	97%
17										
18										
19										
20										
21	3,720	3,756	7,476	100%	4,006	4,178	8,186	92%	15,662	97%
22	4,068	4,053	8,121	94%	4,209	4,191	8,400	85%	16,521	90%
23	3,493	3,498	6,991	100%	3,887	3,954	7,841	100%	14,832	100%
24										
25										
26	3,808	3,835	7,643	88%	4,005	4,299	8,304	85%	15,947	86%
27	4,003	4,064	8,067	81%	4,526	4,734	9,260	92%	17,327	86%
28	2,737	2,658	5,395	100%	2,992	3,485	6,477	100%	11,872	100%
29	3,995	3,776	7,771	94%	4,331	4,547	8,878	100%	16,649	97%
30	3,438	3,478	6,916	100%	3,981	3,730	7,711	77%	14,627	90%
31										
	69,049	69,121	138,170	95%	76,121	79,743	155,864	91%	294,034	93%
	Adjusted total:		136,978		Adjusted Total:		153,019	Adjusted Total:	289,997	
	# of Service Days:		18		Total Trips This Month:		295,131	Adjusted Total:	289,997	
	Manassas Daily Avg. Trips:		7,272	Adjusted Avg.: 7610	Prior Total FY-2009:		1,919,462			
	Fred'burg Daily Avg. Trips:		8,203	Adjusted Avg.: 8501	Total Trips FY-2009:		2,214,593			
	Total Avg. Daily Trips:		15,475	Adjusted Avg.: 16,111	Total Prior Years:		40,598,336			
					Grand Total:		42,812,929			

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

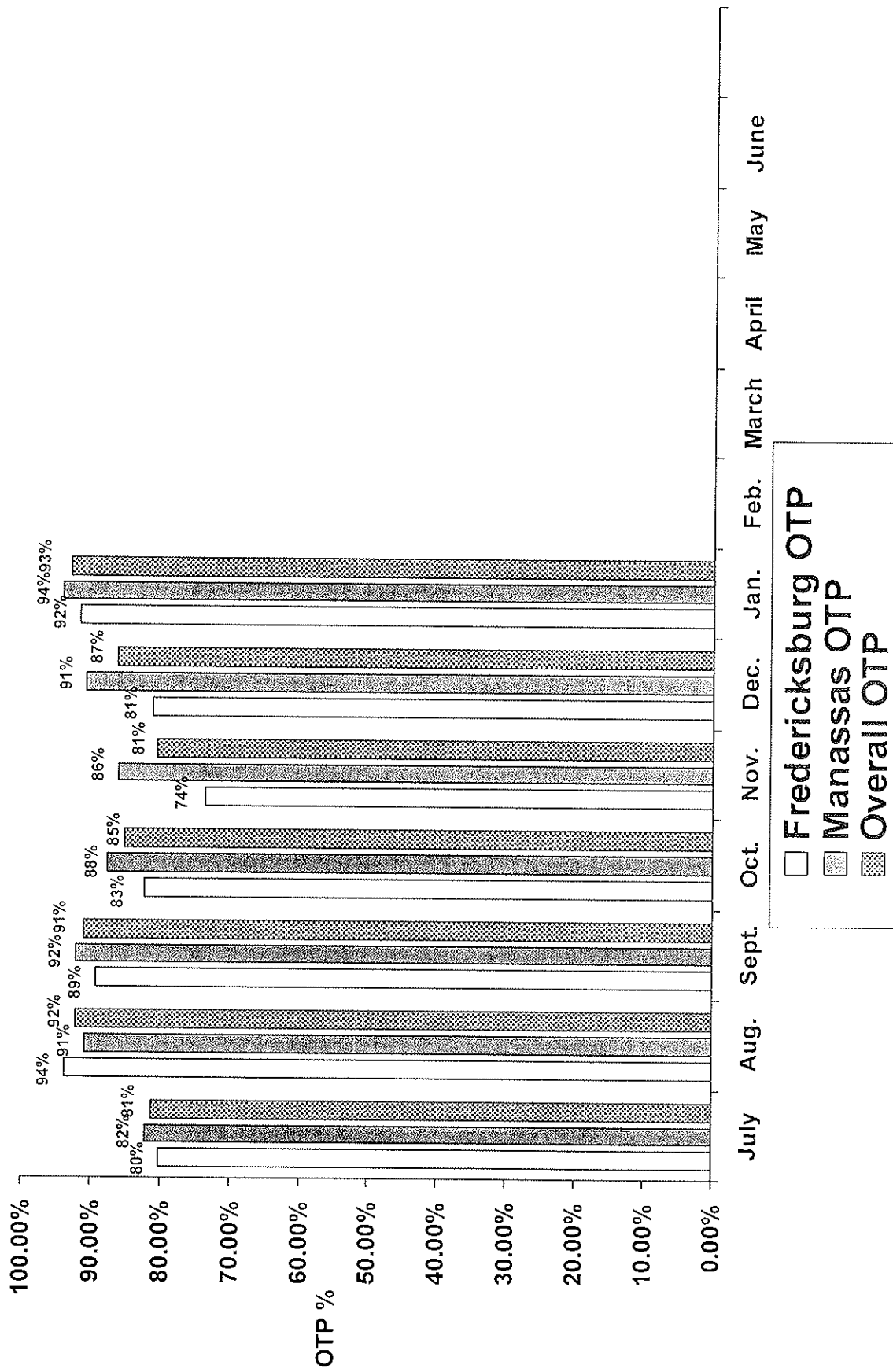
Current Month	MANASSAS			FREDERICKSBURG		
	Avg Daily FY2008	Avg Daily FY2009	% change	Avg Daily FY2008	Avg Daily FY2009	% change
July	6513	7003	7.52%	7393	8388	13.46%
August	6405	6885	7.49%	7379	8316	12.70%
September	6847	7495	9.46%	7652	8720	13.96%
October	6973	7491	7.43%	7754	8538	10.11%
November	6894	7330	6.32%	7707	8439	9.50%
December	6081	7158	17.71%	7235	8584	18.65%
January	6978	7610	9.06%	8148	8501	4.33%
February	6842			8018		
March	6812			8050		
April	6988			8324		
May	6832			8094		
June	7123			8504		
Average growth			9.29%			11.81%
						10.62%
						10.68%
						10.28%
						11.84%
						8.84%
						8.00%
						18.22%
						6.51%
						0
						0
						0
						0
						0

*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.

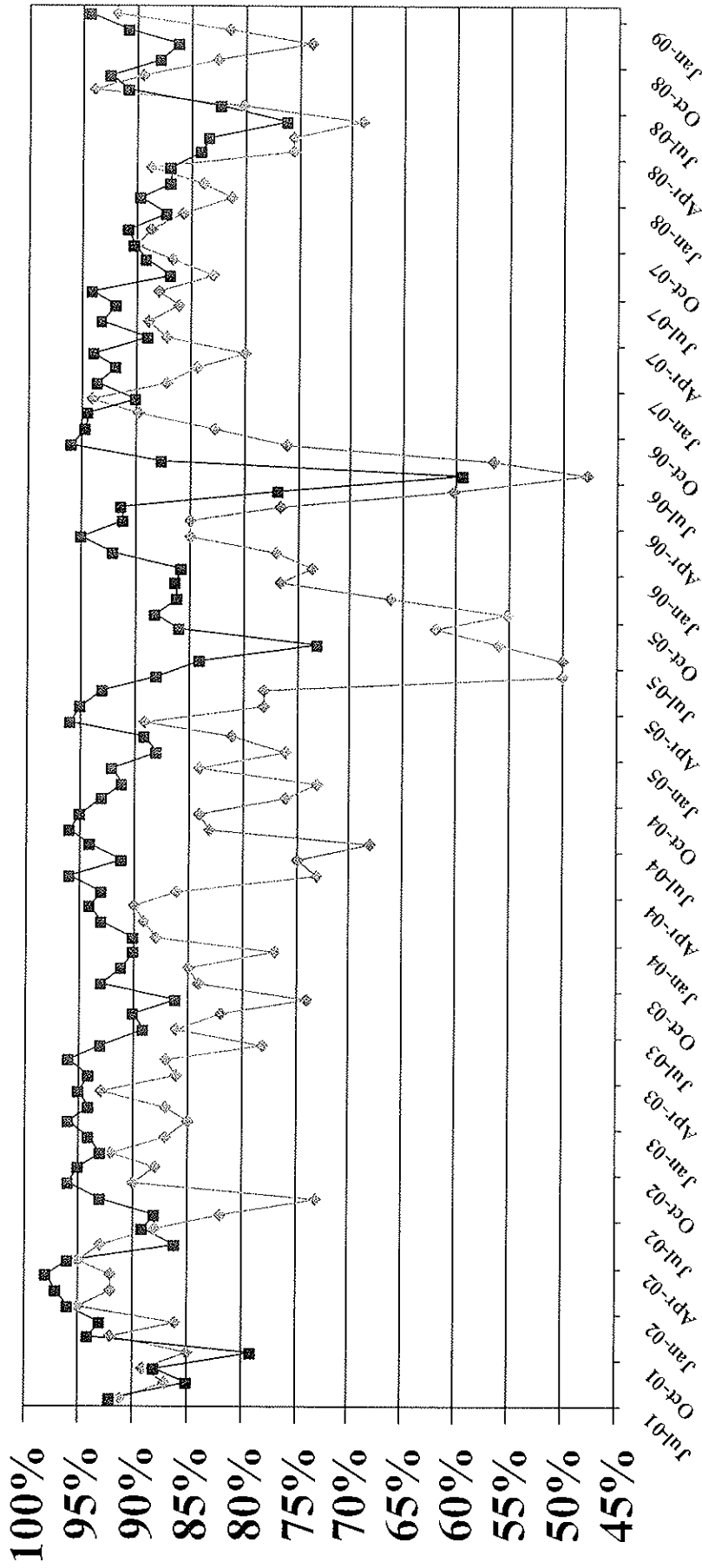
Average On-Time Performance

FY-2009



On-Time Performance

July 2001 – January 2009



—◆— Frederickburg Line —■— Manassas Line

FINANCIAL STATISTICS FOR JANUARY 2009

Copies of the January 2009 Operating Budget Report are attached. All budget amounts reflect the budget amendment adopted in January, including a material increase in fare revenue.

Fare income for the month of January 2009 was \$121,052 above the budget – a favorable variance of 5.91%. The cumulative variance for the year is 3.17% or \$445,242 above the amended budget. Revenue in the first seven months of FY 2009 is up 16.8% over FY 2008. This positive variance is the result of a substantial increase in ridership and a mid-year fare increase effective January 1, 2009.

A summary of the financial results (unaudited) as of January 2009 follows. Detail on the major revenue and expense categories are provided in the attached Operating Budget Report.

Measures		Goal	Actual	Trend
Operating Ratio		55%	70%	↑
Budgeted Revenue	65,263,822			
Budgeted Revenue YTD	44,761,765			
Actual Revenue YTD	45,409,322			
Cumulative Variance	647,557		647,557	↑
Percent Collected FY 07 YTD		68.59%	69.58%	
Budgeted Expenses	65,263,822			
Budgeted Expenses YTD	38,507,879			
Operating Expenses YTD	37,426,341			
Cumulative Variance	1,081,538		1,081,538	↑
Percent Collected FY 07 YTD		59.00%	57.35%	
Net Income (Loss) from Operations			1,729,095	↑

These figures are preliminary and unaudited.

A report on the investment portfolio as of the end of January is also attached; this report is provided periodically in accordance with the Investment Policy.

VIRGINIA RAILWAY EXPRESS
FY 2009 Operating Budget Report
 January 31, 2009

	<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>YTD VARIANCE</u> <u>%</u>	<u>TOTAL FY09</u> <u>BUDGET</u>
OPERATING REVENUE							
Passenger Ticket Revenue	2,170,450	2,049,398	14,498,254	14,053,012	445,242	3.2%	24,300,000
Equipment Rental and Other	134,901	12,777	270,786	87,614	183,172	209.1%	151,500
Subtotal Operating Revenue	2,305,351	2,062,175	14,769,040	14,140,627	628,413	4.4%	24,451,500
Jurisdictional Subsidy (1)	7,577,765	7,577,765	16,361,819	16,361,819	-	0.0%	16,361,819
Federal/State/Other Jurisdictional Subsidy	1,977,541	2,054,307	14,189,588	14,158,115	31,472	0.2%	26,630,594
Appropriation from Reserve	-	-	-	-	-	0.0%	-
Interest Income	14,959	14,759	88,876	101,205	(12,329)	-12.2%	210,000
Total Operating Revenue	11,875,615	11,709,006	45,409,322	44,761,765	647,557	1.4%	67,653,913
OPERATING EXPENSES							
Departmental Operating Expenses	4,233,144	4,108,322	26,297,836	27,327,914	1,030,078	3.8%	48,263,978
Debt Service	2,009,461	2,019,458	7,264,983	7,330,472	65,489	0.9%	13,487,241
Insurance	-	-	3,849,493	3,849,493	-	0.0%	4,875,000
Other Non-Departmental Expenses	-	-	14,029	-	(14,029)	-	1,027,694
Total Operating Expenses	6,242,605	6,127,779	37,426,341	38,507,879	1,081,538	2.8%	67,653,913
NET INCOME (LOSS) FROM OPERATIONS	5,633,010	5,581,226	7,982,981	6,253,887	1,729,095		0

CALCULATED OPERATING RATIO 70%

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

VRE Investment Portfolio
As of January 31, 2009

Investment Type	Institution	Amount	Comments	Rate
Money market fund - overnight sweep	Suntrust Bank	340,000	Disbursement account	0.20% (1)
LGIP (Local Government Investment Pool)	LGIP	7,041,064	Operating reserve and general funds (Includes \$1.75M from sale of Matersa cars)	1.34% (1)
<i>Project Funds</i>				
LGIP (Local Government Investment Pool)	LGIP	1,734,686	Proceeds from sale of Kawasaki railcars	1.34% (1)
LGIP (Local Government Investment Pool)	LGIP	52,337	Revolving account for small liability claims	1.34% (1)
Money market fund	U.S. Bank	3,053,857	Funds held by bond trustee until next payment date	0.03%
Insurance trust fund	DRM	<u>8,230,472</u>	Amount as of 12/31/2008	N/A
Total portfolio		20,452,415		

(1) Monthly average for January

(2) The money market funds used by VRE are: the Virginia LGIP; RidgeWorth Institutional US Government Securities (SunTrust); and First American Treasury Obligations Fund - Class D (U.S. Bank). All are currently rated AAAAm by Standard and Poor's, the highest possible rating for this type of fund.

Percentage of portfolio:

LGIP	43%
Money market fund	17%
Insurance trust fund	40%



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA FEBRUARY 20, 2009

VIRGINIA RAILWAY EXPRESS

BOARD MEMBERS

CHRIS ZIMMERMAN
CHAIRMAN

PAUL MILDE
VICE-CHAIRMAN

WALLY COVINGTON
TREASURER

SHARON BULOVA
SECRETARY

MAUREEN CADDIGAN
PATRICK HERRITY
JOHN JENKINS
MATTHEW KELLY
SUHAS NADDONI
KEVIN PAGE
GEORGE SCHWARTZ
PAUL SMEDBERG
JONATHAN WAY

ALTERNATES

MARC AVENI
CHARLES BADGER
HARRY CRISP
MARK DUDENHEFER
BRAD ELLIS
JAY FISETTE
FRANK JONES
TIMOTHY LOVAIN
MICHAEL MAY
JEFF MCKAY
MARTIN NOHE
JOHN STIRRUP

DALE ZEHNER
CHIEF EXECUTIVE
OFFICER

1500 King Street, Suite 202
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
Paul Milde (PRTC)	Stafford County
Suhas Naddoni (PRTC)	City of Manassas Park
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

ALTERNATES PRESENT	JURISDICTION
Charles Badger	DRPT
Brad Ellis	City of Fredericksburg

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Harry Crisp (PRTC)	Stafford County
Mark Dudenhefer (PRTC)	Stafford County
Jay Fiset (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
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
John Stirrup (PRTC)	Prince William County

STAFF AND GENERAL PUBLIC	
George Billmyer – citizen	Bob Leibbrandt – Prince William County
Jennifer Buske – Washington Post	Steve MacIsaac – VRE counsel
John Duque – VRE	April Maguigad – VRE
Anna Gotthardt – VRE	Betsy Massie – PRTC staff
Kelly Hannan – Free Lance Star	Sirel Mouchantaf – VRE
Al Harf – PRTC staff	Mark Roeber – VRE
Christine Hoeffner – VRE	Jennifer Straub – VRE
Ann King – VRE	Rick Taube – NVTC staff
Mike Lake – Fairfax County	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 Zimmerman called the meeting to order at 9:32 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Chairman Zimmerman requested that the agenda be modified to discuss Agenda Item #9F: “Authorization to Amend the Washington-Richmond Corridor Improvement Project MOU between VRE, DRPT, and CSXT” before the other action items so Ms. Caddigan could take part in the discussion before leaving. There were no objections. Ms. Caddigan moved, with a second by Ms. Bulova, to approve the amended agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Way and Zimmerman.

Minutes of the January 23, 2009, VRE Operations Board Meeting – 4

Mr. Milde moved, with a second by Ms. Bulova, to approve the minutes. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Way and Zimmerman.

Chairman’s Comments – 5

Chairman Zimmerman stated that he had no comments.

Chief Executive Officer’s Report – 6

Mr. Zehner reported that VRE’s on-time performance for January was 93 percent systemwide, with 92 percent for Fredericksburg and 94 percent for Manassas. Board Members applauded this good news. Mr. Zehner stated that it has been a coordinated effort between VRE, Amtrak and the freight railroads to make this happen. He also reported that VRE ridership is up 8.4 percent in January compared to the same time last year, but VRE’s growth rate has begun to slow down.

[Mr. Smedberg arrived at 9:35 A.M.]

Mr. Zehner announced that the federal stimulus package passed and VRE may receive anywhere from \$11 to \$24 million, depending on how the funds are apportioned. Mr. Harf explained that it is his understanding that the stimulus funds for fixed guideway modernization are confined to a set of tiers, which will exclude VRE. Therefore, VRE should receive closer to the \$11 million amount. Chairman Zimmerman asked how VRE will use the stimulus funds. Mr. Zehner replied that staff recommends that the funds be used for locomotive acquisition, which would provide another 3-4 locomotives on top of the five locomotives VRE has already ordered. He also observed that there might be some state stimulus funding available.

Mr. Zehner also reported that legislation was passed to increase the transit benefits to \$230 per month from the current \$120. This means that federal workers or anyone else who receives this benefit will virtually have no out-of-pocket expenses to ride on the Manassas Line. For the Fredericksburg Line, those passengers boarding at the Quantico Station or further north would pay no out-of-pocket expenses to ride. For the outer stations, passengers would need to pay about \$40. Staff anticipates that this increased transit benefit will create a jump in ridership growth.

In response to a question from Mr. Milde, Mr. Zehner reported that February's on-time performance (through February 18th) is at 93 percent for Fredericksburg and 94 percent for Manassas. Chairman Zimmerman noted that VRE's sustained ridership growth is a testament to VRE's improved on-time performance, even when gasoline prices dropped.

VRE Riders' and Public Comment – 7

George Billmyer stated that VRE should remove the step-up charge for the new proposed DRPT train service. He stated that it is important for VRE to think ahead about expansion and VRE should establish zones from Fredericksburg to Richmond and Manassas to Lynchburg and let passengers ride these intercity trains on a 10-ride or Monthly Ticket with no Step-Up.

Consent Agenda – 8

Ms. Caddigan moved, with a second by Mr. Smedberg, to approve the following Consent Agenda items:

Resolution #8A-02-2009: Authorization to Solicit Proposals for the VRE Electronic Newsletter

Resolution #8B-02-2009: Authorization to Solicit Proposals for Mobile Website Development

Resolution #8C-02-2009: Authorization to Award a Contract for Security Cameras at the VRE Manassas Garage

Resolution #8D-02-2009: Authorization to Issue a Task Order to Replace 480V Junction Boxes on Locomotives

The Board voted on the motion and it unanimously passed. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman. (Mr. Jenkins was out of the room and did not vote.)

[Mr. Herrity arrived at 9:45 A.M.]

Authorization to Amend the Washington-Richmond Corridor Improvement Project MOU
Between VRE, DRPT and CSXT – 9F

Mr. Zehner explained that the VRE Operations Board is being asked to recommend that the Commissions authorize the VRE CEO to execute the First Amendment to the January 31, 2002 Memorandum of Understanding (MOU) with CSXT and the Commonwealth of Virginia's Department of Rail and Public Transportation (DRPT). Resolution #9F-02-2009 would accomplish this.

Mr. Zehner reviewed the background of the original MOU, including the process for phased completion of certain capacity generating improvements in the corridor and the corresponding increase in VRE service following the improvements. Nine projects were included in the MOU, of which seven have been completed. The last two projects, the third track from AF to Franconia/Springfield and the third track between Fredericksburg and Hamilton (HA), are funded, under construction and scheduled for completion by DRPT in 2009. Under the current MOU, once these projects are completed, VRE is permitted to add two round trips on the Fredericksburg Line and one round trip on the Manassas Line (in addition to the Manassas Line round trip not being used due to the suspension of the mid-morning train in 2005).

In response to a question from Ms. Bulova, Mr. Zehner explained that the Commonwealth provided the majority of the \$112 million funding for the projects, except for the substantial federal funding for the Quantico Bridge project. Mr. Zehner explained that DRPT would like to operate a round trip inter-city train between Lynchburg, Virginia and Washington Union Station (WAS) and a round trip inter-city train between Richmond, Virginia and WAS. This service would allow riders to continue on with Amtrak service to New York. DRPT has requested permission from VRE to use a Manassas Line round trip already authorized under the Operating Agreement with CSXT and a Fredericksburg Line round trip permitted by the MOU when all nine MOU projects are completed. Two additional slots, one on each line, will still remain for VRE use, even before any slots are reinstated to VRE. However, VRE is not in a financial position to implement additional trains at this time or in the near future.

Mr. Zehner stated that DRPT will negotiate with Amtrak to provide the inter-city service using Amtrak equipment. To the rider, these Commonwealth sponsored trains will look and feel like any other Amtrak train on the corridor. This is similar to arrangements that Pennsylvania and Vermont have with Amtrak for the Keystone service and the Vermonter, respectively.

Mr. Zehner reminded Board Members that during the discussion at the last Operations Board meeting, there were several issues raised that had to be resolved before the MOU amendments could be considered by the Board and ultimately the Commissions. The initial proposal was to replace VRE Train #301 on the Fredericksburg Line with a DRPT train. This option has been eliminated. Instead, VRE would keep the mid-day train and DRPT's southbound train would depart during the afternoon rush hour, providing VRE riders with an express train option toward the beginning of the rush hour period. DRPT's northbound train in the morning on the Fredericksburg Line would

follow VRE service and act as a sweeper train for VRE riders. Also, with the elimination of the Train #301 option, these DRPT trains will function as any other Amtrak train available to VRE passengers. As such, a \$10 step-up ticket will be required in addition to a VRE multi-trip ticket. VRE would not be required to reimburse DRPT for the use of the trains by VRE riders. VRE would provide accounting and payment to Amtrak based on current accounting procedures. At this time, it is expected that Amtrak will credit DRPT for the fare generated from the step-up tickets.

Mr. Zehner explained that a proposal has been made to eliminate the VRE non-revenue afternoon dead head train since it can cause on-time performance issues for VRE, CSXT, and Amtrak. VRE has an opportunity to add an early morning train (proposed Train #298) on the Fredericksburg Line, which VRE's passengers greatly desire. In order to provide the additional equipment and crews for this train, VRE operating costs would increase \$628,000 per year. In addition, there would be a one-time hiring and training cost of \$200,000. It is anticipated that additional VRE service combined with the accessibility to the DRPT trains will result in a systemwide ridership increase. VRE expects to attract at least the 200 new riders needed to offset these operating costs within the first year of operation.

Mr. Zehner stated that to address any conflicts with VRE's train schedule, DRPT trains would be put into time slots that do not disrupt VRE train service. VRE will have to make a few minor adjustments to its schedule. He provided further details about the proposed train schedules.

Mr. Page clarified that VRE's afternoon Train #301 on the Fredericksburg Line is not being replaced with an inter-city train. DRPT will run an additional afternoon train so there is no financial impact to VRE riders currently using the mid-afternoon train. Mr. Zehner reiterated that no VRE train is being replaced by any DRPT train.

Ms. Bulova stated that it is important to make sure if VRE agrees to this MOU, that VRE is not prevented from having the ability to get a time slot it needs when it is ready to add service because the time slots are filled with DRPT trains. Mr. Zehner stated that time slots have to be negotiated, but VRE's Operating Agreement with CSXT stipulates that VRE time slots would be between 5:00 – 9:00 A.M. and 3:00 – 7:00 P.M., which are the times VRE desires. VRE's schedule may have to be slightly altered, but VRE will be able to get its needed time slots.

Mr. Milde observed that if VRE does not have specified future projects for the MOU, costs associated with the projects cannot be determined. Since additional slots are linked to completed projects, he asked if the Commonwealth can be responsible to make sure that the time slots are available when VRE needs them. Mr. Page and Mr. Zehner both stated that funding has been earmarked for the Washington-Richmond rail corridor even though the projects have not been selected. Mr. Page stated that a \$13.9 million contract is underway with CSXT and there is an allocation of funds to VRE for the 30 percent design of projects after the Arkendale project is complete. He explained that the challenge is that the next set of projects has not been identified. DRPT has pledged and allocated funds to advance these rail projects once they are selected.

Mr. Milde stated that there is an inherent risk and VRE is being asked to assume that risk. Mr. Zehner stated that VRE still has time slots that can be used right now. VRE has no plans to add trains because of budget constraints. DRPT has earmarked funds and has received CTB approval to go forward with the next set of corridor improvement projects. He expressed his opinion that there is not much risk and he does not think VRE will need these slots before the next set of projects are completed. The estimated completion of these projects is 3-5 years.

Mr. Zehner then reviewed the pros and cons of the MOU. The pros include that many passengers want an early morning train from Fredericksburg; it would provide late morning train service on the Manassas Line with a step-up charge; it would eliminate the non-revenue dead-head afternoon train which can cause congestion issues; DRPT trains can be used by VRE riders (with a step-up charge) which provides them another train option; and it increases overall rail service in Virginia. The cons include additional trains in VRE's commute window which could cause a potential for more train congestion; it would require VRE to fund an additional \$200,000 in crew training and \$628,000 in annual operating costs; and VRE riders would have to pay a \$10 step-up charge to ride DRPT trains.

Mr. Milde observed that Train #298 would be an express train with stops only in Fredericksburg and Stafford County and, therefore, he would assume that subsidies for these jurisdictions would increase because more passengers would be riding. Mr. Zehner responded that if there are substantial ridership increases, then it could be assumed that subsidies could change.

Mr. Milde also asked if DRPT discontinues inter-city service in three years, will the costs go up without state assistance. Mr. Zehner stated that the railroads would allow VRE to pick up these empty slots, but VRE would need the additional funding to do so. Mr. Page explained that costs for Train #298 would be blended into VRE's operating budget, which goes through the state funding assistance formula.

In response to a question from Mr. Jenkins, Mr. Zehner stated that this proposal can be accomplished without any additional subsidy from the jurisdictions in FY2010. He also stated that it is his intent that he would formally return to the Operations Board with a FY 2010 budget amendment for the new VRE service. Staff will show there would be no subsidy increase.

Mr. Kelly observed that from an economic development standpoint, Fredericksburg and Stafford County can take advantage of this additional service and it will also benefit the entire corridor. Ms. Bulova agreed and further stated that this is essentially a pilot project, which can be evaluated. Mr. Milde also agreed with both of these comments. He stated that the proposal is consistent with VRE's mission to take drivers off the region's already overused highways and onto transit. However, he still has some concerns. At a minimum, VRE should request a letter from Secretary of Transportation Pierce Homer pledging that future year operating subsidies won't come from traditional transit funding sources. He also questioned whether the approval of the MOU be conditional to an amendment that Amtrak is a party to the MOU.

Ms. Bulova stated that she appreciates the points Mr. Milde has made, but stated that she is not sure that approval of the MOU should be conditional upon these issues but instead to make sure these issues are addressed. Ms. Bulova moved approval of Resolution #9F-02-2009, which recommends that the Commissions approve the MOU and to consider the issues raised, including not wanting to lose scarce transit funding that would otherwise come to VRE and to deal with the issues associated with Amtrak not being a party to the MOU. Mr. Kelly seconded.

Mr. Naddoni noted that the southbound Richmond and Lynchburg inter-city train times would be cutting close to existing VRE train times. As a VRE rider, he has experienced firsthand train congestion and how it affects on-time performance. He proposed changing the afternoon times to add a buffer to avoid potential congestion. Mr. Zehner explained that VRE schedules would be modified to accommodate DRPT trains. Currently, there is a problem with Amtrak trains not leaving on-time, which delays VRE trains. He has received a commitment from Amtrak that if one of these DRPT trains is late and VRE's train is ready to depart, Amtrak will hold the DRPT train and VRE's train will be given permission to depart the station. The two DRPT trains will not have priority over VRE trains. Mr. Milde noted again that Amtrak is not a party to the MOU. This is a concern because VRE on-time performance is so important. Mr. Zehner stated that he understands Mr. Milde's concerns but he would not recommend Amtrak be a signatory of the MOU. It is hard enough to reach agreement with three parties, let alone four. DRPT will execute an operating agreement with Amtrak, which will include provisions that DRPT trains will not delay VRE trains. Mr. Page explained that the Commonwealth has the right to require, as part of the contract negotiations, that Amtrak give priority to VRE trains when Amtrak trains are "out of slot." However, he made it clear that DRPT only has the ability to impact the two inter-city trains and not other "out of slot" Amtrak trains.

In response to a question from Mr. Herrity, Mr. Page stated that the Amtrak agreement is currently under negotiation and should be done soon, but he cannot guarantee that it will be completed before the Commissions' next meetings. In response to another question from Mr. Herrity, Mr. Zehner stated that approval of the MOU does not commit VRE to add the additional service. Ms. Bulova clarified that VRE is not approving the MOU, but forwarding it to the Commissions with a recommendation for their approval. Chairman Zimmerman stated that it is DRPT's intent that the Commissions approve it in March. Mr. Page explained that in order to reach agreement with Amtrak, there must be train capacity, Commission approval of the MOU agreement and execution by the Commissions, VRE, DRPT and CSXT. All of these things must occur before decisions can be reached about final schedules, time slotting, etc.

Mr. Smedberg clarified that the motion is to forward the MOU to the Commissions recommending approval, highlighting some of the concerns but not making approval contingent upon addressing these concerns before the MOU is signed.

Mr. Ellis stated that the Operations Board should highlight the assumption that ridership will increase by at least 200 riders. He expressed concern that staff will return seeking jurisdictional subsidy increases. He thinks this action is a good idea, but is worried that localities will have to pay for it. Mr. Zehner stated that he could not recommend this if

there was a subsidy increase. The Board is not being asked today to approve the additional service, nor does it commit VRE to do it.

Mr. Milde stated that if there are substantial ridership increases of Stafford riders, Stafford County's subsidies could increase. Mr. Zehner stated that the FY 2010 budget has already been approved and the allocations will not change. He stated that it is also hard to predict subsidies. With the increase to the transit benefit, ridership could go up among all the jurisdictions. Mr. Harf explained that VRE's next allocation survey that drives the FY 2011 budget will not occur until Fall 2009, which would precede any new service, so it should not have an impact on the FY 2011 budget either. Secondly, ridership increases don't necessarily translate into subsidy increases. The further out jurisdictions are less likely to see allocation increases when ridership increases. Mr. Milde observed that this is good news, but Stafford County's subsidy has tripled over the last four years. Chairman Zimmerman stated that the increase is primarily due to the structural changes to the Master Agreement when VRE was reorganized.

Mr. Covington stated that he appreciates staff work on this and DRPT's willingness to listen to VRE's concerns, which resulted in some concessions. Overall, this is good for the VRE system and the citizens of Virginia. There will probably be still some concerns that need to be resolved even after the MOU is signed. He expressed his support for the motion. Ms. Caddigan also expressed her confidence in VRE staff and will support the motion at VRE and PRTC.

There was no further discussion and the Board voted on the motion, which unanimously passed. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman.

[Ms. Caddigan left the meeting at 10:32 A.M.]

Mr. Kelly expressed caution that when looking at the cost of VRE, jurisdictions need to also look at the potential benefits, such as economic development. Right now Spotsylvania County is seriously considering joining VRE and they are looking at the benefits to their community.

Chairman Zimmerman also noted that part of the economic recovery legislation also includes a national rail network, which seems to directly relate to this project. Mr. Badger agreed.

Authorization to Extend the Parking Lease at the Rippon Station – 9A

Mr. Zehner reported that the VRE Operations Board is being asked to authorize him to extend the current lease agreement with Kettler for 320 parking spaces at the Rippon Station for an amount of \$134,535 for one year. Resolution #9A-02-2009 would accomplish this.

Mr. Zehner explained that in May of 2002, the Operations Board approved a three year lease with Hazel Land for 320 parking spaces at the Rippon VRE Station. The lot was constructed by Hazel Land and opened in March of 2004, which also commenced the lease term. The lease agreement was subsequently extended for two years through March 2009. Since that time, the lease has been assigned by Hazel Land to Kettler. Kettler has entered into a proffer agreement with Prince William County that includes nearly 300 parking spaces for VRE use when the residential/commercial development is complete. In the interim, both VRE and Kettler wish to maintain the surface parking lot lease which will expire in March 2009. VRE staff is requesting that the lease be extended for one year.

In response to a question from Mr. Milde, Mr. Zehner responded that the funds for this authorization are from a federal grant. Ms. Straub explained that the Federal Transit Administration has a mechanism to allow an organization to do a lease versus buy analysis for situations where development could not be done on the property. This property is actually owned by someone else. Since it is a temporary situation, VRE can use federal funds for this project. This authorization is a line item in VRE's federal grant.

Mr. Jenkins moved, with a second by Mr. Kelly, to approve Resolution #9A-02-2009. The vote in favor was cast by Board Members Bulova, Covington, Herrity, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Award Contracts for Purchase and Delivery of Locomotive Fuel to VRE Yards – 9B

Mr. Zehner stated that Resolution #9B-02-2009 authorizes the CEO to enter into a contract for the purchase and delivery of locomotive fuel with Quarles Petroleum of Fredericksburg, Virginia at the Crossroads Yard and Griffith Energy of Manassas, Virginia at the Broad Run Yard. The contract with Quarles Petroleum is being recommended in an amount not to exceed \$2,651,270 for the first year of the contract. The contract with Griffith Energy is being recommended in an amount not to exceed \$2,048,730 for the first year of the contract.

Mr. Zehner reported that following Board authorization for solicitation of fuel delivery services at both yards, an IFB was posted and two bids were received for the Broad Run Yard and one bid was received for the Crossroads Yard. Both bids would allow VRE to lock in future fixed prices for fuel.

Mr. Way asked if VRE has a history of actual savings using future fixed pricing. Mr. Zehner stated that VRE has had previous futures contracts with both of these firms. VRE has realized actual savings. One example is the year that VRE saved approximately \$100,000. Mr. Way stated that VRE should keep a written record of VRE's fuel savings history. He also asked if \$2.58 is the intended purchase price. Mr. Zehner replied that the \$2.58 amount was used only as a base line to estimate fuel costs for the first year. It is anticipated that given the current market, VRE will lock into fixed prices in the next few months for most of the first contract year. He explained that

staff would return to the Operations Board if it was determined that VRE would exceed the total approved amount.

Mr. Jenkins moved, with a second by Mr. Covington, to approve the resolution. The vote in favor was cast by Board Members Bulova, Covington, Herrity, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Award a Contract for Locomotive Maintenance – 9C

Mr. Zehner stated that following approval by the Operations Board, VRE posted a RFP on December 30, 2008, for locomotive maintenance services. VRE received two bids and the VRE Operations Board is being asked to authorize the VRE CEO to enter into a contract with Motive Power, Inc. of Boise, Idaho for locomotive maintenance services in an amount not to exceed \$1.5 million for the term of the contract. Resolution #9C-02-2009 would accomplish this. Board Members had no questions.

Mr. Kelly moved, with a second by Mr. Smedberg, to approve the resolution. The vote in favor was cast by Board Members Bulova, Covington, Herrity, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Award a Contract for Railcar Air Conditioning Services – 9D

Mr. Zehner stated that Resolution #9D-02-2009 would authorize him to enter into a contract with RAM Industrial Services, Inc. of Camp Hill, Pennsylvania for railcar HVAC repair services in an amount not to exceed \$350,000 over a three year contract term. On May 18, 2007, the Operations Board authorized issuance of a RFP for these services. The solicitation had to be cancelled three times due to no proposals being received, a lack of clarity in the schedule of prices, and a submission that did not meet the performance requirements. Prior to issuing the solicitation for the fourth time, the RFP was rewritten to focus primarily on the shop capabilities of the proposers and to rely on VRE yard contractors to perform the installation and removal aspects of the work. The RFP was re-posted on December 18, 2008, and four proposals were received on February 13, 2009. Board Members had no questions or comments.

Mr. Kelly moved, with a second by Mr. Naddoni, to approve Resolution #9D-02-2009. The vote in favor was cast by Board Members Bulova, Covington, Herrity, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Award a Construction Contract for the Broad Run Maintenance Facility – 9E

Mr. Zehner reported that the VRE Operations Board is being asked to authorize him to enter into a contract with Costello Construction of Columbia, Maryland for the construction of a maintenance facility at the Broad Run storage yard for \$4,145,000, plus a 10 percent contingency of \$414,500, for a total amount not to exceed

\$4,559,500. Resolution #9E-02-2009 would accomplish this. Mr. Zehner explained that following a procurement process, VRE received five bids with Costello being the lowest bidder.

Mr. Kelly moved, with a second by Mr. Jenkins, to approve Resolution #9E-02-2009.

Ms. Bulova requested that future agenda items list the names of the other bidders and their bid amounts for VRE procurements. Chairman Zimmerman asked if there are any procurement laws that would restrict this information. Mr. Maclsaac responded that VRE could include this information in the agenda items.

Mr. Smedberg stated that in light of the current economic situation, he asked if VRE could lock-in a set price instead of including a 10 percent contingency. Mr. Zehner stated that VRE generally includes a 10 percent contingency. This project was \$2 million under the VRE estimate, which reflects the economic situation. Mr. Milde agreed with Mr. Smedberg's comments because companies usually find ways to spend the contingency amount. Mr. Way stated that it is important to keep contingency costs contained, but it is inevitable that issues come up that need to be addressed and were not projected during the initial bid.

Mr. Covington asked how high the construction crane will be and if it will be up all the time. Mr. Zehner explained that the crane will be inside the structure and will run overhead on tracks.

The Board then voted and unanimously approved the resolution. The vote in favor was cast by Board Members Bulova, Covington, Herrity, Jenkins, Kelly, Milde, Naddoni, Page, Schwartz, Smedberg, Way and Zimmerman.

Adjournment

Chairman Zimmerman announced that the next meeting is scheduled for March 20, 2009. Without objection, Chairman Zimmerman adjourned the meeting at 10:45 A.M.

Approved this 20th day of March 2009.

Christopher Zimmerman
Chairman

Sharon Bulova
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the February 20, 2009 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest

Amendment to the Washington-Richmond Corridor Improvement Project MOU Between VRE, DRPT and CSXT.

The VRE Operations Board recommends approval of Resolution #2123, but asked that two issues be considered and addressed. As explained in the attached VRE Board item dated February 20, 2009 and accompanying PowerPoint presentation, after many months of negotiations the amendments are proposed for action. They would permit DRPT to contract with Amtrak to operate two new intercity trains that are a priority of Governor Kaine. VRE customers could ride the new trains for a \$10 step up charge in addition to their VRE tickets/passes.

At the same time, VRE would add a new peak period revenue train to replace a current mid-day non-revenue trip. VRE staff believes the one-time costs of training crew (\$200,000) and operating the train (\$600,000 annually) would be covered by new passenger revenues.

While several concerns were discussed by the VRE Board over the course of two monthly meetings, two specific issues were identified by the Board to be considered and addressed:

1. VRE staff expects Amtrak to give dispatching priority to VRE trains over the new DRPT trains at Union Station. This should be documented in writing. The attached letter from DRPT Director Chip Badger does address this issue.
2. The source of funding the operation of the new DRPT trains after the initial three-year demonstration should not be from existing transit programs. An e-mail from Virginia's Secretary of Transportation appears to indicate that such existing programs will be used. Because NVTC jurisdictions would typically receive 70-cents or more of every dollar from these programs, in effect the approach described by Secretary Homer would result in NVTC jurisdictions paying for the majority of the intercity train's capital and operating costs after three years.

Several additional exhibits are attached, including a schedule of existing and proposed VRE, Amtrak and DRPT trains. The VRE Board had expressed concern that the new trains not disrupt VRE's on-time performance. Also, the VRE Board asked if VRE adds peak period trains in the future, will there be an opportunity to fit them between other trains listed on the schedule. VRE's Chief Executive Officer responded affirmatively.



RESOLUTION #2123

SUBJECT: Amendments to MOU Between VRE, DRPT and CSXT.

WHEREAS: On January 31, 2002, VRE executed a MOU with CSXT and DRPT that memorialized VRE's commitment to building a third mainline track in the CSXT Washington to Richmond rail corridor, detailing the process for phased implementation of certain capacity-generating improvements to the rail corridor and the corresponding increase in VRE rail service permitted following such improvements;

WHEREAS: A list of improvements and corresponding increases in available train capacity for VRE was developed;

WHEREAS: Since that time, most required improvements have been completed with DRPT funding but VRE is unable to use its assigned train slots due to operational funding constraints;

WHEREAS: DRPT has requested permission from VRE to utilize two of VRE's round-trip slots for new intercity service;

WHEREAS: DRPT agreed to provide funding on a priority basis for future unspecified railroad improvements in the Washington to Fredericksburg corridor, which would result in VRE earning a replacement round-trip slot on the Fredericksburg Line and a replacement round-trip slot on the Manassas Line, contingent upon appropriation of funds by the Commonwealth Transportation Board and an executed agreement acceptable to all parties;

WHEREAS: DRPT has committed to advance projects to generate additional VRE train slot capacity with a goal of project completion within the next 3 to 5 years;

WHEREAS: An Amendment to the MOU has been proposed setting forth the terms under which the two VRE round-trip slots would be used for new DRPT intercity service; and



Resolution #2123 continued

WHEREAS: The VRE Operations Board recommends approval of the Amendment by the commissions but identified certain issues to be considered and addressed prior to action.

NOW, THEREFORE, BE IT RESOLVED by the Northern Virginia Transportation Commission that it has carefully considered the benefits and risks of the proposed MOU Amendment as well as information provided by VRE and DRPT to address concerns with Amtrak dispatching and future state funding of the two DRPT intercity trains; and

BE IT FURTHER RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute the First Amendment to the January 31, 2002, Memorandum of Understanding (MOU) with CSXT and the Commonwealth of Virginia's Department of Rail and Public Transportation to permit DRPT to institute two Amtrak-operated intercity trains using slots available to VRE.

Approved this 5th day of March, 2009.

Christopher Zimmerman
Chairman

William Euille
Secretary-Treasurer

Proposed Changes to
Memorandum of Understanding
(MOU)

February 20, 2009

History of MOU

- Signed by VRE, CSX, and DRPT Jan 2001
- Establishes method to implement 3rd main line in corridor – requirement of VRE operating agreement with CSX
- Provides plan to add service in Wash-Richmond corridor as railroad capacity improvements are made

Projects and Service Changes

Phase	Projects	Cost	Status	Trains Earned
I	AF Interlocking	\$12M	Completed	Experimental Mid-Day Train
II	L'Enfant 3 rd Main Arkendale Crossovers	\$7M \$6M	Completed Completed	Regular Mid-Day Train on Fredericksburg Line
III	AF to Franconia 3 rd Main Consolidation Dispatching Functions	\$35M None	Est. 2009 Completed	Round Trip on Fredericksburg Line
IV	Slater's Lane to RO 3 rd Main Fredericksburg to HA 3 rd Main Elmont Crossovers Completion of Quantico Bridge	\$8M \$12M \$6M \$26M	Completed Est. 2009 Completed Completed	Round Trip on Manassas Line Round Trip on Fredericksburg Line
	Total	\$112M		4 Round Trips

- VRE running mid-day train permitted under phase I and II
- Last two MOU projects estimated to be completed by end of 2009
- VRE will have earned right to operate three round trips - plus suspended Manassas train when MOU projects completed
- No plans to add service in near future due to funding constraints

DRPT Wants Inter-City Service

- DRPT approached VRE and CSX in July 2008 to amend MOU to permit DRPT to add rail service
- Two round trip trains – under three year pilot project:
 - Lynchburg to Wash with service to New York
 - Richmond to Wash with service to New York
- DRPT to contract service from Amtrak using Amtrak equipment – start date est. late 2009
- Part of long-term plan to add inter-city service in Virginia

Proposed VRE Changes

	Curent Non- Revenue VRE Train	Planned Revenue VRE
Union Station	Ar ~4:00pm	Ar 6:29am
L'Enfant	--	6:22am
Crystal City	--	6:15am
Alexandria	--	6:07am
Franconia/ Springfield	--	--
Lorton	--	--
Woodbridge	--	--
Rippon	--	--
Quantico	--	--
Brooke	--	5:18am
Leeland Road	--	5:12am
Fredericksburg	Dp ~2:45pm	Dp 5:05am

Proposed DRPT Train Service

Northbound DRPT Amtrak Trains (Read Up)	
Richmond Train 174	Lynchburg Train 176
Union Station Ar ~9:28 AM	Ar 11:20 AM
L'Enfant ~9:23 AM	~11:14 AM
Alexandria ~8:57 AM	~11:05 AM
Burke Centre --	10:40 AM
Manassas --	10:25 AM
Lynchburg --	Dp 7:43 AM
Woodbridge 8:30 AM	
Quantico TBD	
Fredericksburg Dp 8:00 AM	
Richmond Dp 7:00 AM	

Southbound DRPT Trains (Read Down)	
Richmond Train 125	Lynchburg Train 171
Union Station Dp 3:55 PM	Dp 4:50 PM
L'Enfant 4:03 PM	4:56 PM
Alexandria 4:17 PM	5:11 PM
Burke Centre --	5:37 PM
Manassas --	Dp 5:52 PM
Lynchburg --	Ar 8:32 PM
Woodbridge 4:35 PM	
Quantico 4:49 PM	
Fredericksburg Dp 5:17 PM	
Richmond Ar ~6:23 PM	

Proposed Changes to MOU

- Provides DRPT two round trips slots
- Modifies VRE's Fredericksburg schedule to swap non-revenue train for a revenue train
- Requires that all MOU projects be complete before service can start
- Permits VRE riders to use DRPT trains in VRE territory with a \$10 step-up

Return of Slots to VRE

- MOU stipulates that:
 - DRPT will fund new rail project(s) to provide VRE future slots
 - Projects will receive priority for future appropriations – estimated completion in 3-5 years
 - No additional DRPT trains until slots are restored
 - If DRPT discontinues service, VRE can assume the slots

Pros

- Addition of early VRE Fredericksburg train
- Reinstatement of late morning Manassas train (with step-up)
- Elimination of non-revenue VRE train which causes afternoon congestion
- DRPT trains increase options for VRE riders
- Visible benefit for completed MOU projects
- Increased rail service for Virginia

Cons

- Adds trains in VRE commute windows – potential for congestion
- Requires \$200K to train crew and \$628K annual operating cost
 - Could implement in early 2010
 - Expect new service to draw at least 200 new riders – offsetting operating costs within first year
 - May require use of reserve fund for one-time costs
 - Details will be provided in FY 2010 mid-year budget amendment
- VRE riders must pay \$10 step-up to use of DRPT trains

Next Steps

- Need Operations Board and Commissions approval
- Execute MOU
- DRPT executes operating agreements with CSX and Amtrak
- Complete MOU projects
- Service initiated late 2009/early 2010



Virginia Railway Express Operations Board

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AGENDA ITEM 9-F ACTION ITEM

TO: CHAIRMAN ZIMMERMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: FEBRUARY 20, 2009

**RE: AUTHORIZATION TO AMEND THE WASHINGTON-RICHMOND
CORRIDOR IMPROVEMENT PROJECT MOU BETWEEN VRE, DRPT,
AND CSXT**

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute the First Amendment to the January 31, 2002 Memorandum of Understanding (MOU) with CSXT and the Commonwealth of Virginia's Department of Rail and Public Transportation (DRPT).

BACKGROUND:

The proposed amendment would allow DRPT to use two, currently unused, VRE train slots for the operation of two DRPT inter-city trains. As shown in Exhibits B and C of the MOU, one Fredericksburg round trip would operate between Richmond and Washington, with stops at some VRE stations, during morning and evening commuter hours. One Manassas round trip would operate between Lynchburg and Washington, with stops at some VRE stations, during morning and evening commuter hours. The northbound Manassas train would mirror the late morning train previously operated by VRE and suspended in 2005.

Original MOU Provisions

On January 31, 2002, VRE executed a MOU with CSXT and DRPT that memorialized VRE's commitment to building a third mainline track in the CSXT Washington to Richmond rail corridor. The MOU detailed the process for phased implementation of certain capacity generating improvements in the corridor and the corresponding

increase in VRE service following such improvements. A list of improvements and corresponding increases in available train capacity was developed and is included as Exhibit A of the MOU.

In total, nine projects were included in the MOU. Seven of these projects have been completed, including the AF and Arkendale Interlockings; Quantico Bridge; L'Enfant Third Track; Third Track between RO and Slater's Lane; Elmont Crossovers; and the consolidation of dispatch functions. The last two projects, the Third Track from AF to Franconia/Springfield and the Third Track between Fredericksburg and Hamilton (HA), are funded, under construction, and scheduled for completion by DRPT in 2009.

Under the current MOU, with the completion of these last two projects, VRE is permitted to add two round trips on the Fredericksburg Line and one round trip on the Manassas Line (in addition to the Manassas Line round trip not being used due to the suspension of service in 2005).

DRPT's Request

DRPT would like to operate a round trip inter-city train between Lynchburg, VA and Washington Union Station (WAS) and a round trip inter-city train between Richmond, VA and WAS. In accordance with language in the MOU, DRPT requested permission from VRE to use a Manassas Line round trip already authorized under the Operating Access Agreement with CSXT (previously suspended in 2005) and a Fredericksburg Line round trip permitted by the MOU when all nine MOU projects are completed. Two additional slots, one on each line, will still remain for VRE use, even before any slots are reinstated to VRE.

DRPT has been negotiating with Amtrak to provide the service. To the rider, these Commonwealth sponsored trains would look and feel like any other Amtrak train on the corridor. This is similar to the arrangement that Pennsylvania and Vermont have with Amtrak for the Keystone service and Vermonter, respectively.

Key Issues in Negotiations

VRE Issues:

- Any replacement of the mid-day train 301 must be reliable, up to VRE standards, and available for reinstatement if DRPT trains ceased operating.
- At Union Station, on-time VRE trains must be given priority over delayed DRPT trains.
- DRPT needs to provide a mechanism to replace the slots they are using for this service.
- A mechanism needs to exist for the slots to return to VRE if DRPT service is discontinued.

DRPT Issues:

- Rail capacity improvements have been made with funding provided by the Commonwealth and need to be utilized.
- DRPT will contract directly with Amtrak to operate the two trains.
- DRPT must successfully complete the final two MOU projects before service on the Fredericksburg line can be initiated.

CSXT Issues:

- VRE's non-revenue afternoon deadhead train creates operational and maintenance-of-way issues in double track areas.
- DRPT service must not conflict with currently operating passenger and freight trains.
- VRE's operating window is limited by the CSXT operating agreement.

Amtrak Issues:

- Commonwealth sponsored trains must match up with current Northeast corridor trains.
- Trains must only stop at stations currently served by Amtrak. Stopping at every VRE station is not permitted as an inter-city provider cannot act as a commuter provider under the 1970 Rail Passenger Act.

Outcome of Negotiations

As discussed at the last Operations Board meeting, there were several open issues that had to be resolved before the MOU amendment could be considered by the Operations Board.

Train #301 – The replacement of VRE Train #301 with the DRPT train was eliminated as an option. Instead, VRE would keep the mid-day train, and DRPT's southbound train would depart during the afternoon rush hour, providing VRE riders with an express train option toward the beginning of the rush hour time period. As discussed last month, DRPT's northbound train on the Fredericksburg Line would follow VRE morning service and act as a sweeper train for VRE riders.

Financial Arrangement for VRE Riders Using DRPT Trains – With the elimination of the Train #301 option, the DRPT trains function as any other Amtrak train available to VRE passengers. As such, a \$10 step-up ticket will be required in addition to a VRE multi-trip ticket. VRE would not be required to reimburse DRPT for the use of the trains by VRE riders. VRE will provide accounting and payment to Amtrak based on current

accounting procedures. At this time, it is expected that Amtrak will credit DRPT for the fare generated from the Step-Up tickets.

Maintaining Quality of VRE Service – As shown in Exhibits B and C, both the Lynchburg (Manassas Line) and Richmond (Fredericksburg Line) DRPT trains depart WAS during the peak of VRE's afternoon rush hour. It remains critical that VRE trains leave WAS on-time, especially if the DRPT trains have been delayed coming off the Northeast corridor. As a result, when these new trains go into service, VRE would make minor adjustments to the afternoon schedule. These changes increase the spacing between the DRPT train and the VRE train that follows it to mitigate any potential delays to VRE trains. VRE passengers would not be negatively impacted by these schedule changes.

Benefit to VRE – A proposal was made to eliminate the VRE non-revenue afternoon deadhead train as it can cause on-time performance issues for CSXT, Amtrak and VRE. In order to maintain a balance in equipment after eliminating the deadhead train, VRE had an opportunity to add an early morning train on the Fredericksburg line, which VRE knows from past surveys is a great desire of our passengers. In addition, CSXT will have less interference for afternoon maintenance-of-way projects.

In order to provide the additional equipment and crews for the morning train, VRE operating costs would increase \$628,000 per year. In addition, there would be a one time hiring and training cost of \$200,000. It is anticipated that the additional VRE service combined with the accessibility to the DRPT trains will result in a system wide ridership increase. VRE expects to attract the 200 additional riders needed to offset these operating costs within the first year of operation.

Future VRE Service Expansion - Due to current operational funding constraints, VRE cannot currently take advantage of either the Manassas Line or Fredericksburg Line train slots and has no near-term plans for additional VRE train service on either line. By providing DRPT with the VRE slots, the Commonwealth is able to demonstrate to the public its value in additional train service and improved on-time performance. Additionally, the MOU allows for VRE to get the slots back should DRPT cease to operate the service.

DRPT agreed to provide VRE funding from the Commonwealth on a priority basis for future railroad improvements in the Washington to Fredericksburg corridor. Those improvements would result in VRE earning a replacement round trip slot on the Fredericksburg Line and a replacement round trip slot on the Manassas Line. The priority and timing of these future projects are subject to the availability of funds, the allocation of such funds by the Commonwealth Transportation Board (CTB), and an executed agreement acceptable to all parties.

The draft Statewide Rail Plan includes projects between Fredericksburg and Washington, D.C., Alexandria and Manassas, and advancement of the Gainesville-Haymarket extension. DRPT has committed to move forward as expeditiously as

possible to advance projects to generate additional train slot capacity with a goal of project completion in the next 3 to 5 years. DRPT cannot add any additional service until the payback of VRE slots has been completed.

Advantages and Disadvantages to the First Amendment to the MOU

Advantages	Disadvantages
1. Eliminates non-revenue VRE train in the afternoon which can cause on-time problems for VRE, Amtrak and CSXT freight trains.	1. Introduces additional trains in VRE commute windows, increasing the possibility of congestion related delays. However, CSXT and Amtrak concluded that the proposed schedules minimize potential interference between trains.
2. DRPT trains could attract new riders to VRE and raise total VRE ridership.	2. Requires a one-time \$200K charge to increase the number of Amtrak train crews by 3 individuals and an annual cost of \$628K.
3. DRPT trains operate during VRE commute windows and provide increased options to VRE passengers.	3. The \$10 Step-Up ticket required by all VRE riders using the DRPT trains could limit use by VRE riders.
4. Introduces more inter-city train service to Virginia – promotes rail travel.	4. DRPT trains not controlled or tracked by VRE preventing ability to provide delay information to VRE riders.
5. Afternoon express service is provided to Manassas Line riders.	
6. VRE is permitted to add an early AM train on the Fredericksburg Line increasing overall seating capacity.	

FISCAL IMPACT:

By adopting the amendment, VRE can expect a one-time \$200,000 training cost and an annual operating cost of \$628,000. It is anticipated that the additional VRE and DRPT train service will attract the 200 additional riders needed to offset these operating costs within the first year of operation.

DRPT revisions 1.5.09 to CSXT Revisions 12-19-08 VRE edits 1-12-09 revised 1-14-09
ncaCSX Revisions 1.23.09 VRE revisions 2-11-09 DRPT revisions 2-12-09 CSX 2-13-09
DRPT 2-13-09 VRE edits 2-13-09 CSXT edits 2-19-09

**FIRST AMENDMENT TO
MEMORANDUM OF UNDERSTANDING
BY AND AMONG CSX TRANSPORTATION, INC., THE NORTHERN VIRGINIA
TRANSPORTATION COMMISSION AND THE POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION, AND THE COMMONWEALTH OF VIRGINIA'S
DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION
PERTAINING TO CORRIDOR IMPROVEMENT PROJECT**

This First Amendment ("First Amendment") to the Memorandum of Understanding dated January 31, 2002, ("MOU"), by and between CSX Transportation, Inc., ("CSXT"), the Potomac and Rappahannock Transportation Commission, and the Northern Virginia Transportation Commission, who together are the owners and operators of the Virginia Railway Express (jointly and severally for purposes of this First Amendment, the "VRE"¹), and the Commonwealth of Virginia's Department of Rail and Public Transportation ("DRPT") is entered into the _____ day of _____, 2009.

W I T N E S S E T H:

WHEREAS, in the MOU, the VRE reaffirmed its commitment, first set forth in its 1995 Operating Access Agreement with CSXT, for the completion of track, signal and other improvements implementing a third mainline throughout the CSXT corridor between MP 53.2 (Olive) and MP 112.3*² (CP Virginia Interlocking) (the "Corridor"), with the assistance of DRPT, by completing a set of capital improvements identified as the Corridor Improvement Project for the purpose of enhancing freight and passenger rail service in the Corridor; and

WHEREAS, DRPT was a party to the MOU because of its interest in promoting VRE commuter rail service as well as the augmentation of inter-city passenger service, particularly between Richmond, Virginia and Washington, D.C. pursuant to a separate operating and access agreement on mutually acceptable terms between CSXT and DRPT (the "DRPT Agreement") and, as a result, DRPT has an interest in completing capital improvement projects beyond the aforesaid Corridor; and

WHEREAS, the MOU set forth the Corridor Task Force process whereby the parties,

¹ The Commissions are referred to in this First Amendment as the VRE although this was not done in the MOU. This is not intended to have, nor should it have, any legal significance. The terms "Commissions" and "VRE" refer to the same two entities who are parties to the MOU and this First Amendment, and the terms mean the same thing.

² * Former MP 136.7 has been changed to MP 112.3

with the participation of others, would complete the Corridor Improvement Project, as well as projects within the CSXT right of way from MP 53.2 to Richmond, Virginia to accommodate DRPT Contracted Inter-City Service, in phases by selecting, obtaining funding for, and constructing groups of one or more specific capital improvements, in return for which one or more specific enhancements to railroad operations in the Corridor would be obtained; and

WHEREAS, Addendum A attached to the MOU set forth more specifics concerning the implementation of capital improvements and resulting passenger rail service enhancements, and identified in Exhibits A and B to Addendum A the Group 1 Interim Improvements and passenger rail service enhancements resulting therefrom, which capital improvements are hereby modified by this First Amendment and which service enhancements include a round trip VRE train (“the VRE Fredericksburg Train”) that, by agreement between DRPT and VRE and subject to the approval of CSXT in its sole discretion, can be substituted for a DRPT contracted inter-city service train; and

WHEREAS, in accordance with Addendum A Section 6(d), DRPT and the VRE have agreed upon the terms and conditions under which the VRE Fredericksburg Train may be substituted for a DRPT contracted inter-city service train, subject to approval of a final schedule for the DRPT contracted inter-city service train and subject to CSXT’s approval, which terms and conditions, and approval by CSXT, are hereafter set forth in this First Amendment; and

WHEREAS, beyond the passenger rail service enhancements provided for by the MOU, the VRE operated under its Operating Access Agreement with CSXT a mid-day train beginning in 1999 which operated on the rights-of-way of Norfolk Southern as well as that of and CSXT (the “VRE Manassas Train”) and which VRE Manassas Train was discontinued by the VRE in 2005; and

WHEREAS, subject to approval of a final schedule for the DRPT contracted inter-city service train, DRPT and the VRE have agreed upon the terms and conditions under which the VRE Manassas Train may be substituted for a DRPT contracted inter-city service train, subject to CSXT’s approval, under the terms and conditions, and approval by CSXT, which are set forth in this First Amendment;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises hereafter set forth, the VRE, DRPT, and CSXT agree as follows:

1. Exhibits A and B attached to Addendum A of the MOU are hereby replaced in their entirety with the revised Exhibit A attached hereto.
2. Section 6(d) of Addendum A of the MOU is deleted and the following language is inserted in place thereof:

(d) Substitution of DRPT Contracted Inter-City Service.

- i. DRPT may request, by delivery of notice to the VRE and CSXT, that the regular round trip VRE train trip between Fredericksburg, Virginia and

Washington, D.C. described in Exhibit A be replaced by a DRPT Contracted Inter-City Service train originating at a location in Richmond Virginia mutually acceptable to DRPT and CSXT, then running through the VRE service area between Fredericksburg, Virginia and Washington, D.C., making agreed upon station stops at some VRE served stations in accordance with a schedule agreed upon by the parties. The service will be initiated upon completion of Phase IV of the Group 1 Interim Improvements described in Exhibit A and the execution of the DRPT Agreement governing the service. Any additional substitutions of VRE round trip trains with DRPT Contracted Inter-City Service trains shall be subject to CSXT's approval in its sole discretion.

The foregoing is expressly contingent upon and subject to the following terms and conditions:

1. Institution of the round trip VRE Fredericksburg Train referred to in section 6(d)(i) of Addendum A of this First Amendment is substituted under this First Amendment so that DRPT may institute a DRPT Contracted Inter-City Service train in accordance with section 6(d)(i).
2. Prior to institution of the DRPT Contracted Intercity Service, DRPT and CSXT shall enter into the DRPT Agreement.
3. The DRPT Contracted Inter-City Service train shall operate in accordance with the preliminary schedule set forth in Exhibit B to Addendum A of the MOU. Addendum A is hereby amended to include Exhibit B. Exhibit B shall be finalized by written agreement of the parties and attached to Addendum A. The approval of this First Amendment is contingent upon approval of such final schedule. Any further modifications to Exhibit B must be approved in writing signed by the parties.
4. The DRPT Contracted Inter-City Service train will be operated by Amtrak upon terms and conditions acceptable to Amtrak and CSXT including the application of the standard Amtrak liability and insurance provisions. The DRPT Agreement shall govern the terms and conditions of any Amtrak Operations and compensation to CSXT provided for under this First Amendment. DRPT will not enter into any agreement with Amtrak for the services provided for under this First Amendment that conflicts with this First Amendment or the DRPT Agreement. It is understood and agreed that during the time the DRPT Contracted Inter-City train is operated between Fredericksburg, Virginia and CP Virginia Interlocking stopping at agreed upon VRE served stations, and notwithstanding any provision of the Operating and Access Agreement between the

VRE and CSXT, it shall not be entitled to nor accorded the priority over VRE trains otherwise given to Amtrak operated trains, and no precedent will have been set by CSXT permitting Amtrak to make commuter stops at the agreed upon VRE stations.

5. The VRE and DRPT agree that, by separate agreement between them, VRE passengers bearing duly validated VRE tickets and evidence of payment of any applicable step-up fare shall be permitted to board and ride the DRPT Contracted Inter-City Service train. The VRE agrees to pay DRPT or its designee on a monthly basis the amount of the step-up fare for each VRE passenger trip taken on a DRPT Contracted Inter-City Service train in accordance with the revenue collection and distribution process agreed to by Amtrak and VRE for VRE trains operated by Amtrak or such other process as may be agreed upon by the VRE and DRPT.
6. DRPT agrees that, subject to funding of improvements necessary to institute the DRPT Contracted Inter-City Service provided for by this First Amendment and unless otherwise agreed, it will give priority in its recommendations for appropriation and allocation of new funding and subsequent approvals for capital improvements to CSXT's right-of-way between Staples Mill Station in Richmond, Virginia and CP Virginia Interlocking to projects that, through the Corridor Task Force process, will increase the train capacity for additional trains and permit the operation by VRE of the round trip commuter rail service train in the Corridor replaced by this First Amendment.
7. Through the Task Force process described in the MOU or otherwise, the very next passenger rail service enhancement permitting the operation of a round trip passenger train that results from a capital improvement or set of capital improvements in the CSXT right-of-way between Staples Mill Station in Richmond, Virginia and CP Virginia Interlocking which were sponsored and or funded in whole or in part by DRPT shall be an enhancement that permits the VRE to operate a round trip commuter rail service train in the Corridor whether the VRE elects to operate the train at that time or a later time. The foregoing shall not, however, supersede the requirements of any federal funding.
8. Until such time as the VRE obtains the contractual right to operate the aforesaid round trip train in the Corridor,

irrespective of whether the VRE actually operates the train, DRPT shall neither fund nor otherwise operate, directly or by contract with Amtrak or another service provider, any passenger rail service in the Corridor other than the one round trip DRPT Contracted Inter-City Service train being substituted for the VRE Fredericksburg Train under this First Amendment, and the one round trip train hereafter provided for operating on the rights-of-way of the Norfolk Southern and CSXT.

9. In the event that the DRPT Contracted Inter-City Service train is discontinued temporarily or permanently, the VRE, upon written notice to DRPT and CSXT, shall be permitted to commence operation of a regular round trip VRE commuter rail service train in the Corridor in the place of the DRPT Contracted Inter-City Service during the Rush Hour Periods set forth in the Operating Access Agreement between the VRE and CSXT in accordance with a schedule agreed upon by the VRE and CSXT. In the event that DRPT chooses to recommence operation of the DRPT Contracted Inter-City Service at any time then the DRPT Agreement shall govern the terms and conditions under which such service may be recommenced including the provision of not less than sixty (60) days written notice by DRPT to the VRE and CSXT of DRPT's intent to recommence the service.
10. In the event that funding of new capital improvements are provided for increased commuter rail service between Fredericksburg, Virginia and Washington, D.C., which replaces the capacity utilized by DRPT, DRPT will retain a contractual right under the DRPT Agreement for trains to operate a round trip train between Richmond, Virginia and Washington Terminal in Washington, D.C. in accordance with a schedule agreed upon by DRPT and CSXT, regardless of continuation of DRPT Contracted Inter-City Service.
11. The Corridor Task Force shall continue to provide the guidance and terms for capital improvements and passenger rail service enhancements as provided in the MOU.
 - ii. In addition to the foregoing, the VRE agrees that, in substitution for the VRE Manassas Train, DRPT may operate a DRPT Contracted Inter-City Service train on the portion of the CSXT Corridor between the AF Interlocking and CP Virginia Interlocking in Washington, D.C. subject to the following terms and conditions:
 1. Prior to institution of the DRPT Contracted Intercity Service,

DRPT and CSXT shall enter into the DRPT Agreement.

2. The aforesaid DRPT Contracted Inter-City Service train shall operate in accordance with the preliminary schedule set forth in Exhibit C to Addendum A of the MOU. Addendum A is hereby amended to include Exhibit C. Exhibit C shall be finalized by written agreement of the parties and attached to Addendum A. The approval of this First Amendment is contingent upon approval of such final schedule. Any further modifications to Exhibit C must be approved in writing signed by the parties.

3. The DRPT Contracted Inter-City Service train will be operated by Amtrak upon terms and conditions acceptable to Amtrak and CSXT including the application of the standard Amtrak liability and insurance provisions. The DRPT Agreement shall govern the terms and conditions of any Amtrak Operations and compensation to CSXT provided for under this First Amendment. DRPT will not enter into any agreement with Amtrak for the services provided for under this First Amendment that conflicts with this First Amendment or the DRPT Agreement. It is understood and agreed that during the time the train is operated between AF Interlocking and CP Virginia Interlocking, and notwithstanding any provision of the Operating and Access Agreement between the VRE and CSXT, the train shall not be entitled to nor accorded the priority over VRE trains otherwise given to Amtrak operated trains, and no precedent will have been set by CSXT permitting Amtrak to make commuter stops at the agreed upon VRE stations.

4. The VRE and DRPT agree that, by separate agreement between them, VRE passengers bearing duly validated VRE tickets and evidence of payment of any applicable step-up fare shall be permitted to board and ride the DRPT Contracted Inter-City Service train. The VRE agrees to pay DRPT or its designee on a monthly basis the amount of the step-up fare for each VRE passenger trip taken on a DRPT Contracted Inter-City Service train in accordance with the revenue collection and distribution process agreed to by Amtrak and the VRE for VRE trains operated by Amtrak or such other process as may be agreed upon by the VRE and DRPT.

5. DRPT agrees that, in addition to the capital improvements referred to in paragraph 2.(d).i.7, subject to funding of improvements necessary to institute the DRPT Contracted Inter-City Service provided for by this First Amendment, and unless otherwise agreed, it will give priority in its recommendations for appropriation and allocation of new funding and subsequent approvals for capital improvements to CSXT's right-of-way between Staples Mill Station

in Richmond, Virginia and CP Virginia Interlocking to projects that, through the Corridor Task Force process, will increase the train capacity for additional trains and permit the operation by VRE of the round trip commuter rail service train in the portion of the Corridor between AF Interlocking and CP Virginia Interlocking.

6. Through the Task Force process described in the MOU or otherwise, the very next passenger rail service enhancements permitting the operation of round trip passenger trains that result from a capital improvement or set of capital improvements in the CSXT right-of-way between Staples Mill Station in Richmond, Virginia and CP Virginia Interlocking which were sponsored and or funded in whole or in part by DRPT shall be enhancements that permit the VRE to operate a round trip commuter rail service train in the Corridor as provided in paragraph 2.d.i.7 and a round trip commuter rail service train in the portion of the Corridor between AF Interlocking and CP Virginia Interlocking whether the VRE elects to operate either of the trains at that time or a later time. The foregoing shall not, however, supersede the requirements of any federal funding.

7. Until such time as the VRE obtains the contractual right to operate the aforesaid round trip trains in the Corridor, irrespective of whether the VRE actually operates either of the trains, DRPT shall neither fund nor otherwise operate, directly or by contract with Amtrak or another service provider, any passenger rail service in the Corridor other than the two round trip DRPT Contracted Inter-City Service trains that are the subject of this First Amendment.

8. In the event that the DRPT Contracted Inter-City Service train operating between the AF Interlocking and CP Virginia Interlocking is discontinued temporarily or permanently, the VRE, upon written notice to DRPT and CSXT, shall be permitted to commence operation of a regular round trip VRE commuter rail service train on the Norfolk Southern right-of-way and the portion of the CSXT right-of-way between the AF Interlocking and CP Virginia Interlocking in the place of the DRPT Contracted Inter-City Service Train during the existing DRPT Contracted Intercity Service timeslot unless a new schedule is agreed upon by the VRE and CSXT. In the event that DRPT chooses to recommence operation of the DRPT Contracted Inter-City Service at any time then the DRPT Agreement shall govern the terms and conditions under which such service may be recommenced including the provision of not less than sixty (60) days written notice by DRPT to the VRE and CSXT of DRPT's intent to recommence the service.

9. The Corridor Task Force shall continue to provide the guidance and terms for capital improvements and passenger rail service enhancements as provided in the MOU.

3. Section 7 of Addendum A of the MOU providing for the parties' respective designated recipients of notice is amended to identify the following recipients of notice for each party:

If to CSXT: CSX Transportation, Inc.
500 Water Street J-315
Jacksonville, Florida 32202
Attention: VP Passenger Services

If to the Department: Virginia Department of Rail and Public
Transportation
1313 East Main Street, Suite 300
P.O. Box 590
Richmond, Virginia 23218-0590
Attention: Director

If to the Commissions: Virginia Railway Express
1500 King Street, Suite 202
Alexandria, Virginia 22314
Attention: Chief Executive Officer

4. All other provisions of the Memorandum of Understanding not inconsistent with the foregoing amendments shall remain in full force and effect.

This area intentionally blank.

IN WITNESS WHEREOF, the parties hereto by their duly authorized representatives have entered into this First Amendment to the Memorandum of Understanding as of the date aforesaid.

NORTHERN VIRGINIA
TRANSPORTATION COMMISSION
and
POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION

Dale Zehner
Chief Executive Officer, VRE

Attest: _____

CSXT, INC.

Name: _____

Title: _____

Attest: _____

DEPARTMENT OF RAIL AND PUBLIC
TRANSPORTATION

Charles M. Badger
Acting Director

Attest: _____

Exhibit A

Group 1 Interim Improvements And Service Enhancement Schedule

PHASE	PROJECTS	TRAINS ADDED
I	<ul style="list-style-type: none"> ▪ AF Interlocking 	<ul style="list-style-type: none"> ▪ 1 Experimental Special Mid-Day VRE Train – Monday – Thursday ▪ 1 Regular Mid-Day Friday Only
II	<ul style="list-style-type: none"> ▪ L'Enfant 3rd Main ▪ Arkendale Crossovers 	<ul style="list-style-type: none"> ▪ 1 Regular Mid-Day VRE Train – Monday – Friday
III	<ul style="list-style-type: none"> ▪ AF to Franconia 3rd Main ▪ Consolidation of Dispatch Functions 	<ul style="list-style-type: none"> ▪ 1 Round Trip Fredericksburg VRE Train
IV	<ul style="list-style-type: none"> ▪ Slater's Lane to RO 3rd Main ▪ Fredericksburg to HA 3rd Main ▪ Elmont Crossovers ▪ Completion of Quantico Bridge Project 	<ul style="list-style-type: none"> ▪ 1 Round Trip Manassas VRE Train ▪ 1 Round Trip Fredericksburg VRE Train

Exhibit B

Fredericksburg Line/Richmond Schedule

Station Code	Monday -- Friday Train 174	Saturday— Sunday Train 164	Monday – Friday Train 125	Saturday Train 199	Sunday Train 157
WAS	Ar ~9:28 am	Ar ~9:00 am	Dp 3:55 pm	Dp 7:00 pm	Dp 4:00 pm
LEF	TBD	-	TBD	-	-
ALX	TBD	-	TBD	TBD	TBD
WDB	TBD	TBD	TBD	TBD	TBD
QAN	TBD	TBD	TBD	TBD	TBD
FBG	Dp 8:00 am	TBD	Dp 5:17pm	TBD	TBD
ASD	TBD	TBD	TBD	TBD	TBD
RVR	Dp 7:00 am	Dp 6:35 am	Ar ~6:23 pm	Ar ~9:25 pm	Ar ~6:25 pm

Exhibit C

Manassas Line/Lynchburg Schedule

Station Code	Monday – Friday Train 176	Saturday-Sunday Train 156	Monday – Friday Train 171	Saturday Train 147	Sunday Train 145
WAS	Ar 11:20 am	Ar 1:35 pm	Dp 4:50 pm	Dp 4:00 pm	Dp 4:50 pm
LEF	11:14 am	-	4:56pm	-	-
ALX	11:05 am	1:19 pm	5:11 pm	4:17 pm	5:07 pm
BCV	10:40am	TBD	5:37pm	TBD	TBD
MSS	10:25a	12:46 pm	Dp 5:52 pm	TBD	5:39 pm
CLP	9:46 am	12:07 pm	TBD	TBD	6:15 pm
CVS	8:54 am	11:15 am	TBD	TBD	7:13 pm
LYH	Dp 7:43 am	Dp 10:04 am	Ar 8:32 pm	Ar 7:35 pm	Ar 8:25 am

Linda McMinimy

From: Homer, Pierce [Pierce.Homer@governor.virginia.gov]
Sent: Friday, June 20, 2008 6:14 PM
To: Linda McMinimy
Cc: Denslow, Suzette; Turnage, Wayne; Tucker, Matthew (DRPT)
Subject: RE: Transportation Change Fund- Rail Fund questions
Follow Up Flag: Follow up
Flag Status: Red

Linda—

This is modeled after the CMAQ start-up grants, and the presumption is that that after three years, the project would be eligible for state transit operating assistance, similar to VRE. (Remember that, even with local funding commitments, the Commonwealth is the largest funding contributor to VRE).

So, yes, this would require a local financial commitment after three years, as the VRE jurisdictions currently do. But localities would also qualify for state reimbursement.

I believe strongly that local investment (and associated land use commitments) will make these services better and more responsive. I also believe that it would be unfair to ask more of the VRE jurisdictions than we would ask of other rail beneficiaries (eg. Lynchburg, Caroline, Richmond, Charlottesville) through this new funding stream.

Until we know true costs, both operational and capital, there are a lot of unknowns.

And of course there are a lot of unknowns about the legislation itself.

Pierce R. Homer
 Secretary of Transportation
 804-786-8032
 804-786-6683 - fax

From: Linda McMinimy [mailto:Lmcmimimy@MCM1.net]
Sent: Friday, June 20, 2008 5:31 PM
To: Homer, Pierce
Cc: Denslow, Suzette; Turnage, Wayne
Subject: Transportation Change Fund- Rail Fund questions

Pierce,

I'm reviewing the Governor's proposed legislation a question about the rail funds jumps out.

On line 448-450 "Ten percent of such moneys shall be used as follows: (1) up to one third of such amount in each fiscal year shall be used to fund three-year grants for rail service operation with such grants each fiscal year distributed pursuant to guidelines established by the CTB..." The other 2/3rd of funds go to the Rail Enhancement Fund that requires a significant local match.

The Governor has said this fund would be used for capital and operating to extend intercity rail and commuter rail like VRE. This looks like a very short term and tenuous state commitment. What's expected to happen after the three year grant expires? Does state operating funding end Is this the VRE model where localities are expected to pick up the cost? What's the likelihood that Amtrak would extend service based on a three year state commitment?

7/22/2008

Also, what is the definition of rail service? Under this term could HRT's light rail or WMATA be eligible for these funds?

I know our transit systems and cities will be interested in better understanding this section.

Thanks,

Linda

Linda McMinimy

McMinimy & Associates

1108 E. Main Street, Suite 1108

Richmond, Virginia 23219

Phone: (804) 643-1166

Fax: (804) 643-1155

e-mail: lmccminimy@mcm1.net



COMMONWEALTH of VIRGINIA

CHARLES M. BADGER
Acting Director

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

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

February 25, 2009

Ms. Anne Witt
Vice President for Strategic Partnerships
and Business Development
National Railroad Passenger Corporation
60 Massachusetts Avenue, NE
Washington, D.C. 20002

Dear Ms. Witt:

I am writing in reference to the negotiations between the Commonwealth of Virginia, Department of Rail and Public Transportation (DRPT) and the National Railroad Passenger Corporation (Amtrak) to begin a three-year Amtrak intercity passenger rail demonstration project. The three-year demonstration project will initiate state-funded daily Amtrak train service from Lynchburg, Virginia and from Richmond, Virginia to Washington, D.C., and onward to New York and Boston with a target startup of Fall 2009.

While DRPT has been negotiating with Amtrak, DRPT also has been negotiating with CSX Transportation (CSXT), Norfolk Southern (NS), and Virginia Railway Express (VRE) to achieve the necessary track capacity to allow for the operations of the two state-funded Amtrak intercity passenger trains. Resulting from the track capacity negotiations with the listed parties, DRPT, is requesting Amtrak's favorable consideration of following items in negotiations with DRPT for the advancement of the state-funded Amtrak intercity passenger rail three-year demonstration project:

1. Additional Train Stops - In addition to the Amtrak stations currently listed in the Amtrak system timetable, DRPT is requesting the following stations be added to the state-funded Amtrak train schedules:
 - a. The Lynchburg state-funded Amtrak train
 - i. stop daily at Burke Centre bi-direction
 - ii. stop weekdays only at L'Enfant bi-direction.
 - b. The Richmond state-funded Amtrak train
 - i. stop daily at Woodbridge bi-direction
 - ii. stop weekdays only at L'Enfant bi-direction.

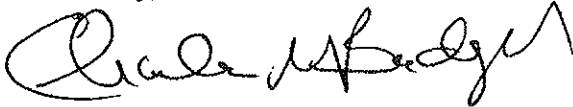
The Smartest Distance Between Two Points
www.drpt.virginia.gov

Ms. Anne Witt
February 25, 2009
Page Two

2. Priority of Train Dispatching - DRPT is requesting that Amtrak allow and provide for CSXT and NS to give priority to VRE commuter train operations in the event that either of Amtrak's two DRPT state-funded intercity trains is running off schedule. DRPT is also requesting that Amtrak give priority to VRE commuter trains while operating on Amtrak owned and controlled lines, including Washington Union Station Terminal, in the event that either of Amtrak's two DRPT state-funded intercity trains is running off schedule. In consideration of this request, please be assured that DRPT is requesting priority of VRE commuter train operations over the two state-funded train operations only and not any other Amtrak train currently in the Amtrak system operating in the VRE service area.

Thank you for consideration of DRPT's requests as we work towards finalizing the terms and conditions of the Amtrak and DRPT three-year demonstration project grant. We look forward to finalizing terms and conditions at the earliest possible date.

Sincerely,



Charles M. Badger
Acting Director

c: Kevin Page, Chief of Rail Transportation, Department of Rail and Public Transportation
Dale Zehner, Chief Executive Officer, VRE

Proposed Schedule When DRPT Trains are Implemented

Southbound Service Leaving Union Station

Departs	AMT 95	VRE 303	VRE 327	DRPT 125	VRE 305	VRE 329	VRE 307	DRPT 171	VRE 331	VRE 309	VRE 333	AMT 93/83	VRE 311	VRE 335	AMT 19	VRE 313	VRE 337	AMT 85
Union Station	2:30p	3:35p	3:45p	3:55p	4:10p	4:25p	4:40p	4:50p	5:05p	5:15p	5:30p	5:50p	6:00p	6:10p	6:30p	6:40p	6:50p	7:00p
Change from Current Schedule				new train	5 minutes later		5 minutes earlier	new train	5 minutes later									

Northbound Service Arriving at Alexandria and Union Station

Arrives	VRE 322	VRE 298	VRE 300	VRE 324	VRE 302	VRE 326	VRE 304	AMT 98	VRE 328	VRE 306	AMT 86	VRE 330	VRE 308	VRE 332	VRE 310	DRPT 174	AMT 20	AMT 84	DRPT 176
Alexandria	5:52a	6:07a	6:24a	6:33a	6:49a	7:03a	7:12a	7:23a	7:31a	7:38a	7:47a	8:08a	8:18a	8:39a	8:47a	8:57a	9:48a	9:50a	11:05a
Union Station	6:18a	6:29a	6:52a	7:00a	7:14a	7:30a	7:37a	7:46a	7:55a	8:04a	8:15a	8:35a	8:42a	9:05a	9:09a	9:28a	10:10a	10:15a	11:20a
Change from Current Schedule		new train			5 minutes earlier		5 minutes earlier		5 minutes earlier			5 minutes earlier		5 minutes earlier		10 minutes earlier	new train		new train

Existing VRE Service
Existing Amtrak Service
New VRE or DRPT Service

Notes:

- 1) All train times are subject to minor change. Depending on exact implementation date, Amtrak may have had at least 2 schedule changes. VRE plans on at least one change prior to this one being enacted.
- 2) The train slots for the new DRPT trains have been agreed to by all parties. However, exact schedule times for DRPT trains are subject to changes between now and implementation.
- 3) VRE times have been adjusted to allow for the new DRPT service in an effort to prevent possible declines in service due to congestion at Union Station. VRE trains follow 15 minutes behind a DRPT train (see time between DRPT 125 and VRE 305 and between DRPT 171 and VRE 331).
- 4) Under the MOU, all three parties (CSX, DRPT, and VRE) must agree to the final detailed schedules before the new DRPT trains can be implemented.



AGENDA ITEM #3

MEMORANDUM

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube
DATE: February 26, 2009
SUBJECT: Legislative Items

The commission will be asked to review with staff the actions of the General Assembly affecting public transit and NVTC's legislative agenda. Also, the current status of the federal stimulus program will be reviewed. Based on this discussion, the commission should direct staff to prepare letters to the Governor, General Assembly delegation and members of Congress to follow up on issues requiring further legislative or executive action.

Please refer to several attachments.



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2009 General Assembly Legislation of Interest to NVTC
 Passed or Remaining Under Consideration
 --February 25, 2009--

<u>Bill</u>	<u>Patron</u>	<u>Content</u>
HB 2158	Toscano	Charlottesville-Albemarle Regional Transit Authority (no funding).
HB 2476	Hugo	Extends sunset of clean fuel vehicles access to HOV lanes.
HB 2479	Hugo	Caps the rate of commercial real property tax for NVTA at \$.125 per \$100 (versus \$.25 currently).
HB 2480	Hugo	Restricts use of proceeds of the above commercial real property tax to <u>new</u> road and transit projects.
HB 2596	Ebbin	Metro Compact Amendments amended in Senate to conform to the version passed by the D.C. Council (ties federal board membership to federal funding).
SB 1511	Whipple	Metro Compact Amendments (without the above federal restriction).
SB 1066	Puller	Fraudulent VRE tickets are unlawful.
SB 1532	Saslaw	Changes NVTC/PRTC motor fuels tax rate to 2.1% assessed on distributors (versus current 2.0% assessed on retailers).
SJR 357	Barker	Continues the work of SJR 122 committee examining BRT in Northern Virginia.
HB1600/SB 850	Putney/ Colgin	House and Senate budget bills in conference.



VIRGINIA ACTS OF ASSEMBLY -- CHAPTER

An Act to amend and reenact §§ 58.1-1719, 58.1-1720, and 58.1-1722 of the Code of Virginia and to amend the Code of Virginia by adding in Article 4 of Chapter 17 of Title 58.1 a section numbered 58.1-1718.1, and to repeal §§ 58.1-1721 and 58.1-1723 of the Code of Virginia, relating to the tax on sales of fuels in the Northern Virginia Transportation District and the Potomac and Rappahannock Transportation District.

[S 1532]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-1719, 58.1-1720, and 58.1-1722 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 4 of Chapter 17 of Title 58.1 a section numbered 58.1-1718.1 as follows:

§ 58.1-1718.1. *Definitions.*

"Distributor" means (i) any person engaged in the business of selling fuels in the Commonwealth who brings, or causes to be brought, into the Commonwealth from outside the Commonwealth any fuels for sale, or any other person engaged in the business of selling fuels in the Commonwealth; (ii) any person who makes, manufactures, fabricates, processes, or stores fuels in the Commonwealth for sale in the Commonwealth; or (iii) any person engaged in the business of selling fuels outside the Commonwealth who ships or transports fuels to any person in the business of selling fuels in the Commonwealth.

"Fuel" means any fuel subject to tax under Chapter 22 (§ 58.1-2200 et seq.) of this title.

"Person" means any individual, corporation, partnership, association, company, business, trust, joint venture, or other legal entity.

"Retail dealer" means any person who sells fuels to a consumer or to any person for any purpose other than resale.

§ 58.1-1719. Rules and regulations.

The Tax Commissioner shall promulgate rules and regulations for the registration of ~~dealers~~ *distributors and dealers* and the procedures for filing returns for the payment of the tax imposed pursuant to this article. ~~Such regulations shall include provisions for a bracket system, designed so that the tax will appear on the fuel pump as a part of the total cost of a unit of fuel, whether the unit is a gallon or other measure. The bracket system shall state the tax per unit measure in tenths of a cent, and shall be in increments of no more than 2 1/2¢.~~

§ 58.1-1720. Tax on fuel sold in certain transportation districts.

~~A. There is hereby levied, in addition to all other taxes imposed on fuels subject to tax under Chapter 22 (§ 58.1-2200 et seq.) of this title~~ *In addition to all other taxes now imposed by law, there is hereby imposed a license or privilege tax upon every distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in every (i) any county or city which that is a member of any transportation district in which a rapid heavy rail commuter mass transportation system operating on an exclusive right-of-way and a bus commuter mass transportation system are owned, operated or controlled, by an agency or a commission as defined in § 15.2-4502, or in (ii) any county or city that is a member of any transportation district which that is subject to § 15.2-4515 C and which that is contiguous to the Northern Virginia Transportation District, a sales tax of two percent of the retail price of such fuels sold within such county or city. As used in this section "retail sale" means a sale to a consumer or to any person for any purpose other than resale.*

The tax shall be imposed at a rate of 2.1 percent of the sales price charged by a distributor for fuels sold to a retail dealer for retail sale in any such county or city described in clause (i) or (ii). Such tax shall be imposed at the time

of the sale by the distributor to the retail dealer. The tax imposed by this article shall be paid by the distributor, but the distributor shall separately state the amount of the tax and add such tax to the sales price or charge. Thereafter, such tax shall be a debt from the retail dealer until paid and shall be recoverable at law in the same manner as other debts.

~~B. The tax imposed under this section shall be subject to the provisions of the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.), except that the exemption provided for motor vehicle fuels under § 58.1-609.13, and the bracket system provided in such act, shall not be applicable.~~

~~C. The tax imposed under this section shall be effective on the first day of the first month that is at least 60 days after the certification by the Secretary of the Commonwealth required under §§ 15.2-4504 and 15.2-4529.~~

B. Every distributor collecting the tax imposed under this article shall file a monthly return no later than the twentieth of each month on a form prescribed by the Department, covering the sale of fuels by such distributor during the preceding month, for which tax is imposed pursuant to subsection A.

For purposes of compensating a distributor for accounting for and remitting the tax levied by this article, such distributor shall be allowed to deduct two percent of the tax otherwise due in submitting his return and paying the amount due by him if the amount was not delinquent at the time of payment.

§ 58.1-1722. Exclusion from professional license tax.

The amount of the tax imposed by this article and collected by a ~~dealer~~ distributor in any taxable year shall be excluded from gross receipts for purposes of any tax imposed under Chapter 37 (§ 58.1-3700 et seq.) of this title.

2. That §§ 58.1-1721 and 58.1-1723 of the Code of Virginia are repealed effective January 1, 2010.

3. That the provisions of this act shall become effective on January 1, 2010.

Legislative Information System

Rick Taube

From: APTA Legislative Update [legislativeupdate@apta.mmsend.com] on behalf of APTA Legislative Update [legislativeupdate@apta.com]
Sent: Wednesday, February 18, 2009 6:09 PM
To: Rick Taube
Subject: APTA Legislative Alert – February 18, 2009

If you have difficulty viewing this message please click [here](#).

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



February 18, 2009

President Obama signs American Recovery and Reinvestment Act into Law! \$8.4 billion provided for Public Transportation and \$9.3 billion for High Speed and Intercity Passenger Rail!

Yesterday, February 17, 2009, President Obama signed into law H.R. 1, the American Recovery and Reinvestment Act (ARRA) of 2009. This comprehensive economic stimulus legislation provides \$789 billion dollars in spending and tax relief to help kick start the economy.

Transit Provisions

The economic recovery package includes \$8.4 billion dollars for new capital investment for public transportation. Of this total, \$6.9 billion is available for capital projects eligible for funding under the existing transit formula programs. The funds will be distributed as follows:

- \$5.44 billion for capital projects under the Urban Formula Program (§5307)
- \$680 million for capital projects under the Rural Formula Program (§5311)
- \$680 million for Growing States and High Density Formula Program (§5340)

For each of these programs, the Federal Transit Administration (FTA) must make apportionments available within 21 days of enactment. The legislation stipulates that grantees must obligate 50 percent

of the funds under these programs within 180 days of the apportionment. Funds not obligated within the designated period will be recaptured and redistributed to other grantees that demonstrate that the funds can be spent in a reasonable time frame. The remaining funds must be spent within one year, or they will also be subject to redistribution. The federal share for the grants is 100 percent.

In addition to the formula grants, \$100 million is made available for new discretionary grants for transit agencies to "reduce energy consumption or greenhouse gas emissions." The FTA will publish guidance with program details and instruction on how to apply for these funds.

The ARRA also includes \$750 million for grants under the Fixed Guideway Modernization program. Funds will be distributed under the first four tiers of the current formula. Like the other formula grants, the FTA must issue apportionments within 21 days, and grantees must obligate the first 50 percent within 180 days, and the remaining 50 percent within one year or be subject to the same "use-it or lose-it requirements." The federal share for these grants is also 100 percent.

Under the transit title of the bill, a final \$750 million is available for Capital Investment grants under the New Starts and Small Starts program. These discretionary grants will be competitively awarded by FTA. Priority shall be given to projects that are currently in construction or are able to obligate funds within 150 days of enactment. The federal share would be consistent with existing Full Funding Grant Agreements and for new projects that could be initiated within the time limits at up to an 80 percent federal match. Funds will remain available for obligation until September 30, 2010.

Supplemental Discretionary Grants for a National Transportation System Program

In addition to the transit funds provided, the ARRA also includes \$1.5 billion for a new discretionary multi-modal program, entitled the "Supplemental Discretionary Grants for a National Transportation System Program." The Department of Transportation (DOT) will award grants ranging from \$20 million to \$300 million for highways, bridges, public transportation, including New Starts and Small Starts, port infrastructure and freight rail projects of national, regional and metropolitan significance. The Secretary may waive the \$20 million minimum for projects in small communities. No more than 20 percent of the total may be spent in one state, and grants must be distributed equitable among urban and rural areas. The DOT must issue a request for proposals and guidance within 90 days, grants under the program must be submitted within 180 days, and grants must be awarded within 1 year of enactment of the bill. The federal share for these grants is 100 percent.

Highway Provisions

The ARRA includes \$27.5 billion in grants under the federal highway program. Of these funds 50 percent will be distributed under the Surface Transportation Program, and 50 percent will be distributed based on the obligation limitation ratio from the Fiscal Year (FY) 2008 appropriations bill. Transit and

passenger rail projects are eligible uses for 100 percent of the highway funds distributed to the states or metropolitan areas. Of the total highway grants, 30 percent will be suballocated to metropolitan areas.

The ARRA also sets aside \$60 million of the highway total for eligible grants under the Ferryboat discretionary program.

Rail Provisions

The ARRA allocates \$9.3 billion for the development of intercity and high speed passenger rail. Of this total, \$1.3 billion is available for capital improvements and security upgrades for Amtrak. The remaining \$8 billion is provided for the development of new intercity and high speed rail passenger service. The grants will be distributed under the Intercity Passenger Rail Grants to States and the High Speed Corridors grant programs authorized in last year's Rail Safety Improvement Act. The legislation does not specify a specific distribution among the two programs, but does note that a priority shall be given to funding high speed rail projects. The Federal Railroad Administration must issue a strategic plan for the distribution of funds within 60 days of enactment, and issue program guidance within 180 days. The federal share of these grants is up to 100 percent.

Other Provisions

The ARRA also contains the following provisions of note:

- Commuter Tax Benefit – The tax title of the legislation provides the long sought equalization of the parking and transit tax benefit. Beginning this month, employers may offer up to \$230 per month in tax free transit commute expenses. This provision expires January 1, 2011.
- Transit and Rail Security Grants – The legislation provides an appropriation of \$150 million for additional transit and rail security grants.

APTA would like to thank all of its members for their assistance in advocating for passage of this groundbreaking legislation. Providing sample projects for our list of "ready-to-go projects" and contacting your local legislators throughout this process were critical to the passage of a stimulus bill that provides robust investment for public transportation and intercity rail. APTA looks forward to working with each of you in the coming weeks to ensure that the transit industry successfully deploys these funds to create throughout the nation.

For further information on the American Recovery and Reinvestment Act, including a detailed breakdown of the final provisions of the legislation, please view APTA's Economic Recovery website [here](#).

For tips on actions transit agencies can take to ready themselves for ARRA funding, please download our recent webinar here, moderated by APTA President Bill Millar.

Finally, for information regarding eligible uses, distribution mechanisms and other important information, please see the FTA's Economic Recovery website here.

If you have any questions, please contact Paul Dean of APTA's Government Affairs Department at (202) 496- 4887 or email pdean@apta.com.



American Public Transportation Association
Unsubscribe here

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**H.R. 1, The American Economic Recovery Act
Side-by-Side Senate and House Analysis**

February 12, 2009

Issue	Senate Bill (passed Senate 2/10/09)	House Bill (passed House 1/28/09)	Conference Report (Filed 2/12/09)
Funding Levels			
Total Transportation Funding	\$45,470,000,000	\$46,120,000,000	\$48,120,000,000
Total Transit Funding	\$8,400,000,000	\$12,000,000,000	\$8,400,000,000
Transit Funding Breakdown	Urbanized Area Formula Grants (5307) - \$5.96 billion (71%) Rural Area Formula Grants (5311) - \$840 million (10%) Growing States and High Density Formula Grants (5340) - \$1.6 billion (19%)	Urbanized Area Formula Grants (5307) - \$6.75 billion Rural Area Formula Grants (5311) - \$750 million Fixed Guideway Modernization (Rail Mod) - \$2 billion Capital Investment Grants (New Starts) - \$2.5 billion	Urbanized Area Formula Grants (5307) - \$5.52 billion (80%) Rural Area Formula Grants (5311) - \$690 million (10%) Growing States and High Density Formula Grants (5340) - \$690 million (10%) Fixed Guideway Modernization (Rail Mod) - \$750 million Capital Investment Grants (New Starts) - \$750 million
Total Highway Funding	\$27,060,000,000	\$30,000,000,000	\$27,500,000,000
Highway Funding Breakdown (Suballocation)	-Funds distributed through STP program -40% of funds will be suballocated to urbanized areas, and are eligible for transit -5% of funds reserved for CMAQ, and eligible for transit -\$60 million for waterborne transit	-Funds distributed through STP program -45% of funds will be suballocated to urbanized areas, and are eligible for transit	-Funds distributed through STP program -30% of funds will be suballocated to urbanized areas, and are eligible for transit
Total Intercity and High Speed Rail Funding	\$3,100,000,000	\$1,100,000,000	\$9,300,000,000
Intercity and High Speed Rail Funding Breakdown	Amtrak - \$850 million Intercity Passenger Rail Grant Program - \$250 million High Speed Rail Corridor Investments - \$2 billion	Amtrak - \$800 million Intercity Passenger Rail Program* - \$300 million (Priority given to High Speed Rail projects)	Amtrak - \$1.3 billion Intercity Passenger Rail and High Speed Rail - \$8 billion
Supplemental Discretionary Grants for a National Transportation System Program (Multi-Modal)	\$5,500,000,000	No Provision	\$1,500,000,000
Transit Program Details			
Urbanized Area, Rural Area and Growing States	-Urbanized Area Formula Grants (5307) - \$5.96 billion -Rural Area Formula Grants (5311) - \$840 million - Growing States and High Density Formula Grants (5340) - \$1.6 billion	-Urbanized Area Formula Grants (5307) - \$6.75 billion -Rural Area Formula Grants (5311) - \$750 million -Growing States and High Density Formula Grants	-Urbanized Area Formula Grants (5307) - \$5.52 billion (80%) -Rural Area Formula Grants (5311) - \$690 million (10%) -Growing States and High Density Formula Grants

<p>and High Density States Formula Grant Programs (5307, 531 I, 5340)</p>	<p>- \$200,000,000 Set aside for discretionary grants to "to public transportation agencies for capital investments to reduce energy consumption or greenhouse gas emissions; - Small Transit Intensive Cities formula not used in 5307 appropriations - Remaining 50% must be obligated within 180 days. - "Use it or lose it provision" - First 50% of funds not obligated within 180 days redistributed to recipients who have successfully obligated their apportionment, second 50% not obligated within 1 year redistributed to "Supplemental Discretionary Grants for a National Transportation System Program" - 100% federal share - funds shall be apportioned by FTA "as soon as possible". No provision.</p>	<p>(5340) - \$0 - Small Transit Intensive Cities formula not used in 5307 appropriations - 50% of funds must be obligated within 90 days, remaining 50% must be obligated within 2 years - "Use it or lose it provision" - DOT shall redistribute funds not obligated within the specified time periods to other recipients eligible under the programs to use in a "timely manner" - FTA required to apportion funds within 7 days of enactment</p>	<p>(5340) - \$690 million (10%) - \$100 million provided for discretionary grants to public transit agencies to reduce energy consumption or greenhouse gas emissions - funding must be apportioned within 21 days of enactment - "Use it or lose it" provision - 50% of funds not obligated within 180 days redistributed to recipients who have successfully obligated their apportionment; remaining unobligated portion redistributed within 1 year to recipients who have successfully obligated their apportionment - Secretary may provide obligation extension for extenuating circumstances - funds available until 9/30/10 - \$750 million provided - funding must be apportioned within 21 days of enactment - "Use it or lose it" provision - 50% of funds not obligated within 180 days redistributed to recipients who have successfully obligated their apportionment; remaining funds not obligated within 1 year redistributed to recipients who have successfully obligated their apportionment - Secretary may provide obligation extension for extenuating circumstances - funds available until 9/30/10</p>
<p>Fixed Guideway Modernization Program (Rail-Mod)</p>	<p>No provision.</p>	<p>- \$2 billion provided - 50% of funds must be obligated within 90 days, remaining 50% must be obligated within 2 years - "Use it or lose it provision" - DOT shall redistribute funds not obligated within the specified time periods to other recipients eligible under the programs to use in a "timely manner" - 100% federal share - FTA required to apportion funds within 7 days of enactment.</p>	<p>- \$750 million provided - funding must be apportioned within 21 days of enactment - "Use it or lose it" provision - 50% of funds not obligated within 180 days redistributed to recipients who have successfully obligated their apportionment; remaining funds not obligated within 1 year redistributed to recipients who have successfully obligated their apportionment - Secretary may provide obligation extension for extenuating circumstances - funds available until 9/30/10</p>
<p>Capital Investment Grants (New Starts Program)</p>	<p>No Provision.</p>	<p>- \$2.5 billion provided - discretionary grants competitively awarded by DOT - priority shall be given to projects that are currently in construction or are able to award contracts based on bids within 90 days of enactment (FFGAs) - 50% of funds must be spent (contracts or binding commitments) by grantee within 90 days of award or be redistributed by DOT - current matching requirements remain No provision.</p>	<p>- \$750 million provided - discretionary grants competitively awarded by DOT - priority shall be given to projects that are currently in construction or are able to obligate funds within 150 days of enactment - funds available until 9/30/10</p>
<p>Supplemental Discretionary Grants for a National Transportation System Program</p>	<p>- \$5.5 billion provided for discretionary grants to states and local governments for the following eligible projects: Highway and bridge projects, including interstate rehabilitation, improvements to rural collector road system, reconstruction of overpasses and interchanges, bridge replacements, and seismic retrofit projects for bridges and road realignments; Public transportation projects including New Starts and Small Starts projects; Passenger and freight rail improvements and port infrastructure improvements - Grants range from \$20,000,000 to \$500,000,000.</p>	<p>No provision.</p>	<p>- \$1.5 billion provided for discretionary grants to states and local governments for the following eligible projects. - Eligible projects include highway and bridge projects, including interstate rehabilitation, improvements to rural collector road system, reconstruction of overpasses and interchanges, bridge replacements, and seismic retrofit projects for bridges and road realignments; public transportation projects including New Starts and Small Starts projects, passenger and freight rail improvements and port infrastructure improvements - Grants range from \$20,000,000 to \$500,000,000. - Secretary may waive minimum grant level for</p>

	<ul style="list-style-type: none"> -100% federal share. -projects must be completed within 3 years -funds must be distributed equitably among geographic regions and urban and rural areas -Secretary must issue grant criteria within 75 days of enactment. -applications must be submitted within 180 days of enactment. -projects must be awarded within 1 year of enactment. 	<ul style="list-style-type: none"> -100% federal share. -not more than 20% of total amount can be awarded to a single State -priority given to projects that are expected to be completed within 3 year and require federal funds to complete an overall financing package. -Secretary must issue grant criteria within 90 days of enactment. -applications must be submitted within 180 days of criteria publication. -projects must be awarded within 1 year of enactment. 			<ul style="list-style-type: none"> -significant projects in small cities, regions and state -100% federal share. -not more than 20% of total amount can be awarded to a single State -priority given to projects that are expected to be completed within 3 year and require federal funds to complete an overall financing package. -Secretary must issue grant criteria within 90 days of enactment. -applications must be submitted within 180 days of criteria publication. -projects must be awarded within 1 year of enactment.
Rail Program Details					
Amtrak					
Intercity Passenger Rail Grants	<ul style="list-style-type: none"> -\$850 million for Amtrak Capital Improvements -funds distributed under the Sec. 24401 Intercity Passenger Rail Grant program -100% federal share -projects must be in STIP at time of application -priority given to projects that can be completed within 2 years and increase safety and reliability of intercity passenger trains. 	<ul style="list-style-type: none"> -funds distributed under the Sec. 24401 Intercity Passenger Rail Grant program. -preference given to projects that can be awarded within 180 days of enactment. -preference given to FTRCA compliant rolling stock. -preference given to projects that promote High Speed Rail 	<ul style="list-style-type: none"> -No provision. 	<ul style="list-style-type: none"> -\$800 million for Amtrak Capital Improvements -funds distributed under the Sec. 24401 Intercity Passenger Rail Grant program. -preference given to projects that can be awarded within 180 days of enactment. -preference given to FTRCA compliant rolling stock. -preference given to projects that promote High Speed Rail 	<ul style="list-style-type: none"> -\$850 million for Amtrak Capital Improvements -\$450 million for Amtrak Capital Security Grants -\$8 billion provided for Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Service programs -Secretary must submit to Congress a strategic funding plan within 60 days of enactment -Secretary must issue grant criteria within 120 days of enactment -100% federal share -priority given to intercity high speed rail projects -\$8 billion provided for Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Service -Secretary must submit to Congress a strategic funding plan within 60 days of enactment -Secretary must issue grant criteria within 120 days of enactment -100% federal share -priority given to intercity high speed rail projects
High Speed Rail Corridor Program	<ul style="list-style-type: none"> -\$2 billion provided for discretionary grants for capital projects in designated high speed rail corridors. -grants distributed under the High Speed Rail program (Sec. 26106) -grants must be awarded by September 30, 2011 -100% federal share 				
Other Issues					
Maritime Transportation	<ul style="list-style-type: none"> -\$60 million in grants under the FHWA's Ferry Boat Discretionary Program; competitive discretionary grants to be distributed to states for the construction of ferry boats and ferry terminal facilities. -priority given to projects that can be completed within 2 years. -\$100 million provided for grants for "assistance to small shipyards," through the Maritime Administration for capital improvements to small shipyards to improve productivity of nation's shipbuilding industry - Increases monthly pre-tax commuter transit and vanpool benefits to the same level as provided for pre-tax parking benefits, up from \$120 to \$230 per month -Provision effectiveness to coincide with enactment. -Sunsets December 31, 2010 	<ul style="list-style-type: none"> -No provision. 	<ul style="list-style-type: none"> -No provision. 	<ul style="list-style-type: none"> -\$60 million in grants under the FHWA's Ferry Boat Discretionary Program; competitive discretionary grants to be distributed to states for the construction of ferry boats and ferry terminal facilities. -\$100 million provided for grants for "assistance to small shipyards," through the Maritime Administration for capital improvements to small shipyards to improve productivity of nation's shipbuilding industry -funding must be obligated within 180 days -funds available until 9/30/10 -Increases monthly pre-tax commuter transit and vanpool benefits to the same level as provided for pre-tax parking benefits, up from \$120 to \$230 per month -Provision effectiveness to coincide with enactment. -Sunsets January 1, 2011 	
Commuter Tax Benefit	<ul style="list-style-type: none"> - Increases monthly pre-tax commuter transit and vanpool benefits to the same level as provided for pre-tax parking benefits, up from \$120 to \$230 per month -Provision effectiveness to coincide with enactment. -Sunsets December 31, 2010 				

<p>High Speed Rail Bonds</p>	<p>-Current provision states a project is eligible for tax-exempt bonds only if a project is reasonably expected to operate at a speed in excess of 150 mph -Chairman's Modifications alters language to allow projects to be eligible for tax-exempt bonds if a project is reasonably expected to attain a top speed of 150 mph. -Only bonds issued after enactment are eligible -No sunset provision.</p>	<p>No provision.</p>	<p>-Requires a project "be capable of attaining a maximum speed in excess of 150 mph" to be eligible for tax-exempt bonds -Only bonds issued after enactment are eligible.</p>
<p>Transit Security Grants</p>	<p>- \$100 million for Public Transportation Security Assistance, Railroad Security Assistance and Amtrak Security Updates. -Funds available until 9/30/2010</p>	<p>No provision.</p>	<p>- \$150 million for Public Transportation Security Assistance and Railroad Security Assistance - \$450 million for Amtrak Security Upgrades - funds available until 9/30/10</p>
<p>Energy Efficiency and Conservation Block Grant Program</p>	<p>- \$3.5 billion provided for state and local governments to implement transit eligible energy efficiency and conservation programs</p>	<p>- \$4.2 billion provided for state and local governments to implement transit eligible energy efficiency and conservation programs - \$2.1 billion to be distributed via formula, remaining \$2.1 billion to be awarded via discretionary grant program</p>	<p>- \$3.2 billion provided for state and local governments to implement transit eligible energy efficiency and conservation programs - \$2.8 billion to be distributed via formula, remaining \$400 million to be distributed via competitive discretionary grant program</p>

JIM WEBB
VIRGINIA

COMMITTEE ON
ARMED SERVICES
COMMITTEE ON
FOREIGN RELATIONS
COMMITTEE ON
VETERANS' AFFAIRS

JOINT ECONOMIC COMMITTEE

United States Senate

WASHINGTON, DC 20510-4605

February 2, 2009

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RECEIVED

FEB 10 2009

Mr. Christopher Zimmerman, Chairman
Northern Virginia Transportation Commission
4350 North Fairfax Drive
Suite 720
Arlington, Virginia 22203

Dear Mr. Zimmerman:

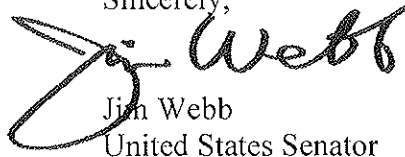
Thank you for contacting my office to express your support for transportation infrastructure projects in an economic stimulus package. I look forward to working closely with you and with my colleagues in the Virginia Congressional delegation to support infrastructure projects that are important to the people of Virginia.

I believe the United States needs to place a higher priority on infrastructure development. Robust funding for infrastructure projects will help mitigate the current economic downturn by putting more Virginians to work, and will allow the United States to be more competitive in a global marketplace by enhancing the exchange of commerce.

Initiatives such as transportation infrastructure projects help improve quality of life for many Virginians. Please be assured that I will work with my United States Senate colleagues in order to ensure that Virginia's priorities are appropriately funded in the years ahead.

My staff and I appreciate your correspondence. We look forward to working with you in the future.

Sincerely,



Jim Webb
United States Senator

JW:as



AGENDA ITEM #4

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: February 26, 2009
SUBJECT: Metro Items

A. FY 2010 Budget Review.

WMATA must close a significant gap to balance its budget. The attached materials describe efforts to accomplish that goal.

B. Metro Matters Bonds.

The WMATA Board is expected to approve staff's request to issue bonds to finance the ongoing Metro Matters program. NVTC's jurisdictions expect to "opt out" of that bond issue (fully or in part) using funds appropriated by the Virginia General Assembly in 2005.

C. General Manager's Board Reports.

John Catoe has begun to present written reports at the monthly WMATA Board meetings. These useful summaries will be shared with NVTC commissioners, beginning with the attached reports for January and February, 2009.

D. Inauguration Day Performance.

As detailed in the attached materials, WMATA exceeded expectations on January 20, 2009 while carrying record volumes of customers. Local transit systems also provided exemplary support, assisted by state and regional staff.



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Local News

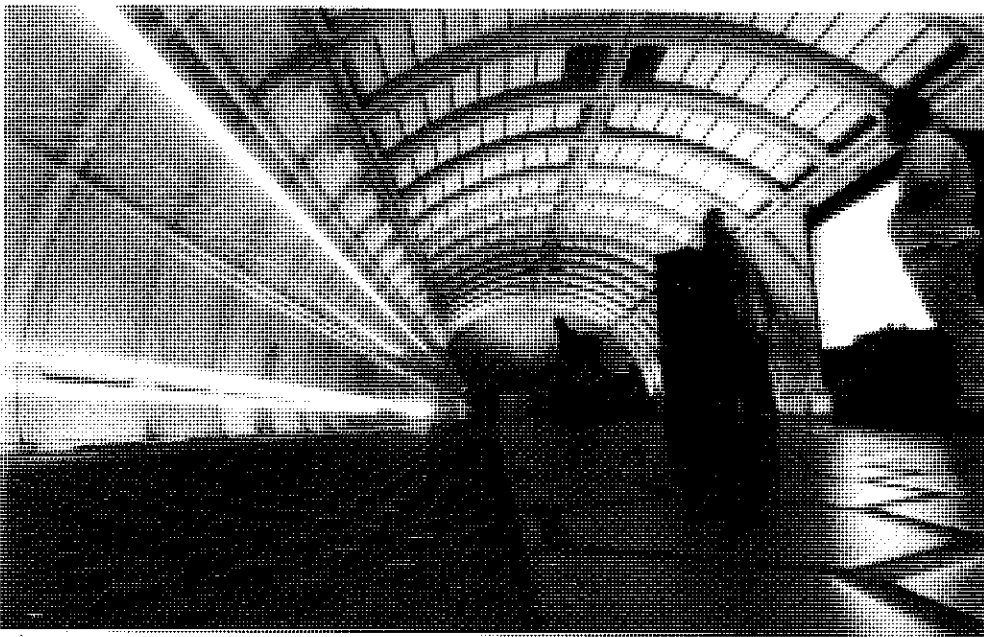
[\[Print\]](#) [\[Email\]](#)

SHARE

Panel suggests largest cuts to service in Metro history

By Kytja Weir

Examiner Staff Writer 2/9/09



The Metro board is scheduled to vote on proposals by a regional advisory panel that, if passed, would lead to the largest service cuts in the agency's history. Matthew A. Roth/For The Examiner

Cuts to Metro service being suggested by a regional advisory panel are so drastic that commuters "will be asking for a fare increase," a Metro spokeswoman said.

Metro board members are slated to begin discussing the largest proposed service cuts in the agency's history Thursday as Metro grapples with rising costs amid an economic downturn.

Initial ideas from a regional advisory group include scrapping Metro's 3 a.m. rail service on weekends and stopping its weekday trains at 10 p.m. Some rail station entrances could be closed and low-performing bus routes eliminated.

The full menu of possible service cuts had not been made public as of Friday. But Metro spokeswoman Candace Smith said preliminary drafts were “not good.”

“People will be asking for a fare increase,” she told The Examiner. “It’s really unfortunate that we’re in this position. It’s unfortunate for people who are trying to get to work.”

Local transit activists are already opposing initial proposals of how Metro might cut rail and bus service to bridge a projected \$154 million gap in its \$1.7 billion budget.

“We’re utterly opposed to any cuts,” said Ben Ross, president of the Action Committee for Transit in Montgomery County. He said his group already was planning ways to make its opposition heard.

Other advocates were skeptical about the cuts. “My overall sense is that when the dust settles, we’re not going to see the trains stop running at 10 p.m.,” said Ross Capon, president of the D.C.-based National Association of Railroad Passengers. “I just can’t visualize it.”

He likened it to what is known as the “Washington Monument game,” an oft-cited legend in which the Interior Department threatened to close the Washington Monument amid a budget crunch, provoking widespread outrage that ultimately saved the monument.

Metro board members deny they or Metro officials are crying wolf with the proposal to cut service.

“It should be taken seriously,” said board member Christopher Zimmerman of Arlington County. “There aren’t a lot of options available to the Metro board.”

The transit agency could avoid some service cuts by raising fares, asking local jurisdictions to increase the amount they subsidize the system or cutting more overhead.

The agency is in arbitration with the transit agency’s largest union, so the economic shortfall could be used as a bargaining chip to reduce some of the agency’s largest costs: personnel.

General Manager John Catoe has proposed a \$1.38 billion budget that calls for keeping fares steady and local subsidy rates the same. But he called for cutting 891 positions and \$87 million in service cuts.

Catoe did not call for a fare increase or an increase to the local contributions from local jurisdictions that rely on the transit service, because they are facing tight budget times of their own amid the dour economic climate.

Metro raised fares in January 2008, and board members at the time pledged not to raise them more than every other year.

Capon said Metro should ask for more subsidies before seeking a fare increase or service cuts. “People shouldn’t be trying to talk to the Metro board, they should be talking to local officials,” he said. “The better solution would be to take the money that is still being spent to build new roads and use it to preserve the current Metro system

Find this article at:

<http://www.dcxaminer.com/local/Panel-suggests-largest-cuts-to-service-in-Metro-history-39291812.html>



Continued Review of FY2010 Expense and Revenue

Presented to the Board of Directors:

**Finance, Administrative and Oversight
Committee**

February 12, 2009





Budget Adjustment

	FY2009 Approved Budget	Baseline Changes	Admin Cuts	Service Cuts	FY2010 Proposed Budget
Revenue	\$794	(\$17)	\$0	(\$14)	\$767
Expense	\$1,329	\$159	(\$103)	(\$87)	\$1,302
Subsidy	<u>\$535</u>	<u>\$176</u>	<u>(\$103)</u>	(\$73)	<u>\$535</u>
Adjustment to correct		(\$22)	\$22		
Corrected "Gap" and Admin Cut		<u>\$154</u>	<u>(\$81)</u>		

- Baseline changes included over-estimation of personnel costs listed as "other" in Jan 8th budget presentation
- Error correction eliminates a double count in both the expense increases and decreases
- The actual list of Admin/Operational cuts totals \$81 million



Budget Crosswalk FY2009 to FY2010

	Revenue	Expense	Subsidy	FY2010 Subsidy Increase/ (Decrease)
FY2009 APPROVED BUDGET.....	\$794	\$1,329	\$535	
FY2010 Baseline Changes:				
a. Ridership/Revenue Increase	\$19			
b. One-time-only fares from FY09	(\$36)			
Baseline Revenue Changes	(\$17)			\$17
c. Uncontrollable Expense Increases		\$137		\$137
d. Admin/Operations Cuts		(\$81)		(\$81)
FY2010 PROPOSED BUDGET.....	\$777	\$1,385	\$608	\$73
<i>As of Jan 29, 2009</i>				
FAO Committee Budget Adjustments:				
1. _____	\$ _____	\$ _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____



FY2010 Revenue Assumptions

Key FY2010 Revenue Assumptions:

- No fare increase
- Ridership growth continues at current rates
- Full year impact of:
 - **Balanced transfer**
 - **Discontinue budgeted fare integration**
 - **Elimination of paper transfers**
- One time budget reduction related to 2008 fare increase
- Economic downturn impact on non-passenger revenue



FY2010 Non-Passenger Revenue

Non-Passenger Revenue:

- **Parking dollars limited by number of spaces**
 - **Hourly parking revenue less than anticipated in FY09 and the trend is expected to continue into FY2010**
- **Advertising dollars tied to multi year contract/ends 2011**
- **Joint Development & Fiber Optics react to market forces**
- **Interest revenue tied to conditions in the financial markets**
- **All other revenue sources with minimal, zero or negative growth**
- **Only new revenue source in FY2010 is Car Sharing Revenue**



FY2010 Ridership

Annual Passenger Trips

	Metrorail	Metrobus	MetroAccess	System Total
FY09 Approved Budget	221,834	134,300	1,800	357,934
FY10 Proposed Budget	230,756	139,662	2,070	372,488
Total Increase	8,922	5,362	270	14,554
Percentage Increase	4%	4%	15%	4%

Trips in Thousands



FY2010 Passenger Revenue

Annual Passenger Revenue

	Metrorail	Metrobus	MetroAccess	System Total
FY09 Approved Budget	\$504,025	\$110,952	\$3,900	\$618,877
FY10 Proposed Budget	\$525,939	\$111,385	\$4,485	\$641,809
Total Increase	\$21,914	\$434	\$585	\$22,933
Percentage Increase	4%	<1%	15%	4%

Trips in Thousands



FY2010 Ridership and Passenger Revenue

	Metrorail			Metrobus			MetroAccess			Total	
	Revenue	Ridership	Avg. Fare	Revenue	Ridership	Avg. Fare	Revenue	Ridership	Avg. Fare	Revenue	Ridership
FY09 Approved Budget	\$504,025	221,834	\$2.27	\$110,952	134,300	\$0.83	\$3,900	1,800	\$2.17	\$618,877	357,934
FY09 Budget Variance/ Oct.2008	\$496	998		\$2,009	1,295		\$26	50			
FY09 Projection - 1st Quarter	\$504,521	222,832	\$2.26	\$112,960	135,595	\$0.83	\$3,926	1,850	\$2.12	\$621,407	360,277
FY2010 Projection											
FY10 Projection											
FY09 Base Ridership/Revenue	\$504,521	222,832	\$2.26	\$112,960	135,595	\$0.83	\$3,926	1,850	\$2.12	\$621,407	360,277
Undo Fare Integration	\$13,600	-	\$0.06	(\$13,600)	-	-\$0.10					
FY10 Ridership Growth*	\$16,831	7,924		\$2,593	4,067		\$559	220			
FY10 Base	\$534,952	230,756	\$2.32	\$101,953	139,662	\$0.73	\$4,485	2,070	\$2.17	\$641,391	372,488
FY10 Adjustments											
Undo Rail-To-Bus Discount	N/A	-		\$9,972	-	\$0.07	N/A	-			
Implement Balanced Transfer	(\$9,013)	-	-\$0.04	(\$5,540)	-	-\$0.04	N/A	-			
Eliminate Paper Transfer	N/A	-		\$5,000	-	\$0.04	N/A	-			
FY10 Revenue/Ridership Projection	\$525,939	230,756	\$2.28	\$111,385	139,662	\$0.80	\$4,485	2,070	\$2.17	\$641,809	372,488

- * FY10 projection for Metrorail includes ridership growth on Metrorail of 3.6%, 3% peak, 4.1% off-peak, 4% Saturday and 6% Sunday
- * FY10 ridership projection for Metrobus is 3% across all periods
- * FY10 ridership projection for MetroAccess is 15%
- * Includes deferred revenue of \$28.1 million which adds between \$0.12 - \$0.13 to the rail average fare
- * Undoing Fare Integration of \$13.6 million adds approximately \$0.16 to the rail average fare and reduces bus by \$0.10.



FY2010 Budget for Non-Passenger Revenue

	FY2009 Approved Budget	FY2010 Proposed Budget	Change	
Advertising	\$39,000	\$42,000	\$3,000	7.7%
Fiber Optics	\$13,400	\$10,900	(\$2,500)	-18.7%
Rent	\$16,200	\$14,700	(\$1,500)	-9.3%
School Fares	\$5,000	\$5,000	\$0	0.0%
Interest	\$4,700	\$3,150	(\$1,550)	-33.0%
Employee Parking	\$209	\$209	\$0	0.0%
Bicycle Locker Revenue	\$42	\$42	\$0	0.0%
Telephone Revenue	\$1,001	\$991	(\$10)	-1.0%
Vending Machine Revenue	\$168	\$180	\$12	7.1%
Subrogation Collection	\$600	\$600	\$0	0.0%
Car Sharing	\$0	\$56	\$56	
Other	\$2,016	\$2,016	\$0	0.0%
SE Garage Offset	\$4,800	\$5,100	\$300	6.3%
Total Non-Passenger	<u>\$87,135</u>	<u>\$84,943</u>	<u>(\$2,192)</u>	-2.5%



FY2010 Proposed Operating Expense

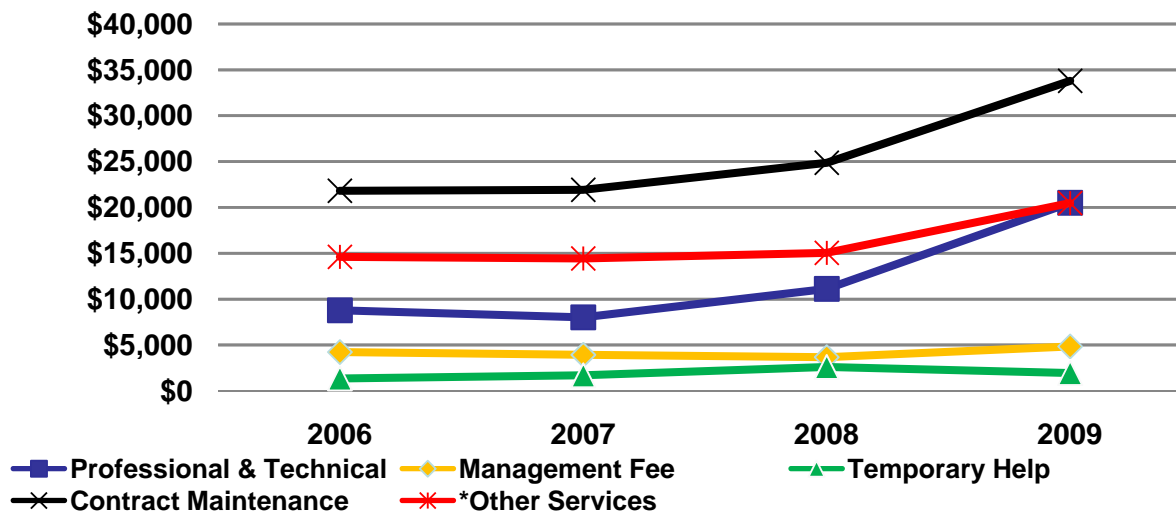
Follow-up Items from Previous Meeting:

- 1. Review expense trends in purchased services**
- 2. Establish Fund for Retiree Health Liability**
- 3. Review federal funding of operating budget**
- 4. Review trends in credit/debit card expense and volume**
- 5. Review trends in accident claims payments**



1. Expense Trends in Purchase Services

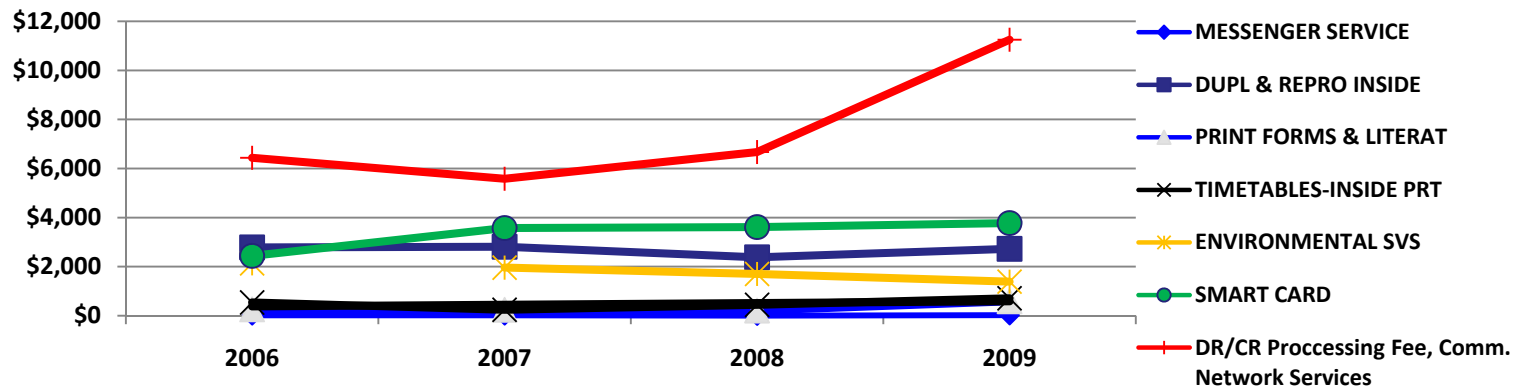
Description	\$ Thousands			Approved	YTD	Year End	Proposed
	Actual	Actual	Actual	Budget	Actual	Forecast	Budget
	2006	2007	2008	2009	2009	2009	2010
Parking	\$4,220	\$3,916	\$3,657	\$4,835	\$1,971	\$4,445	\$4,482
Professional & Technical	\$8,774	\$8,002	\$11,109	\$20,493	\$5,571	\$18,841	\$17,441
Temporary Help	\$1,336	\$1,685	\$2,596	\$1,929	\$1,152	\$1,774	\$1,736
Contract Maintenance	\$21,796	\$21,894	\$24,848	\$33,786	\$13,343	\$31,062	\$31,753
Other Services	\$14,590	\$14,437	\$15,042	\$20,456	\$9,652	\$18,807	\$24,958
Total	\$50,717	\$49,933	\$57,253	\$81,500	\$31,688	\$74,930	\$80,370
		-2%	15%	42%		-8%	-1%





1a. Drill Down "Other" Purchase Services

Description	\$ Thousands			Approved	YTD	Year End	Proposed
	Actual	Actual	Actual	Budget	Actual	Forecast	Budget
	2006	2007	2008	2009	2009	2009	2010
Messenger Services	\$15	\$15	\$3	\$24	\$0	\$0	\$0
Duplication/Reproduction	\$2,781	\$2,810	\$2,380	\$2,726	\$1,188	\$2,315	3,072
Print Form & Lit	\$258	\$239	\$208	\$587	\$104	\$203	269
Timetables – Inside Print	\$537	\$241	\$444	\$708	\$275	\$537	712
Environmental Services	\$2,131	\$1,960	\$1,703	\$1,391	\$1,215	\$2,368	3,143
Smartcard	\$2,436	\$3,568	\$3,611	\$3,772	\$2,389	\$7,339	6,839
DR/CR Processing Fee, Comm. Network Services	\$6,436	\$5,583	\$6,674	\$11,249	\$4,479	\$6,045	10,922
Total	\$14,595	\$14,416	\$15,023	\$20,456	\$9,652	\$18,807	\$24,958
		-1%	4%	36%		-8%	22%





2. Establish Fund for Retiree Health Liability

- GASB45 accounting rule changed in FY08 requiring recognition of the liability “promise” made to retirees to fund health insurance
- That new rule did not require funding the liability
- Organizations could continue pay-as-you-go funding, and for FY09 that was the Board’s policy decision
- A growing unfunded liability exists:
Currently \$59 million, forecast to increase to \$1.3 billion by FY2019
- With the failure of the financial markets and the economic downturn the existing unfunded liability is damaging Metro credit rating
- Additionally, by comparison, all local jurisdictions have chosen to fund their own retiree programs but not to fund Metro thereby adding to the credit rating challenge



2. Establish Fund for Retiree Health Liability

The FY2010 Proposed Budget included \$5 million to begin funding the liability and reduce the credit risks

\$5 million covered two costs:

1. Startup costs to create the fund, develop the investment programs of the trust, build the financial and functional systems needed to operating the fund, \$1 million
2. Deposit of an initial contribution to the fund, \$4 million

Staff is now recommending the \$4 million initial deposit be deferred until FY2011 allowing for a reduction in the FY2010 proposed budget



3. Federal Funding of Maintenance Expense

- Federal funds (FTA Formula Grant 5307) can be used to pay for routine operating maintenance expenses, often referred to as preventive maintenance
- A cap used to exist allowing up to 10% of total operating maintenance expenses to be paid for with federal funds, current rule is 100%
- Not to be confused...preventive maintenance funding is not: a maintenance program, a campaign, a capital project or capitalization of operating expense
- Preventive maintenance funding is an accounting transaction. Accounting and budget ledgers recognize FTA grant funds as a funding source to the operating budget (in additional to local subsidy)

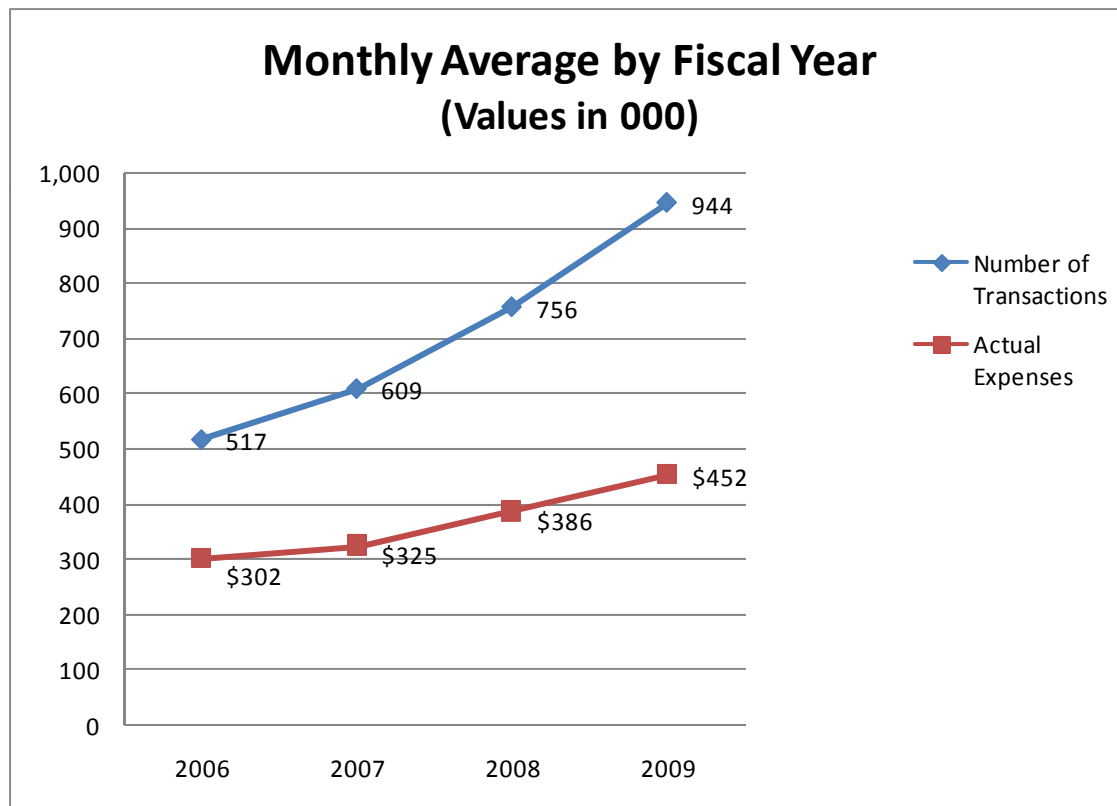


3. Federal Funding of Maintenance Expense

- Currently \$20.7 million of federal funds subsidize the operating budget:
 - \$18.0 million for Metrobus
 - \$2.7 million for Metrorail
- Federal subsidy to the operating budget can be increased if the amount of federal funding increases, as expected to occur in the stimulus bill



4. Review of Trends in Debit/Credit Card Expense and Volume

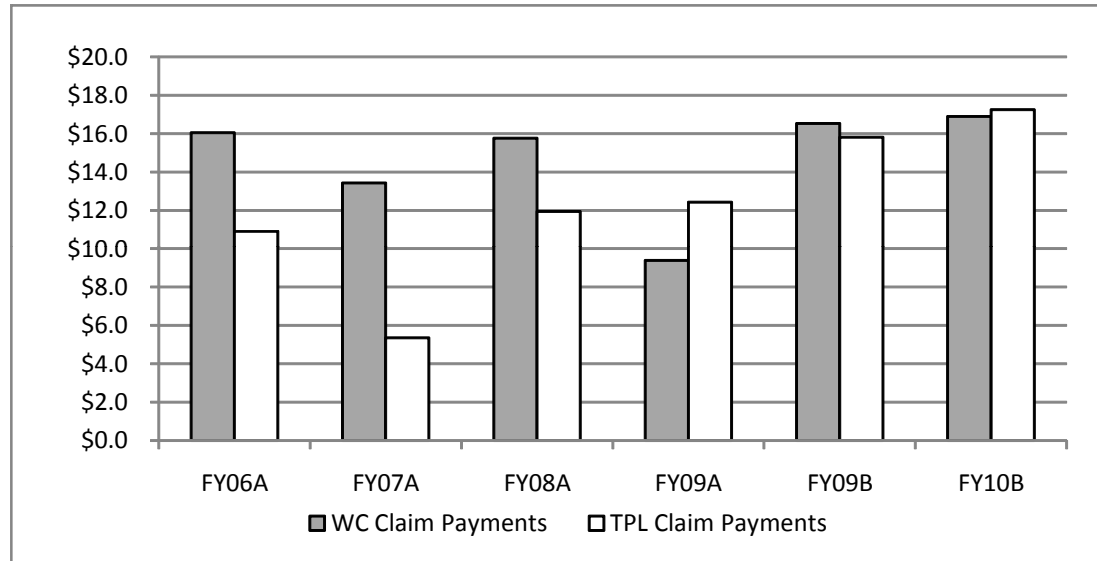


Dollars and Transactions in Thousands

83% Increase In
Monthly Average
Debit and Credit Card
Transactions From
FY2006 to FY2009



5. Review of Trends in Accident Claims Payments



	FY2006	FY2007	FY2008	FY2009		FY2010
	Actual	Actual	Actual	YTD-Actual	Budget	Budget
WC Claim Payments	\$16.0	\$13.4	\$15.8	\$9.4	\$16.5	\$16.9
TPL Claim Payments	\$10.9	\$5.4	\$12.0	\$12.4	\$15.8	\$17.3
Total Claim Payments	\$26.9	\$18.8	\$27.7	\$21.8	\$32.3	\$34.1

General Ledger Expense
\$ Millions



Finance, Administration and Oversight Committee

Action Item VI-D

February 12, 2009

**Approval to Modify Line of Credit and Issue
Metro Matters Bonds**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100265	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
---	-------------------------------	---

TITLE:

Increase Line of Credit & Issue Metro Matters Bond

PURPOSE:

Request approval to extend and increase the expiring line of credit and issue long-term bonds pursuant to the MetroMatters Agreement.

DESCRIPTION:

Metro currently has a line of credit for \$100 million that will expire in May 2009 and a Commercial Paper Facility for \$330 million that will expire in September 2010.

Therefore, two financial transactions are requested:

- 1) To extend the line of credit for an additional year and to increase up to \$250 million in order to support the capital and operating programs, and
- 2) To issue long-term bonds of up to \$550 million (composed of \$488 million in principal, any required debt service reserve and the costs of issuance), at an indicative average interest rate of 5.5% and for a term not to exceed 25 years to replace the short-term Commercial Paper Facility and fund future capital expenses.

FUNDING IMPACT:

Program:	MetroMatters Program Management and Debt Service
Project:	MetroMatters Credit Facilities and Debt Service
Budget:	Costs of Line of Credit fees and interest are within the existing FY09 and fY10 estimated budget.
This Action:	Commensurate with needs within the approved total budget.
Operating Budget Impact:	No impact unless draw on line of credit to fund operating expenses.

Bond issuance costs will be paid from the bond proceeds. Estimated financial impact for each jurisdiction is shown on Schedule A - Opt In or Out Analysis.

RECOMMENDATION:

- Approval to negotiate and execute agreements to extend the expiring \$100 million Line of Credit Facility for one year from its current expiration date and increase the size of the Line of Credit to \$250 million in order to support the capital and operating programs.
- Approval to issue Bonds in an amount up to \$550 million principal, at an average indicative interest rate of 5.5% and for a term not to exceed 25 years, subject to the jurisdictions opting out with a commensurate reduction in the principal amount. Bond issuance activities include hiring of underwriters, financial advisor, and other related services, which are to be funded with bond proceeds.

Increase the Line of Credit Facility and Issue Metro Matters Bonds

Presented to the Board of Directors:

Finance, Administration and Oversight Committee

February 12, 2009





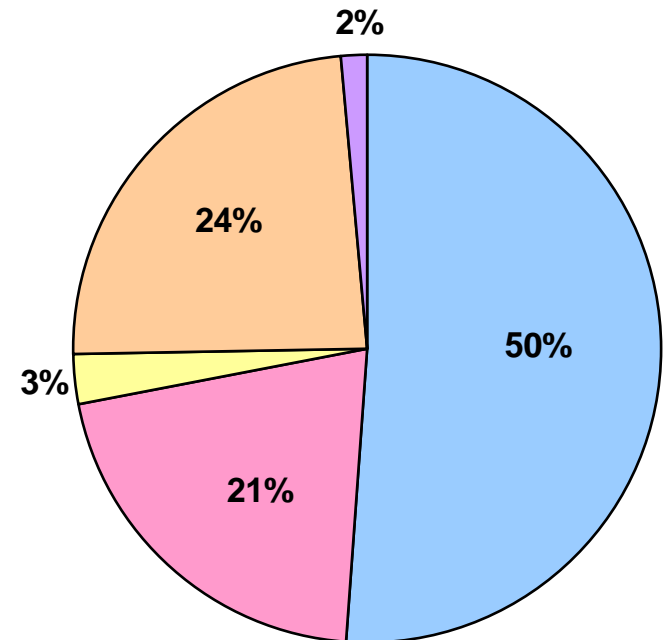
Capital Program



Capital Program – FY2005 to FY2010 “Metro Matters”

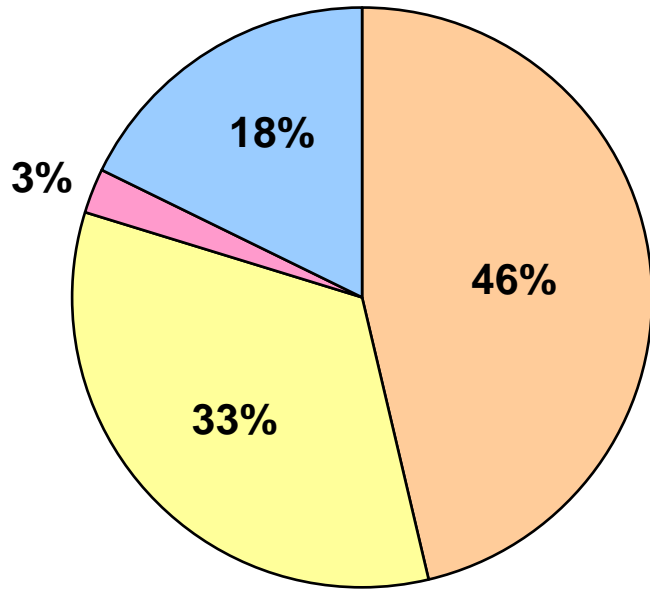
Capital Program Cost Plan (dollars in millions)

Infrastructure Renewal Program	\$	1,411.3
Purchase 203 Buses		
Maintain passenger stations		
Rehabilitate support facilities		
Eight-Car Train Initiative		570.4
Purchase of 122 rail cars		
Upgrade power and train control systems		
Bus Improvement Initiative		73.6
New bus storage, maintenance facility		
Program Management		658.5
Complete prior improvement programs		
Subtotal		2,713.8
Financing & Related Expenses		41.9
Total Budget, FY2005-2010	\$	2,755.7





Capital Funding – FY2005 to FY2010 “Metro Matters”



Capital Program Funding Plan (dollars in millions)	
Federal Funds	\$ 1,276.1
Annual formula grants	
Discretionary & Earmarks	
Participating Jurisdictions	917.6
District of Columbia	
Two counties in Maryland	
Five counties in Virginia	
Misc. Internal Sources	74.2
Passenger Fares	
Land Sale	
Prior Programs Income	
Debt	487.8
Total Budget, FY2005-2010	\$ 2,755.7



Capital Financing in Place

- \$330 million Commercial Paper Facility
 - Backed by Wachovia and Bank of America
 - Currently \$315 million outstanding
 - Expires September 2010

- \$100 million Line of Credit
 - Issued by Wachovia
 - Currently no outstanding borrowings
 - Expires May 2009



Capital Financing Planned

- \$250 million Line of Credit
 - To be issued April - May 2009
 - Replace expiring Line of Credit
 - Provide interim capital funding if bond issuance is delayed
 - Smooth capital and operating cash flows to accommodate timing of jurisdictional and grant receipts

- \$550 million Bond Issuance
 - To be issued May - June 2009
 - Pay down outstanding Commercial Paper
 - New capital acquisitions
 - Final debt issuance of Metro Matters
 - Management met with Rating Agencies to seek ratings upgrade to lower borrowings costs

- Jurisdictions can “opt out” and appropriate funds in lieu of Bond Issuance



Recommendation

- Approval to negotiate and execute agreements to extend the expiring \$100 Million Line of Credit Facility for one year from its current expiration date and increase the size of the Line of Credit Facility to \$250 million in order to support the capital and operating programs.
- Approval to issue Bonds in an amount of up to \$550 million (composed of \$488 million in principal, any required debt service reserve and the costs of issuance), at an indicative average interest rate of 5.5% and for a term not to exceed 25 years, as further described in "Schedule A", subject to the Jurisdictions opting out with a commensurate reduction in the principal amount. Bond issuance activities include hiring of underwriters, financial advisor, and other related services to be funded with bond proceeds.



Schedule A

Jurisdictional Allocations

Metro Matters Bond - "Opt Out" - Principal Payment		
--	--	--

Principal	\$550,000,000	
-----------	---------------	--

DISTRICT OF COLUMBIA	\$201,489,932	36.63%
MONTGOMERY COUNTY	\$93,580,607	17.01%
PRINCE GEORGE'S COUNTY	\$103,828,040	18.88%
MARYLAND SUBTOTAL	<u>\$197,408,647</u>	35.89%
ALEXANDRIA	\$24,396,090	4.44%
ARLINGTON	\$47,687,708	8.67%
CITY OF FAIRFAX	\$1,053,559	0.19%
FAIRFAX COUNTY	\$76,419,585	13.89%
FALLS CHURCH	\$1,544,479	0.28%
VIRGINIA SUBTOTAL	<u>\$151,101,421</u>	27.47%
TOTAL PRINCIPAL	<u><u>\$550,000,000</u></u>	100.00%

*Jurisdictional allocation is the distribution of local contributions in the Metro Matters Funding Agreement.



GM Board Report

January 29, 2009

Introduction

I'd like to welcome everyone to our first Board meeting of 2009, and thank you for your support and service to Metro. We have a great number of important decisions to make in the coming months, none of which will be easy. I am grateful, in these difficult times, to be able to count on the experience and judgment of the members of the Metro Board.

Inauguration Service

I'd like to provide you with a preliminary assessment of Metro's service during this month's historic Inauguration Weekend. In short, we provided excellent service, and the months and months of planning paid off. Just as important as that planning, though, was our flexibility.

In the military, they say that no battle plan survives the first engagement with the enemy, and that's true for anything. No matter how well you plan, there are things you can control and there are those you can't. For those things you can't control you need the flexibility to react, a flexibility that comes from having knowledgeable and well-trained employees and volunteers. We

were able to react quickly to a constantly changing situation and put the right resources in the right places throughout that weekend.

Let me give you one of the most dramatic examples first. You may have heard that a customer at Gallery Place fell onto the tracks of the Red Line in the morning. This customer, a 68-year-old woman, survived what could have been a life threatening situation, with only minor injuries. She survived because a volunteer transit police officer from the Houston Transit Authority, was on the scene and was able to get the woman to safety by directing her to crawl under the platform's overhang, where there is about two feet of clearance. This was all done with only seconds to spare as the train pulled into the station. The woman was fortunate in that she was not struck, and that the Houston Transit Police officer knew what to do, because he'd been properly trained on what to do by our own Transit officers just a day earlier.

While emergency personnel were responding to the incident, the controllers in the Operations Control Center made some very good decisions. They began to turn trains around at Judiciary Square and Farragut North, and we urged customers to exit at

those stations and walk the rest of the way to the National Mall in time for the Inauguration. Personnel from the Departments of Safety, Track Maintenance, Railcar Maintenance, and others were strategically stationed in the system to ensure rapid response. This allowed us to minimize the impact of the incident throughout the Red Line.

It doesn't stop there, though. Coordination between our various departments that was highlighted in an emergency exercise a few weeks ago ensured that everyone knew how the various departments would respond. This exact scenario of someone falling to the trackbed had been discussed in advance. The track returned to normal service in only 45 minutes, which is an extraordinary recovery after a serious incident like this. Our detailed planning and training paid off.

Throughout the weekend, we effectively dealt with record breaking crowds. On January 18th, we moved 616,324 people, beating our previous Sunday rail ridership record by 75,000. On January 19th, we set a new weekday record with 866,681 people. And we broke that record on January 20th, carrying close to 1.1 million people. Each day, we monitored activity on Metrorail

closely and as a result, we were able to put extra trains in place and ramp up service to handle the crowds.

We had planned to open our parking facilities at 3:30 a.m. on Inauguration Day, but opened early at some stations when we saw lines forming before. Later, at the request of regional law enforcement, we opened the parking gates at some end-of-the-line stations to help alleviate the long lines that were affecting traffic flow that had backed up to I-66 in Virginia and U.S. 50 in Maryland. Of course, by 9 a.m. our parking lots were full.

On the Red Line there were crush loads in the trains before 5 a.m. The crowds on the Orange Line were a close second to those on the Red Line. At L'Enfant Plaza Metrorail station, crowding on the National Mall itself caused back ups inside the station, and we made the decision to hold trains to allow for safe flow of passengers off the platforms.

In Virginia, law enforcement unexpectedly blocked our buses from using the bridges into D.C. that had been designated for transit use. So bus operators took passengers to the Pentagon Metrorail station so that they could complete their trips. In the District of Columbia, the Metropolitan Police Department asked us to close

the Federal Triangle station in the morning, and we responded, closing it from 11:30 a.m. to 4 p.m.

To respond to crowding at Union Station, we designated entrance- and exit-only pathways. In some stations, we opened the non-paid gate to customers who were flashing their commemorative One-Day Passes to speed the flow of traffic into and out of our stations. At Greenbelt, our Station Managers determined that some of the One-Day Passes were not properly coded, and not allowing entry until 9:30 a.m., and so they moved these paid customers into the system as quickly as possible.

Our vigilance and pre-planning also allowed us to respond quickly to the needs of the disabled community. We were able to deploy buses specially equipped to carry multiple wheelchairs to the main security check point for people with disabilities as the swearing-in ceremony concluded. Again and again, our employees monitored the situation and made the right decisions.

On Inauguration Day, Metrobus and Metrorail carried more than 1.5 million people. After all is said and done, our Metro system wasn't designed to transport this many people in such a short time, but we did it. I want to thank you on the Board for your

support and for giving us the resources we needed to do such fine work, and I'd like to say that we can all be proud of our contributions and the part we played in this historic national event.

In the days since the Inauguration, we have received many words of thanks and congratulations from people all across the country. Notably, we've heard from the Presidential Inaugural Committee, business and government leaders in the region, APTA, and even the committee for the 2010 Olympics in Vancouver. We appreciate the support we've gained from all these different quarters, and we hope that they will also support our bid for reimbursement of costs. We have done an initial estimate of our costs for service from January 18 through the 20th and that estimate is close to \$5.3 million. This estimate considers the costs of extra service each of those record-breaking days, and providing added security for the millions who rode Metro during this high-profile event.

Before I finish, I think it is very important for us to realize that in the next twenty years, Metro will be expected to carry close to this many people every single weekday. We'll need the resources to do that. We'll need to fully leverage our bus service with rapid and express routes as we did last Tuesday. Our special corridor

service carried more than 200,000 people that day, which helped take pressure off of the rail system. That is something we'll need to take advantage of in the coming decade. Along with the historic nature of the Inauguration, we also have a concrete idea of what it's like to carry more than one million people in a day. It isn't just an abstract number anymore, and I think that knowledge highlights the importance of funding Metro's operating and capital budgets.

Update - Balanced Transfers/Elimination of Paper Transfers

Since the institution of the balanced transfer and the elimination of paper transfers, on January 4, the first two weeks of data shows a decrease in the use of cash to board buses and an increase the use of other mediums, as expected. In December, about 46% of buses were boarded using cash or a paper transfer. In January, that was down to 22%, and we saw the percentage of SmartTrip initial boardings and transfers rise 18 points, while the percentage of people using other media, like flash passes, rose 6 points.

This information is, again, only a reflection of 13 days of service. It is a first look. We will continue to track the trends and provide you with a thorough analysis in another month or so when we have enough data to accurately analyze or project the trends.

Employee Spotlight

Now, we come to this month's employee spotlight.

On Christmas Eve, last month, Station Manager Larry Chisolm was working at the Silver Spring Metrorail Station. That evening, a man came into the station and passed through the emergency gate, by-passing the fare gate. As he passed Station Manager Chisolm, he said something along the lines of "you can just call the police, I don't care anymore."

Station Manager Chisolm followed the man up the escalator to the platform, and saw him jump down onto the rail track bed, telling Station Manager Chisolm that he wanted to kill himself.

Station Manager Chisolm quickly moved to shut down third rail power, then returned to talk the customer out of ending his life, finally convincing him to climb out of the track bed.

This month, Station Manager Larry Chisolm is in our employee spotlight. His quick action and his compassion for another human being certainly saved a life this past holiday season.

(Presentation and Photos.)

If there are no questions, this concludes my report.



NEWS RELEASE



For Immediate Release

January 21, 2009

Contact:

Steven Taubenkibel or
Lisa Farbstein
202-962-1051

Metro sets new record for highest ridership day of all time *1,544,000 trips taken on Inauguration Day*

On Inauguration Day, Metro provided about 1,120,000 rail trips, 423,000 bus trips and 1,721 MetroAccess trips for a total of 1,544,721 trips, the highest ridership day ever in the transit authority's history.

With hundreds of thousands of people in town for the Inauguration of President Barack Obama, Metrorail set a new record for the transit agency's highest ridership on Tuesday, Jan. 20. when rail rides alone accounted for 1,120,000 trips surpassing the previous Metrorail high of 866,681 trips, which occurred the previous day, on Monday, Jan. 19.

On Metrobus, of the 423,000 trips taken, 228,000 were on the 23 "Presidential" bus corridors; 3,000 were on supplemental service to park and ride lots in Maryland and Virginia (outside the beltway); 177,000 were on regular route service; and 15,000 were on special shuttles put into place at locations to supplement crowding in the rail system.

"Our Metro system wasn't designed to transport this many people in such a short time, but we did it," said Metro General manager John Catoe. "Months and months of planning paid off. Throughout Inauguration Weekend, we effectively dealt with record-breaking crowds. On Sunday, we moved 616,324 people on rail beating our previous Sunday rail ridership record by 75,000. On Monday (Jan. 19) we set a short-lived weekday record of 866,681 trips. Then on Inauguration Day itself, our rail ridership surpassed the one million mark. The 10,000 employees of Metro stepped up, and today we feel a glowing sense of pride in knowing the important role we played in making the Inauguration a success."

Between Sunday, Jan. 18, and Tuesday, Jan. 20, Metro ran 62 hours of rail service out of 72 hours during those days. Metro we set three rail ridership records--a Sunday record and back-to-back weekday records. Between Sunday and Tuesday Metrorail carried an estimated 2.6 million trips on rail.

More than 8,000 Metro employees worked on Inauguration day including 417 Transit Police officers; 266 volunteer police officers from other police agencies; and 340 people who volunteered to be Metro Ambassadors.

More...

**Washington
Metropolitan Area
Transit Authority**

OFFICE OF MEDIA RELATIONS
202-962-1051
Fax: 202-962-2897
MetroOpensDoors.com

600 Fifth Street, NW
Washington, D.C. 20001

To date Metro has sold 93,380 Commemorative Obama SmarTrip cards. They are still available for purchase online and in our sales centers. Metro also sold 53,462 Commemorative Obama One-Day rail passes.

Metro saw unprecedented crowds throughout the day. Several parking lots started filling at end-of-the-line stations before 5:30 a.m. At the request of local law enforcement, Metro let motorists through some lots without paying after lines of vehicles began to back up on local roads. Delays were caused by riders blocking doors and causing breakdowns, and a woman fell onto the tracks at Gallery-Place Chinatown Metrorail station, which disrupted service at the station and Metro Center for about 45 minutes. Federal Triangle Metrorail station also was closed for four-and-a-half hours unexpectedly due to local law enforcement's concerns about crowding at the National Mall. However, Metro officials say the biggest reason for delays was the sheer volume of people. Police periodically held people from entering extremely crowded stations until crowds on the station platforms eased.

###

Thirteen of Metrorail's top 20 highest weekday ridership days occurred in the summer of 2008. Combined with Metrobus ridership, Metro typically provides about 1.2 million rail and bus trips on an average weekday.

Metrorail's Top 20 Weekday Ridership Days

	Date	Ridership	Event
1	01-20-09	1,120,000	Obama Inauguration
2	01-19-09	866,681	Obama inaugural events
3	07-11-08	854,638	Baseball/Women of Faith Conference
4	06-09-04	850,636	Reagan State Funeral
5	06-25-08	846,388	Smithsonian Folklife Festival/Baseball
6	07-10-08	844,530	Baseball
7	07-08-08	835,072	Baseball/Basketball
8	07-02-08	834,956	Smithsonian Folklife Festival
9	04-03-07	831,508	Cherry Blossoms/Baseball
10	06-24-08	831,464	Baseball/Basketball
11	06-20-08	829,998	Baseball/Basketball
12	04-24-08	828,973	Baseball/Basketball
13	04-17-08	828,418	Pope Visit/Soccer
14	04-11-08	828,132	Baseball/Cherry Blossoms
15	06-27-08	825,862	Smithsonian Folklife Festival/Baseball
16	06-18-08	823,516	No Event
17	07-01-08	822,931	No Event
18	04-10-06	821,283	Immigrant Rights Rally
19	06-19-08	819,979	No Event
20	06-26-08	819,722	Smithsonian Folklife Festival

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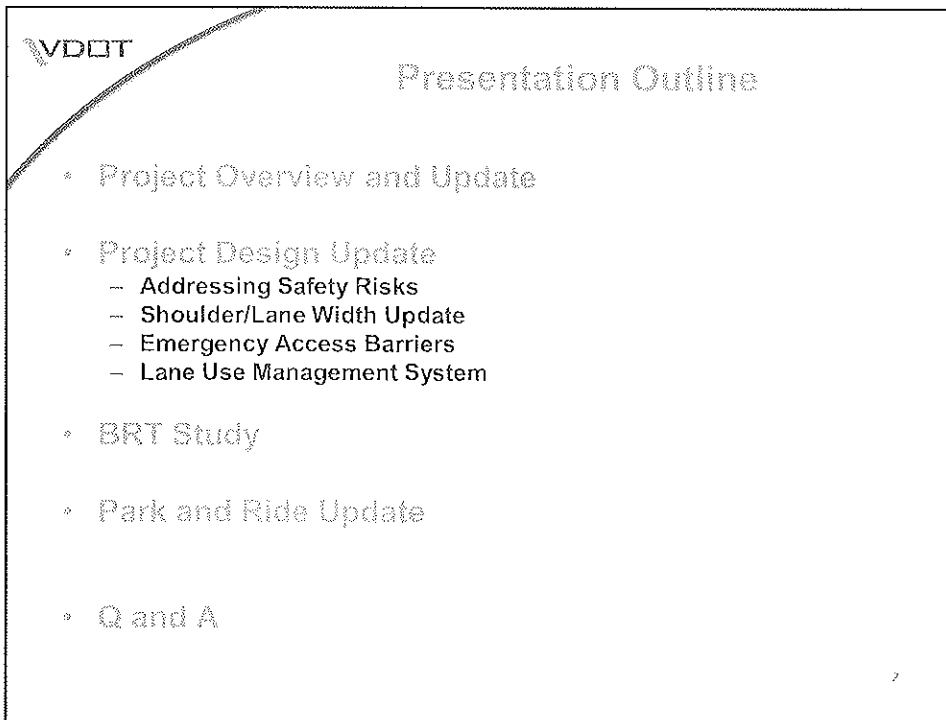
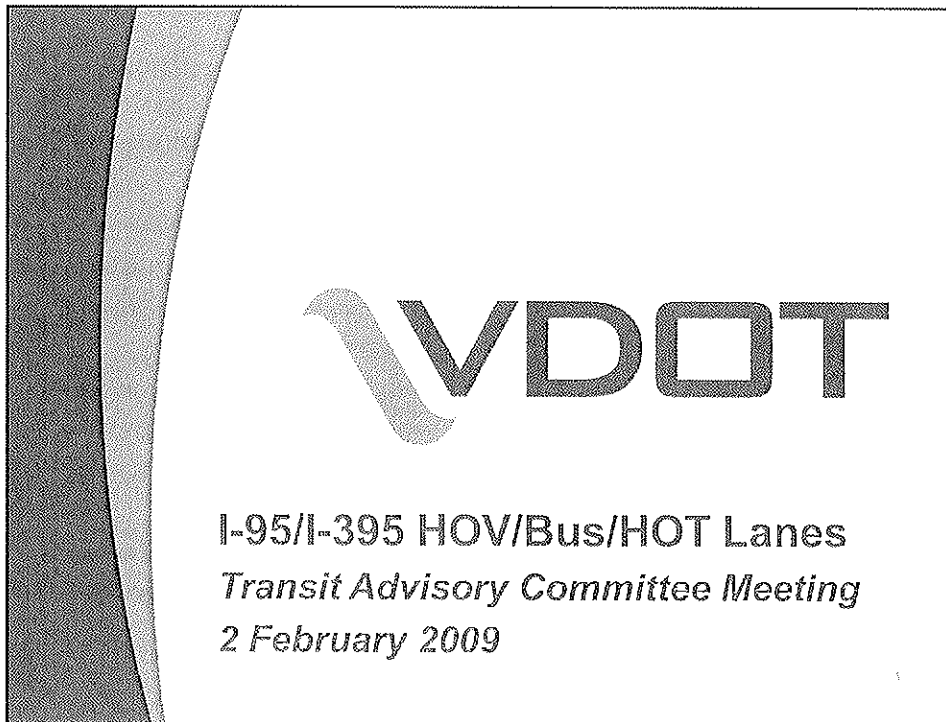
AGENDA ITEM #5

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube
DATE: February 26, 2009
SUBJECT: I-95/395 HOT Lanes Project.

VDOT conducted a staff briefing on the project on February 2, 2009 and a series of three design public hearings on February 9-11, 2009. At present the Northern segment NEPA process (environmental review) is complete, a BRT study is ongoing, design exceptions and waivers are being reviewed by VDOT and commercial close is expected as early as August, 2009. The southern section's commercial close is anticipated by late 2010.

Several documents are attached for review and discussion, including a resolution adopted by the Arlington County Board on January 27, 2009, a detailed statement for the design public hearing by PRTC, a November 25, 2008 response by Secretary Homer to the Prince William County Board and a copy of the project team's February 2nd presentation. NVTC's unanswered letter of December 5, 2008 to Secretary Homer is also attached. It was submitted for the record of the design public hearing on February 11th together with a statement by NVTC's executive director.





Project overview

- Expand existing 28-mile HOV lanes from 2 lanes to 3 lanes
- Extend HOV to Stafford and Spotsylvania
- Improve existing HOV service with new access points, increased enforcement and improved incident response
- Provide new choice for drivers to pay toll on occasion for faster more reliable travel times
- Create regional, free-flowing HOV, transit network
- \$195 million concession payment to fund transit improvements such as Park & Ride lots, new buses and bus routes

I-95/I-395 HOT Lanes serve current and future military bases

- Federal Military Bases – serving approximately 84,000 employees (Pentagon, Mark Center, Engineering Proving Grounds (EPG), Fort Belvoir and Quantico)
- New direct access to EPG (by others) and at Seminary (Mark Center)

VDOT

Years of Study and Input

- 1994 Third lane of HOV added to long range plan
- 2003 Conceptual proposal submitted for I-95/I-395 HOT Lanes to VDOT
- 2005 Commonwealth Transportation Board (CTB) approves High Occupancy Toll (HOT) lanes concept and commissions advisory plan to review competing proposals.
Advisory Board recommends Fluor Transurban (FTU) proposal after formal evaluations, public hearing and local government comments.
- 2006 CTB and the public is briefed on major business points of the proposed interim agreement. CTB commits to using excess revenue for transit in the corridor. VDOT and FTU signs interim agreement.

Virginia Transportation Secretary Pierce Homer establishes Transit Advisory Committee to facilitate continued communications between the project and local/regional transit agencies.

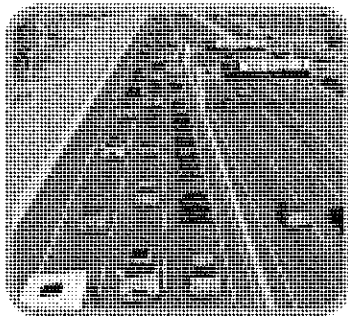
Preliminary engineering and traffic modeling begins: VDOT initiates environmental review process for the northern section of the project.
- 2007 Series of Public Information Meetings in the corridor held
- 2008 Transit Advisory Committee completes I-95/I-395 Transit/TDM Study

VDOT

Project Status

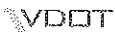
Northern section

- National federal environmental review process completed (NEPA)
- Regional transit study complete, bus rapid transit station study underway
- Location and design public hearing Efforts underway to finalize project scope, evaluate feasibility and finalize agreement
- Commercial close Fall 2009




Southern section

- Environmental review underway
- Regional air quality planning processes
- Commercial close late 2010

 **Key Activities**

- Environmental approval (NEPA)
 - Northern Section - Approved
- Interchange Justification Report
 - Draft Document in Review with VDOT
- Design exception / design waiver
 - In Review with VDOT
- Definition of project scope
 - Public hearing in Feb 2009
- Communications / outreach
 - Increased activity in advance of the public hearing

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 **Schedule**

- NEPA Approval (North Section): Granted January 2009
- Design Public Hearing: February 9-11, 2009
- Commercial Close (North): August 2009
- NEPA Approval (South Section): February 2010
- Financial Close (South): December 2010

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VDDOT

Design Public Hearings

<p>Monday, February 9, 2009 (Snow Date: February 12, 2009) 5 - 9 PM Potomac High School 3401 Panther Pride Drive Dumfries, VA 22026</p>	<p>Tuesday, February 10, 2009 (Snow Date: February 19, 2009) 5 - 9 PM Robert E. Lee High School 6540 Franconia Road Springfield, VA 22150</p>
--	--

Wednesday, February 11, 2009
(Snow Date: February 18, 2009)
5 - 9 PM
Minnie Howard School
3801 W Braddock Road
Alexandria, VA 22302

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VDDOT

Project Design

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VDOT

Stakeholders Risk Workshops

First Responders Workshop, top five risks:

- Limited access to incidents
- Higher operating speed, more incidents
- Officer safety in pullover bays, too few
- Narrow shoulders put officers in danger
- Narrow lane impact on traffic behavior

Transit Operator Workshop, top five risks:

- Lateral collisions due to narrow lanes
- Increased weave and merge maneuvers, more conflict
- Transition sections too short, causing stacking
- Narrow shoulders prevent safe exit from stopped bus
- Drivers ignore lane signage, increases severity of incidents

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VDOT

Addressing Safety Risks and Issues

Safety Risks and Issues	Project efforts underway
Lane widths	<ul style="list-style-type: none"> • Full, 12ft lane in center (PW Parkway to Shirlington) • 31 miles of 34 total miles have at least one full 12' lane • Lane use management system
Shoulder widths	<ul style="list-style-type: none"> • 19 emergency pull-off areas • 10' and 2.5' shoulders (PW Parkway to Shirlington) – feedback from first responders • Full 12" shoulders on both sides (Garrisonville to PW Parkway)
Incident Management	<ul style="list-style-type: none"> • Incident management plan • Lane use management system • 24/7 CCTV monitoring • 20 emergency access openings, 13 new
Merge/diverge/weave	<ul style="list-style-type: none"> • Barrier separation • Detailed design of key interchanges/ key locations • Proper design to minimizing weaving • Enforcement strategy, including electronic
Driver confusion	<ul style="list-style-type: none"> • Public outreach & education program • VMS signs, lane use management • Extensive signage program

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Lane and Shoulder Widths

- Garrisonville Road to Dumfries Rd
 - 2 standard 12-ft lanes and 2 standard 12-ft shoulders
- Dumfries Road to Prince William Parkway
 - 3 standard 12-ft lanes and 2 standard 12-ft shoulders
- Prince William Parkway to South of Shirlington Rotary
 - 1 standard 12-ft lane flanked by 2 11-ft lanes
 - 2 shoulders (2.5-ft left; 10-ft right)
 - Changed in response to November 2008 meeting
- South of Shirlington Rotary to Northern Terminus
 - 3 11-ft lanes and 2 shoulders

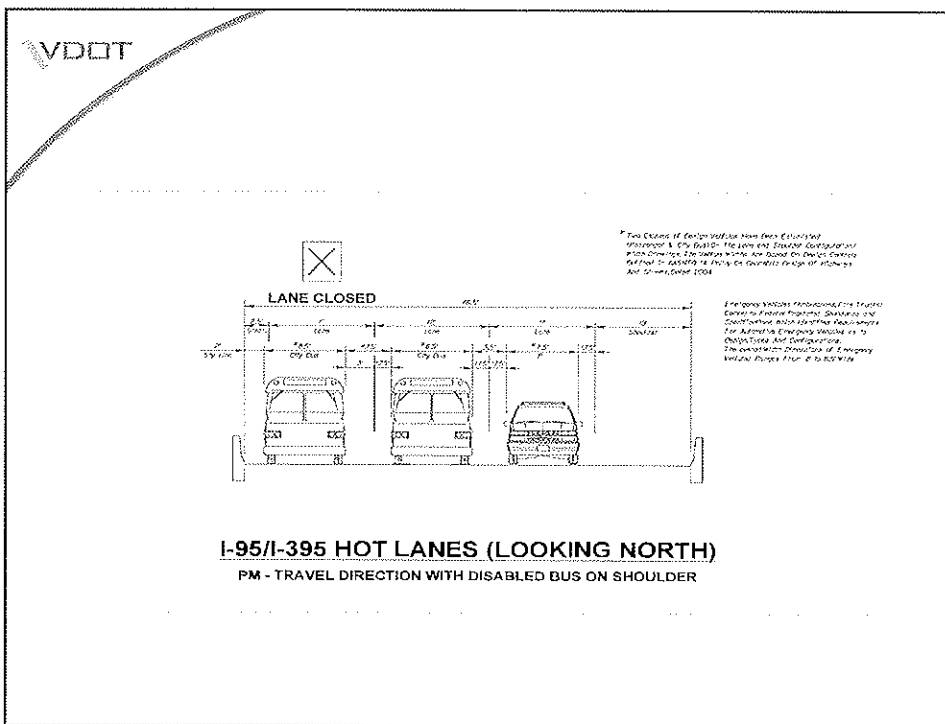
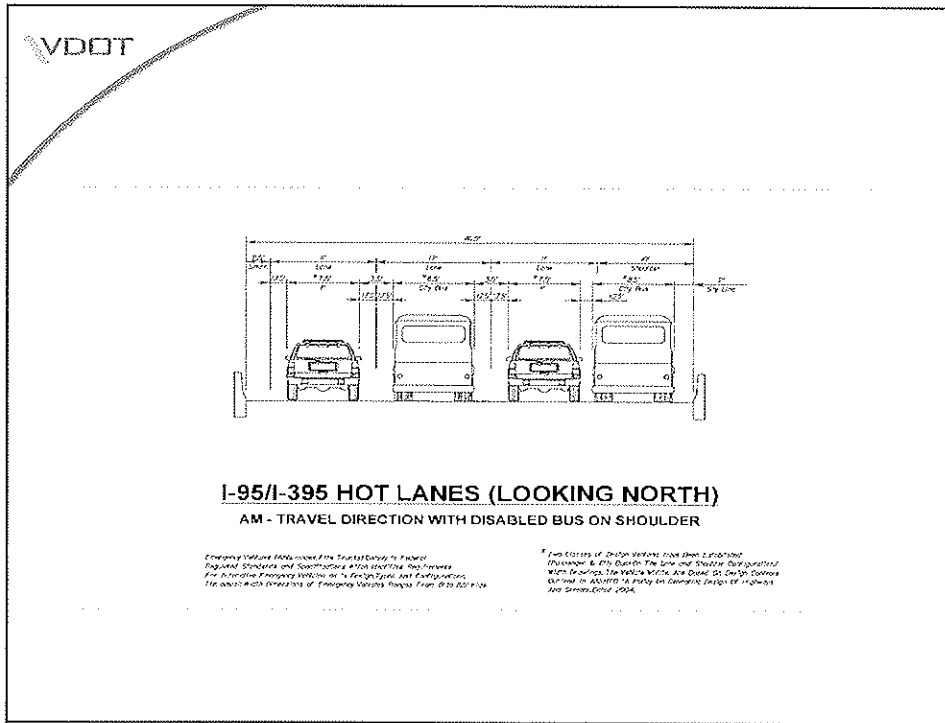
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I-95/I-395 HOT LANES (LOOKING NORTH)
AM - TRAVEL DIRECTION WITH DISABLED OR ENFORCEMENT VEHICLE ON SHOULDER

Emergency Vehicle Placement of the Truck on the Shoulder
 Diagram Standards and Specifications from the FHWA, Washington, DC
 For additional Emergency Information, see the VDOT website.
 The dimensions of Emergency Vehicle Types from A to D are shown.

1 Two criteria of design vehicle from 2004 2004
 (Massachusetts, City, Bureau of the Lane and Shoulder Configuration
 when required. The truck width for design on the right shoulder
 vehicle is assumed to range on separate design of highway
 and shoulder design.



VDOT

Access Provisions to Mitigate Lane & Shoulder Widths

- 44 HOV/HOT Access Ramps
 - 11 added by Project
 - 15 ramps inside the Beltway
- 19 Emergency Pullover Areas
 - 17 double as toll enforcement
 - 6 areas inside the Beltway
- 20 Emergency Access Openings
 - 7 existing (4 right, 3 left – all inside the Beltway)
 - 13 new (6 right, 7 left)

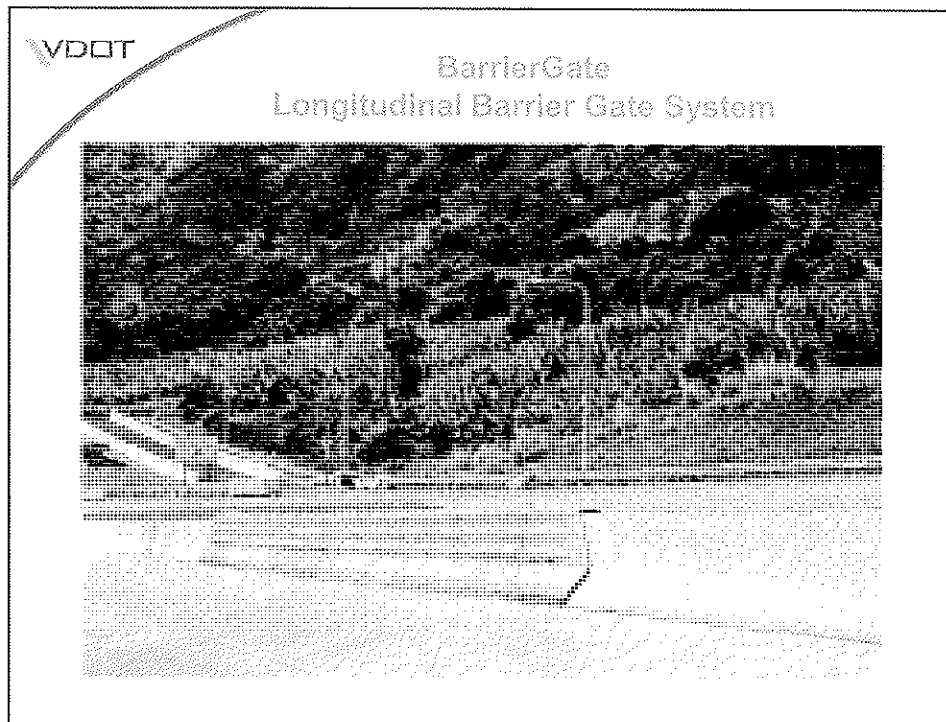
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VDOT

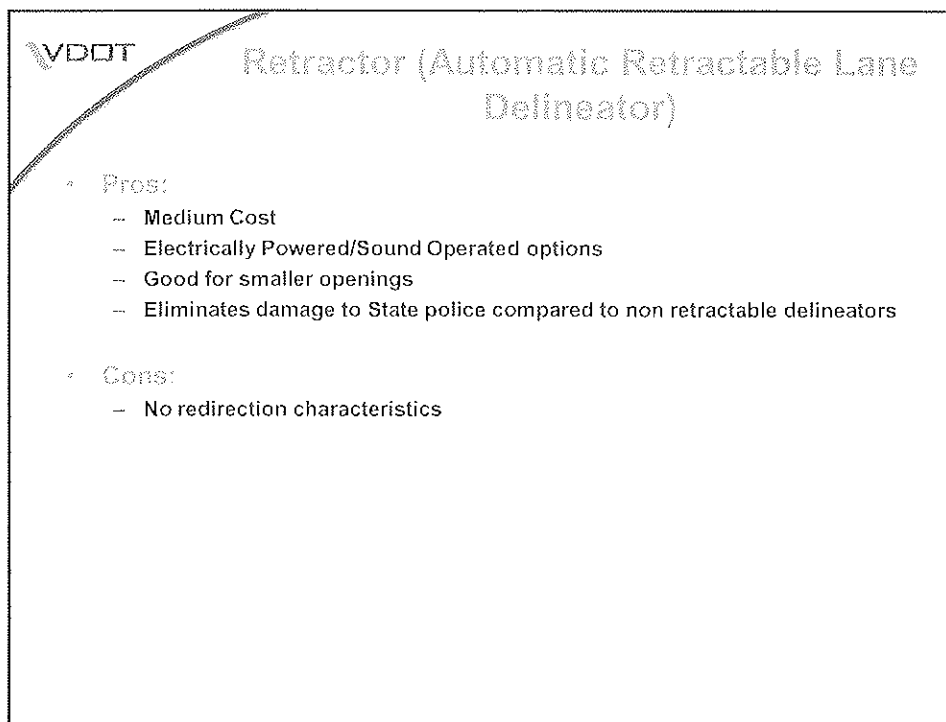
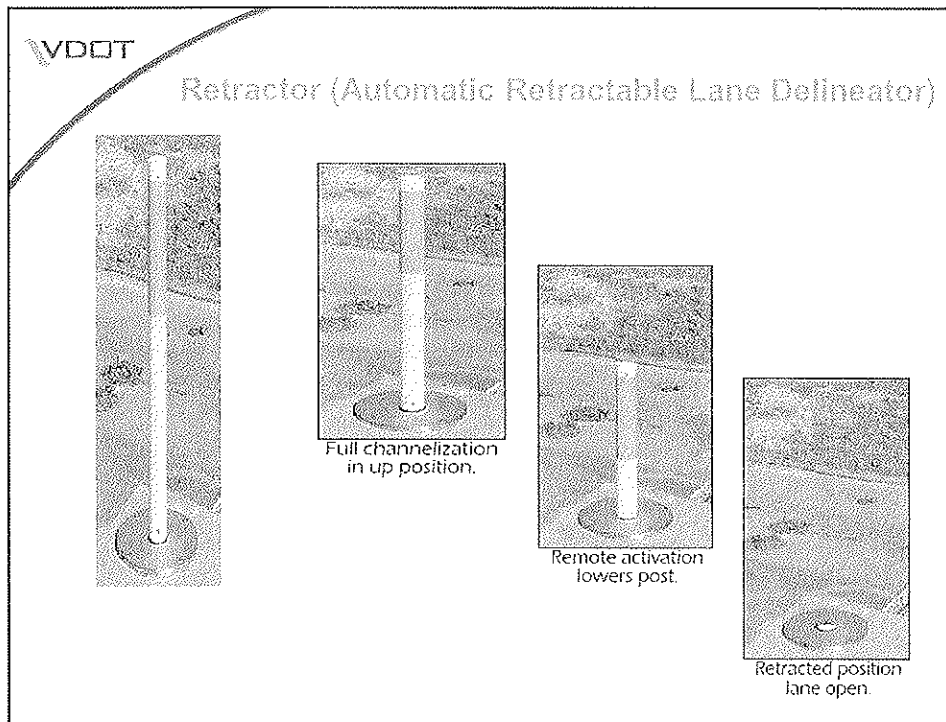
Emergency Access Barriers

- FHWA policy requires the use of devices that have been successfully tested per National Cooperative Highway Research Program guidelines.
- Two alternatives that meet the NCHRP test requirements are under consideration for use (potentially in combination):
 - BarrierGate Longitudinal Barrier Gate System
 - Safeguard Gate Safety Barrier

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- VDOT
- BarrierGate
Longitudinal Barrier Gate System
- Pros:
 - Available as an electrically-powered option
 - Gate does not block a lane of traffic when open for operation



VDOT

Lane Control to Mitigate Lane & Shoulder Widths


- Lane Use Management System
 - 59 Locations
 - Spaced every one-third (1/3rd) of a mile
 - Provided from Prince William Parkway to the Northern Terminus (in areas of substandard lane or shoulder widths)

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VDOT

BRT Study

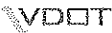
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BRT Operational Analysis

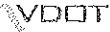
- Multi-disciplined team assembled
- Study kicked-off in late December
 - Update on initial/on-going steps
 - Conditions assessment – Model inputs
 - Operating committee formulation - Letters prepared
 - BRT definition – A hybrid system
 - Station location studies -- Looking at many options

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BRT Definition

- Hybrid - Integrate existing commuter aspects (express bus) with branded BRT-like components
 - Running way
 - Stations
 - Vehicles
 - Operations
- Results to be presented at first Operating Committee Meeting




In-Line Station Locations

- Initial emphasis on:
 - Seminary Road
 - Parking concerns at Lorton (VRE)
 - Interface with Tysons Corner BRT/Metrorail
- Other considerations
 - Design/architecture features
 - Impact from local traffic (off-line)

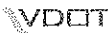


Park & Ride Lots

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 **Park & Ride Lots**

- Met with FAMPO January 9, 2009 (scheduled a second meeting January 23, 2009)
- Kick-off meeting held on January 15, 2009
- Established a list of assumptions for the study effort
- Reviewed program schedule

 **Park & Ride Lots**

Coordination with local officials
Fairfax County, Prince William, Stafford County,
Fredericksburg, & Spotsylvania County

- Coordination Meeting Scheduled with Fairfax
County February 3, 2009

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Preparing for Construction

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Questions and Answers



I-95/395 HOV/Bus/HOT Lanes
Location and Design Public Hearing

Wednesday, February 11, 2009
Minnie Howard School
3801 W. Braddock Road
Alexandria, VA 22302

Statement of Richard K. Taube
Executive Director,
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.

My name is Richard Taube and I am Executive Director of the Northern Virginia Transportation Commission. NVTC was created in 1964 by the Virginia General Assembly to fund and promote public transit and ridesharing. Its district includes Arlington, Fairfax and Loudoun counties and the cities of Alexandria, Fairfax and Falls Church, with a population of over 1.6 million and a land area of about 1,000 square miles.

NVTC has a board of directors consisting of 20 state and local officials. The commission sponsored the first bus service on the Shirley Highway bus lanes beginning in 1971 and has played a central role since then in coordinating regional HOV policy for those reversible lanes and measuring their performance.

The existing HOV lanes on I-95/395 are an extremely valuable public asset. At a screenline just outside the Beltway they carry twice as many persons per lane per hour (3,106) as the parallel general purpose lanes (1,566) during the morning peak period. NVTC has consistently urged VDOT and its private sector partners to be certain that this current HOV lanes level of performance (as well as that of local streets) is not degraded as the HOT lanes' project proceeds. NVTC has cited several areas of concern, with emphasis on safety.

Unfortunately, NVTC's concerns have not been allayed. The commission's most recent letter requesting information, addressed to the Virginia Secretary of Transportation, dated December 5, 2008, with copies to VDOT and its partners, has gone unanswered. I am attaching this letter to my statement to be included in the record of this hearing with the hope that the information requested by NVTC will soon be provided.

NVTC is not alone in requesting more information. It is joined by several other regional agencies and local governments, including the Northern Virginia Transportation Authority and the Potomac and Rappahannock Transportation Commission, as well as the Arlington and Prince William County Boards.

NVTC's unanswered letter sets forth the information requested in detail so I will not repeat the items now. But in summary there are three essential areas of concern:

1. What provisions will be 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?
2. How will the project design (and operating plan) maintain at least the current level of performance measured by persons moved per hour? With current average speeds of 55 to 65 miles per hour, a project guaranteeing future minimum average speeds of only 45 m.p.h. suggests deteriorating, not improving, performance.

3. Narrow shoulders and lane widths, particularly in the segment just south of the northern terminus, raise safety concerns for the transit systems represented by NVTC. Designing a facility that is probably safe for 90 percent of its length but of questionable safety for 10 percent should not be regarded as satisfactory. FHWA's decision to approve the Categorical Exclusion does not provide confidence in the level of scrutiny it is applying to this project. For example, FHWA states:

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...

Surely FHWA has not prejudged the design exceptions to be submitted by VDOT before even seeing them?

A successful HOT lanes project would be in this region's best interests, especially given the alarming cuts of state funding for transportation, but NVTC is yet to be convinced that the risks are worth taking.

We ask that you do a better job of responding to requests for information to avoid the perception that the involvement of officials elected to represent their local constituents is not welcome.

Thank you for this opportunity to submit a statement for the record.



NVTC Northern Virginia Transportation Commission

December 5, 2008

Chairman
Hon. William D. Euille

Vice Chairman
Hon. Christopher Zimmerman

Secretary/Treasurer
Hon. Gerald E. Connolly

Commissioners:

City of Alexandria
Hon. William D. Euille
Hon. Paul Smedberg

Arlington County
Hon. Mary Hynes
Hon. Jay Fisetta
Hon. Christopher Zimmerman

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

City of Fairfax
Hon. Jeffrey C. Greenfield

City of Falls Church
Hon. David F. Snyder

Loudoun County
Hon. Kelly Burk

**Virginia Department of Rail
and Public Transportation**
Charles M. Badger

Virginia General Assembly
Sen. Mark R. Herring
Sen. Mary Margaret Whipple
Del. David B. Albo
Del. Adam P. Ebbin
Del. Joe T. May
Del. Thomas D. Rust

Executive Director
Richard K. Taube

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

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.

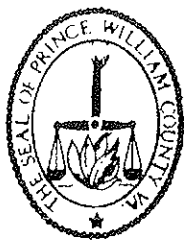
Please feel free to contact me with any questions.

Sincerely,



William Euille
Chairman

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



COUNTY OF PRINCE WILLIAM

1 County Complex Court, Prince William, Virginia 22192-9201
(703) 792-4640 Metro (703) 631-1703 FAX (703) 792-4637

BOARD OF COUNTY SUPERVISORS

Corey A. Stewart, Chairman
John T. Stirrup, Vice Chairman
Maureen S. Caddigan
W.S. Wally Covington, III
John D. Jenkins
Michael C. May
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Frank J. Principi

Corey A. Stewart
Chairman

October 23, 2008

The Honorable Timothy M. Kaine
P.O. Box 1475
Richmond, Virginia 23218

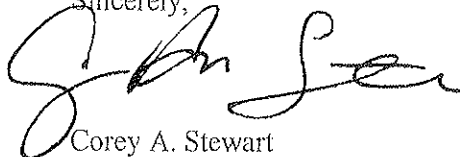
Dear Governor Kaine:

On behalf of the Prince William Board of County Supervisors, I am writing to respectfully request that you direct officials from the Virginia Department of Transportation and Fluor/Transurban to appear before the Board and the general public to answer questions about the I-95/I-395 HOT Lanes project.

The community is very concerned about the financial viability of the project, especially in light of the negative outlook extended toll road projects by credit rating agencies. The project will also impact well established commuting practices, particularly among "sluggers". The Board does not believe that VDOT and Fluor/Transurban have done enough to communicate with the public regarding the project. Consequently, the Board feels it must take this step to get answers to our constituents' questions.

If your staff has any questions regarding this request, please have them contact my Aide, Ms. Laurie Cronin at (703) 792-5626. Thank you for your consideration of this request.

Sincerely,



Corey A. Stewart

Cc: Secretary of Transportation
Prince William County State Legislative Delegation
Prince William Board of County Supervisors
Fluor Enterprises
Transurban USA Inc.

Attachment

MOTION: MAY

October 21, 2008

SECOND: STIRRUP

Regular Meeting
Res. No. 08-1012

RE: VIRGINIA DEPARTMENT OF TRANSPORTATION AND
TRANSURBAN REPRESENTATIVES APPEAR BEFORE PRINCE
WILLIAM BOARD OF COUNTY SUPERVISORS TO ANSWER
CONCERNS REGARDING HOT LANES PROJECT

ACTION: APPROVED

WHEREAS, the Prince William Board of County Supervisors wishes to review the Interstate 395 HOT Lane toll road project conceived by the Virginia Department of Transportation (VDOT) and Transurban, a foreign corporation, with little input from those most affected. The Prince William Board of County Supervisors wishes to protect residents against the possibility that they may be called upon to bail out a foreign corporation before the expiration of a lease that will last eighty years; and

WHEREAS, Prince William County commuters stand to either pay the most in tolls under the plan or suffer the longest delays from provisions designed to limit improvements to competing free lanes; and

WHEREAS, the Interstate 395 HOT lane toll road project has not reached financial closure; and

WHEREAS, Fitch Ratings issued a report in August downgrading its outlook on the financial viability of toll road projects to "Negative"; and

WHEREAS, Fitch Ratings warned that "frequent toll increases will be likely" for toll projects due to an unexpected increase in the price of gasoline; and

WHEREAS, the right-of-way of the Interstate 95/395 corridor is a tangible and valuable property asset belonging to the people of the Commonwealth of Virginia; and

WHEREAS, there will be no vote by the current General Assembly, nor by any other elected official or body directly accountable to the people of the Commonwealth of Virginia to approve this project; and

WHEREAS, financial conditions are likely to change significantly in the course of eighty years; and

WHEREAS, VDOT is handing effective ownership of this tangible property asset to a consortium 90% owned by Transurban, a foreign corporation, with Flour controlling the remaining 10%; and

October 21, 2008
Regular Meeting
Res. No. 08-1012
Page Two

WHEREAS, Transurban, a foreign corporation, is not under the full oversight of the U. S. Government or Commonwealth of Virginia; and

WHEREAS, Transurban, a foreign corporation, is a highly-leveraged firm with an accumulated debt of \$3.8 billion; and

WHEREAS, Transurban, a foreign corporation, posted an operating loss of \$117 million last year; and

WHEREAS, Transurban, a foreign corporation, has adopted the practices of failed corporations like Fannie Mae and Freddie Mac in paying its former chief executive officer \$15,316,553 in compensation last year, more than was collected in tolls and fees (\$13.7 million) on the Pocahontas Parkway; and

WHEREAS, Transurban, a foreign corporation, has adopted the practices of failed corporations like Fannie Mae and Freddie Mac in paying a total compensation of \$28,973,707 to a handful of top managers at the company; and

WHEREAS, Transurban, a foreign corporation, only added \$349 million of its own capital to the Interstate 495 HOT lane project, leaving federal taxpayers and the Commonwealth of Virginia responsible for raising the remaining \$1.6 billion; and

WHEREAS, there has been no detailed public discussion of how the Interstate 495 HOT lane plan will affect the residents of Prince William County; and

WHEREAS, there has been no discussion of the bailout payments the Commonwealth of Virginia will make to Transurban if the number of carpoolers exceeds the pre-determined threshold set in the contract between Transurban and VDOT; and

WHEREAS, there has been no discussion of the bailout payments the Commonwealth of Virginia must make to Transurban in the event that VDOT decides at any time before the year 2087 to expand the free lanes on 395 or reduce congestion on other nearby, free routes; and

WHEREAS, there is no clarity on whether "pre-registration" and approval of carpools will be necessary for high-occupancy vehicle lane use as is the case in Interstate 95 HOT lane project in South Florida; and

October 21, 2008
Regular Meeting
Res. No. 08-1012
Page Three

WHEREAS, Transurban, a foreign corporation, admits to have made \$177,000 in illegal donations to the Governor, and members of the House of Delegates and Senate of Virginia;

NOW, THEREFORE, BE IT RESOLVED that Prince William County demands that representatives of VDOT and representatives of Transurban shall appear before this Board to answer these concerns of the Board and the residents of Prince William County as soon as is feasible, but no later than February 1, 2009;

BE IT FURTHER RESOLVED that prior to such an appearance, the Prince William Board of County Supervisors requests from VDOT and Office of the Governor, copies of any and all correspondence, written and electronic, between these offices and Transurban, Flour and any other corporation, subsidiary or consortium involved in the I-95/395/495 HOT lane project.

Votes:

Ayes: Caddigan, Covington, May, Nohe, Principi, Stewart, Stirrup

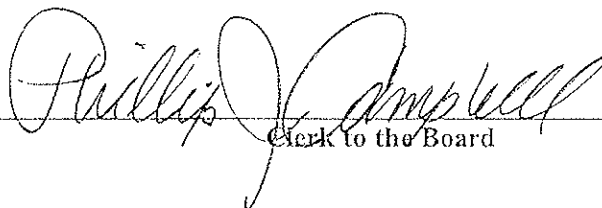
Nays: None

Abstain from Vote: Jenkins

Absent from Vote: None

Absent from Meeting: None

CERTIFIED COPY


Clerk to the Board



COMMONWEALTH of VIRGINIA

Office of the Governor

P.O. Box 1475
Richmond, Virginia 23218

(804) 786-8011
Fax: (804) 786-6683
TTY: (800) 828-1120

Glenn R. Homer
Secretary of Transportation

November 25, 2008

The Honorable Corey A. Stewart, Chairman
Prince William County Board of Supervisors
1 County Complex Court
Prince William, Virginia 22192-9201

Dear Chairman Stewart:

Thank you for your resolution and letter regarding the I-95/I-395 HOT lanes project. Governor Kaine has asked me to respond on his behalf to you and the Board of Supervisors.

As you know, the Commonwealth and the region have planned since the mid 1990s to expand the current HOV lanes from two to three lanes. This facility was designed to be expanded and our collective planning efforts have always recognized this fact. Please remember that this project is more than 50 miles long and will ultimately serve Arlington, Alexandria, Fairfax, Prince William, Stafford, Fredericksburg, and Spotsylvania.

More recently, we have been challenged by the significant BRAC actions in Northern Virginia, and the I-95/I-395 HOT lanes project is the only way to begin addressing the significant employment growth at Quantico, the Engineering Proving Grounds, Fort Belvoir, the Alexandria Mark Center, and the Pentagon itself.

We expect that the largest group of users of the I-95/I-395 HOT lanes will be Department of Defense employees, contractors, and spin-off business employees at these federal defense facilities. Direct access to them, including expanded and high quality transit service, is the only way to avoid gridlock at these locations.

As committed by our private partners, the project will construct at least 6 additional park-n-ride lots in the corridor, enhance 12 bus stations, and provide more than \$195 million in new, additional funding for transit services in the corridor. Because our goal is to have this project promote and expand HOV and transit choices in the corridor, the Commonwealth Transportation Board has committed to use any excess revenue from the project to expand these transit services. The Department of Rail and Public Transportation organized a Transit/TDM Technical Advisory Committee comprised of local and regional transit experts and providers. They have recommended how any transit services in this corridor should be structured. Staff of both PRTC and VRE played an active role on the Committee.

The HOT lanes project also will relieve the evening congestion in Dumfries, where the southbound HOV lanes terminate at one of the worst bottlenecks in the entire region.

The HOT lanes project is not new, and the public, including Prince William County, has been a part of that process for over five years as the following milestone dates make clear:

- 1994 - Third lane of HOV system added to long range plan
- 2003 - Conceptual proposal submitted for I-95/I-395 HOT lanes
- 2004 - Prince William County provides initial comments (most have been incorporated into the current planning process)
- 2005 - Commonwealth Transportation Board (CTB) approves moving the competing proposals to the next stage of review
- 2005 - Advisory Panel recommends Fluor-Transurban proposal, consistent with county comments, after public hearings and formal submissions of local government comments. (Panel was chaired by former Delegate Jack Rollison and included PRTC Executive Director Al Harf.)
- 2006 - CTB and public is briefed on major business points of proposed interim agreement between VDOT and Fluor-Transurban; CTB commits to using excess revenue for transit activities in the corridor
- 2006 - VDOT and Fluor-Transurban enter into Interim Agreement
- 2007 - Public Citizen Information Meetings on project held
- 2008 - Metropolitan Washington Transportation Planning Board includes HOT lanes project in long range plan
- 2008, Fourth Quarter - Project staff brief Prince William County staff and individual Supervisors (on going)
- 2009, First Quarter - Combined location design public hearing in at least two corridor locations
- 2009, First Quarter - Completion of federal environmental review process, including any public comments
- 2009, Second Quarter - Presentation of major business points of proposed comprehensive agreement for 45-day review and comment period
- 2009, Third Quarter - Financial close and comprehensive agreement executed
- 2010 - Begin construction

The Honorable Corey A. Stewart

November 25, 2008

Page 3

As you can see from the above, Prince William County has already played a significant role in the development of this project, and will continue to have similar opportunities through public hearings early next year and the comment process on the major business terms next summer. The County will be able to comment on the viability of the project during this latter process.

I have assembled for your inspection over a thousand pages of documents, responsive to your request for information. These documents illustrate the transparent and long-term planning process behind this project. Please contact my office to if you would like to set up a date to inspect these documents. We have borne considerable time and expense printing these documents.

You may also want to review the VDOT website for the extensive materials available to the public. Consistent with §2.2-3705.6 and §56-573.1 of the *Code of Virginia*, we do have a number of documents that support our negotiating position that will not be released until all phases of negotiation are complete and at that time, they will be available for your review or retrieval at any time.

With respect to the County's October 21 resolution, we welcome constructive comments of the Board through the design public hearing process early next year and through the publication of the basic business terms next fall. In anticipation of those events, we will continue to brief individual supervisors and affected groups. Mr. Young Ho Chang, the project director, is only a phone call away, and I am happy to respond to any question that you or any member of the Board might have. I understand that Mr. Chang and his team have already briefed you as well as other supervisors on the project recently.

Please understand that the purpose of this project is to promote and expand HOV and transit choices in the corridor, and to serve major employment sites in the corridor, including Quantico, Belvoir, Engineer Proving Grounds, Mark Center, and the Pentagon. If those were not our goals, we would not be proposing to add thousands of commuter parking spaces in the corridor, expanding transit service in the corridor or constructing expensive access ramps to serve Department of Defense facilities in the corridor.

Federal law, state law, and any future comprehensive agreements guarantee free HOV access to the HOT lanes. In recognition of these mandates, the project team has begun meeting with members of both the slugging community and the Department of Defense. If those meetings yield a need for additional review or study of the slugging practices, that will be incorporated into the project as well.

The Honorable Corey A. Stewart

November 25, 2008

Page 4

I trust this information is responsive to your requests and assertions, and I would encourage you or your colleagues to pick up the phone and ask questions of me. I would be glad to share any knowledge and experience with you and the Board.

Thank you again for writing.

Sincerely,

A handwritten signature in cursive script that reads "Pierce R. Homer". The signature is written in dark ink and is positioned below the word "Sincerely,".

Pierce R. Homer

PRH:es

Copy: Prince William County Board of Supervisors

Mr. David S. Ekern

Mr. Matthew O. Tucker

Mr. Young Ho Chang



Local News

[Print] [Email] SHARE

Activist group tries to stop HOT lanes

By Kytja Weir

Examiner Staff Writer 2/13/09

A transit advocacy group filed a \$1 billion injunction in Fairfax Circuit Court Thursday against a plan to create high-occupancy toll lanes along the Capital Beltway and the Interstate 95/395 corridor.

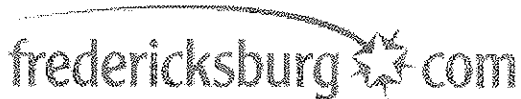
The Metro Area Mass Movement Association, which leader Brent Reynolds said has 1,500 members, argues that Fluor-Transurban's plan does not properly take into account the environmental impact of the highway widening projects. It asks that all tree-cutting and land clearing be stopped until the companies answer additional questions.

The lanes would let vehicles with three or more passengers travel for free. But unlike regular HOV lanes, they also would allow single-occupancy vehicles to use the less-congested lanes by paying a toll.

Find this article at:

<http://www.dcexaminer.com/local/Activist-group-tries-to-stop-HOT-lanes-39530842.html>

Check the box to include the list of links referenced in the article.



Print this Page

[Return to story](#)

HOT lane widths are causing concerns toll-lane parking

February 10, 2009 12:36 am

By KELLY HANNON

The newest Honda Civic is 5 feet 9 inches wide. A 2009 Toyota Sienna minivan is 6 feet 4 inches wide. A new Ford F-150 pickup is 6 feet 5 inches wide.

All would fit neatly inside an 11-foot-wide travel lane on Interstate 95.

But is that lane wide enough to carry buses?

Several people asked that question last night at a public hearing for a proposed toll lane project on I-95/395 from the Pentagon to Garrisonville Road.

Squeezing three lanes into the existing median space will require shrinking some lanes to a width of 11 feet for a three-mile stretch.

The Potomac and Rappahannock Transportation Commission runs commuter buses in the current HOV lanes. PRTC's OmniRide and Metro Direct buses are all 8 feet 5 inches wide.

From Eads Street at the Pentagon to Shirlington, a distance of three miles, each toll lane would be 11 feet wide, with a variable shoulder on one side of 2 feet to 9 feet and another shoulder ranging from 8 feet to 9 feet.

Sen. George Barker, D-Prince William, told the audience at Potomac High School in Dumfries that transportation commissions in Northern Virginia have told him they are concerned about safety.

Barker said the narrower lanes are "a disaster waiting to happen."

Most toll lanes would be wider than 11 feet. From Shirlington to the Prince William Parkway, a distance of 17 miles, a 12-foot center lane will be flanked by two 11-foot lanes. A 10-foot shoulder would be on the right, and a 12.5-foot shoulder on the left.

All toll lanes from the Prince William Parkway to Garrisonville Road would be 12 feet wide, with 12-foot shoulders on both sides.

Two companies are working with the Virginia Department of Transportation to determine if they can convert the two High Occupancy Vehicle lanes running along the center of I-95 into three toll lanes over

a distance of 28 miles.

A later phase of the project would build two new toll lanes another 28 miles south to Spotsylvania.

To help ease afternoon traffic at the Garrisonville Road exit, one toll lane will be built early in the Fredericksburg area. A 9-mile, single-lane extension will be built from Dumfries to Exit 143 as part of the project's northern section.

Fluor Inc. and Transurban USA, the two companies trying to build the lanes, say 19 emergency pull-off areas are planned between the Pentagon and Garrisonville.

Fluor-Transurban will pay private emergency responders 24 hours a day to clear crashes and help disabled vehicles.

Fluor-Transurban's proposal to build toll lanes on I-95/395 was accepted by VDOT in 2005.

The parties have been working together since then on environmental tests, public hearings, and toll and traffic studies. Fluor-Transurban is already building 14 miles of toll lanes on the Capitol Beltway.

Construction on the I-95/395 lanes cannot start until VDOT chooses to sign a financial agreement with Fluor-Transurban.

If the state decides to pursue the project, that agreement could be signed by late summer.

The southern section of the HOT lanes project, from Dumfries to Massaponax, is currently under environmental review. A financial agreement on the southern section is not planned before late 2010, pushing construction until late 2010 or 2011.

Other comments at the public hearing centered around toll prices and traffic.

Fluor-Transurban must set tolls at prices that keep traffic flowing at a minimum of 45 mph, 90 percent of the time.

Vehicles with three occupants or more can always drive in the toll lanes for free. But vehicles with one or two occupants will pay a toll. Hybrid vehicles will be required to have three occupants, or pay a toll.

VDOT officials emphasized that the policy of HOV will remain.

"Sluggers and transit users will not be affected and will not have to pay a toll," said Ronaldo Nicholson, VDOT regional transportation program director.

Fluor-Transurban has estimated toll prices could reach \$1 a mile at rush hour.

Toll lanes will be broken into segments, with electronic signs displaying the per-mile toll to travel in a section of road. Drivers can choose to pay the toll and keep driving, or exit into general lanes.

Bob Leipold has been slugging into downtown Washington from Potomac Mills for 14 years. Of his fellow slugs he said, "I have yet to meet a single one that thinks going to a toll road is better than expanding ridesharing."

He's concerned slugging will be affected decades from now, as the population in Northern Virginia grows.

If toll lanes are ever too congested for traffic to flow at rush hour, who will be asked to step out? he asked. "Are they going to let the unpaying members of the public use the lanes first? Or are they going to let the paying cars use the lanes first?" Leipold said.

Kelly Hannon: 540/374-5436

Email: khannon@freclancestar.com

Toll lanes on I-95 will come with money for public transit along the interstate-- \$195 million, according to project officials.

Part of that money will pay to build 3,000 commuter parking spaces along I-95, including lots in the Fredericksburg area.

A study has shown 1,050 spaces would be built in the Garrisonville Road area, and another 300 spaces in the Massaponax area. That study showed another 3,750 spaces are needed in the I-95 corridor, beyond what Fluor-Transurban would build initially with the \$195 million.

--Kelly Hannon

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Friday, February 13, 2009 |

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Proposed HOT lanes draw frustration

Text size: [small](#) | [medium](#) | [large](#)

By KIPP HANLEY

Published: February 9, 2009

The first of three public hearings this week on the design of the proposed high-occupancy toll (HOT) lanes was held at Potomac High School on Monday night and individual reaction to the lanes plan was resoundingly negative.

Elected officials expressed their skepticism of HOT lanes and the dozen citizens who spoke publicly expressed their frustration with the plan. People spoke on everything from the financial credibility of Australian company Fluor Transurban — who is slated to run the project — to concerns that slugging into D.C. will be affected negatively by allowing more drivers in the High Occupancy Lanes.

“I know from having been a slugger for 14 years, having spoken to commuters, I have yet to meet a single one that said toll roads are a better option than expanding ride sharing possibilities,” Stafford County resident Robert Leopold said.

If approved, the Interstate 95 and 395 project will add one lane of capacity to the existing two-lane high occupancy road and extend HOV/HOT lanes from the vicinity of the Pentagon in Arlington eventually to the Massaponax exit in Spotsylvania County.

The Northern Section, which was discussed Monday, will run from Arlington to the proposed extension to Garrisonville Road in Stafford County. Currently, the two-lane road ends at Va. 234 in Prince William County. That will be extended to three lanes while the extension from Va. 234 to Garrisonville Road will be just two lanes.

Those individuals who want to take the HOT lanes will pay a toll that will progressively get higher as traffic increases. Fees could be as much as \$1 per mile, which means a one-way trip into Washington could cost current Woodbridge residents as much as \$28 a trip.

These fees would be collected by Fluor Transurban, which will construct, operate and maintain the lanes for the next 80 years.

Those who came to protest the HOT lanes on Monday said many people won't hesitate to pay the tolls, which will add more vehicles to the HOV lanes. They also showed concern with the widths of the proposed lanes and medians and that seven new access points proposed in the plan would only slow

traffic down even more.

HOT lanes advocates said the impact on the HOV lanes will be minimal by single drivers, who wouldn't use them every day. HOT lanes will use electronic tolling instead of traditional tolling booths. Those motorists will use a SmarTrip card type of option to pay to use the lanes and enforcement on those who don't pay will primarily still fall on the shoulders of the state police.

Several that came and spoke said they felt that many of their concerns were not heard or considered seriously. Paul F. Nichols-D-51st District, who couldn't attend the hearing, went so far as to say that Monday's event was nothing more "than an after-the-fact information session about what is going to happen."

Manassas Park resident Dave Klym is a retired U.S. Forestry Service employee and has slugged for the past two and a half years. Slugging shortened his commute by a third compared with his former commute by the Franconia-Springfield metro.

"HOT lanes will not reduce traffic, it will not improve energy independence, it will not improve auto emissions," said Klym, whose impassioned speech received applause. "Every time you add access points, it slows down traffic."

If given the green light, the project could start as quickly as later this year or early 2010 and as part of the deal, would provide \$195 million for transit improvements. That would include providing up to 6,500 more park-and-ride spaces and other design improvements.

The final two hearings will be held at Robert E. Lee High School in Springfield on Tuesday and Minnie Howard School in Alexandria on Wednesday. Both run from 5 to 9 p.m. with short presentations at 7 p.m. followed by a public comment period.

Reader Reactions

Posted by (aveamd) on February 10, 2009 at 9:36 am

How will the State police know who paid? are they planning on stopping everyone that doesn't have 3 or more people in their car? that'll just create more traffic bythe rubber-necks.

Report Inappropriate Comment

Posted by (do the right thing) on February 10, 2009 at 7:06 am

According to Virginia Public Access Project(VPAP) over \$46,0000 in campaign donations were returned to Transurban by members of the Va. General Assembly.

Transurban (USA) Inc

Location: New York, NY

This Vendor is also a Donor

* Payments Received

From through (select all years)

Committees reported making payments totaling \$46,500 to Transurban (USA) Inc for the following services:

- * Donations to Legislative Candidates
- * Refunded Donation

Campaign

Contributions Committee

\$19,500 Moving Virginia Forward

\$12,500 Dominion Leadership Trust

\$10,500 Democratic Party - Commonwealth Victory Fund

\$2,500 Leadership PAC

\$1,000 A Strong Majority PAC

\$500 Majority Whip PAC

Some members of the Va. General Assembly don't want their handprints on this corporation.

Report Inappropriate Comment

Posted by (cjeanu01) on February 10, 2009 at 3:49 am

Wow...I guess the Va. State police will be using all of their resources to monitor this disaster if it becomes reality. Whose ridiculous idea was this?

Report Inappropriate Comment

Page 1 of 1

ATTACHMENT 5

Mr. Ronaldo T. Nicholson, P.E.
Regional Transportation Program Director
6363 Walker Lane, Suite 500
Alexandria, Virginia, 22310

Dear Mr. Nicholson:

At its meeting on February 11, 2009, the Potomac and Rappahannock Transportation Commission adopted a resolution authorizing the transmittal of this letter to VDOT commenting on the design plans for the so-called northerly segment of the I-395/I-95 HOT lanes project (i.e., "the project").

The Commission's comments mirror concerns that it has had about the project for a considerable period of time, concerns that have been the subject of multiple letters that have either not been answered at all or have been answered inadequately. Prominent among those letters are one sent to Governor Kaine dated February 21, 2008 and one sent to Secretary Homer December 11, 2009, both of which have been enclosed to facilitate your review. A reply to the earlier of these letters has been received from Secretary Homer (also enclosed) but, as you can see, it simply referred to VDOT's intent to retain an independent consultant (Halcrow) in an effort to address certain concerns rather than replying in a substantive fashion. No response to the second letter has been received as yet, adding to the Commission's concerns since the project continues to advance with important questions and concerns unresolved.

While some might contend that certain of the Commission's concerns are not design-related and therefore this review is not an appropriate venue for communicating them, the Commission rejects that notion because all of its concerns can be traced to the scope of the project as proposed. Accordingly, our concerns are detailed below using a broad construction of what "design plans" mean.

1. The adequacy of the design plans is questioned. To properly assess the adequacy of the design plans, they must be examined in tandem with the "interstate justification report" (IJR) since the IJR is supposed to be the supporting justification for the design plans. The Commission believes the IJR does not provide this supporting justification because:
 - It fails to consider all reasonable alternatives (e.g., no other "build" alternatives besides the one proposed by Fluor/Transurban are acknowledged let alone analyzed (e.g., the "build" alternative PRTC suggested earlier, in which the third lane inside the beltway would be foregone and an HOV-4+ restriction for free use of the lanes in that stretch would be instituted instead of the existing HOV-3+ restriction);

- There is inadequate supporting documentation for the traffic projections;
 - It makes the unfounded claim that “there are no design features or changes to driver expectations included in the proposed improvements that are anticipated to have an appreciable positive or negative effect on crash rates in the corridor”; and
 - It discloses that certain traffic conditions will be worsened, not improved, by the northerly segment as proposed, calling into question the premise that the northerly and southerly segments of the project have “independent utility”. Repeatedly the IJR “points to” plans for the southerly segment as a remedy for problems that the northerly segment on a stand-alone basis would create, as if to suggest that there is no reason for concern about adverse impacts resulting from the northerly segment alone.
2. The relationship between toll rates, traffic use, revenue generation, and net revenue generation in undisclosed, so the impacts on transit and HOV-3+ travelers and transit providers are neither quantified nor evaluated. The IJR report is silent on the relationship between toll rates and projected traffic use of the facility in the “build” alternative, so the estimated average speeds in the HOT lanes are an unknown. Without such estimates, it is impossible to quantify how much slower trip-making by transit and HOV-3+ travelers will be in the HOT lanes compared to their present trip in the HOV lanes; slowing these travelers would be a negative impact of the project as proposed which the IJR report sidesteps. A related negative impact would result for transit providers – slower speeds equate to higher operating costs. PRTC estimates that a five minute slower trip would cost PRTC over \$400,000 per year. This unintended effect can be averted if VDOT requires a minimum average peak period operating speed of (say) not more than five miles per hour lower than existing posted speeds in the HOV lanes.

In the absence of knowledge about net revenue expectations, it is also impossible to assess whether the magnitude of the proposed concession payment to the Commonwealth (i.e., \$195 million) is a reasonable return on investment. Finally, the IJR report sidesteps the question of what happens if HOV-3+ usage increases beyond “projection” levels – is Fluor / Transurban seeking some form of revenue protection and is VDOT prepared to provide it? If “yes”, what are the prospective terms?

3. Transit providers face increased accident risk exposure as a consequence of narrower travel lanes and shoulders, a cost that is neither acknowledged nor addressed by the IJR report. Contrary to what the IJR report asserts, there is substantial reason to believe based on empirical experience elsewhere that narrower travel lanes and shoulders do increase accident risk exposure, a point PRTC has repeatedly made that VDOT continues to resist. That’s a cost that the transit providers should not be forced to absorb so, at a minimum, if VDOT continues to assert that there is no increased accident exposure, it should be willing to indemnify PRTC and other transit providers against claims arising as a result of the “design exceptions” that the project as now proposed requires. I refer you to a recently published report by the California

Partners for Advanced Transit and Highways titled Safety Evaluation of High-Occupancy Vehicle (HOV) Facilities in California, a copy of which I've enclosed for your perusal. Among its findings:

- Collision rates in HOV facilities diminish with increased shoulder width;
- Facilities with short access lengths as the proposed project has exhibit a greater propensity for higher collision rates; and
- Further research is required to assess the tradeoffs between shoulder width and lane width where "overall width" limitations are present.

With regard to the provisions envisioned by the proposed project for "incident management" purposes, PRTC is mindful of the emergency pull-offs, dynamic overhead signage, and remote monitoring plans that will enable dispatching of "incident response" help, but the Commission remains dubious that these provisions alone provide adequate incident management protection for the following reasons:

- Only six pull-offs are planned for the stretch inside the beltway, at variable intervals and not consistently on the same side of the travel lanes. Thus bus operators and others needing refuge will have to maneuver across the travel lanes to access these pull-offs, guided by roadside/overhead signage since the pull-offs are inconsistently placed.
- The need to use pull-offs that may require bus passengers to vacate the bus immediately next to an active travel lane will pose a serious safety hazard. VDOT staff have replied to this concern by noting that active travel lanes can and will be shut down by the use of overhead lane marking signs when incidents warranting this arise but, without knowing what "incident response" performance metrics (and penalties for failure to meet these metrics) VDOT will require as part of the comprehensive agreement, the Commission cannot comfortably conclude that this "lane shut-down" capability is sufficient.
- The substantial curtailment of shoulder accommodations adds to the Commission's concerns. The IJR report and accompanying design plans show that from Prince William Parkway to just south of the Shirlington Rotary, there would be only a single ten-foot shoulder on the right side of the roadway looking northbound, and an even narrower (variable width) shoulder north of the Shirlington Rotary to the northerly terminus of the project. With bus widths of 102 inches exclusive of protruding mirrors on both sides of the bus, shoulder widths this narrow means buses stopped on the shoulders will encroach to varying degrees on the neighboring travel lane.
- Roadside enforcement if the HOV lanes are converted to HOT lanes will become more difficult, not less, because two types of violators will be present – those without transponders and those trying to use the lanes as HOV-3+ that don't have

the requisite number of occupants in the vehicle. Roadside enforcement of a higher number of violators with less shoulder space will be a daunting challenge.

The Commission eagerly awaits answers to these questions and concerns.

Sincerely,

Michael C. May
Chairman

Enclosures: As stated

RESOLUTION ON THE VIRGINIA DEPARTMENT OF TRANSPORTATION'S
(VDOT'S) I-95/395 HIGH OCCUPANCY TOLL (HOT) LANES PROJECT

ADOPTED BY THE ARLINGTON COUNTY BOARD – JANUARY 27, 2009

WHEREAS, the Commonwealth Transportation Board (CTB) is currently in contract negotiations with a private firm, Fluor/Transurban, for a project to convert the two existing High Occupancy Vehicle (HOV-3) lanes on I-95/I-395 between Dumfries and Arlington into a three lane High Occupancy Toll (HOT) lanes facility; and

WHEREAS, according to the Northern Virginia Transportation Commission (NVTC), during the morning peak period, the two HOV lanes on I-95/395 outside the Beltway carry about 25 percent more people than the four conventional lanes; inside the Beltway the HOV lanes carry 50 percent more than the conventional lanes in the three hour am peak period; and

WHEREAS, Arlington County is committed to preserving and improving the person throughput in this corridor; and

WHEREAS, Arlington County has articulated a list of questions and issues about this project's impacts on transit, safety, the environment, and local multimodal streets, most recently in a letter dated December 23, 2008 to the Virginia Secretary of Transportation (attached); and

WHEREAS, additional concerns have arisen regarding fundamental inadequacies with the modeling that was used by VDOT to support the environmental documentation including:

1. A modeling area at each interchange that is inadequate to evaluate the project's impact to local streets, according to the Federal Highway Administration's (FHWA's) own guidelines;
2. A failure of the project team to include the extensive public transit routes in the specific interchange models for Shirlington Circle and Eads St;
3. The omission of pedestrian data at any intersections having crosswalks in those same interchange models;
4. The exclusion of a model of existing conditions, which is standard practice for most environmental analysis; and

WHEREAS, the concerns articulated by the County indicate that the model used by the Virginia Department of Transportation (VDOT) in its environmental analysis does not satisfy condition five of the Categorical Exclusion (CE) for the I-95/395 HOT Lanes project (attached) which states that, "the consultant must 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 to be made at either termini;" and

WHEREAS, Arlington County believes that the CE documentation did not receive adequate environmental review and that this project as it is designed today will have an adverse impact on the citizens of Arlington County and the Northern Virginia region; and

WHEREAS, despite these outstanding concerns and the apparent failure to identify and address significant environmental impacts of the project, FHWA has concluded that VDOT and its private partners have satisfied the conditions laid out on August 31, 2006 for a CE; and

WHEREAS, in the federally-required Interchange Justification Report (IJR) for the I-95/395 HOT lanes, VDOT states that the project does meet the specified justification criteria, "The proposal considers and is consistent with local and regional land use and transportation plans." However, the HOT Lanes project does not meet this criterion for Arlington County, and in fact:

1. The current designs for the interchanges at Eads St. and Shirlington Circle are at odds with the stated goals of the adopted Master Transportation Plan, specifically General Policy B which states that the County will, "support the design and operation of complete streets... to enable safe access by all user groups including pedestrians, bicyclists, transit vehicles and users, and motorists of all ages and abilities, allowing these users to access a full range of daily activities."
2. The overall project does not comply with Streets Policy 13 which states that the County will, "Ensure that High Occupancy Toll (HOT) lane implementation does not negatively affect the efficiency of existing transit and carpooling."

NOW, THEREFORE, BE IT RESOLVED THAT, the Arlington County Board concludes that the CE was improperly approved because it fails to address significant environmental impacts of the project. Accordingly, Arlington County respectfully requests that the environmental documentation for the I-95/395 HOT lanes project submitted on December 18, 2008 by VDOT be re-examined by FHWA, including a more careful look at the modeling used to support the environmental conclusions and that a determination consistent with federal environmental requirements be made; and

BE IT FURTHER RESOLVED THAT, the County Board requests that as part of this review, FHWA and VDOT work with the local jurisdictions to ensure that the impacts to localities created by this project are adequately captured and addressed in the environmental documentation and in any subsequent project agreements, including an agreement between Arlington County and the Commonwealth covering financial and operational arrangements to mitigate those impacts; and

BE IT FURTHER RESOLVED THAT, the County Board requests that VDOT acknowledge in its request for approval of the IJR for the I-95/395 HOT Lanes project that the project proposal is not consistent with the comprehensive plan of Arlington County. If VDOT does submit the IJR to FHWA with this inaccuracy, the County Board requests that the IJR be disapproved; and

BE IT FURTHER RESOLVED THAT, the County Board requests that the design exceptions currently under review for this project also receive the same level of scrutiny typical of a project of this magnitude, including close coordination with the local jurisdictions that will be impacted; and

BE IT FURTHER RESOLVED THAT, the County Board continues to withhold its support for the I-95/395 HOT lanes proposal until the questions and concerns expressed by the County are adequately addressed.


Barbara A. Favola, Chairman



AGENDA ITEM #6

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube and Lynn Everett
DATE: February 26, 2009
SUBJECT: Transit Ridership in Northern Virginia in FY 2009.

As shown in the attached charts, ridership on some of Northern Virginia's transit systems dipped in January, 2009 compared to January, 2008, perhaps reflecting an economy that is rapidly decelerating. Given Metrorail's strong performance, overall transit ridership grew 4%.

Also shown is the extent to which SmarTrip cards are used on each transit system as of February 14, 2009. For comparison, a similar table is provided as of October 4, 2008. Notice the significant increase in the use of SmarTrip cards after the elimination of paper transfers. In the case of Metrobus, the share of SmarTrip use rose to 59% from 29%. The Fairfax Connector rose to 73% from 34%. Other systems also enjoyed sharp increases.



Regional SmarTrip Percentage
Week of 02/08/2009 thru 02/14/2009

<u>Regional Partner</u>	<u>SmarTrip Ridership</u>	<u>Non_SmarTrip Ridership</u>	<u>Total Ridership</u>	<u>SmarTrip Percentage</u>	<u>Flash Pass Ridership</u>
WMATA-Bus	1,527,696	1,081,710	2,609,406	58.55%	550,697
WMATA-Rail	2,758,708	887,188	3,645,896	75.67%	
ART	15,513	10,805	26,318	58.94%	
Fairfax Connector	133,070	48,941	182,011	73.11%	
CUE	7,893	13,113	21,006	37.57%	
DASH	41,239	37,344	78,583	52.48%	
Ride On	182,512	334,623	517,135	35.29%	
PG County	33,321	37,644	70,965	46.95%	
PRTC	41,291	22,906	64,197	64.32%	
Loudoun County	17,867	285	18,152	98.43%	
Total:	4,759,110	2,474,559	7,233,669	65.79%	
Total: (w/o Loudoun)	4,741,243	2,474,274	7,215,517	65.71%	

Regional SmarTrip Sales
Week of 02/08/2009 thru 02/14/2009

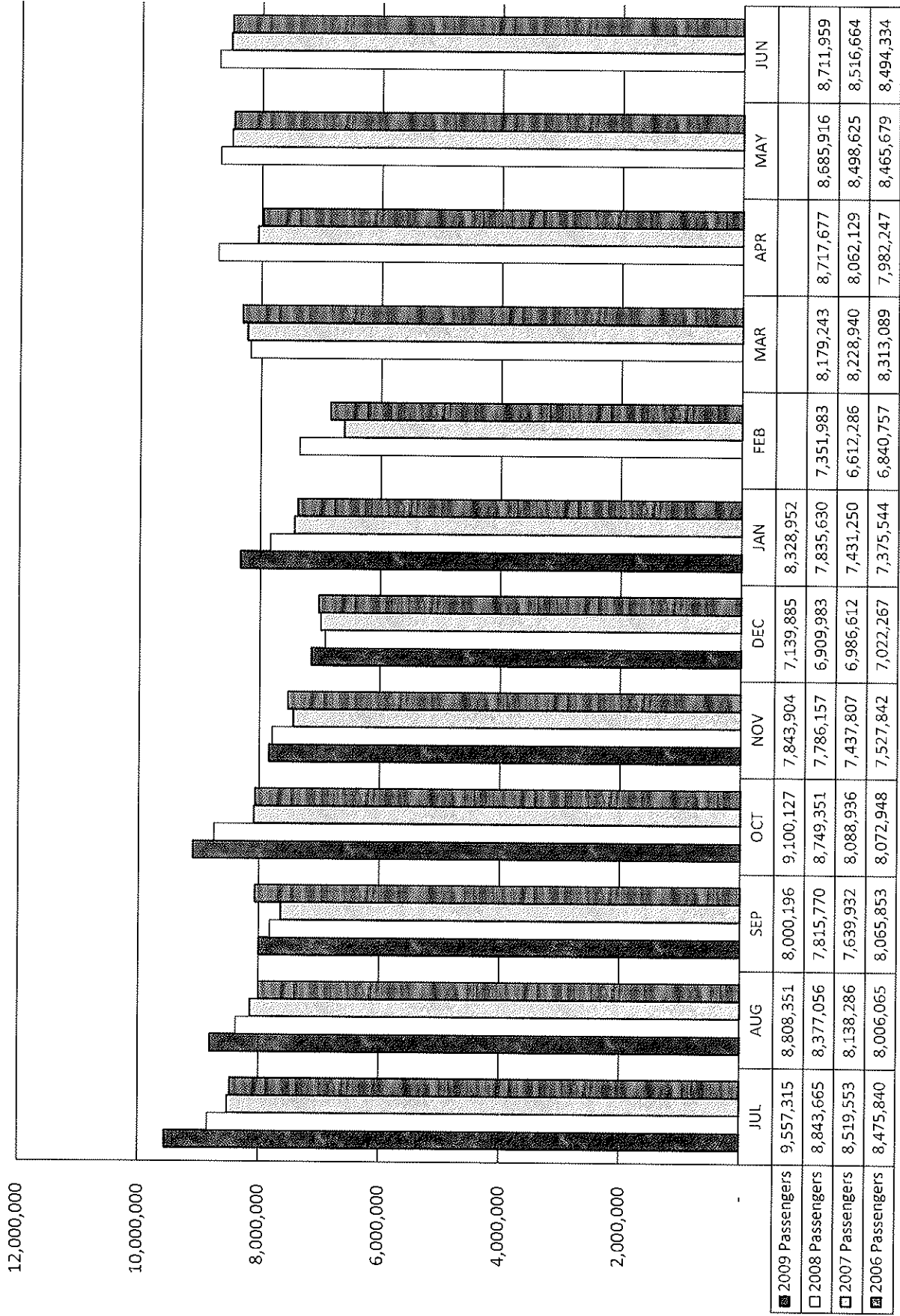
SmarTrip Sales

Lexis Dispensers	9,806
Metro Sales Offices	20,006
Regional Transit Stores	2,800
Internet	720
Lockbox	39
Other / SmartBenefits	1,485
Regional Partner Orders	0
Total Sales & Orders	34,856

Regional SmarTrip Percentage
 Week of 09/28/2008 thru 10/04/2008

<u>Regional Partner</u>	<u>SmarTrip Ridership</u>	<u>Non_SmarTrip Ridership</u>	<u>Total Ridership</u>	<u>SmarTrip Percentage</u>
WMATA-Bus	809,800	2,006,892	2,816,692	28.75%
WMATA-Rail	2,822,278	1,223,359	4,045,637	69.76%
ART	7,355	21,473	28,828	25.51%
Fairfax Connector	62,257	123,316	185,573	33.55%
CUE	4,211	20,771	24,982	16.86%
DASH	25,116	59,892	85,008	29.55%
Ride On	85,279	529,438	614,717	13.87%
PRTC	40,354	31,513	71,867	56.15%
Loudoun County	19,000	458	19,458	97.65%
Total:	3,875,650	4,017,112	7,892,762	49.10%
Total: (w/o Loudoun)	3,856,650	4,016,654	7,873,304	48.98%

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



One-Way Passenger Trips on Transit Systems Serving Northern Virginia

	July-08	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	December-08	December-07	Percent Change
Alexandria Transit (DASH)	378,270	349,068	8%	354,275	368,212	-4%	352,385	326,798	8%	370,349	354,126	5%	300,748	310,652	-3%	316,905	285,188	11%
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	39,825	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%	114,166	89,257	28%
City of Fairfax (CUE)	82,773	78,862	5%	95,762	92,597	3%	106,202	96,208	10%	108,193	102,144	6%	85,625	86,192	-1%	80,943	69,608	16%
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%	769,602	699,800	10%
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%	66,511	49,701	34%
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%	43,032	30,797	40%
PRTC Omni Ride/Omni Link	228,440	228,809	0%	273,974	255,617	7%	284,177	218,320	30%	255,965	248,846	3%	236,699	221,221	7%	247,466	194,580	27%
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%	297,356	245,068	21%
TOTAL	2,303,439	1,946,056	18%	2,275,853	2,151,484	6%	2,180,579	1,874,153	16%	13,379,193	13,046,905	3%	1,927,213	1,868,808	3%	1,975,806	1,663,999	19%

Source: Northern Virginia transit systems compiled by NVTC.

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

	January-09	January-08	Percent Change
Alexandria Transit (DASH)	294,503	310,253	-5%
Alexandria - King Street Trolley	18,052	n/a	n/a
Arlington Transit (ART)	109,686	102,241	7%
City of Fairfax (CUE)	72,814	80,512	-10%
Fairfax Connector	700,645	761,148	-8%
Loudoun County Transit	65,620	68,758	-5%
Virginia Regional Transit - Loudoun	39,693	34,677	14%
PRTC Omni Ride/Omni Link	230,296	231,697	-1%
Virginia Railway Express	295,131	317,646	-7%
TOTAL	1,826,440	1,906,932	-4%



AGENDA ITEM #7

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube, Adam McGavock and Greg McFarland
DATE: February 26, 2009
SUBJECT: Regional Transportation Items

A. Improving Land Use and Transportation Coordination.

Excerpts are attached from a presentation given to the Northern Virginia Regional Commission in late January, 2009 by HNTB. One slide shows the inverse relationship between residential density and daily vehicle miles traveled in the Washington Metropolitan region. Another slide shows that for double the density there will be 33% lower VMT, 80% more walk trips and 37% more transit trips, other things being equal.

B. MWCOG/TPB 2007/2008 Household Travel Survey.

On January 28, 2009, staff presented some initial findings to the TPB Technical Committee. Surveys of 11,000 randomly selected households provided 132,383 trip records from February, 2007 through March, 2008 (before the sharp increase in gas prices that may have altered behavior). The number of trips varied by location (e.g. 7 per household within inner jurisdictions and 10 per household in the outer suburbs). Overall transit had 5% of the weekday trips, but 33% of trips by inner jurisdiction households, 17% by inner suburb households, 8% by outer suburb households and 6% by outer ring households.



C. Household Spending on Housing and Transportation in Northern Virginia Jurisdictions.

An Urban Land Institute study calculated housing and transportation costs as a share of median income by jurisdiction. The data from 2000 through 2006 included the boom in housing prices but pre-dated the run up in gas prices. As shown in the attachments, inner jurisdictions (Alexandria, Arlington, Fairfax County) came out with relatively low proportions at 41%, 39% and 41% respectively. Falls Church measured 45%, the city of Fairfax 46% and Loudoun County 46%. The average for the entire Metro area is 48%, for inner suburbs 43% and for outer suburbs 43%. This suggests that as people move further from the core, transportation costs rise faster than housing costs fall.

D. Biomethane Buses.

The attached article describes the planned use of sewage to create biomethane to power buses in Oslo, Norway. Transit pollution had increased 10% since 2000, comprising more than half of the city's CO₂ emissions. By September of 2009, 200 city buses (half of the fleet) will be converted to run on biomethane. Savings of two-thirds are expected on fuel costs and in CO₂ emissions per bus.

E. New Commuter Bus Service.

The attachment describes a new private bus service that will begin to operate from Winchester, Front Royal and other western locations to Vienna and Ballston Metro and Washington D.C.

Improving Land Use & Transportation Coordination

*Summary Presentation for
Alternative Transportation and Land Use Activity Strategies
(ATLAS) Study*

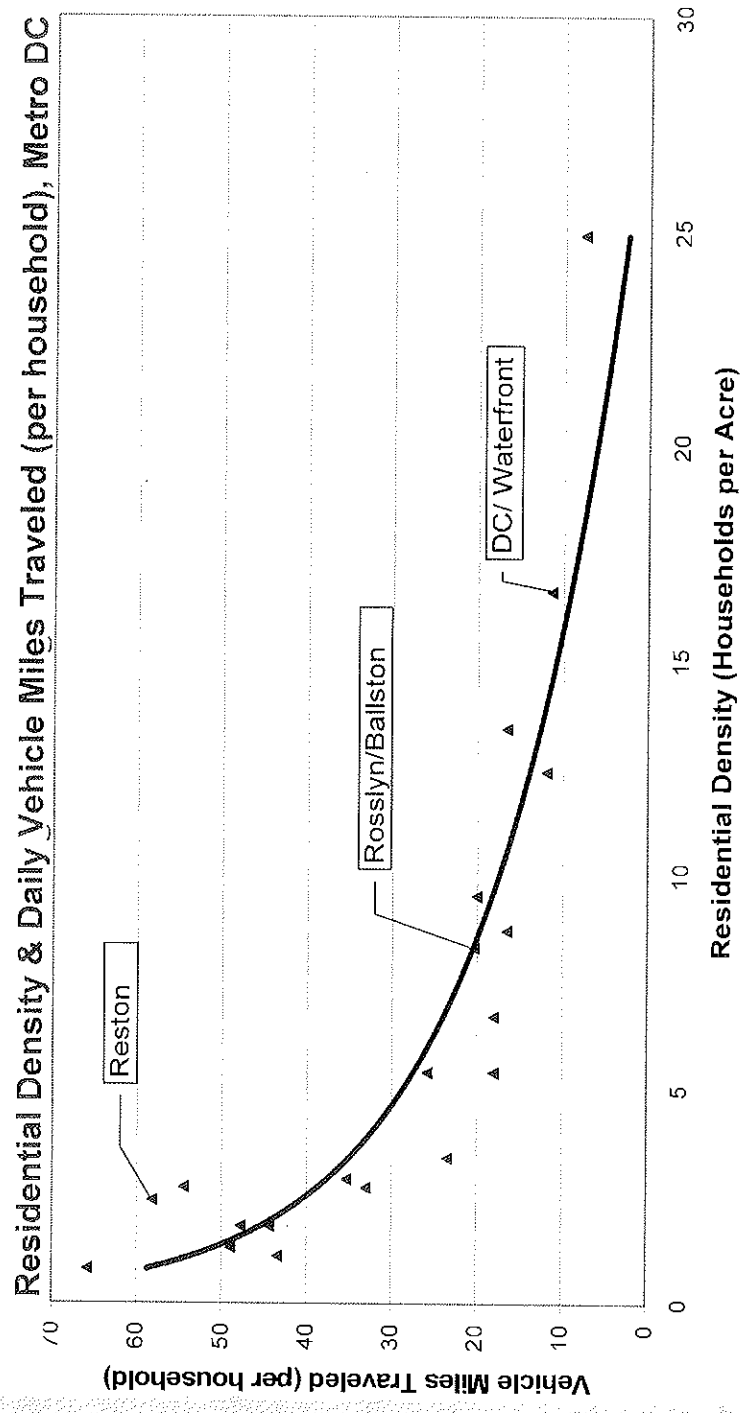
NVRC Board of Directors Meeting

January 22, 2009

MNTB

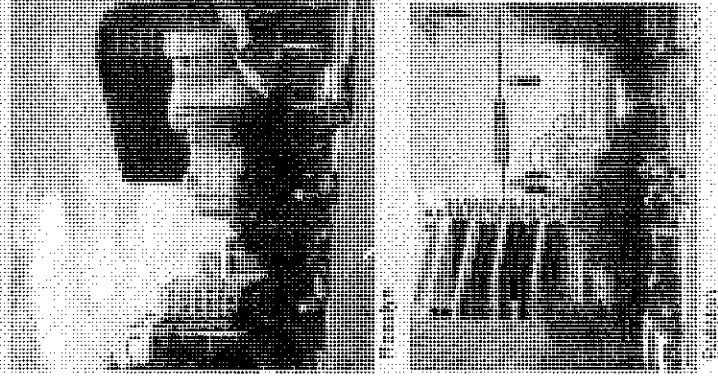


Density and Travel Behavior



Density Matters

- Density is the key land use factor for making alternative modes of transportation viable and for reducing VMT
- In a neighborhood twice as dense as a neighborhood with similar socio-economic characteristics and regional accessibility:
 - Household VMT would be 33% lower
 - Walk trips would be 80% higher
 - Transit trips would be 37% higher



2007/2008 Household Travel Survey

Presentation of Some Initial Findings by

**Robert E. Griffiths
Technical Services Director**

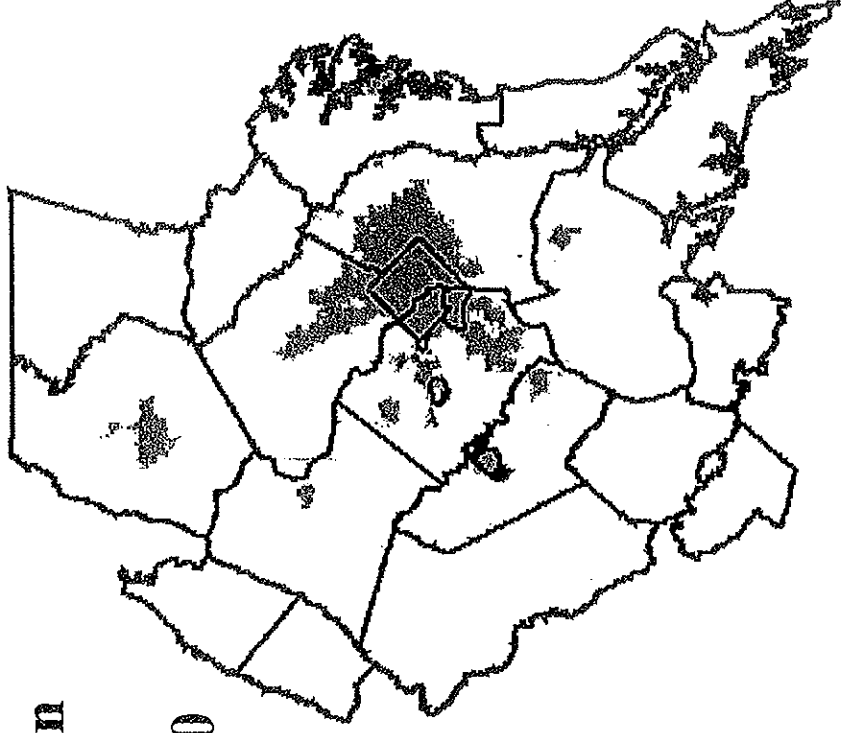
**National Capital Region Transportation Planning Board
Metropolitan Washington Council of Governments**

January 28, 2009



Sampling Plan

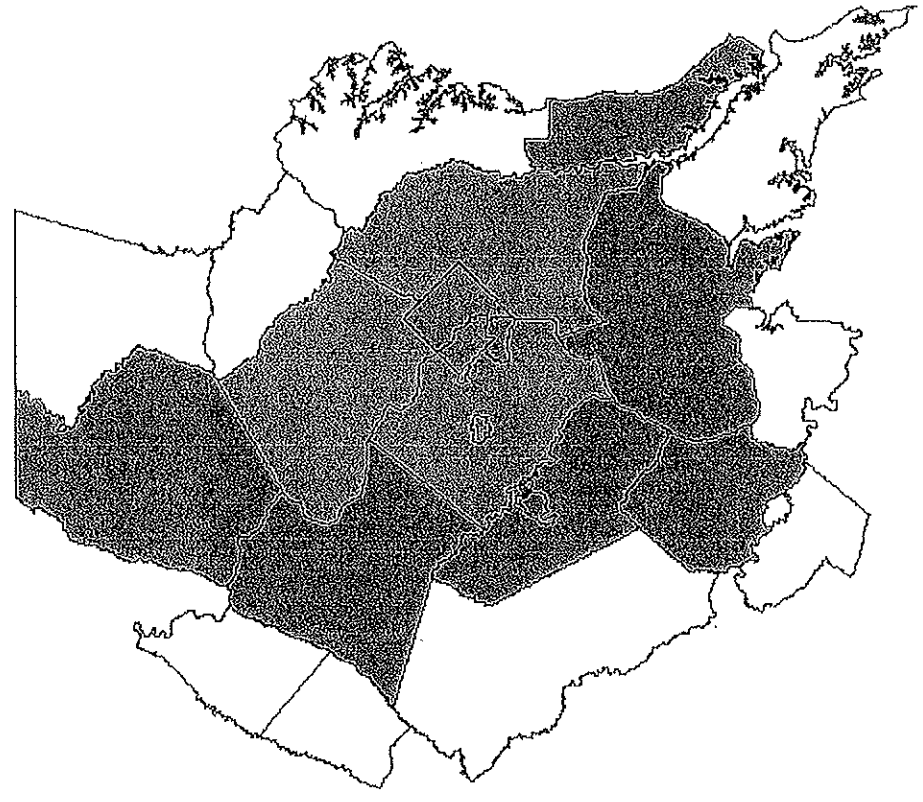
- **11,000 Randomly Selected Households in TPB Region and adjacent areas (+3,500 Baltimore Region Samples)**
- **Ensure a sufficient number of samples in higher density, mixed use urban areas and Regional Activity Centers**
- **Address-based Sample**



Survey Interviewing

- **14-Months of Interviewing**
- **Interviews Conducted Between February, 2007 and March 2008.**
- **Data Collected**
 - 11,578 Household Records
 - 25,515 Person Records
 - 16,678 Vehicle Records
 - 132,383 Trip Records

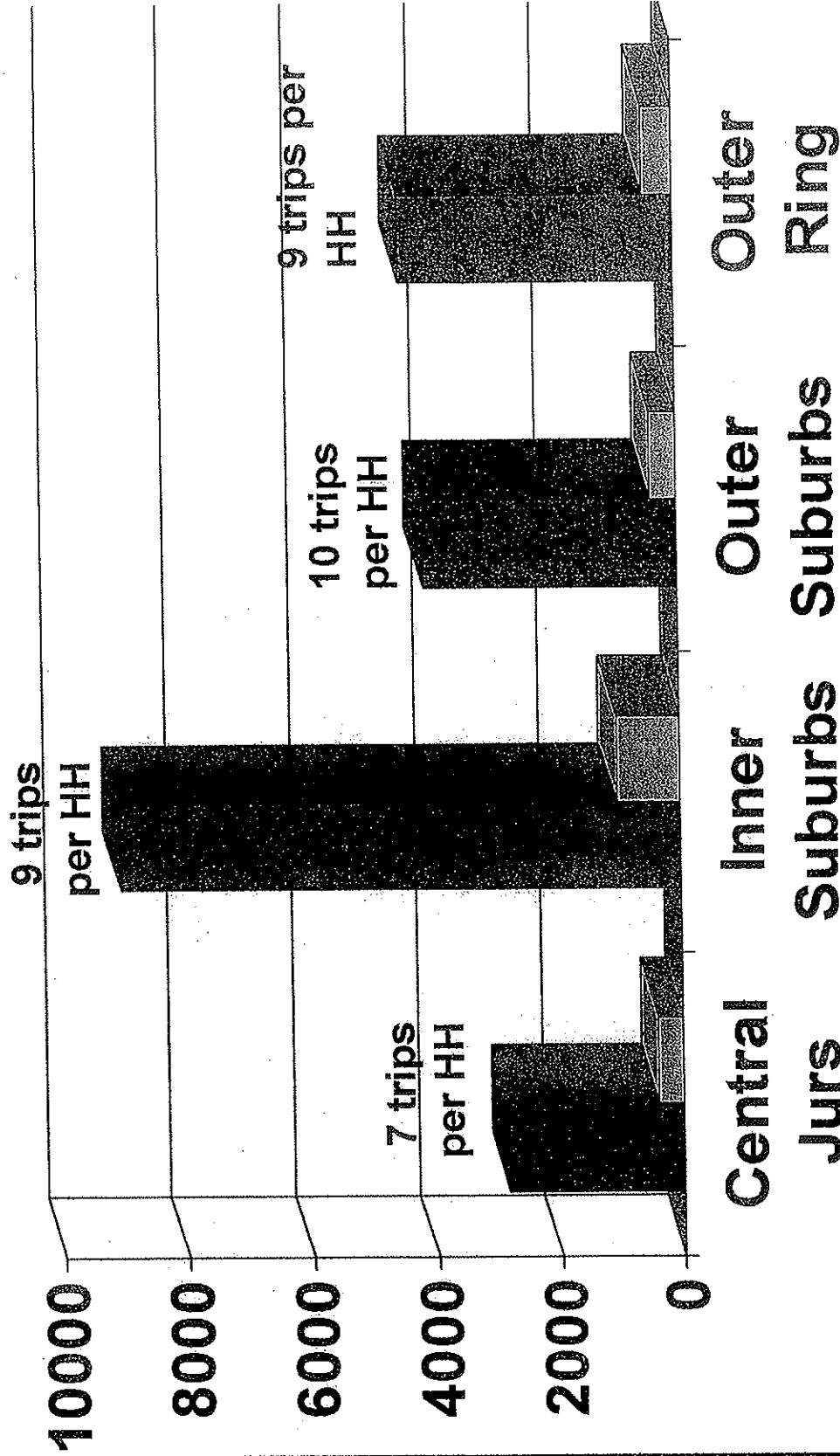
Survey Results Reveal Significant Diversity of Travel Patterns within TPB Model Area



- Central jurisdictions
- Inner suburbs
- Outer suburbs
- Outer ring

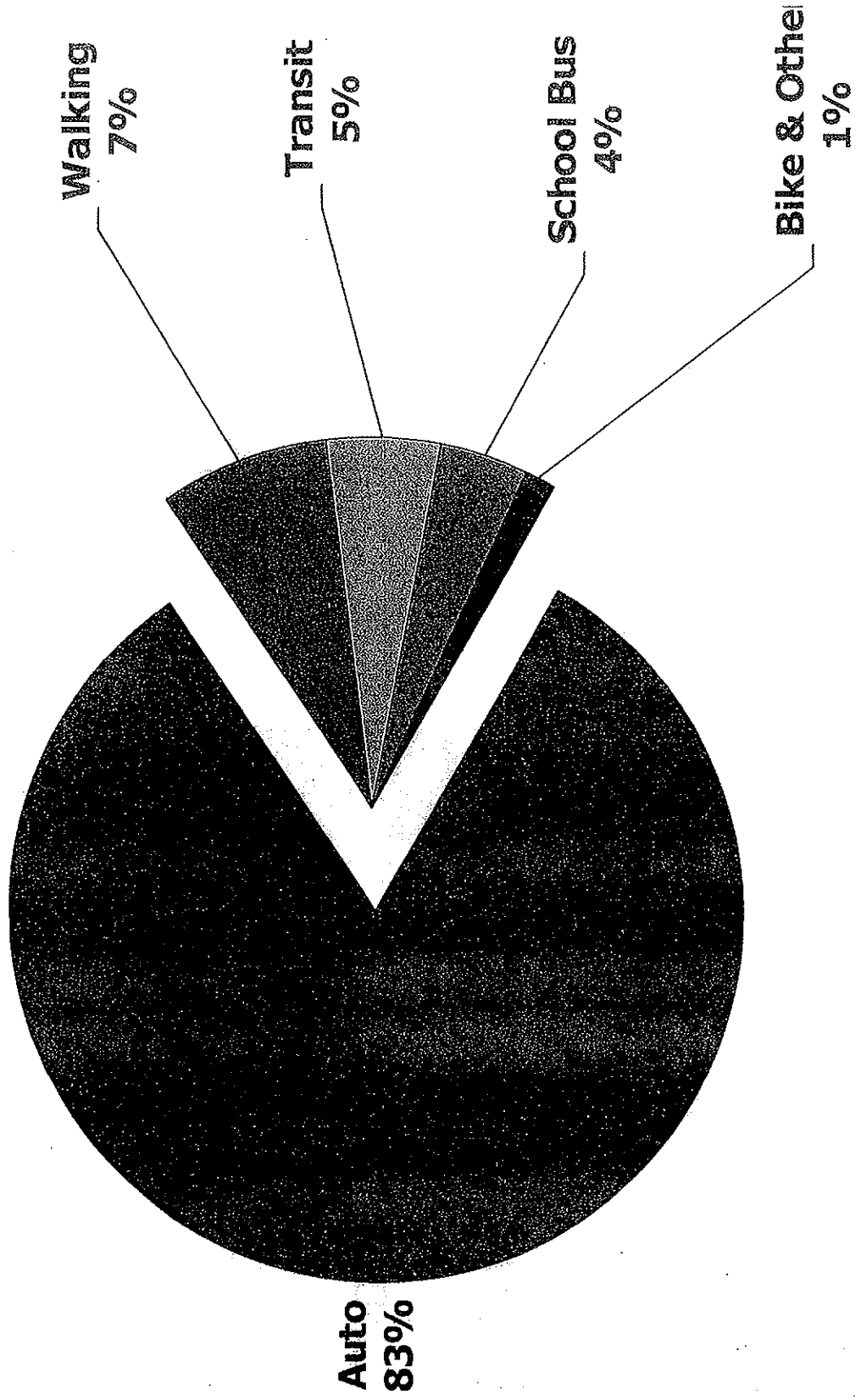
Households and Trips by Sub Area

(Numbers in Thousands)



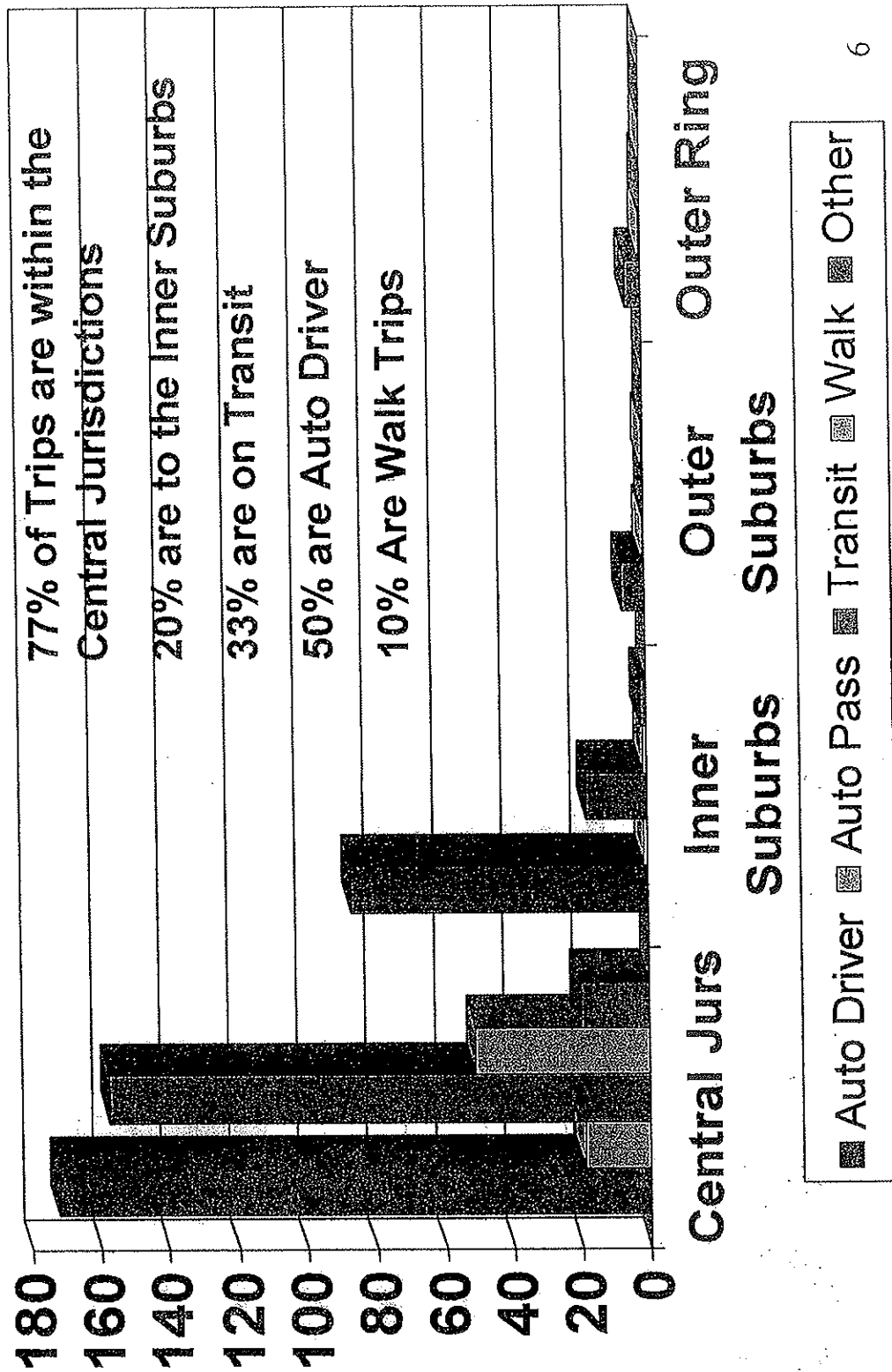
■ Weekday Trips □ Households

Weekday Trips by Mode



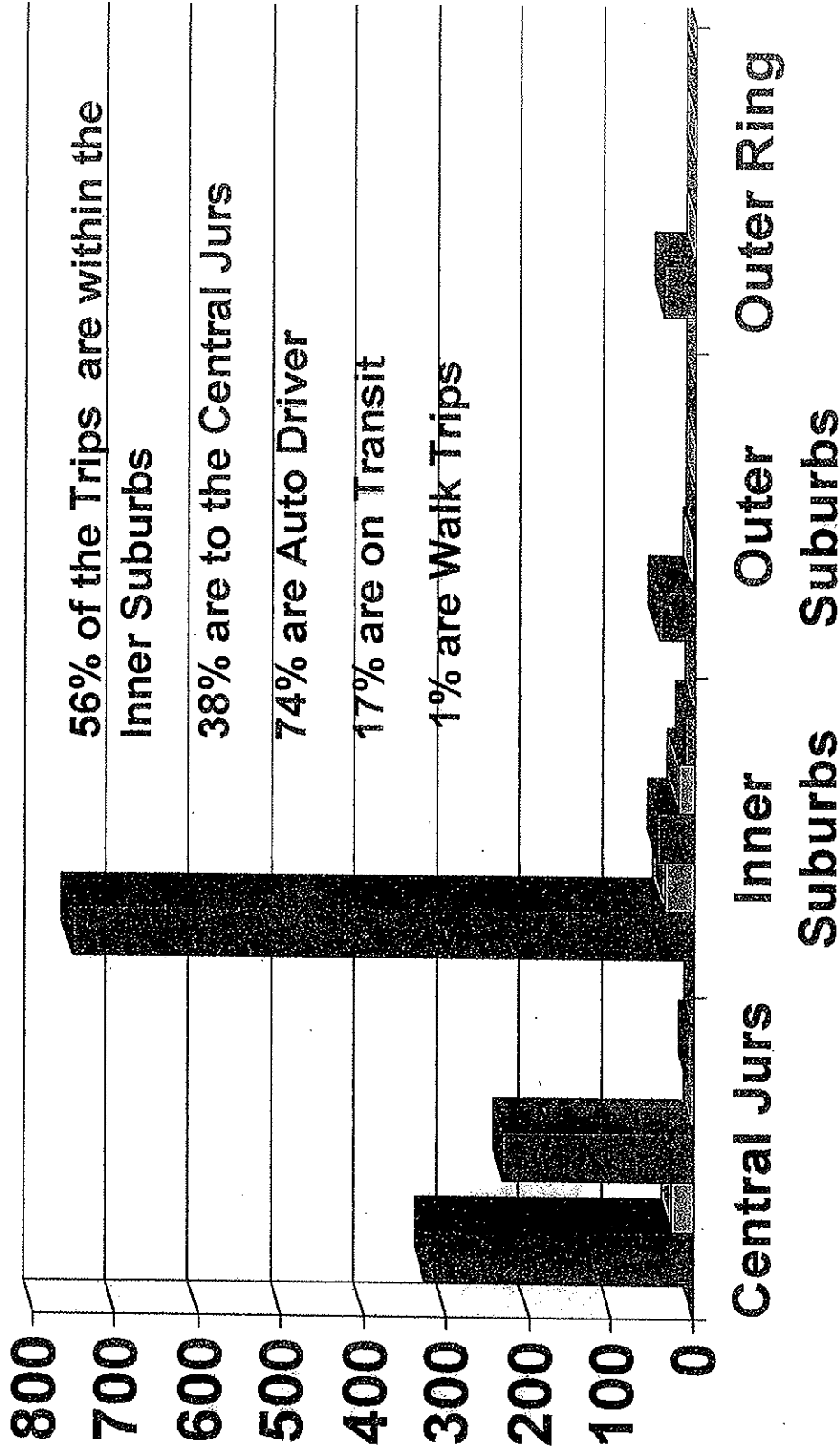
Commute Trip Destinations of Central Jurisdiction Households by Mode

(Numbers in Thousands)



Commute Trip Destinations of Inner Suburb Households by Mode

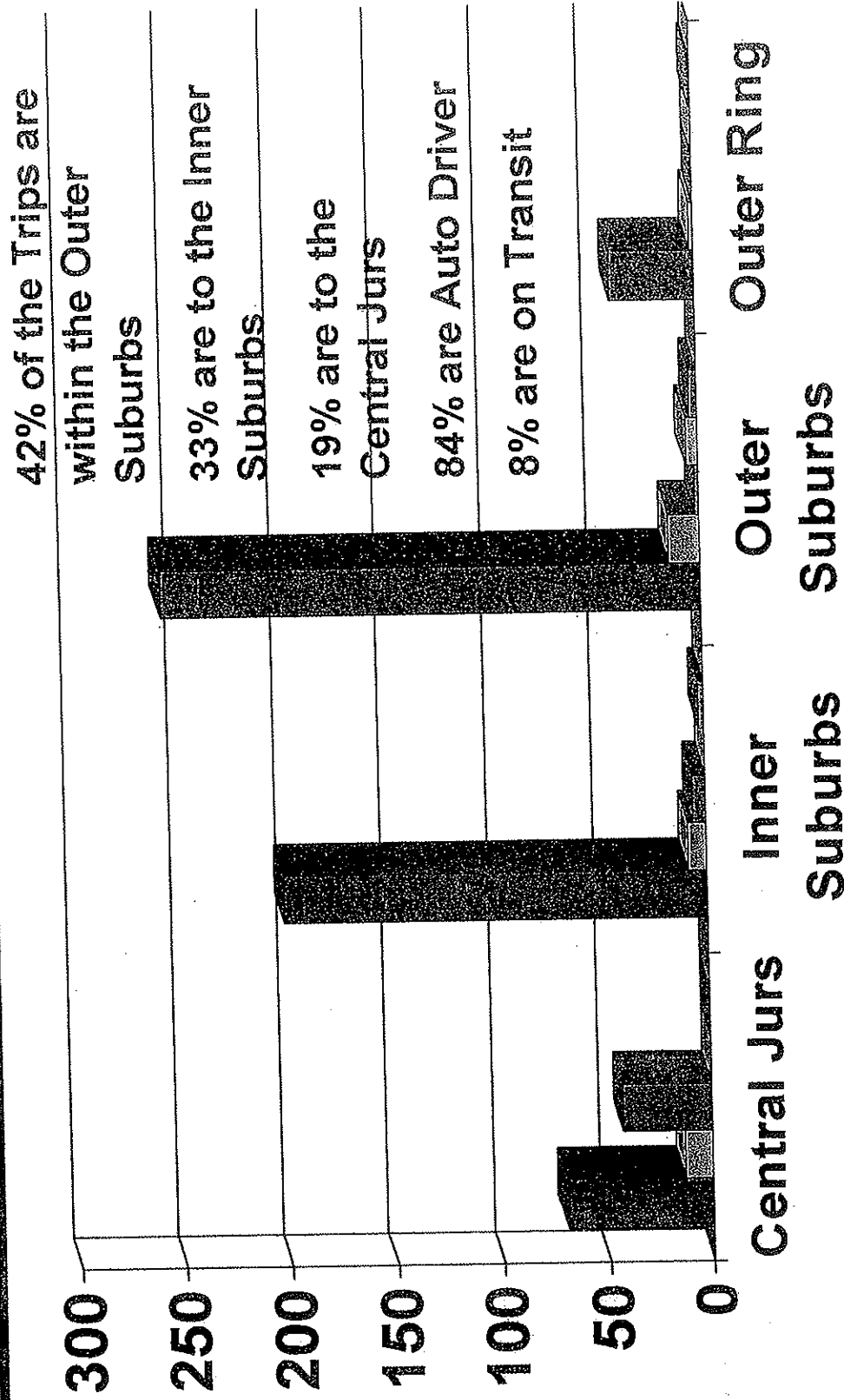
(Numbers in Thousands)



Auto Driver
 Auto Pass
 Transit
 Walk
 Other

Commuter Trip Destinations of Outer Suburb Households by Mode

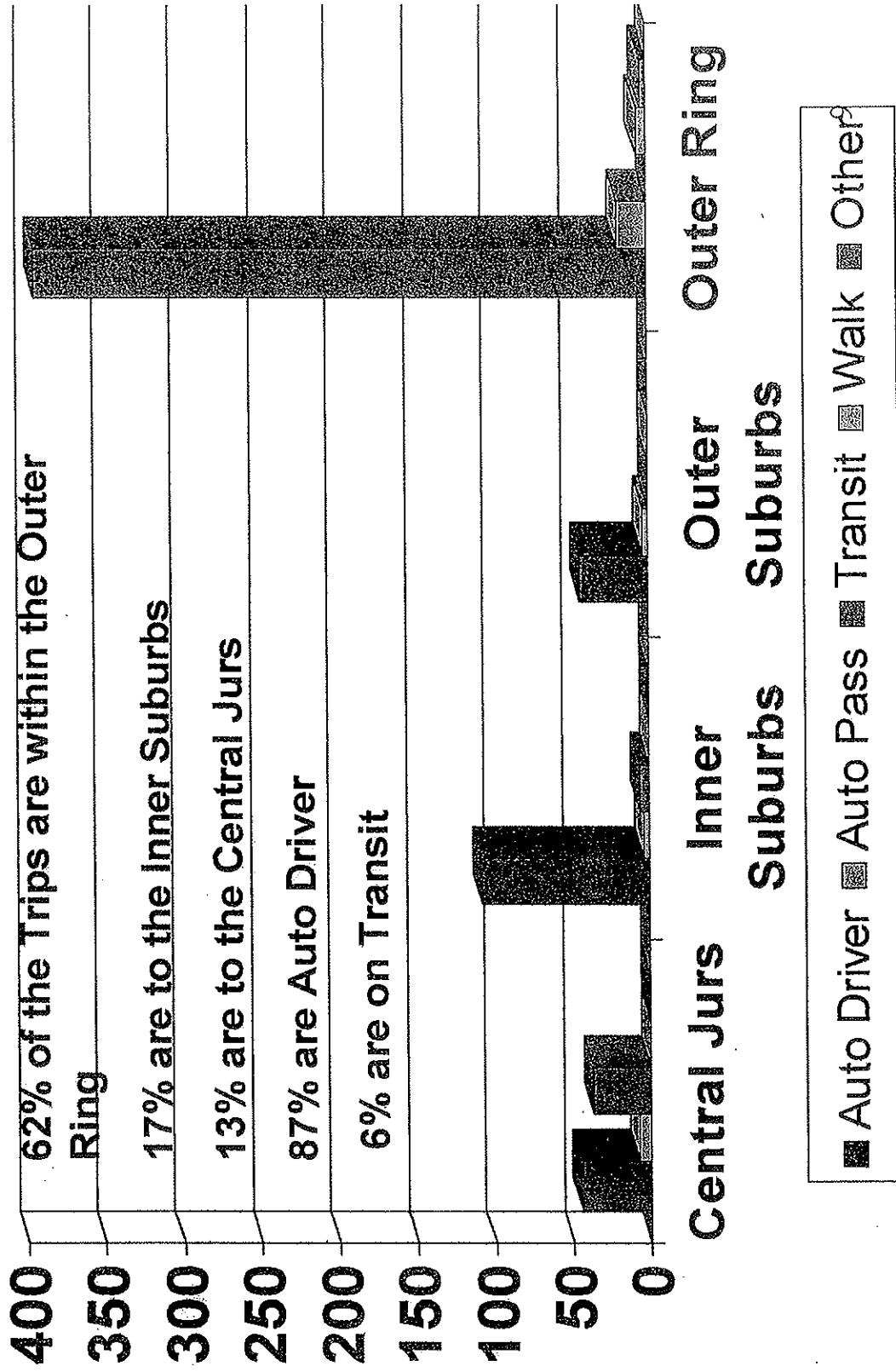
(Numbers in Thousands)



■ Auto Driver ■ Auto Pass ■ Transit ■ Walk ■ Other

Commuter Trip Destinations of Outer Ring Households

(Numbers in Thousands)



Other Quick Findings

- **25% of Workers Eligible to Telecommute**
 - **14% Telecommuted in prior week**
- **76% of Workers Receive a Transportation Benefit**
 - **53% Receive Free Parking**
 - **17% Receive Metrochek**
 - **10% Secure Bike Facility/Shower**
 - **8% Commuter Information**
 - **4% Guaranteed Ride Home**

Next Steps

- **Analyze Survey Data by Regional Activity Centers and Demographic Subgroups**
- **Report Findings**



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Beltway burden: Income divided by housing and transportation

February 9, 2009 - 7:08am

[Hank Silverberg](#), wtop.com

WASHINGTON - While you may get a great deal on a home in the outer suburbs, the cost savings may be lost once you figure out the transportation costs.

"At about the 15-mile mark, housing costs go down, but you're seeing a greater increase in transportation, so your overall cost is higher," says Pam Patenaude, executive director of the Urban Land Institute's Terwilliger Center for Workforce Housing.

When you divide median income by the sum of housing and transportation costs, you get what's known as the "beltway burden."

With annual combined housing and transportation costs at 39 percent of the median income of \$87,398, Arlington County becomes the most effective when you use this formula. Next in line are Alexandria, with a median income of \$80,510, and Fairfax County, with median income of \$100,419. Both have combined housing and transportation costs at 41 percent.

The worst, when you combine housing and transportation costs are Clarke and Warren counties at 58 percent, followed by Fredericksburg at 56 percent. The median incomes of the three areas are \$64,288, \$53,976 and \$46,007, respectively.

The costs are 53 percent in Spotsylvania County (median income of \$72,456), 52 percent in Fauquier County (median income of \$77,917) and 50 percent in Prince William County (median income of \$81,307).

Patenaude says many people don't do this type of calculation when they choose a house or a job. They don't factor in the costs of vehicle maintenance, gas and other related auto costs that are associated with driving longer distance each day.

Often they house-hunt on weekends when traffic is lighter and don't factor in rush-hour traffic. Commuters across the region spend roughly 60 hours a year sitting in traffic.

With a median income in the entire metro area of \$78,221, housing adds up to 29 percent of that and transportation another 17 for combined costs of 46 percent. Across the region, households spend an average of \$23,000 per year on housing and \$13,000 on transportation.

The report's authors hope the study helps lead to more affordable housing closer to transit.

The report looked at data from 2000 and 2006. While it captured the height of the real estate market, it didn't include last last summer's nearly \$4 a gallon gas prices.

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Household spending on housing and transportation

February 9, 2009 - 7:07am

The following information comes from the Urban Land Institute:

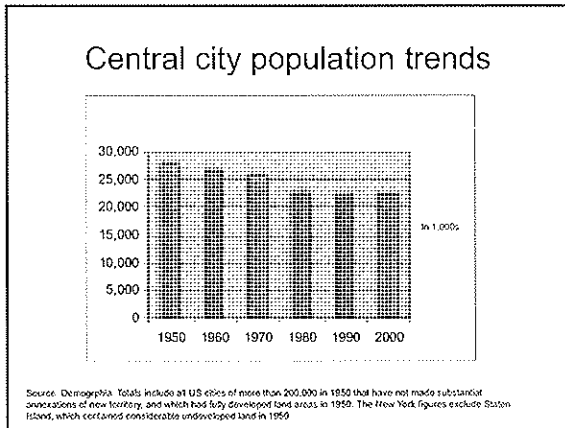
Location	Median Income	Annual Housing Costs	Annual Transportation Costs	Annual Combined Housing & Transportation Costs
Entire Metro Area	\$78,221	29%	17%	46%
Outer Suburbs	\$82,719	29%	19%	48%
Inner Suburbs	\$87,014	28%	15%	43%
Outer-Ring Jurisdictions	\$68,032	29%	24%	53%
Central Jurisdictions	\$67,047	29%	15%	44%
Loudoun County, Va.	\$101,289	30%	16%	46%
Fauquier County, Va.	\$77,917	30%	23%	53%
Fairfax County, Va.	\$100,419	27%	14%	41%
Prince William County, Va.	\$81,307	31%	19%	50%
City of Falls Church, Va.	\$89,829	31%	14%	45%
Calvert County, Md.	\$84,111	26%	21%	47%
Stafford County, Va.	\$84,063	27%	20%	47%
Montgomery County, Md.	\$89,628	28%	15%	43%
City of Manassas Park, Va.	\$73,941	32%	20%	52%
Charles County, Md.	\$80,207	28%	20%	48%
Spotsylvania County, Va.	\$72,456	29%	23%	52%
Clarke County, Va.	\$64,288	31%	27%	58%
City of Fairfax, Va.	\$80,161	30%	16%	46%
City of Manassas, Va.	\$75,891	30%	19%	49%

Frederick County, Md.	\$74,019	28%	21%	49%
Arlington County, Va.	\$87,398	26%	13%	39%
City of Alexandria, Va.	\$80,510	27%	14%	41%
Prince George's County, Md.	\$68,124	29%	19%	48%
Warren County, Va.	\$53,976	30%	28%	58%
Jefferson County, W. Va.	\$57,728	26%	26%	52%
District of Columbia	\$56,823	32%	17%	49%
City of Fredericksburg, Va.	\$46,007	34%	22%	56%

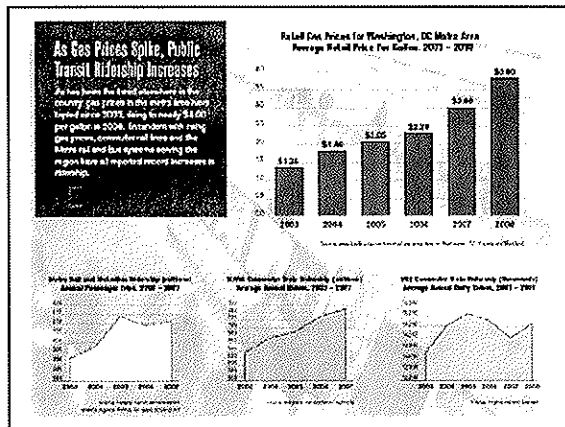
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Metropolitan Area	Population (2000)	Percent of Population in Central City
CENTRAL CITIES	9118	23.5%
City of Columbus, OH	772	23.8%
Albuquerque County, NM	1003	21.7%
City of Alexandria, VA	1369	21.9%
Other Metropolitan Areas	20,272	22.5%
City of Dallas, TX	1091	18.1%
Fairfax County, VA	1,043,7	77.8%
City of Falls Church, VA	160	15.4%
Montgomery County, MD	638	29.1%
Prince George's County, MD	565	16.4%
Other Metropolitan Areas	20,272	60.6%
Calvert County, MD	93	22.3%
Charles County, MD	118	4.8%
Fredrick County, MD	96	
Lexington County, VA	3493	10.4%
City of Manassas, VA	58	11.2%
City of Manassas Park, VA	33	30.7%
Prince William County, VA	3494	18.9%
Stafford County, VA	119	79%
Other Metropolitan Areas	20,272	78%
Charlottesville, VA	141	22.8%
Frederick County, VA	447	109.9%
City of Fredericksburg, VA	207	43.2%
Jackson County, WV	448	62.2%
Spotsylvania County, VA	118	60.4%
Warren County, VA	46	
Other Metropolitan Areas	3,98	34.1%



Conclusion #2

- If we care about vibrant, diverse cities, we should care about:
 - Creating and preserving housing that is affordable to families with a mix of income near:
 - Public transit stops
 - Job centers

Other trends

- ↑ Commutes
- ↓ Time with family
- ↑ Greenhouse gas emissions
- ↓ Green space
- ↑ Infrastructure costs

Focus group, Washington DC Metro

- "It takes forever to get to work."
- "I normally drive myself and leave extra early just to beat traffic."
- "The higher gas prices have definitely put a crimp in my budget."

Conclusion #3

- If we care about our planet, we should care about:

Increased housing density

to reduce vehicle-miles-traveled and the consumption of green space and

ensure a strong ridership for public transit

How can we solve this?

- Make it easier for families to reduce reliance on cars
 - Increase density near public-transit and job centers
 - Improve public transit system
 - Facilitate biking and walking
- Guarantee access by families with a mix of incomes to transit- and job-accessible neighborhoods
 - Preserve existing affordable housing: rental housing preservation and home rehab loans.
 - Create new affordable housing in these locations through inclusionary zoning, tax-increment financing, other programs
 - Ensure affordable homes stay affordable over time through shared equity homeownership and permanent rental affordability covenants.
- Improve energy efficiency in the construction, rehabilitation, and operation of homes

But how do we deal with NIMBY ????

And how can we ensure this is a priority for localities?

Reform the transportation funding system

Create strong incentives for communities to:

1. Increase the compactness of development
2. Increase the number and percentage of homes affordable to families with a mix of incomes near public transit and job centers

Clarify the authority of communities to:

3. Use federal transportation dollars to support transit-oriented development and other constructive land use patterns

T4America.org

The screenshot shows the website for Transportation For America. At the top, there is a logo with the text "Transportation For America" and "Take Action". Below the logo is a navigation menu with the following items: Home & Overview, What's the Vision?, and Get the Facts. The main content area is titled "WHAT'S THE VISION?" and lists several key areas:

- 21st CENTURY INFRASTRUCTURE, 21st CENTURY JOBS**
- A WORLD-CLASS RAIL SYSTEM**
- FIXING IT FIRST**
- HELPING PEOPLE DRIVE LESS**
- FISCAL RESPONSIBILITY**



Feb 6, 09 Feb 6, 09

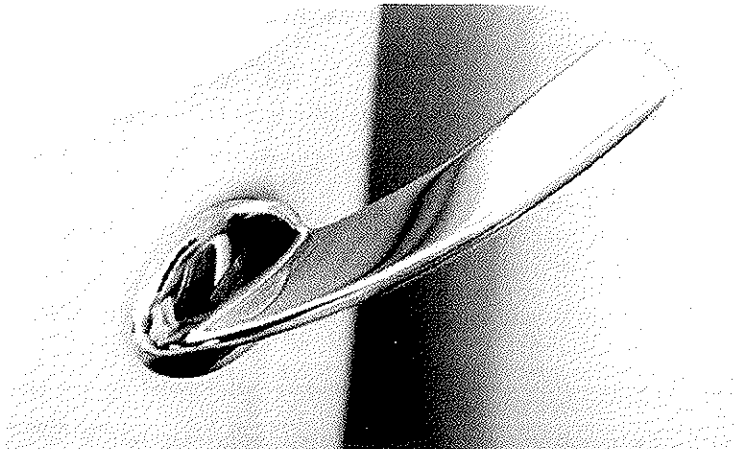
- About
- Stuff
- Shelter
- Cities
- Community
- Business
- Politics
- Planet

CITIES

Flush Hour: Oslo to Run Buses On Biomethane

WorldChanging Team
January 29, 2009 1:44 PM

Free, friendly and non-fossil – biomethane from human waste will soon power public transport in the capital city



It is available for free in huge quantities, is not owned by Saudi Arabia and it contributes minimally towards climate change. The latest green fuel might seem like the dream answer to climate crisis, but until recently raw sewage has been seen as a waste disposal problem rather than a power source. Now Norway's capital city is proving that its citizens can contribute to the city's green credentials without even realising it.

In Oslo, air pollution from public and private transport has increased by approximately 10% since 2000, contributing to more than 50% of total CO₂ emissions in the city. With Norway's ambitious target of being carbon neutral by 2050 Oslo City Council began investigating alternatives to fossil fuel-powered public transport and decided on biomethane.

Biomethane is a by-product of treated sewage. Microbes break down the raw material and release the gas, which can then be used in slightly modified engines. Previously at one of the sewage plants in the city half of the gas was flared off, emitting 17,00 tonnes of CO₂. From September 2009, this gas will be trapped and converted into biomethane to run 200 of the city's public buses.

Project leader, Ole Jakob Johansen said: "The city of Oslo has great visions for Oslo as a green capital. Oslo aims to be one of the most environmentally sustainable capitals of the world. Using biomethane makes sense. Not only would the biomethane otherwise be wasted, but the reduction in emissions per bus will go a long way to achieving our carbon-neutral target. What's

more, aside from the initial set-up costs, we expect to see an average saving of €0.40 per litre of fuel (based on an average diesel price of €0.67 per litre compared with biomethane at €0.27 per litre)".

The city's diesel public buses will only require minor modifications to their engines to run on methane, which is stored on tanks on top of the vehicles. The only noticeable difference will be how quietly they drive.


"Biogas is popular in Sweden, but they have very few vehicles powered by biomethane. We chose to focus on biomethane as this emits less carbon and is easier and cheaper to produce," said Johansen.

The net emissions from a biomethane operated bus are zero, because the carbon originally came from the atmosphere rather than fossil fuels, but electricity is used at the sewage plant to convert the gas from the waste into fuel for the buses. Oslo city council is taking the electricity used to generate the fuel into consideration and calculate that carbon emissions per bus are 18 tonnes per year, a saving of 44 tonnes of CO2 per bus per year.

The city's two sewage plants have enough biomethane to provide fuel for the 80 buses, but if the trial is successful Oslo city council plans to convert all 400 of the public buses to run on biogas. The biogas will be created from a mixture of biomethane and biogas from the incineration of kitchen waste from the capital's restaurants and domestic kitchens. Eventually, the council hopes that cars will also be able to run on biogas sourced locally from biomethane and converted kitchen waste.

What do you think? Should this be deployed more widely?

This piece originally appeared in the Environment section of The Guardian

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Recently in this Section

- Aptera update: Heading to Market in October '09
- From Nuisance to Asset: The Greening of Alleyways
- Create Your Own Bike Lane
- BBC's Maps of British Infrastructure

**you can't buy our principles....
but you can buy this space!**



COMMENTS

Of course this idea should be applied more widely and it will be. Methane management is essential to stopping climate change and may be more immediately important than managing CO2. Methane is a much more powerful greenhouse gas although it is resident in the atmosphere for much less time. We should be figuring out ways to clean methane from our atmosphere before catastrophic methane releases from permafrost or clathrates.

Posted by: gmoke on January 30, 2009 4:36 PM

POST A COMMENT

Please note that comments will remain open for only 14 days after the article is posted. While previous comments will remain visible, attempts to post new comments after this period will fail. This helps stop comment spam, so your forbearance is appreciated.

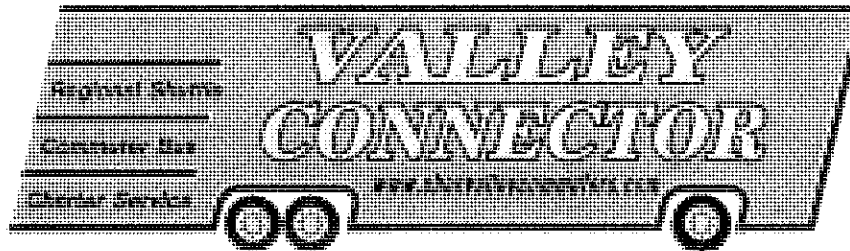
*The Worldchanging comments are meant to be used for further exploration and evaluation of the ideas covered in our posts. Please note that, while constructive disagreement is fine, insults and abuse are not, and will result in the comment being deleted and a likely ban from commenting. We will also delete at will and without warning comments we believe are designed to disrupt a conversation rather than contribute to it. **In short, we'll kill troll posts.***

Finally, please note that comments which simply repost copyrighted works or commercial messages will be summarily deleted.



Leaving the car behind

Valley Connector Regional Shuttle and Commuter Bus Service



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[FMCSA SAFER Snapshot](#)
[Print Schedule \(11/08\)](#)

Service Update – updated 2/23/2009

NEW SERVICE STARTING MARCH 2009

Winchester to Vienna Metro, Ballston Metro and Washington, D.C.

Front Royal to Vienna Metro and Ballston Metro

Marshall to Vienna Metro and Ballston Metro

Service to Dulles Airport and Reston Town Center

The Valley Connector Regional Shuttle and Commuter Bus Service is connecting the Northern Shenandoah Valley to Northern Virginia, Washington DC, and regional transportation networks including [Metrorail](#), [Amtrak](#), [Dulles Airport](#) and [Reagan National Airport](#).

Service provided by S & W Tours, LLC.

We utilize restroom-equipped motor coaches that have been enhanced to allow for extra legroom. Thus providing the ability to stretch out to finish work projects or simply Rest, Relax, and Revitalize while our professional drivers navigate through the congestion on I-81 and I-66.

We provide Commuter Bus Service for business professionals who need to commute from the Valley to Northern Virginia and Washington DC. We offer varied [rate plans](#) to accommodate the occasional passenger as well as the daily passenger. Our commuters enjoy the ability to work where they have to and live where they want to.

We provide Regional Shuttle service with weekday-[connecting service](#) to major transportation hubs that allow business travelers to connect to [Amtrak](#), [Dulles Airport](#), [Reagan National Airport](#) and BWI Airport.

Residents and visitors of Washington DC and Northern Virginia area can utilize

the Regional Shuttle to visit the valley. This is great for a weekend getaway and to enjoy great festivals and events.

We accept cash, checks, Metrochek and we participate in the Smartbenefits Van Pool program.

Take a look at our [maps page](#) for exact stop locations served by the Valley Connector Regional Shuttle and Commuter Bus Service.

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We work closely with the [Valley Commuter Assistance Program \(VCAP\)](#), a member of [commuter connections](#), and registered members can enroll in the [Guaranteed Ride Home program](#), which provides commuters with a ride home when unexpected emergencies arise. Commuters who register with the Program will be able to use GRH to get home for unexpected personal emergencies and unscheduled overtime--up to FOUR times per year. Best of all, the GRH ride home by taxi, rental car, bus or train is FREE!

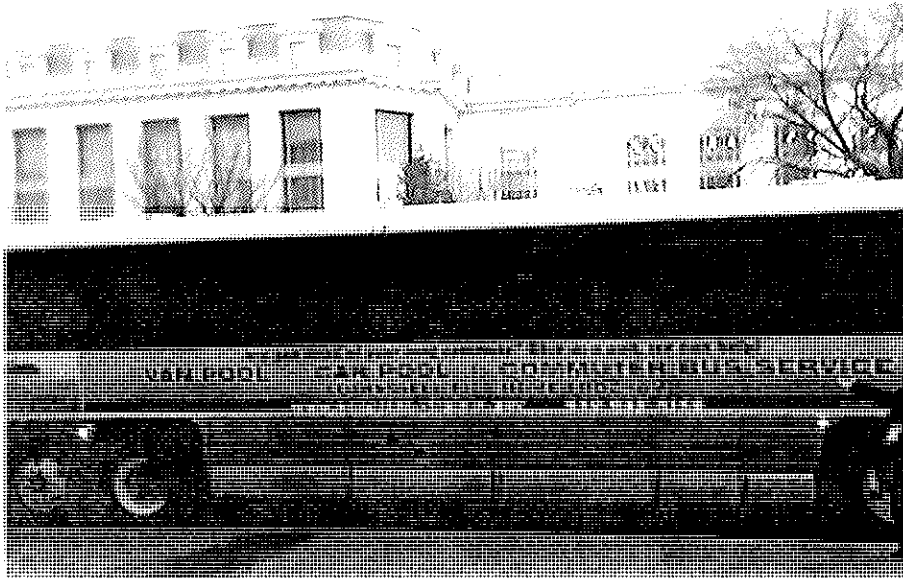


With uncertain fuel costs, we all see our commuting costs changing. Many commuters do not consider the cost of the daily wear and tear commuting can have on their car not to mention their bodies. When considering your overall commuting cost, use the [commuting calculator](#) to determine your actual cost. You will be surprised to see the cost of our service offers a tremendous savings to your pocket book, on your car, or your peace of mind, and will increase your quality of life.

Contact Informaton

Our Valley Connector Regional Shuttle Service and Commuter Bus Service is currently being utilized by the residents of:

- Clarke County Virginia
- Frederick County Virginia
- Page County Virginia
- Shenandoah County Virginia
- Warren County Virginia
- Berryville Virginia
- Front Royal Virginia
- Harrisonburg Virginia
- Luray Virginia
- Stephens City Virginia
- Strasburg Virginia
- Winchester Virginia
- Woodstock Virginia
- Berkeley County West Virginia
- Charles Town West Virginia
- Hardy County West Virginia



00015112



AGENDA ITEM #8

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Rick Taube
DATE: February 26, 2009.
SUBJECT: NVTC 2009 Handbook

Several financial tables from the Handbook are attached for your information. Commissioners wishing to have a printed copy of the Handbook should contact NVTC staff. The Handbook is updated each year and posted on NVTC's website.

The Northern Virginia Transportation Commission Handbook is designed to serve two purposes:

1. Provide a clear and concise explanation of the mission and workplan of the commission for interested citizens; and
2. Provide a guide for elected officials who are members of the commission and their staffs regarding the policies and procedures by which the commission operates.

The Handbook provides details about the organization and funding of NVTC, major activities, and allocation of financial assistance. Several appendices provide reference materials, including biographical sketches of commissioners; NVTC's 2009 goals, objectives and work plan; NVTC's policies, including its financial allocation resolution; NVTC's by-laws; NVTC's 2009 legislative agenda; NVTC's audited financial statements for FY 2008; the role of NVTC in the region's mobility enhancement efforts; a summary of state and regional agencies engaged in planning and funding transportation projects in Northern Virginia; a chronology of significant NVTC actions in over four decades since 1964; and a history of the Washington Metropolitan Area Transit Authority.



Figure 10

Person Carrying Capacity Comparison for HOV and Conventional Lanes, SPRING 2007							
HOV Facility	Persons	Direction	Restricted Hours	A.M. HOV Lane Person Movement*	A.M. Conventional Lane Person Movement	A.M. Persons Per HOV Lane, Per Peak Hour*	A.M. Persons Per Conventional Lane, Per Peak Hour
<u>I-395</u> North of Glebe Road	HOV-3	Northbound	6:00 A.M. - 9:00 A.M.	28,700 (2 LANES)	16,400 (4 LANES)	4,800	1,400
<u>I-95</u> North of Newington	HOV-3	Northbound	6:00 A.M. - 9:00 A.M.	26,300 (2 LANES)	17,400 (4 LANES)	4,400	1,400
<u>I-66 - Inside Beltway</u> East of I-495; Road only for HOV use	HOV-2	Eastbound	6:30 A.M. - 9:00 A.M.	16,900 (2 LANES)	N/A	3,400	N/A
<u>I-66- Outside Beltway</u> West of I-495	HOV-2	Eastbound	5:30 A.M. - 9:30 A.M.	10,900 (1 LANE)	16,400 (3 LANES)	2,700	1,400
<u>I-267- Dulles Toll Road</u> West of Rt. 7	HOV-2	Southbound	6:30 A.M. - 9:00 A.M.	8,400 (1LANE)	13,300 (3 LANES)	3,400	1,800

Source: 2007 Performance of High-Occupancy Vehicle Facilities on Freeways in the Washington Region, Draft Report, May 21, 2008.

*Includes automobiles, vanpools, motorcycles, and buses during the restricted period. Also includes violators. Bus counts are based on factors calculated from latest ridership data provided by the operators on these facilities.

Figure 12

FORMULAS USED TO ALLOCATE METRO RAIL AND METROBUS COSTS AND SUBSIDIES AMONG JURISDICTIONS			
Operating/Capital Costs & Subsidies	Formula Factors	Systemwide FY 2009 Estimates (a)	Virginia Shares
Metrobus Operating Subsidy	For regional routes, subsidies assigned using population/population density, average weekday riders and route miles and hours, with weights of 25%, 15%, 35% and 25% respectively. For non-regional routes, subsidies are assigned in proportion to the platform hours and the passenger revenues in accordance with data from the registering farebox system, minus route revenues.	\$270,236,900 \$78,045,400 \$348,282,300	25.4% regional bus 17.0% non-regional 23.5% total
Metro rail Operating Subsidy	Aggregate subsidy assigned on a three-factor formula giving equal weight to stations, population and ridership by jurisdiction.	\$123,339,100	28.5%
Paratransit Operating Subsidy	Costs allocated on actual trip basis systemwide. Virginia jurisdiction subsidies further allocated on an average time per trip basis.	\$63,621,100	14.3%
Metro Revenue Bond Debt Service	1970 Four-Factor Formula: Construction cost 40%, service cost 30%, ridership 15% and population 15% all as estimated for the 103-mile system. Within Virginia each factor is given equal weight.	\$27,484,200	27.0%
	TOTAL OPERATING	\$562,726,700	23.7%
Metro Matters-Infrastructure Renewal Program (IRP)	Based on percentage distribution of FY05 IRP. Held Constant FY2005-2010. Metro rail: Five-year average of rail operating assistance percentages. Metrobus: Weekday revenue miles, with an annual adjustment over a ten-year retrospective.	\$120,186,600	27.5%
Metro Matters-Eight-Car Train Initiative (b)	FY 2008 subsidy based on the IRP formula for regional projects. Held constant FY 2005-FY2010.	\$17,877,700	27.5%
Metro Matters-Bus Improvement Initiative (b)	FY 2008 subsidy based on the IRP formula for regional projects. Held constant FY2005-FY2010	\$3,768,500	27.5%
Metro Matters – Program Management (b)	FY 2008 subsidy based on IRP formula for regional projects, held constant FY 2005-FY2010	\$36,828,200	27.5%
Beyond Metro Matters-Project Development (c)	FY 2008 subsidy based on the IRP formula for regional projects. Held constant FY 2005-FY2010.	\$3,000,000	\$27.5%
	TOTAL CAPITAL	\$181,661,000	27.5%
	GRAND TOTAL	\$744,387,700	24.6%

(a) Unaudited; based on Approved FY 2009 WMATA Budget.
 (b) Subsidies allocated to Metro Matters elements based upon element costs for purposes of this schedule.
 (c) The Beyond Metro Matters programs consist primarily of reimbursable projects sponsored and fully funded and paid for by requesting jurisdiction.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
 SUBSIDY ALLOCATION MODEL - FY 2009
 SUMMARY OF SUBSIDIES AND ASSISTANCE
 Prepared 10/08 V5 - FINAL

	Alexandria	Arlington	City of Fairfax	Fairfax County	Falls Church	Totals
LOCAL JURISDICTION SUBSIDIES FOR FY 2009						
Metro Bus Regional Subsidy (net of audit adjustment)	\$ 12,823,057	\$ 20,300,346	\$ 516,226	\$ 32,887,365	\$ 1,118,370	\$ 67,645,364
Metro Bus Non Regional Subsidy	875,245	1,565,981	-	11,052,227	-	13,493,453
Metro Paratransit Program (net of audit adjustment)	614,872	710,085	135,932	7,677,645	69,350	9,207,884
Metro Rail Operations (net of audit adjustment)	6,034,938	12,501,840	435,890	19,456,044	336,833	38,765,545
Metro Debt Service	1,418,184	2,740,174	46,723	3,168,927	38,478	7,412,486
Metro Capital - Metro Matters	7,924,000	15,527,000	346,000	24,828,000	502,000	49,127,000
Metro Capital - Beyond Metro Matters - SAP	-	-	-	-	-	-
Metro Capital - Beyond Metro Matters - SEP	133,000	261,000	6,000	417,000	8,000	825,000
Local Operations	9,345,340	7,023,756	2,717,585	33,030,484	472,000	52,589,165
Local Capital	1,755,230	20,776,968	-	19,538,231	108,680	42,179,109
Amortized Local Capital/Debt Service	256,070	-	-	1,278,140	-	1,534,210
Total Jurisdiction Subsidies	41,179,936	81,407,150	4,204,356	153,334,063	2,653,711	282,779,216

HOLD HARMLESS (REVENUE) COST

Small Jurisdiction Hold Harmless (Gas Tax)	73,842	97,311	43,539	538,779	(753,471)	-
Large Jurisdiction Hold Harmless (FY09 State Aid)	(311,145)	(918,359)	-	-	-	(1,229,504)
Total Hold Harmless (Revenue) Cost	(237,303)	(821,048)	43,539	538,779	(753,471)	(1,229,504)

ALLOCATION OF NVTC AID FOR FY 2009

State Aid Revenue - Capital Assistance (FY 09)	(7,748,969)	(13,049,666)	(947,669)	(30,028,070)	(504,399)	(52,278,773)
State Aid Revenue - Operating Assistance	(11,010,073)	(18,541,533)	(1,346,490)	(42,665,189)	(716,672)	(74,279,957)
State Aid Revenue - Growth Set Aside Balance	-	-	-	-	-	-
Gas Tax Revenue (Estimated for FY 09)	(2,755,874)	(3,687,095)	(1,289,298)	(24,514,090)	(427,567)	(32,673,924)
State Aid Revenue - Dedicated for Debt Service	(1,347,275)	(2,603,165)	(44,387)	(3,010,481)	(36,554)	(7,041,862)
Gas Tax Revenue - Dedicated for Debt Service	(70,909)	(137,009)	(2,336)	(158,446)	(1,924)	(370,624)
State Aid Revenue - VTA Metrorail	-	-	-	-	-	-
Total NVTC Aid	(22,933,100)	(38,018,468)	(3,630,179)	(100,376,276)	(1,687,115)	(166,645,139)

Net Local Transit Burden

Net Local Transit Burden	\$ 18,009,533	\$ 42,567,634	\$ 617,715	\$ 53,496,566	\$ 213,124	\$ 114,904,573
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Total FY09 Revenue Earnings (excluding Debt Serv.)

Total FY09 Revenue Earnings (excluding Debt Serv.)	\$ (21,752,219)	\$ (36,099,342)	\$ (3,539,918)	\$ (96,668,570)	\$ (2,402,109)	\$ (160,462,157)
---	------------------------	------------------------	-----------------------	------------------------	-----------------------	-------------------------

ASSISTANCE CARRIED FORWARD (at state %) (note A)

FY08 State Aid - Local Capital	2,448,901	4,124,077	299,491	9,489,750	159,405	16,521,624
FY07 State Aid - Local Capital	1,541,278	2,595,592	188,492	5,972,613	100,325	10,398,300
FY06 State Aid - Local Capital	706,064	1,189,049	86,349	2,736,073	45,959	4,763,495
FY05 State Aid - Local Capital	213,810	360,067	26,148	828,535	13,917	1,442,477
FY04 State Aid - Local Capital	59,799	100,705	7,313	231,728	3,892	403,438
FY03 State Aid - Local Capital	20,894	35,187	2,555	80,968	1,360	140,965
Total Prior Years Carry Forward	\$ 4,990,747	\$ 8,404,676	\$ 610,349	\$ 19,339,668	\$ 324,860	\$ 33,670,299

ALLOCATION PERCENTAGES FOR FY 2009

Formula ("SAM") (for FTM/Admin, Capital)	14.822401%	24.961691%	1.812723%	57.438360%	0.964825%	100.000000%
Gas Tax POS	8.434475%	11.284519%	3.945954%	75.026466%	1.308587%	100.000000%

(A) Prior year assistance contracted with DRPT, yet not invoiced. These amounts are available for the current fiscal year and are not reflected in the revenue shown above. When the revenue is received it will be allocated among the jurisdictions by the SAM percentages currently in effect.

Figure 14

EXTERNAL SOURCES OF FUNDS RECEIVED BY NVTC TO SUPPORT TRANSIT IN NORTHERN VIRGINIA (\$ Millions) FY 1973-2009							
FOR WMATA AND NVTC JURISDICTIONS						FOR VRE	
Fiscal Year	State Transit Assistance for NVTC Jurisdictions	State Bonds for WMATA	Regional Motor Fuels Tax	NVTC Federal Section 9 Operating ¹	Subtotal	State Transit Assistance ²	TOTAL
2009 ³	115.2	-	\$42.5	-	\$157.7	\$16.8	\$174.5
2008	103.4	-	42.3	-	145.7	15.1	160.8
2007	75.6	-	38.2	-	113.8	10.3	124.1
2006	99.7	-	37.5	-	137.2	30.8	168.0
2005	68.0	-	27.5	-	95.5	10.2	105.7
2004	61.3	-	23.2	-	83.8	10.7	94.5
2003	65.0	-	20.9	-	85.9	14.7	100.6
2002	62.2	16.0	18.3	-	96.5	8.8	105.3
2001	71.1	-	21.0	-	92.1	21.8	113.9
2000	63.5	13.3	17.9	-	94.7	8.9	103.6
1999	59.6	-	13.2	-	72.9	7.2	80.1
1998	54.3	-	14.0	-	68.3	6.5	74.8
1997	56.6	20.3	15.5	1.5	89.6	6.6	100.5
1996	53.5	-	13.6	2.7	89.8	9.7	79.5
1995	52.4	19.7	13.3	4.2	89.6	5.2	94.8
1994	45.0	45.0	12.5	4.2	106.7	6.4	113.1
1993	43.1	-	12.4	4.2	59.7	6.7	66.4
1992	51.9	-	12.9	4.2	69.0	4.7	73.7
1991	42.2	-	12.1	4.2	63.5	3.3	66.8
1990	50.2	-	12.2	4.2	66.6	2.1	68.7
1989	43.7	-	10.8	4.2	58.7	-	-
1988	51.1	-	9.4	4.6	65.1	-	-
1987	28.8	-	8.2	4.6	41.6	-	-
1986	20.9	-	9.8	4.8	35.5	-	-
1985	20.4	-	9.8	4.8	35.0	-	-
1984	20.9	-	9.7	4.8	33.4	-	-
1983	20.6	-	9.1	4.8	34.5	-	-
1982	17.1	-	9.5	6.0	32.6	-	-
1981	5.5	-	8.7	6.1	17.3	-	-
1980	14.5	-	-	6.1	20.6	-	-
1979	4.8	-	-	5.4	10.2	-	-
1978	15.0	-	-	4.0	19.0	-	-
1977	3.6	-	-	4.0	7.6	-	-
1976	13.0	-	-	2.6	15.6	-	-
1975	6.0	-	-	1.5	7.5	-	-
1974	10.6	-	-	-	10.6	-	-
1973	4.4	-	-	-	4.4	-	-

¹ Applied for by WMATA on behalf of NVTC. Federal program discontinued.

² State assistance contracted during the fiscal year, excludes federal funds for VRE applied for by PRTC, state-provided federal capital project funds paid directly to VRE and local shares for VRE paid initially to NVTC and PRTC.

³ Estimated. Excludes special appropriated state transit assistance of \$60 million for WMATA rolling stock and \$15 million for VRE locomotives.

Figure 15

**Fiscal Year 2009 Northern Virginia Transportation Commission
Projected Funding Sources for NVTC Jurisdictions' Transit Systems, WMATA and VRE
(Dollars in millions)
(See accompanying notes)**

Jurisdiction	WMATA OPERATING AND CAPITAL											
	Local Funds	NVTC Aid		Direct	Total	Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds	
		Regional Gas Tax	State Aid	State Aid	State Aid							
Alexandria	\$ 15.0	\$ 2.8	\$ 11.6	\$ -	\$ 11.6	\$ 11.6	\$ 41.0	36.6%	6.8%	28.3%	28.3%	
Arlington	26.2	3.7	22.8	-	22.8	20.3	73.0	35.9%	5.1%	31.2%	27.8%	
City of Fairfax	(0.7)	1.3	0.8	-	0.8	0.6	2.0	-35.0%	65.0%	40.0%	30.0%	
Fairfax County	32.5	24.1	41.5	-	41.5	36.1	134.2	24.2%	18.0%	30.9%	26.9%	
Falls Church	0.2	1.2	0.7	-	0.7	0.8	2.9	6.9%	41.4%	24.1%	27.6%	
Loudoun County	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	
Fare & Other Revenue	73.2	33.1	77.4	-	77.4	69.4	253.1	28.9%	13.1%	30.6%	27.4%	
	218.1	-	-	-	-	-	218.1	100.0%	0.0%	0.0%	0.0%	
	\$ 291.3	\$ 33.1	\$ 77.4	\$ -	\$ 77.4	\$ 69.4	\$ 471.2	61.8%	7.0%	16.4%	14.7%	

Jurisdiction	LOCAL TRANSIT OPERATING AND CAPITAL											
	Local Funds	NVTC Aid		Direct	Total	Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds	
		Regional Gas Tax	State Aid	State Aid	State Aid							
Alexandria	\$ 2.8	\$ -	\$ 8.3	\$ -	\$ 8.3	\$ 2.2	\$ 13.3	21.1%	0.0%	62.4%	16.5%	
Arlington	16.4	-	11.4	-	11.4	6.7	34.5	47.5%	0.0%	33.0%	19.4%	
City of Fairfax	1.2	-	1.5	-	1.5	-	2.7	44.4%	0.0%	55.6%	0.0%	
Fairfax County	20.5	-	32.1	7.4	39.5	1.0	61.0	33.6%	0.0%	64.8%	1.6%	
Falls Church	0.1	-	0.5	-	0.5	0.4	1.0	10.0%	0.0%	50.0%	40.0%	
Loudoun County	(8.6)	9.5	-	3.2	3.2	-	4.1	-209.8%	231.7%	78.0%	0.0%	
Fare & Other Revenue	32.4	9.5	53.8	10.6	64.4	10.3	116.6	27.8%	8.1%	55.2%	8.8%	
	17.7	-	-	-	-	-	17.7	100.0%	0.0%	0.0%	0.0%	
	\$ 50.1	\$ 9.5	\$ 53.8	\$ 10.6	\$ 64.4	\$ 10.3	\$ 134.3	37.3%	7.1%	48.0%	7.7%	

Jurisdiction	VRE OPERATING AND CAPITAL											
	Local Funds*	NVTC Aid		Direct	Total	Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds	
		Regional Gas Tax	State Aid	State Aid	State Aid							
NVTC/PRTC Jurisdictions	\$ 18.5	\$ -	\$ -	\$ 22.1	\$ 22.1	\$ 26.9	\$ 67.5	27.4%	0.0%	32.7%	39.9%	
	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	
Fare & Other Revenue	18.5	-	-	22.1	22.1	26.9	67.5	27.4%	0.0%	32.7%	39.9%	
	21.9	-	-	-	-	-	21.9	100.0%	0.0%	0.0%	0.0%	
	\$ 40.4	\$ -	\$ -	\$ 22.1	\$ 22.1	\$ 26.9	\$ 89.4	45.2%	0.0%	24.7%	30.1%	

*includes PRTC regional gas tax.

Jurisdiction	TOTAL OPERATING AND CAPITAL											
	Local Funds	NVTC Aid		Direct	Total	Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds	
		Regional Gas Tax	State Aid	State Aid	State Aid							
Alexandria	\$ 17.8	\$ 2.8	\$ 19.9	\$ -	\$ 19.9	\$ 13.8	\$ 54.3	32.8%	5.2%	36.6%	25.4%	
Arlington	42.6	3.7	34.2	-	34.2	27.0	107.5	39.6%	3.4%	31.8%	25.1%	
City of Fairfax	0.5	1.3	2.3	-	2.3	0.6	4.7	10.6%	27.7%	48.9%	12.8%	
Fairfax County	53.0	24.1	73.6	7.4	81.0	37.1	195.2	27.2%	12.3%	41.5%	19.0%	
Falls Church	0.3	1.2	1.2	-	1.2	1.2	3.9	7.7%	30.8%	30.8%	30.8%	
Loudoun County	(8.6)	9.5	-	3.2	3.2	-	4.1	-209.8%	231.7%	78.0%	0.0%	
NVTC/PRTC Jurisdictions	18.5	-	-	22.1	22.1	26.9	67.5	27.4%	0.0%	32.7%	39.9%	
Fare & Other Revenue	124.1	42.6	131.2	32.7	163.9	106.6	437.2	28.4%	9.7%	37.5%	24.4%	
	257.7	-	-	-	-	-	257.7	100.0%	0.0%	0.0%	0.0%	
	\$ 381.8	\$ 42.6	\$ 131.2	\$ 32.7	\$ 163.9	\$ 106.6	\$ 694.9	54.9%	6.1%	23.6%	15.3%	

Figure 15 (continued)

**Notes – Projected Funding Sources for NVTC
Jurisdictions' Transit Systems, WMATA and VRE**

- **The schedule shows how the operating and capital needs of the local transit systems, Virginia's share of WMATA, and VRE are projected to be funded.**
- State operating and capital assistance is allocated among the jurisdictions using NVTC's SAM factors in place for each fiscal year.
- State operating assistance is the actual amount contracted for the fiscal year.
- State operating assistance is allocated between WMATA and local systems using the percentage of the WMATA operating subsidies and local system deficits to the total operating requirements.
- State capital assistance for WMATA is the amount projected to be invoiced and collected during the fiscal year. State capital assistance for local needs is the amount contracted for the fiscal year.
- Regional gas tax is the projected Motor Vehicle Fuels Sales tax for the fiscal year. For all jurisdictions except Loudoun County, the revenue is allocated using the gas tax percentages from NVTC's SAM in place for the fiscal year. For Loudoun County the revenue is recognized by point of sale.
- The regional gas tax for Loudoun County is shown as a source of funds for their local systems, however the revenue may be used for any transportation purposes. For the other jurisdictions, regional gas tax may be used only for WMATA subsidies.
- Direct state aid is assistance not allocated by NVTC's SAM formula and not received by NVTC, but rather directly by the jurisdictions, WMATA and VRE. Direct state assistance for the local transit systems is the amount contracted or budgeted for the fiscal year.
- Special appropriations for WMATA and VRE are recognized when budgeted to be expended, not when appropriated.
- Federal aid is assistance budgeted to be received directly by the jurisdictions, WMATA and VRE, and includes federal funds administered by the state.
- WMATA capital and operating expenses are the subsidies actually billed during the fiscal year, plus the jurisdictions' respective share of federal assistance budgeted by WMATA. Local system deficits are based upon the fiscal year budgeted activities.
- Funding sources and the capital and operating expenses of VRE are those budgeted.

Figure 16

ESTIMATED DISTRIBUTION OF STATE AID AND REGIONAL GAS TAX AMONG NVTC MEMBER JURISDICTIONS					
--FY 2009--					
JURISDICTION	STATE AID AMOUNT (\$Millions)	PROPORTION (Percent)	GAS TAX AMOUNT (\$Millions)	PROPORTION (Percent)	TOTAL (\$Millions)
Alexandria	\$16.1	14.9	\$2.7	8.3	\$18.8
Arlington	27.5	25.5	3.6	11.0	31.1
City of Fairfax	2.0	1.9	1.3	5.0	3.3
Fairfax County	61.2	56.8	23.9	73.1	85.1
Falls Church	<u>1.0</u>	<u>0.9</u>	<u>1.2</u>	<u>3.7</u>	<u>2.2</u>
Total Allocated Assistance	\$107.8	100%	\$32.7	100%	\$140.5
Debt Service and NVTC Costs	7.4		0.3		7.7
Loudoun County Motor Fuels Tax			9.5		9.5
Total Assistance Available	\$115.2		\$42.5		\$157.7



AGENDA ITEM #9

TO: Chairman Zimmerman and NVTC Commissioners
FROM: Scott Kalkwarf and Colethia Quarles
DATE: February 26, 2009.
SUBJECT: NVTC Financial Items for January, 2009.

Attached for your information are NVTC financial reports for January, 2009.



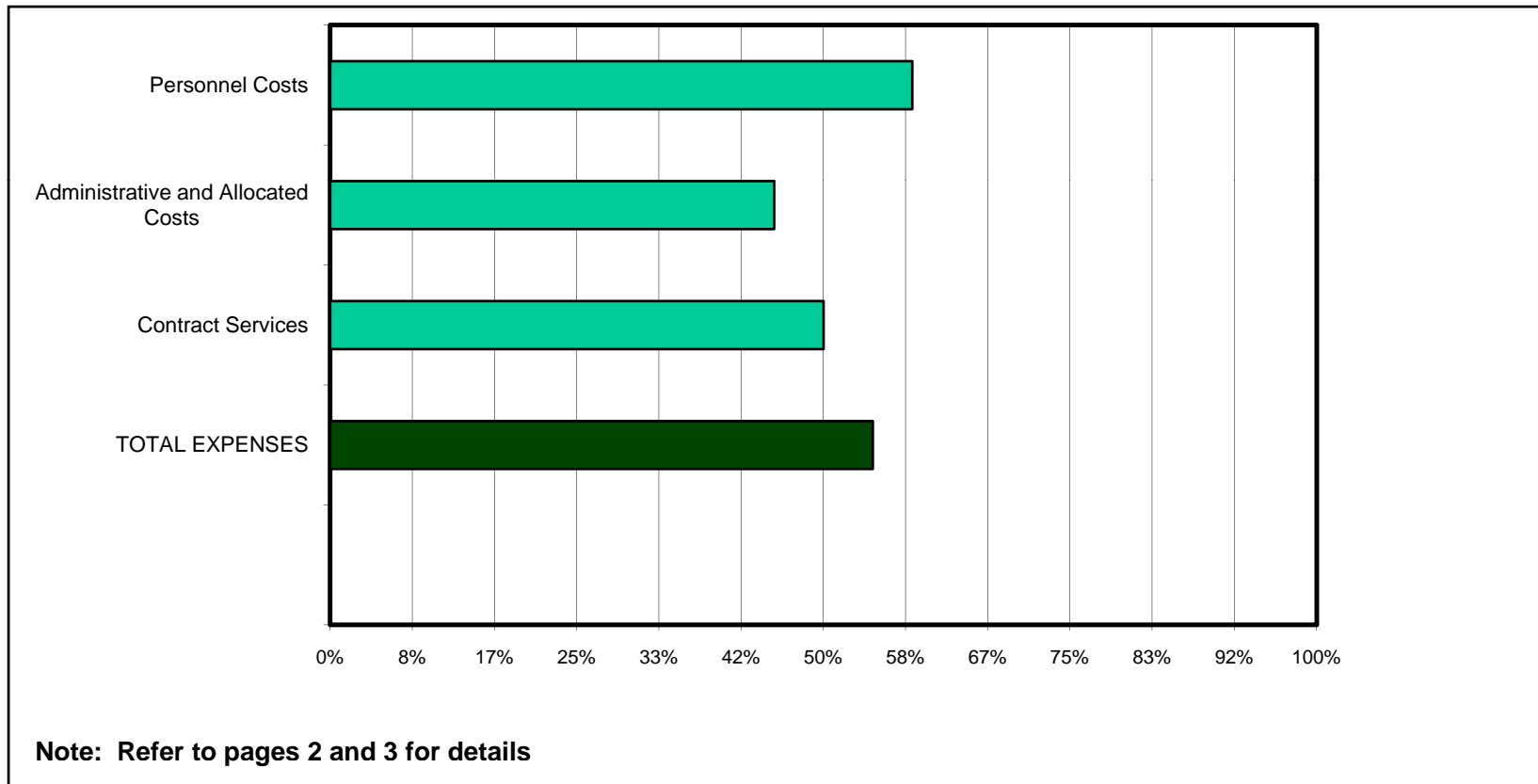
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E-mail nvtdc.org • Website www.thinkoutsidethecar.org

Northern Virginia Transportation Commission

Financial Reports

January, 2009

Percentage of FY 2009 NVTC Administrative Budget Used
January, 2009
(Target 58.33% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
January, 2009

	<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	\$ 67,632.88	\$ 421,409.69	\$ 700,900.00	\$ 279,490.31	39.9%
Temporary Employee Services	-	-	1,000.00	1,000.00	100.0%
Total Personnel Costs	67,632.88	421,409.69	701,900.00	280,490.31	40.0%
<u>Benefits</u>					
Employer's Contributions:					
FICA	6,467.06	28,246.08	47,400.00	19,153.92	40.4%
Group Health Insurance	3,922.01	27,822.11	62,900.00	35,077.89	55.8%
Retirement	4,700.00	34,130.00	57,600.00	23,470.00	40.7%
Workmans & Unemployment Compensation	1,550.62	2,602.22	3,200.00	597.78	18.7%
Life Insurance	272.70	1,747.25	4,100.00	2,352.75	57.4%
Long Term Disability Insurance	280.79	1,866.93	4,400.00	2,533.07	57.6%
Total Benefit Costs	17,193.18	96,414.59	179,600.00	83,185.41	46.3%
<u>Administrative Costs</u>					
Commissioners Per Diem	1,900.00	8,100.00	42,000.00	33,900.00	80.7%
<i>Rents:</i>					
Office Rent	15,286.50	108,242.63	188,730.00	80,487.37	42.6%
Parking	14,628.50	102,230.63	176,780.00	74,549.37	42.2%
	658.00	6,012.00	11,950.00	5,938.00	49.7%
<i>Insurance:</i>					
Public Official Bonds	575.00	2,829.00	4,500.00	1,571.00	34.9%
Liability and Property	-	1,400.00	2,600.00	1,200.00	46.2%
	575.00	1,429.00	1,800.00	371.00	20.6%
<i>Travel:</i>					
Conference Registration	102.30	2,549.04	16,700.00	14,150.96	84.7%
Conference Travel	-	75.00	2,100.00	2,025.00	96.4%
Local Meetings & Related Expenses	-	597.09	4,700.00	4,102.91	87.3%
Training & Professional Development	102.30	1,876.95	6,400.00	4,523.05	70.7%
	-	-	3,500.00	3,500.00	100.0%
<i>Communication:</i>					
Postage	1,442.23	5,234.81	11,950.00	6,715.19	56.2%
Telephone - LD	871.80	2,132.98	4,700.00	2,567.02	54.6%
Telephone - Local	185.74	654.59	1,350.00	695.41	51.5%
	384.69	2,447.24	5,900.00	3,452.76	58.5%
<i>Publications & Supplies</i>					
Office Supplies	910.00	8,601.34	23,900.00	15,298.66	64.0%
Duplication	184.98	1,684.21	4,200.00	2,515.79	59.9%
Public Information	650.02	6,342.13	9,700.00	3,357.87	34.6%
	75.00	575.00	10,000.00	9,425.00	94.3%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
January, 2009**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	1,732.35	3,616.05	25,650.00	22,033.95	85.9%
Furniture and Equipment	-	-	13,150.00	13,150.00	100.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	1,732.35	3,616.05	11,500.00	7,883.95	68.6%
<i>Other General and Administrative</i>	357.68	3,876.76	6,950.00	3,073.24	44.2%
Subscriptions	-	-	400.00	400.00	100.0%
Memberships	72.43	707.01	1,800.00	1,092.99	60.7%
Fees and Miscellaneous	285.25	1,810.20	2,950.00	1,139.80	38.6%
Advertising (Personnel/Procurement)	-	1,359.55	1,800.00	440.45	24.5%
40th Anniversary	-	-	-	-	0
Total Administrative Costs	<u>22,306.06</u>	<u>143,049.63</u>	<u>320,380.00</u>	<u>177,230.37</u>	<u>55.3%</u>
<u>Contracting Services</u>					
Auditing	-	10,000.00	18,000.00	8,000.00	44.4%
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>10,000.00</u>	<u>20,000.00</u>	<u>10,000.00</u>	<u>50.0%</u>
 Total Gross G&A Expenses	<u>\$ 107,132.12</u>	<u>\$ 670,873.91</u>	<u>\$ 1,221,880.00</u>	<u>\$ 550,906.09</u>	<u>45.1%</u>

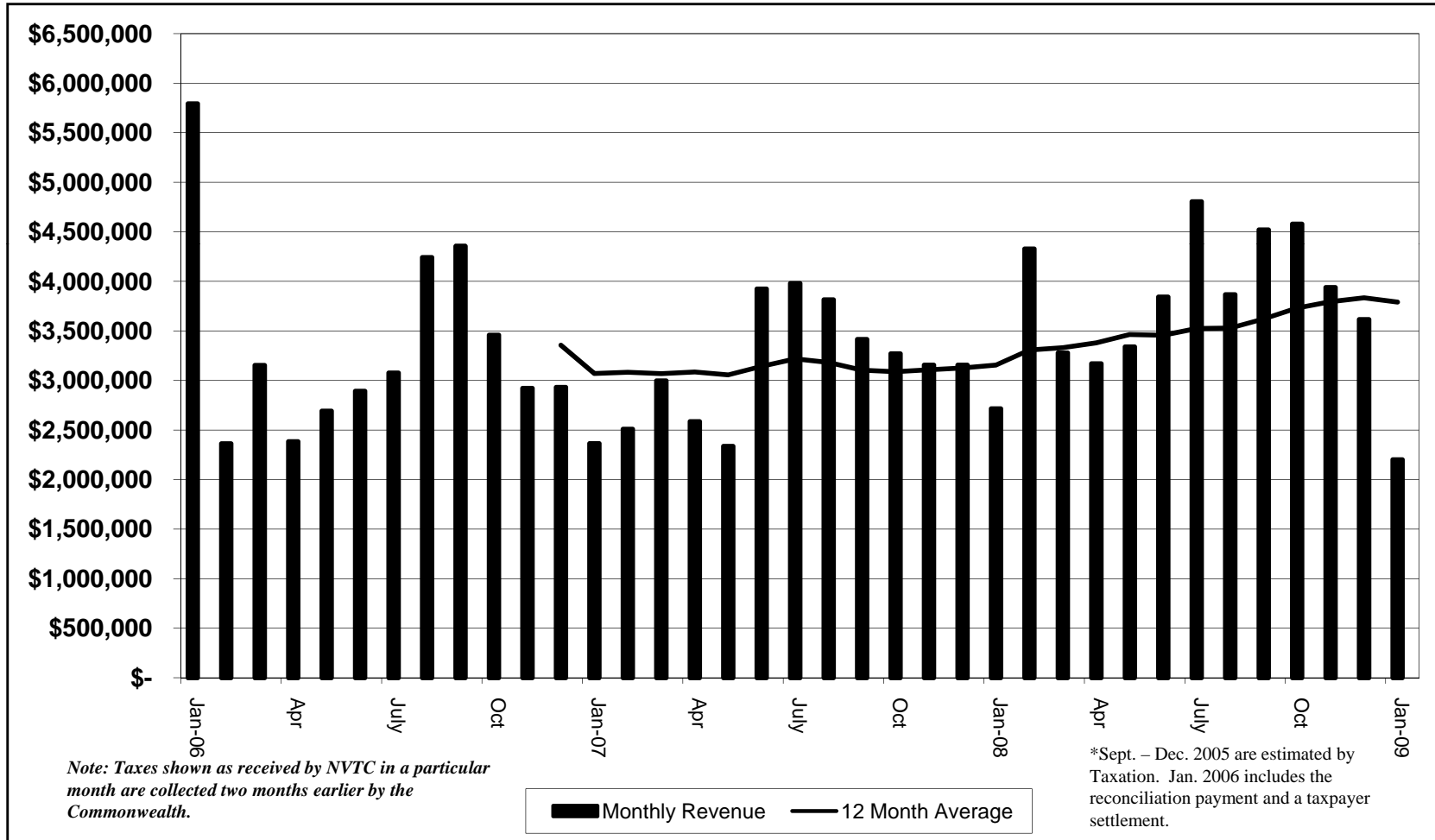
NVTC
RECEIPTS and DISBURSEMENTS
January, 2009

<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						
7	City of Alexandria	G&A contribution		\$ 9,468.75		
7	Arlington County	G&A contribution		15,182.00		
7	City of Fairfax	G&A contribution		3,604.50		
7	Staff	Expense reimbursement		4.34		
13	Loudoun County	G&A contribution			5,751.75	
15	Dept. of Taxation	Motor Vehicle Fuels Sales tax				2,200,590.54
16	VRE	Staff support		6,266.28		
16	Staff	Expense reimbursement		1.26		
16	PRTC	Expense reimbursement		100.00		
20	DRPT	FTM/Admin grant receipts				8,269,325.00
31	Banks	Interest earnings		1.90	452.43	122,903.97
			<u>-</u>	<u>34,629.03</u>	<u>6,204.18</u>	<u>10,592,819.51</u>
DISBURSEMENTS						
1-31	Various	NVTC project and administration	(93,875.33)			
1	WMATA	Bus operating				(14,480,422.00)
1	WMATA	Paratransit operating				(2,009,836.00)
1	WMATA	Rail operating				(8,193,306.00)
1	WMATA	Metro Matters				(4,384,704.00)
1	WMATA	Beyond Metro Matters				(173,000.00)
1	WMATA	Debt service				(1,853,125.00)
13	City of Fairfax	Other operating				(126,486.00)
13	Loudoun County	Other operating				(5,751.75)
23	Redmond Group	E Schedule project	(1,485.26)			
30	Stantec	Bus data project	(3,799.77)			
31	Wachovia	Bank charges	(48.96)			
			<u>(99,209.32)</u>	<u>-</u>	<u>-</u>	<u>(31,226,630.75)</u>
TRANSFERS						
27	Transfer	LGIP to Checking	130,000.00		(130,000.00)	
30	Transfer	LGIP to LGIP (Bus data project)			3,799.77	(3,799.77)
			<u>130,000.00</u>	<u>-</u>	<u>(126,200.23)</u>	<u>(3,799.77)</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ 30,790.68</u>	<u>\$ 34,629.03</u>	<u>\$ (119,996.05)</u>	<u>\$ (20,637,611.01)</u>

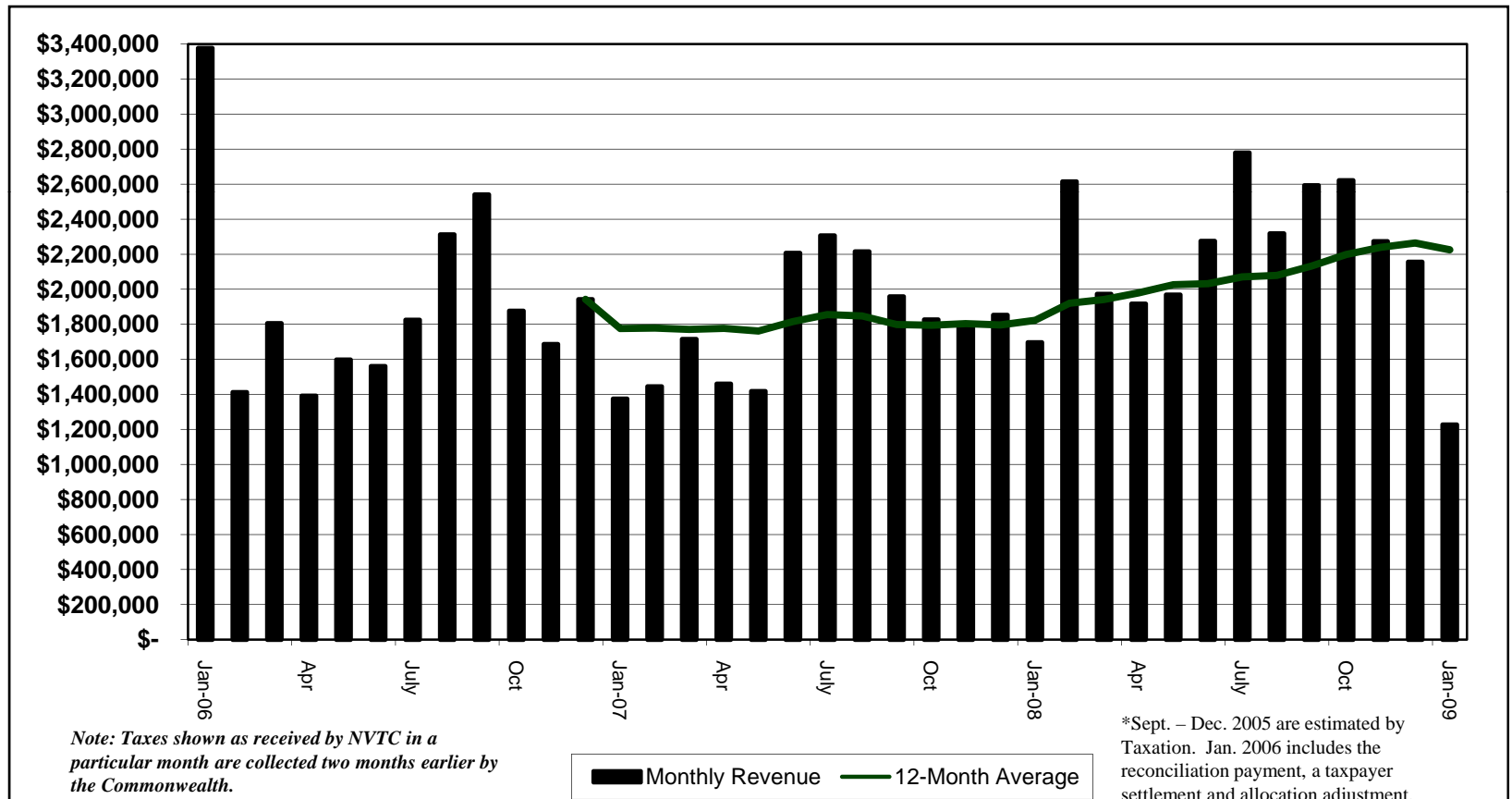
**NVTC
INVESTMENT REPORT
January, 2009**

<u>Type</u>	<u>Rate</u>	<u>Balance 12/31/2008</u>	<u>Increase (Decrease)</u>	<u>Balance 1/31/2009</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	\$ 93,746.60	\$ 30,790.68	\$ 124,537.28	\$ 124,537.28	\$ -	\$ -
Wachovia: NVTC Savings	0.010%	207,445.10	34,629.03	242,074.13	242,074.13	-	-
<u>Investments - State Pool</u>							
Nations Bank - LGIP	1.341%	134,291,481.85	(20,757,607.06)	113,533,874.79	288,906.77	94,104,248.90	19,140,719.12
		<u>\$ 134,592,673.55</u>	<u>\$ (20,812,183.40)</u>	<u>\$ 113,900,486.20</u>	<u>\$ 655,518.18</u>	<u>\$ 94,104,248.90</u>	<u>\$ 19,140,719.12</u>

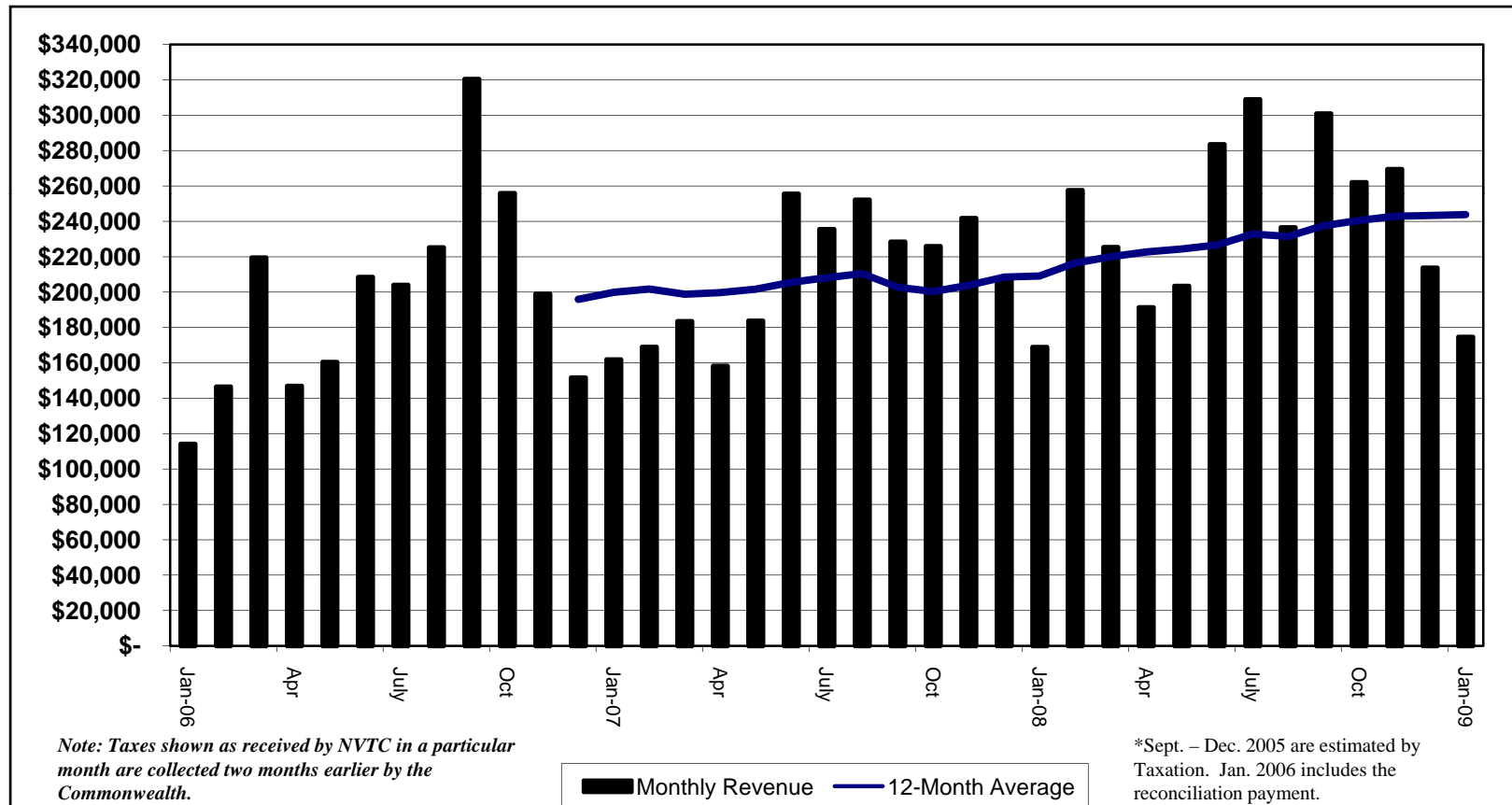
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2006-2009



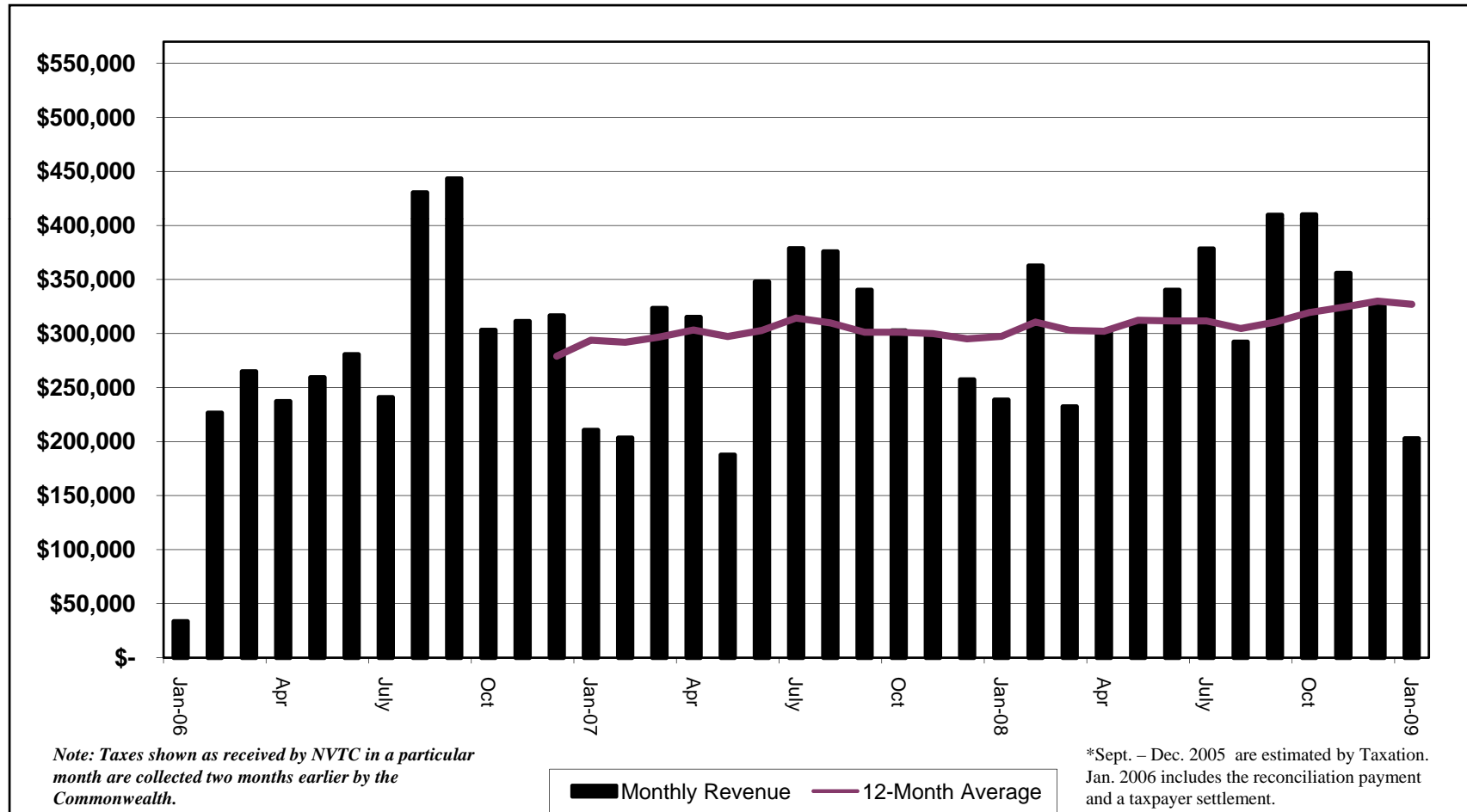
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2006-2009



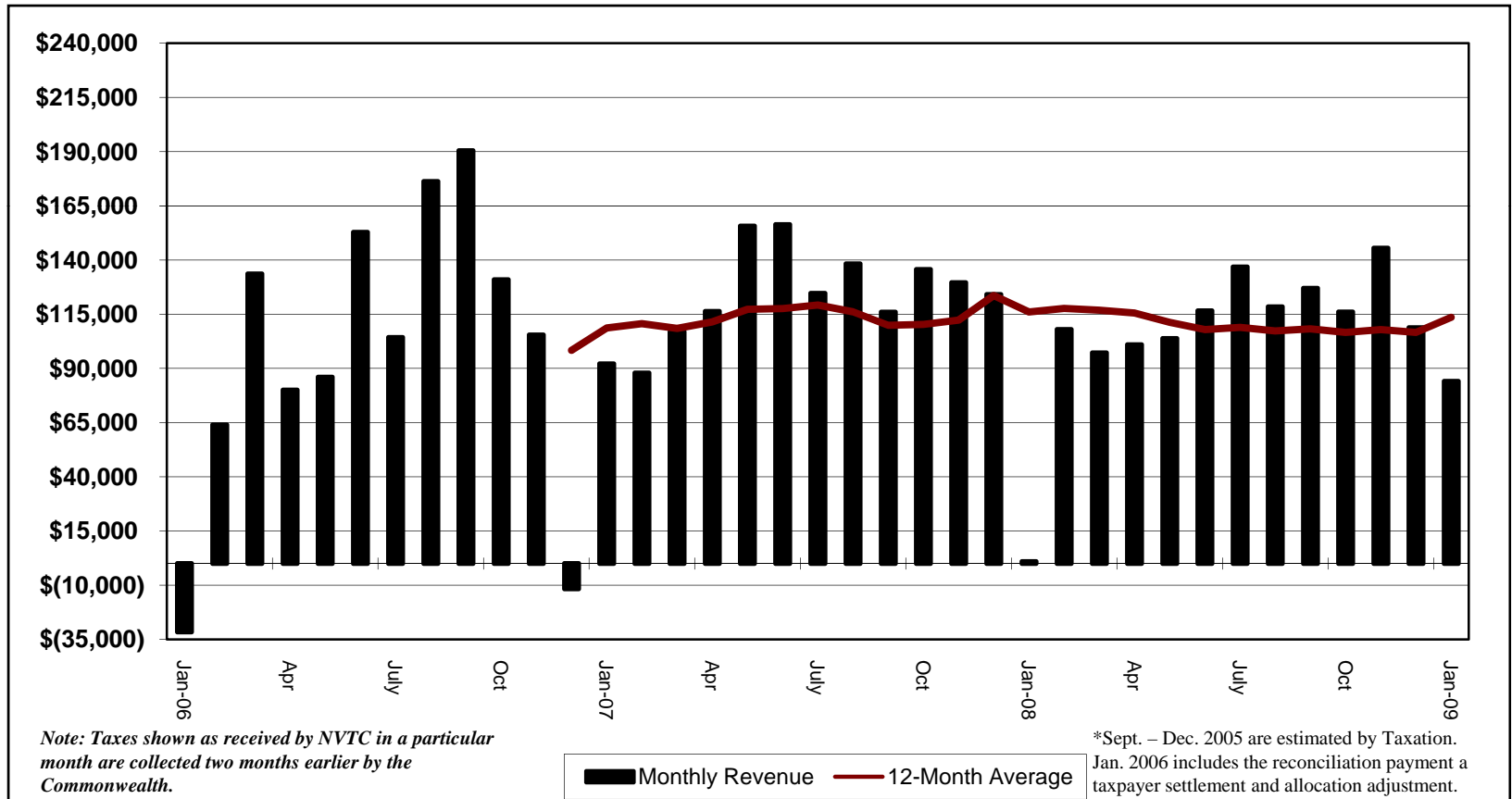
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2006-2009



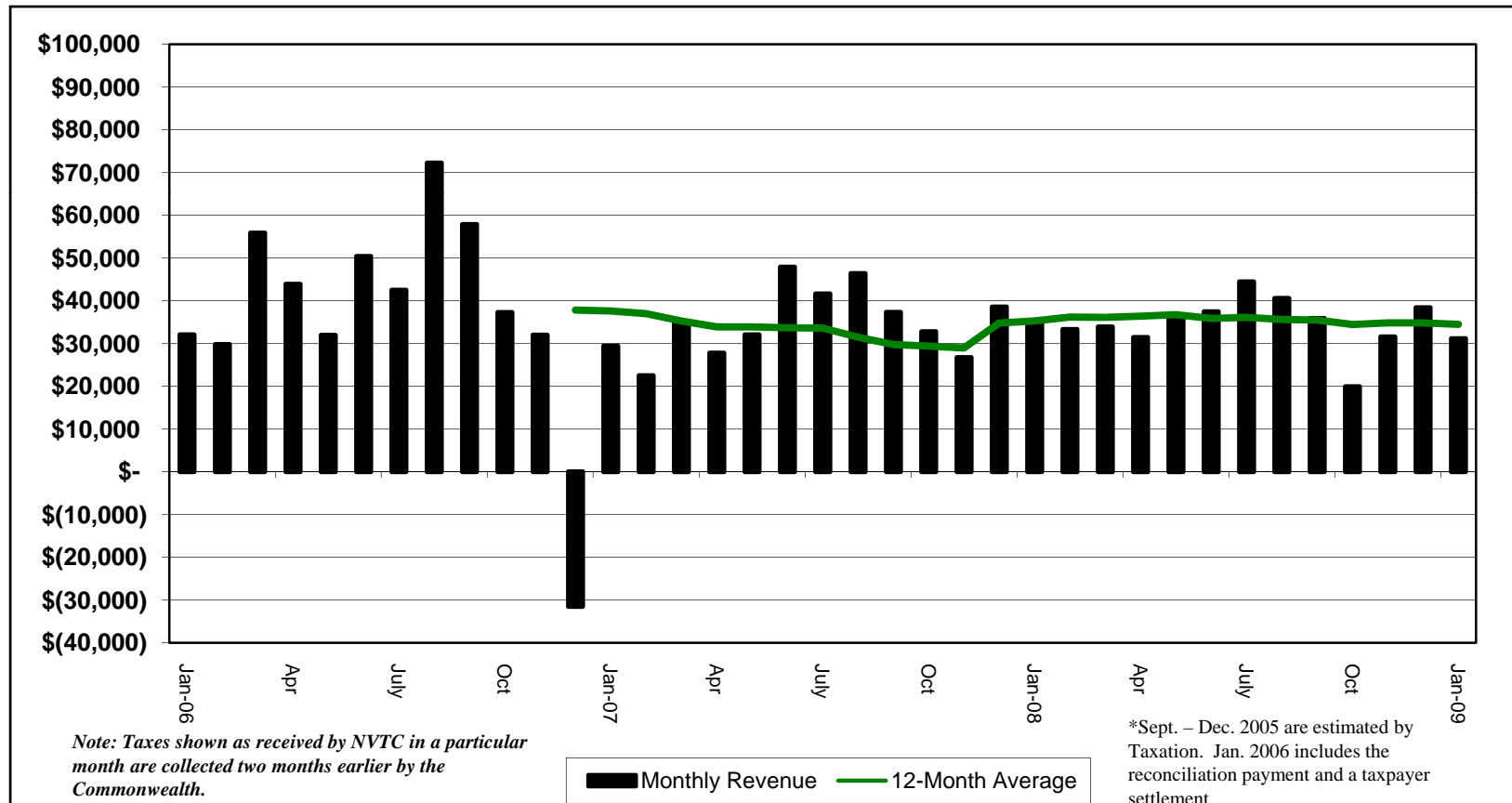
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2006-2009



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

