

**NVTC COMMISSION MEETING
THURSDAY, JULY 1, 2004
6:30 P.M.**

NVTC CONFERENCE ROOM

AGENDA



1. Oath of Office for New Commissioner.

Delegate Tim Hugo has been appointed to NVTC by Speaker Howell.

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

2. Minutes of NVTC's Meeting of June 3, 2004.

Recommended Action: Approval.

3. VRE Items.

- A. Report from the VRE Operations Board (including minutes of the meeting of June 18, 2004) and from VRE's Chief Executive Officer -- Information Item.
- B. Construction Support Services for the Quantico Bridge Project -- Action Item/Resolution #1031.

- C. Task Order for Warehouse Management -- Action Item/Resolution #1032.
- D. Contract for Facilities Maintenance Services -- Action Item/Resolution #1033.
- E. Extension of Operating Agreement with Norfolk Southern -- Action Item/Resolution #1034.
- F. Repair of Locomotives -- Action Item/Resolution #1035.
- G. Task Order for Maintenance of Gallery Railcars -- Action Item/Resolution #1036.
- H. Task Order for General Fleet Maintenance -- Action Item/Resolution #1037.
- I. Contract for Rebuilding the Trucks on Five Gallery Railcars -- Action Item/Resolution #1038.
- J. Closed Session (Section 2.2-3711 A (7) of the Code of Virginia) on a Legal Matter Regarding Commuter Rail Insurance.

4. NVTC's FY 2005 State Aid Contract.

Comparisons are provided between FY 2004 and 2005 state funding levels.

Recommended Action: Authorize NVTC's executive director to execute the FY 2005 state aid contract.

5. NVTC By-Law Amendment.

As discussed at NVTC's June 3rd meeting, HB 1231 altered NVTC's quorum requirements effective July 1, 2004.

Recommended Action: Approve amendments to NVTC's by-laws to reflect the statutory changes to quorum requirements.

6. Contract Award for Update of the Northern Virginia Transportation Plan.

A technical review team has reviewed and ranked the three consulting proposals.

Recommended Action: Authorize NVTC's executive director to begin negotiating a contract with the recommended firm within the parameters specified in the request for proposals; to notify the Northern Virginia Transportation Authority of the commission's action and request that NVTA ratify the selection; to execute the contract when authorized to do so by NVTA; and to issue the notice to proceed when RSTP funds are released for that purpose by VDOT.

7. FTA Cancelled Grant for SmarTrip Consulting.

FTA provided notice on June 9th that it had cancelled effective June 7th NVTC's \$200,000 federal grant. Those funds, of which about \$100,000 remain, are being used for a contract with IBI Group.

Recommended Action: Request the support of NVTC's congressional delegation in resolving this unexpected and unprecedented situation.

8. WMATA Items.

- A. Metro Board Digest for June, 2004.
- B. WMATA Approved Budget for FY 2005.
- C. GEORGE Bus Changes in Fares and Schedules.

Discussion Item.

9. Regional Transportation Items.

- A. DRPT's Draft Rail, Public Transportation and TDM Needs Assessment.
- B. Brookings Institution: Washington's Metro: Deficits By Design.
- C. London Congestion Pricing: Implications for Other Cities.

Discussion Item.

10. Mid-Year Review of Progress on NVTC's Work Program.

Staff will review progress on the commission's major programs.

Discussion Item.

11. NVTC Financial Report for May, 2004.

Information Item.

Note: Due to a schedule conflict, NVTC's September 2nd meeting will not be held in Alexandria, but will instead occur at its regular time and location -- 8:00 P.M. in NVTC's conference room. Commissioners have indicated a quorum will be present.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: June 24, 2004
SUBJECT: Oath of Office for New Commissioner

Chairman Euille will administer the following oath to Delegate Tim Hugo, who was appointed to NVTC by Speaker Howell:

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

MINUTES
NVTC COMMISSION MEETING – JUNE 3, 2004
NVTC CONFERENCE ROOM - ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Vice Chairman Ferguson at 8:12 P.M.

Members Present

David Albo
Sharon Bulova
Gerald Connolly
Adam Ebbin
Paul Ferguson
Jay Fiset
Catherine M. Hudgins
Tanya Husick (DRPT)
Elaine McConnell
Gary A. Reese
Scott Silverthorne
Mick Staton
Mary Margaret Whipple

Members Absent

William D. Euille
Ludwig Gaines
Dana Kauffman
William C. Mims
David F. Snyder
Christopher Zimmerman

Staff Present

Rhonda Gilchrest
Scott Kalkwarf
Jana Lynott
Steve MacIsaac (VRE)
Adam McGavock
Mark Roeber (VRE)
Kala Quintana
Jennifer Straub (VRE)
Richard K. Taube
Dale Zehner (VRE)

Oath of Office for New Commissioner

Vice Chairman Ferguson announced that Speaker Howell has appointed Delegate Adam Ebbin to serve on NVTC. Delegate Tim Hugo also has been appointed to NVTC effective July 1, 2004, as the fourth delegate as a result of HB 1231, passed during the General Assembly session, which increases the number of delegates serving on NVTC to four from three.

Vice Chairman Ferguson administered the oath of office to Mr. Ebbin and commissioners welcomed him to NVTC.

Minutes of NVTC's Meeting of May 6, 2004

Mrs. Whipple moved, with a second by Mr. Connolly, to approve the minutes. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Staton and Whipple. Mr. Silverthorne abstained.

NVTC By-Laws Amendment

Mr. Taube stated that as a result of HB 1231 the Virginia Code now has several references to NVTC previously contained only in Acts of Assembly. The bill altered NVTC's quorum requirements, redefined the number of votes required to take any action, added another member of the House of Delegates, and allowed electronic participation in NVTC's meetings by General Assembly members during General Assembly sessions. To conform to these legislative changes, NVTC's by-laws must be amended. Mr. Taube explained that discussion is required at one meeting followed by action at a subsequent meeting. Therefore, without objection these changes will be presented for approval at the July 1, 2004 meeting. There were no objections.

NVTC Policy on Prevention of Fraud and Other Improprieties

Mr. Taube stated that the VRE Operations Board has recommended approval of a Fraud Policy in response to comments by VRE's auditors, which will be discussed in a later agenda item. NVTC currently does not have such a policy and it is desirable to take advantage of the extensive legal work that was devoted to crafting the VRE policy. Since NVTC is a small organization, the VRE policy has been modified slightly for application to NVTC.

Mr. Connolly moved, with a second by Mrs. Bulova, to approve the policy. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

WMATA Items

WMATA FY 2005 Operating and Capital Budget. Mrs. Hudgins stated that the local jurisdictions support the WMATA FY 2005 operating and capital budget. Mr. Taube stated that a letter commenting on the budget has been drafted and staff recommends that the commission authorize Vice-Chairman Ferguson to send the letter to WMATA in support of the local jurisdictions.

Mrs. Hudgins moved, with a second by Mr. Connolly, to authorize Vice-Chairman Ferguson to sign and send the letter to WMATA. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Mr. Connolly observed that NVTC's letter addresses the issue of WMATA's budget schedule, which is incompatible with local budget cycles and NVTC's deadlines to apply for state assistance for WMATA. The letter urges WMATA to start its budget cycle much earlier so that local governments can adopt their own budgets each spring with more certainty and NVTC can seek the full amount of state aid for WMATA to which its jurisdictions are entitled.

Pike Transit Initiative. Mrs. Hudgins reported that a briefing paper was presented to a WMATA Board committee in early May that provides the results of a year-long study by WMATA of alternative bus and rail investments in the Columbia Pike corridor. That corridor currently supports 12,000 daily transit trips and 50,000 vehicle trips. The public involvement schedule calls for briefings of elected officials, community meetings, a design dialogue workshop and a new website. Following evaluation of alternatives in the fall, selection of a locally preferred alternative and completion of a final report would occur this winter. On behalf of Arlington County, Vice Chairman Ferguson thanked Penelope Gross for her help with this initiative.

Railcar Deployment Plan. Mrs. Hudgins stated that with the arrival of 42 new railcars, the WMATA Board debated whether they should all be deployed on the Red Line as originally planned. Discussions at board committee meetings led to a proposal to reallocate railcars to achieve nearly equal average peak passenger loading per car across all lines. However, the policy approved by the Board uses cars from gap trains to provide some modest relief to lines other than the Red Line and the situation will be reexamined in a few months.

Legislative Items

Review of 2004 General Assembly Session and Prospects for 2005. Mr. Reese observed that transportation funding wasn't on the table during this last General Assembly session, but Governor Warner is proposing certain budget amendments that would provide \$70 million for transportation. The governor has also been encouraged to dedicate at least 50 percent of any future surplus funds to the Transportation Trust Fund. Mrs. Whipple stated that Senator Chichester feels strongly that general funds should not be used for transportation and that transportation should have its own designated source of revenue. His proposal would have increased funds going to transportation by \$1.5 billion for a two-year period, but the legislation did not go very far. Mr. Reese stated that he hopes that if there is a surplus which continues to grow; it would be an excellent source of funding for transportation.

Mrs. Whipple reported that her bill to increase Northern Virginia's gas tax from two percent to four percent passed in the Senate but died in a House Finance subcommittee. She was pleased that the subcommittee members heard the reasons for it, although they were unwilling to approve it. Mrs. Hudgins stated that from a regional standpoint, there is opportunity to look again at a dedicated revenue source for transit.

No Bus Fare Buydown Funds in Six-Year Program. Mr. Taube stated that the final compromise budget adopted by the General Assembly hurt NVTC's financial prospects in several ways. Now an administrative decision may also cost NVTC's jurisdictions an additional loss of anticipated future funding. For FY 2005 and beyond, it appears that VDOT programmers have not honored the commonwealth's long-standing commitment to provide over \$800,000 annually to the region for bus fare buydowns. Former Transportation Secretary Martinez wrote on February 14, 1996 that the commonwealth would provide these funds each year to help defray the revenue impact on Metrorail from a decision to relax HOV restrictions on I-66. NVTC staff assisted the region in deciding on the best use of these funds, which through FY 2004 have helped boost bus and rail ridership in areas such as the I-66 corridor, the Dulles Corridor, Franconia/Springfield and the Route 1 corridor.

Mr. Taube stated that staff of the region's transit systems believe the bus fare buydown program is effective and should continue. Local jurisdiction and agency staff is working to develop a new multi-year plan to continue to rotate funds among corridors and areas that will benefit from bus fare reductions. Accordingly, the commission is asked to authorize its vice-chairman to send a letter to Secretary Clement requesting that the commonwealth continue to honor its \$808,000 annual commitment, use funds that would not otherwise be dedicated to the region to live up to the spirit of Secretary Martinez's letter, and program \$808,00 for each year in the commonwealth's six-year program.

Mr. Connolly moved, with a second by Mrs. McConnell, to authorize Vice-Chairman Ferguson to send the letter to Secretary Clement supporting a continuation of \$800,000 annual funding of bus fare buydowns in Northern Virginia. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisetto, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Federal Legislation. Mr. Connolly reported that there is hope that the TEA-21 reauthorization bill will be voted on before Congress adjourns its session. The Bush administration has increased the proposed funding levels that it will support to \$275 billion. The Senate has passed its "Jobs Opportunity" bill which includes a retroactive prohibition on leveraged transit leases. NVTC opposes that prohibition.

Additional Funding for Regional SmarTrip Farebox Consulting

Mr. Taube reported that as part of a \$5 million partnership to provide fully compatible SmarTrip fare collection for all of the transit systems in Northern Virginia, IBI Group was originally contracted in January of 2002 to provide technical support services to NVTC. NVTC provided \$200,000 in federal funding with DRPT providing \$50,000 in matching funds. This contract was amended in April of 2002 to include Loudoun County. The amended contract added \$34,000 in state funds for a total of \$284,000.

Mr. Taube explained that NVTC is now seeking an additional \$36,700 in funds from DRPT to cover the costs of extending this contract until September of 2005. The commission is asked to authorize its executive director to amend the contract with IBI Group for that purpose subject to the availability of funds from DRPT. He explained that the original schedule for this contract was to be complete by May of 2003. At this time, current tasks are approximately two years behind schedule. IBI Group did not affect the delay; the loss of schedule was caused by delays related to the WMATA In Service Qualification Testing (ISQT). While NVTC is asking DRPT for some additional funds, the commission staff is making every effort to minimize that request, and get the most out of the funds available.

On a motion by Mrs. Bulova and second by Mrs. Hudgins, the commission unanimously authorized the executive director to amend the contract with IBI Group, subject to the availability of funds from DRPT. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisetto, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Forecasts of Yields of NVTC's Two Percent Motor Fuels Tax

Mr. Taube stated that in light of the sharp increase in the price of gasoline, the commission asked staff to illustrate the likely increase in revenues from the commission's two percent motor fuels tax if these increases persist. In response to a question from Mr. Connolly, Mr. Taube stated that staff has not in the past forecast yields from this tax, preferring to use historical averages as benchmarks. Varying prices, different driving habits and vehicle fuel efficiency changes can all influence NVTC's gas tax revenues. Forecasting these variables is perilous. However, using the gallons estimated and assumed prices ranging from \$1.50 to \$2.50 per gallon, the yield from NVTC's two percent tax would vary by jurisdiction. For each 10-cent increase in the average price per gallon, NVTC would collect an additional \$1.3 million annually. Thus, if gas prices were to rise to \$2.50 from \$1.50 and hold for a year, NVTC's overall yield would increase by over \$13 million.

Mr. Albo asked if transit ridership goes up when the price of gas increases. Mr. Taube responded that as a general rule it would increase, but probably not immediately. Mr. Connolly observed that the region is at capacity on a lot of the lines and VRE already is at capacity. He asked staff to make inquiries from WMATA and other transit systems if there is evidence of a link between increased gas prices and increased ridership. Mrs. Whipple stated that it is difficult to assess the reasons for increased ridership. She cited other factors including increased tourism and the new World War II memorial. She suggested APTA might have done such a study.

Dedicated Sources of Transit Funding in Other Jurisdictions

Mr. Taube reminded commissioners that at their May 6th meeting they examined information about the yields of various revenue sources that might be used in this region to help fund its transportation systems. Because many of the estimates were derived from 1997 work by a consultant to TPB, the commission requested that MWCOG update the estimates. NVTC received a response from Gerry Miller of TPB staff, who stated that the study could be updated but it would take several months at a cost of approximately \$20,000. COG staff speculated that VDOT might have some funds that could be used for such a study. In response to a question from Vice Chairman Ferguson, Mr. Taube explained that it would come from federal research and planning funds not yet programmed.

Mrs. Bulova stated that updating this information would be useful for the region as well as statewide. Mr. Connolly stated that it is important to focus regionally here on transit, more specifically on Metro. It is time to look at dedicated sources of revenue. He expressed his opinion that each jurisdiction (Maryland, District of Columbia and Virginia) could have different funding sources. Mrs. Bulova expressed her support for the commission to inquire about VDOT funding to update the study.

Mrs. Bulova moved, with a second by Mrs. Hudgins, to request VDOT provide funds to update the study.

In response to a question from Mrs. Whipple, Mr. Taube stated that the study would look at funding for the entire metropolitan region, including Maryland and the District of Columbia. Mrs. Whipple stated that VDOT should not be asked to pay to do it for Maryland and the District of Columbia. Mrs. Bulova explained that the information would be useful for all the jurisdictions. Vice Chairman Ferguson suggested sending a letter to Maryland and the District asking them to share equally. Mr. Connolly agreed that it's not fair to expect VDOT to fund the whole study.

Mrs. Bulova amended her motion to include requesting that Maryland and the District share the cost of the study. The seconder agreed. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Regional Transportation Items

Status of Northern Virginia Transportation Plan Update. Mr. Taube stated that NVTC is managing the procurement of consulting services for this plan on behalf of the Northern Virginia Transportation Authority. Responses to the request for proposals were due May 27th. At its July 1 meeting, the commission will be asked to recommend to NVTA the award of a contract.

Highlights of the Virginia Transit Association's Spring Conference. Mr. Taube reported that VTA held its annual conference in Fredericksburg on June 2 and 3, 2004. Mr. Zimmerman was selected to serve as the VTA President. DASH and Loudoun County Transit received awards and ART received an honorable mention.

Public Transit Favorable Ratings Increase. The American Public Transportation Association (APTA) has released the results of polls by Wirthlin Worldwide of over 500 "influentials" in the U.S. and 150 living in the Washington D.C. area. The purpose was to measure the effectiveness of APTA's (PT)² campaign, which has attempted to improve attitudes toward public transit. Favorable opinions have risen in the past two years and in the D.C. area, favorable opinions of transit far exceed those elsewhere.

Transit Investment Worth Its Weight in Real Estate. A Masters degree candidate at Columbia University, Juliette Michaelson, has examined the relationship between housing values and proximity to commuter rail service in New Jersey. In 1996, New Jersey Transit spent \$69 million to create a new direct commuter rail connection to Manhattan from northern New Jersey. From 1993 to 2003, residential properties within a half mile of the stations soared in value by 113 percent. Properties between a half or two miles increased in value

by 82 percent and houses beyond two miles increased by 65 percent. By 2003 an average house near a station cost \$90,000 more than an otherwise comparable house not near a station.

Brookings Institution Discussion on Still Stuck in Traffic. Anthony Downs will autograph his new book at a lunchtime discussion on June 14th. Among the speakers will be Chris Zimmerman

ITS in Transit Wins Thumbs Up. A description of NVTC's study evaluating transit ITS performance appeared in an article in an ITS industry publication.

NVTC's September 2, 2004 Meeting in Alexandria

Mr. Taube announced that to continue NVTC's commemoration of its 40th anniversary, NVTC staff is working with Alexandria staff to coordinate the September 2nd NVTC business meeting in the City Council Chambers in Old Town Alexandria. The meeting would encourage public participation and would also emphasize the 20th anniversary of DASH.

Mrs. Whipple noted that this meeting is prior to Labor Day and commissioners may not be able to attend. Mrs. Bulova suggested staff poll commissioners to make sure there will be a quorum for the September meeting or change the date of the meeting. Mr. Taube stated that staff will do so, but reminded commissioners that it is difficult to find alternate dates acceptable to all. For example, if the meeting is moved back a week, it will conflict with NVTA's regularly scheduled meeting.

NVTC Financial Reports for April, 2004

The financial reports were provided to commissioners. Mr. Taube reported that the gas tax revenue adjustment resulting from an error in reporting by the Department of Taxation is not yet reflected in the report. Next month's report should reflect the correction.

Mr. Taube stated that NVTC responded to the auditor's letter regarding their recommendations to NVTC management as a result of the FY 2003 audit. Representatives of PBGH, LLP met with the NVTC executive committee (serving as the audit committee) during the executive committee meeting. Mrs. Whipple stated that the auditors were satisfied with NVTC's responses. Vice Chairman Ferguson stated that the discussion with the auditors was very good and the committee asked many tough questions.

VRE Items

Report from the VRE Operations Board and from the Chief Executive Officer. Mrs. Bulova announced that Dale Zehner has been selected as VRE's new Chief Executive Officer. The commissioners congratulated Mr. Zehner.

Ceremony for VRE's 25 Millionth Passenger. Mrs. Bulova reported that VRE held its 25 Millionth Rider celebration in Alexandria earlier in the day. Governor Warner participated. Commissioners discussed some of the factors that have helped VRE's ridership grow, including word of mouth advertising, improved on-time performance and the initiation of the Metrochek program.

Prince William County Parking Improvements. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #1019, which would authorize VRE's CEO to enter into an agreement with Prince William County for parking improvements at Manassas and Broad Run in an amount not to exceed \$456,722, including a 15 percent contingency. Funding is provided from the Governor's Congestion Relief Program.

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the commission unanimously approved the resolution (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Manassas Airport Authority Parking Improvements. Mrs. Bulova stated that Resolution #1020 would authorize VRE's CEO to execute an agreement with the Manassas Regional Airport for a property lease for expanded parking at an annual cost not to exceed \$78,408. The term would be for up to five years. Funding is from the Governor's Congestion Relief Program.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1020 (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Lease of Warehouse for Spare Parts at Manassas Airport. Mrs. Bulova stated that the VRE Operations Board recommends approval of Resolution #1021. The resolution would authorize VRE's CEO to execute a three-year lease agreement with KAO Manassas Airpark LLC for warehouse space near the Broad Run VRE yard. The total cost of the lease over three years is \$295,586, plus a 10 percent contingency. It will allow VRE's Gallery railcar spare parts to continue to be stored there when the facility used currently is demolished to make room for expanding VRE parking.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1021 (copy attached). The vote in favor was cast by commissioners

Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Construction Contract for Quantico Creek Bridge. Ms. Bulova stated that the VRE Operations Board recommends approval of Resolution #1022, which would authorize the competitive award of a construction contract for the bridge to Abernathy Construction Corporation of Glen Allen, Virginia, in the amount of \$16,892,541, including a 10 percent contingency. State and federal grant funds are available with no local funds being spent.

On a motion by Mrs. Bulova and a second by Mr. Connolly, the commission unanimously approved the resolution (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Quantico Bridge Dominion Virginia Power Agreement. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #1023, which would authorize VRE's CEO to execute an agreement with Dominion Virginia Power for access and disposal of dredging spoils during construction of the bridge. The disposal fee for use of a pond at the Possum Point Plant is \$5 per cubic yard up to a maximum of \$315,000. Access is free. State and federal grants will cover the cost with no local funds required.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1023 (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Definition of VRE Operating Ratio. Mrs. Bulova stated that the VRE Operations Board recommends approval of Resolution #1024. The resolution would confirm the current practice of providing a complete definition of VRE's ratio of operating revenues to operating costs. VRE's auditors asked for the commissions to approve a more complete definition of this calculation that was initially authorized in 1999. The calculation excludes track leases, other access costs and liability costs paid from the insurance trust. As a result of this required calculation, NVTC is meeting the terms of the Master Agreement by achieving a ratio at the close of FY 2003 of 61.9 percent.

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the commission unanimously approved Resolution #1024 (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisette, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Additional Contract Authority for Sounder Rolling Stock. Mrs. Bulova reported that approval of Resolution #1025 is recommended by the VRE Operations Board. This resolution would increase the current authorization limit for Sounder train set leases by \$1,662,960, above the current limit of \$4.6 million. This would allow three such train sets to be kept here for another year until

additional Gallery railcars can be placed into service. State funds are available with no local funds needed.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve the resolution (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fiset, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Qualification and Repair of Gallery Railcars. Mrs. Bulova explained that the VRE Operations Board recommends approval of Resolution #1026, which would authorize award of a contract for the qualification and repair of newly acquired Metra Gallery railcars. The recommended firm is Kawasaki Rail Car, Inc. and the amount of the contract is \$4,815,452, including a 15 percent contingency. No local funds are required. Mr. Taube explained that the resolution was updated to recognize that a protest has been filed by another bidder. The resolution would authorize that the contract be awarded but notice to proceed would not be given until the protest has been withdrawn or resolved.

In response to a question from Mr. Connolly, Mr. Zehner replied that all the work will be done at Kawasaki's Yonkers, New York facility. He is not sure if Kawasaki Rail Car, Inc. is a Japanese or American company.

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the commission unanimously approved the resolution (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fiset, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Phase Two VRE Strategic Plan. Ms. Bulova reported that the VRE Operations Board recommends approval of Resolution #1027, which would approve the latest VRE strategic plan document.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1027.

Mr. Zehner explained that the document is a strategic look at VRE through 2025. The document was heavily reviewed by commission and jurisdictional staff and also was discussed at a VRE Operations Board workshop in February, 2004. He stated that as capacity increases, demand will be there. It's a demand driven exercise. The plan also looks at potential extensions and how that would impact ridership and the costs associated of extending the rail line.

He stated that the plan looks at three scenarios: 1) deferred growth—centering around 40 trains which VRE is now authorized to run; 2) targeted growth; and 3) aggressive growth.

Mr. Zehner stated that based on the analysis and input from the Board workshop, VRE would pursue the following initiatives approved by the Operations Board:

- 1) Move towards a ridership of 26,000 – 30,000 by 2025 (which would double current ridership). To do this VRE would need to improve the core network (expand parking, extend platforms, some rail work, construction of storage and maintenance facilities, improve station access);
- 2) Pursue extensions to Gainesville/Haymarket and Spotsylvania; and
- 3) Explore partnerships with transit-oriented development, especially in southern counties).

Mr. Zehner stated that for the FY 2006 budget, the Operations Board will look at guidelines at its next meeting and formulate a six-year financial plan as required by the Master Agreement. The Board will start to lay the groundwork for where VRE can go within the funding anticipated for the next six years.

Vice Chairman Ferguson stated that this is an ambitious plan. Mr. Albo asked if VRE's budget supports expansion. Mr. Zehner stated that additional revenues would be needed to expand VRE service. He stated that VRE has submitted a funding package for TEA-21 reauthorization funds in the amount of \$191 million, but that has not been approved yet. The vote on this legislation may be deferred until after the election. He agreed that heavy capital investments would be needed for expansion. Delegate Albo observed that federal grants usually require a local match. Mr. Zehner replied that it could be matched by state, local or potential private funding. It is an assumed 80/20 percent federal match.

In response to a question from Mrs. Whipple, Mr. Taube stated that the capacity of a single lane of freeway is about 2,500 cars per hour, with an average occupancy of slightly over one.

The commission then voted on the motion and it was unanimously passed. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fiset, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Contract Amendments for Overhaul of Additional Head-End Power Units. Mrs. Bulova stated that the VRE Operations Board recommends approval of Resolution #1028, which would amend the existing contract with Transportation Technology, Inc. to provide for the overhaul of three additional HEP units and increase funding by \$166,298 for a total of \$885,329. Legal counsel has approved the contract amendment providing for this order.

Mrs. Bulova moved with a second by Mrs. McConnell, to approve the resolution. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fiset, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple. (A copy of the resolution is attached.)

Contract for Marketing, Advertising and Public Relations. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #1029. The resolution would approve a competitive contract with Williams Whittle Associates of Alexandria. The term is three years with options of two additional two-year extensions, which is the same structure as the previous contract. The first year cost would not exceed \$450,000. Three firms submitted proposals, including the incumbent (LM&O).

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the commission unanimously approved the resolution. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fiset, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple. (A copy of the resolution is attached.)

VRE's 2003 Annual Report. Commissioners received a copy of VRE's attractive annual report, designed in a playbill format. Commissioners were impressed with the new format. Mr. Zehner explained that this report is very useful to hand out to legislators and other agency representatives to provide them with information about VRE. In response to a question from Mr. Albo, Mr. Zehner stated that this report is meant to hand out to contacts and not passengers on the trains.

VRE Fraud Policy. Mrs. Bulova explained that in response to concerns expressed by VRE's auditors, VRE's Operations Board has recommended a new policy for VRE that will become part of PRTC's personnel policies, since VRE employees are PRTC employees. In acting on the Operations Board recommendation, PRTC is expected to make its approval contingent on any concerns that NVTC may have. NVTC commissioners had no objections.

Commuter Weekly Feature on NVTC. Mrs. Bulova reported that NVTC was featured in VRE's Commuter Weekly, a publication provided to VRE riders.

Extension of Operating Agreement with CSXT. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #1030, which would extend the existing operating agreement with CSXT to January 31, 2005. The current extension is due to expire on June 30, 2004. In response to a question from Mr. Connolly, Mr. Zehner stated that progress in negotiations for a new agreement has been very limited, due primarily to divergent positions on insurance. He will brief commissioners in further detail during the closed session.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1030 (copy attached). The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisetite, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Closed Session. Vice Chairman Ferguson made, with a second by Mrs. McConnell, the following motion to enter into closed session:

Pursuant to the Virginia Freedom of Information Act (Section 2.2-3711A.7 of the Code of Virginia), the Northern Virginia Transportation Commission authorizes a closed session for the purpose of discussion concerning matters relating to the negotiation of a new access agreement with CSXT.

The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisetite, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple. .

The commission entered into closed session at 9:10 P.M. and returned to open session at 9:32 P.M. Vice Chairman Ferguson moved, with a second by Mr. Connolly, to approve the following certification:

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

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act 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 commissioners Albo, Bulova, Connolly, Ebbin, Ferguson, Fisetite, Hudgins, Husick, McConnell, Reese, Silverthorne, Staton and Whipple.

Adjournment

On behalf of the commission, Mr. Connolly congratulated Mr. Staton on recently getting married and Mrs. Whipple for her 44th wedding anniversary. Mrs. McConnell thanked Mr. Silverthorne for getting out of his sick bed to come to the meeting so there would be a quorum.

Without objection, Vice Chairman Ferguson adjourned the meeting at 9:33 P.M.

Approved this first day of July, 2004.

William D. Euille
Chairman

Gerald Connolly
Secretary-Treasurer

Northern Virginia Transportation Commission

Thursday, June 3, 2004

MEETING SUMMARY

- Welcomed Delegate Adam Ebbin, who was appointed to serve on NVTC's board by Speaker Howell.
- Reviewed proposed changes to NVTC's by-laws resulting from passage of HB 1231 by the 2004 Virginia General Assembly. Action will be requested at the commission's July 1st meeting.
- Adopted a policy on fraud and other improprieties that matches the new VRE policy. It was developed with extensive input from legal and transportation staff.
- Authorized NVTC's Vice-Chairman to submit comments on behalf of the commission to the WMATA Board regarding the FY 2005 budget.
- Authorized NVTC's Vice-Chairman to write to Virginia Transportation Secretary Clement supporting a continuation of over \$800,000 of annual funding for bus fare buydowns in Northern Virginia.
- Authorized a contract modification with IBI Group, with funding from DRPT, to continue SmarTrip farebox and regional clearinghouse technical assistance for six Northern Virginia bus systems.
- Supported staff's request that VDOT/DRPT use technical assistance funds available at MWCOG to have MWCOG update yield forecasts of potential regional revenue sources for transportation in Northern Virginia.

- For VRE, authorized:
 - Prince William County parking improvements;
 - Manassas Airport parking improvements;
 - Lease of a warehouse at Manassas Airport for spare parts;
 - Construction contract for Quantico Creek Bridge;
 - Agreement with Dominion Virginia Power for Quantico Bridge;
 - A definition of the VRE operating ratio;
 - Additional contract authority for Sounder rolling stock;
 - Qualification and repair of Gallery railcars;
 - Acceptance of the report on Phase 2 of VRE's strategic plan;
 - Contract amendment for overhaul of additional head-end power units;
 - Contract for marketing, advertising and public relations;
 - Extension of the operating agreement with CSXT.

RESOLUTION #1019

SUBJECT: Prince William County Parking Improvements.

WHEREAS: VRE received funding from the Governor's Congestion Relief Program to complete parking expansion projects and access improvements in Manassas and Broad Run; and

WHEREAS: Prince William County has the ability to complete three of these initiatives with its own forces.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to enter into an agreement between VRE and Prince William County, following approval from VRE legal counsel, for parking improvements in an amount not to exceed \$397,150, plus a 15% contingency of \$59,572, for a total of \$456,722.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1020

SUBJECT: Manassas Airport Authority Parking Improvements.

WHEREAS: VRE received funding from the Governor's Congestion Relief Program to complete parking expansion projects and access improvements in Manassas and Broad Run;

WHEREAS: Property adjacent to the Broad Run VRE station owned by the Manassas Regional Airport has been identified for the construction of a temporary parking facility holding approximately 98 parking spaces; and

WHEREAS: The Manassas Regional Airport is willing to lease this property for the construction of the parking lot.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to enter into a property lease between VRE and the Manassas Regional Airport, following approval from VRE legal counsel, in an amount not to exceed \$78,408 annually, with a term of up to five years.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1021

SUBJECT: Lease of Warehouse for Spare Parts at Manassas Airport.

WHEREAS: Amtrak prefers to not maintain VRE's Gallery car fleet;

WHEREAS: VRE requires a large inventory of Gallery car spare parts;

WHEREAS: VRE staff has located a warehouse near the Broad Run facility that is able to store the entire parts inventory as well as other materials needed to support the Gallery car fleet; and

WHEREAS: There is no other space at the outlying yards to store this material.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to enter into a lease agreement, subject to review by VRE legal counsel, with KAO Manassas Airport, LLC for a warehouse near the Broad Run facility at a three-year lease cost not to exceed \$172,086 plus utilities and insurance.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1022

SUBJECT: Construction Contract for Quantico Creek Bridge.

WHEREAS: Per the MOU with CSXT and in order to alleviate the railroad bottleneck at Quantico Creek, a new mainline track bridge over Quantico Creek must be constructed;

WHEREAS: Virginia Railway Express in collaboration with CSXT and VDRPT, has completed the design for a new double track bridge over Quantico Creek; and

WHEREAS: VRE conducted a competitive construction procurement with five proposers.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to award a construction contract for the Quantico Creek Bridge Project to Abernathy Construction Corporation in the amount of \$15,356,856, and to reserve a 10% contingency of \$1,535,685, for total of \$16,892,541.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1023

SUBJECT: Quantico Bridge Dominion Virginia Power Agreement.

WHEREAS: Per the MOU with CSXT, and in order to alleviate the railroad bottleneck at Quantico Creek, a new mainline track bridge over Quantico Creek must be constructed; and

WHEREAS: Dredging operations must be performed in order to gain access to the construction site and perform work utilizing barges.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes VRE's Chief Executive Officer to enter into an agreement with Dominion Virginia Power, subject to review by legal counsel, to allow for dredging disposal, access and staging; and

BE IT FURTHER RESOLVED THAT authorization is provided to incur fees of no more than \$315,000 for disposal of dredging spoils.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1024

SUBJECT: Definition of VRE Operating Ratio.

WHEREAS: The VRE Master Agreement sets a goal for the operating ratio of not less than 50%; and

WHEREAS: VRE's independent audit firm has recommended clarifying the methodology for computing the operating ratio.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to compute the VRE operating ratio to include all operating revenues and all operating expenses with the exception of track leases and other access costs, as well as liability insurance expenses paid for out of the Insurance Trust Fund.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1025

SUBJECT: Additional Contract Authority for Sounder Rolling Stock.

WHEREAS: VRE currently has three train sets in service under a lease agreement with Sound Transit;

WHEREAS: Nearly \$4,600,000 has been authorized toward these leases and the limit will be reached in August 2004; and

WHEREAS: VRE recommends increasing the authorization limit to continue the lease of three sets of high capacity rail cars from Sound Transit.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to incur an additional \$1,662,960 in expenditures toward this equipment leased from Sound Transit.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1026

SUBJECT: Qualification and Repair of Gallery Railcars.

WHEREAS: VRE recently acquired 35 used Gallery railcars from Chicago's Metra with the intent of placing 30 of these cars into daily revenue service;

WHEREAS: Twenty of these railcars require repair work and may require additional optional work;

WHEREAS: The 10 railcars already placed into service may also require additional optional repair work;

WHEREAS: A Request for Proposals was issued on March 19, 2004, to solicit competitive proposals for the qualification and specified repair work; and,

WHEREAS: Responses for this project were due on May 12, 2004;

WHEREAS: Based on the RFP evaluation criteria, the selection committee recommends award of the contract to Kawasaki Rail Car, Inc. of Yonkers, New York.

WHEREAS: A protest has been filed by another bidder; and

WHEREAS: It is necessary to award the contract now to prevent further project delay and protect the public interest.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to award a contract for the qualification and repair of the newly acquired Metra Gallery cars in the amount of \$4,187,428, plus a 15% contingency of \$628,114, for total of \$4,815,542 to Kawasaki Rail Car, Inc.

RESOLUTION #1026

BE IT FURTHER RESOLVED that notice to proceed under the contract shall not be given until the protest has been withdrawn or resolved.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1027

SUBJECT: VRE Strategic Plan

WHEREAS: In May 2002, the VRE Operations Board authorized VRE to provide a comprehensive plan for VRE service within a long-term strategic needs assessment;

WHEREAS: This process has been performed by Parsons, Brinckerhoff, Quade and Douglas (PBQ&D) in conjunction with jurisdictions, commissions, and VRE staff to provide comprehensive capital needs and cost estimates for various VRE levels of service through 2025;

WHEREAS: The scope of work for the Phase 2 Strategic Plan also asked for findings on rider origins and destinations to evaluate VRE mode share;

WHEREAS: The scope of work also asked for the consultants to develop travel demand models, identify mid-day storage requirements and alternative site evaluations, provide a detailed system parking study, and provide a detailed planning study on the possible extension of VRE service to Bealeton, Gainesville-Haymarket and Spotsylvania;

WHEREAS: The VRE Operations Board has held two planning sessions with VRE/Commissions/jurisdictional staff and PBQ&D to review preliminary findings and identify areas of concern for follow up;

WHEREAS: Many such revisions have been incorporated and reviewed by jurisdictional staff; and

WHEREAS: The plan provides a vision for future decision making by identifying a range of capital investment options within a number of alternative operating scenarios which support a ridership goal up to 40,000 daily trips by 2025.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission approves the VRE Phase 2 Long-Term Strategic Plan document as a vision for VRE and directs that VRE staff start immediately within the FY 2006 budget process to use this plan as a resource for developing priorities for implementation and financing of VRE's CIP and related needs within the constraints of funding reasonably expected to be available.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1028

SUBJECT: Contract Amendment for Overhaul of Additional Head-End Power Units.

WHEREAS: A contract currently exists to rebuild all but three of VRE's HEP units;

WHEREAS: The last three HEP's are showing signs of premature failure;

WHEREAS: The current contractor has demonstrated a high degree of reliability and professionalism; and

WHEREAS: VRE needs to keep all of its locomotives in serviceable condition, especially the higher horsepower ones that contain the last three HEP units.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to amend the existing contract with Transportation Technology, Inc. to include the overhaul of an additional three HEP units and to increase the authorization on this contract by \$166,298 to cover the cost of this additional work, making the new contract total \$885,329.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1029

SUBJECT: Contract for Marketing, Advertising and Public Relations.

WHEREAS: VRE issued a request for proposals and received three responsive proposals for informational/promotional graphics, marketing and public relations services under RFP #04-010;

WHEREAS: VRE staff has conducted intensive interviews, rated and reviewed both oral and written presentations from all three submitters, and has queried references for all;

WHEREAS: The term of the incumbent agency (LM&O) will expire on June 30, 2004; and

WHEREAS: First-year funding is provided in the FY 2005 operating budget.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute a contract following review by legal counsel with Williams Whittle Associates of Alexandria, Virginia for professional marketing, advertising and public relations services.

BE IT FURTHER RESOLVED THAT the contract has a three-year term commencing July 1, 2004, to June 20, 2007, with the option of two, two-year contract renewals, with the cost of the first year of the contract not to exceed \$450,000.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

RESOLUTION #1030

SUBJECT: Extension of Operating Agreement with CSXT.

WHEREAS: The commissions currently have an amended operating agreement with CSXT relating to VRE operations in the Fredericksburg to Washington corridor, with the agreement extension ending on June 30, 2004;

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

WHEREAS: A proposal to extend the existing agreement to January 31, 2005, without any changes to the basic agreement, is expected from CSXT;

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

WHEREAS: Necessary funding for the extension has been incorporated into the VRE FY 2005 budget.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the amended operating agreement with CSXT through January 31, 2005, subject to review by legal counsel.

Approved this 3rd day of June, 2004.

William Euille
Chairman

Gerry Connolly
Secretary-Treasurer

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Scott Kalkwarf
DATE: June 24, 2004
SUBJECT: NVTC's FY 2005 State Aid Contract

The commission is asked to authorize its executive director to execute contracts with the Virginia Department of Rail and Public Transportation for FY 2005 transit assistance on behalf of NVTC and its member jurisdictions and VRE. The attached table reveals the anticipated aid totals compared to FY 2004.

As can be seen, although NVTC is receiving \$2.7 million more in FY 2005 than in FY 2004, the capital matching ratio is dropping to 38 percent (from 40 percent in FY 2004). Compared to the statutory ratio of 95 percent, NVTC is receiving \$37.1 million less capital funding for FY 2005 than it would receive if the state had sufficient funding to meet its statutory share.

Regarding operating assistance, while NVTC is receiving \$2.1 million more funding than in FY 2004, again if the 95 percent state matching ratio were achieved, NVTC would be receiving an additional \$60.6 million for FY 2005. Combined, NVTC is shortchanged by \$97.7 million for FY 2005, up from \$82.8 million in FY 2004. Since NVTC is receiving a total of \$81.4 million, the shortfall exceeds that actual total by 20 percent, or stated another way, the actual amount is only 45 percent of the total amount for which NVTC is eligible.

NVTC and VRE did receive several discretionary grants from DRPT, including:

- \$114,000 for research on elderly mobility needs (95 percent match)
- \$24,700 for an NVTC intern (95 percent)
- \$22,800 for a VRE intern (95 percent)
- \$55,000 for Gainesville-Haymarket (50 percent)
- \$20,000 for WageWorks Passport (80 percent)

In addition, the Commonwealth Transportation Board provided \$6.2 million for VRE track leases from statewide Surface Transportation Program federal funds.

**TENTATIVE FY 2005 STATE CAPITAL AND OPERATING TRANSIT ASSISTANCE FROM THE MASS
TRANSIT TRUST FUND FOR NVTc SYSTEMS WITH FY 2004 COMPARISONS
(in millions)**

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

	FY 2005		FY 2004		Increase (Decrease) From 04 - 05 State Funds	FY 2005 Shortfall
	State Funds	Matching %	State Funds	Matching %		
CAPITAL						
WMATA	\$ 12.9	@38%	\$ 12.5	@40%	\$ 0.4	\$ (19.3)
Local	6.7	@38%	4.1	@40%	2.6	(10.1)
Subtotal	<u>19.6</u>		<u>16.6</u>		<u>3.0</u>	<u>(29.4)</u>
VRE	4.5	@38%	4.8	@40%	(0.3)	(7.7)
Subtotal	<u>24.1</u>		<u>21.4</u>		<u>2.7</u>	<u>(37.1)</u>
FTM/ADMIN						
WMATA/Local	51.7		49.4		2.3	(60.6)
VRE	5.6		5.8		(0.2)	-
Subtotal	<u>57.3</u>		<u>55.2</u>		<u>2.1</u>	<u>(60.6)</u>
COMBINED CAPITAL / FTM/ADMIN						
WMATA/Local	71.3		66.0		5.3	(90.0)
VRE	10.1		10.6		(0.5)	(7.7)
TOTAL	<u>\$ 81.4</u>		<u>\$ 76.6</u>		<u>\$ 4.8</u>	<u>\$ (97.7)</u>

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube

DATE: June 24, 2004

SUBJECT: NVTC By-Laws Amendment

As shown in the attachment, HB 1231 has placed into the Virginia Code several references to NVTC previously contained only in Acts of Assembly, altered NVTC's quorum requirements, redefined the number of votes required to take any action, added another member of the House of Delegates, and allowed electronic participation in NVTC's meetings by General Assembly members during General Assembly sessions. To conform to these legislative changes, NVTC's by-laws must be amended. To accomplish that, the proposed changes were discussed at NVTC's June 3rd meeting and can now be adopted at this meeting.

Accordingly, the commission is asked to approve the attached changes in NVTC's by-laws. The additions are shaded. The duties of the executive committee, although not addressed in HB 1231, would also be expanded in the by-laws to conform to current practice.

614 § 10.1-1325. Small Business Environmental Compliance Advisory Panel created; membership; terms;
615 compensation and expenses.

616 The Small Business Environmental Compliance Advisory ~~Board~~ *Panel (the "Panel")* is hereby
617 ~~created~~ *established as an advisory panel in the executive branch of state government.* It shall be
618 composed of seven members appointed for four years or until their successors have been appointed. ~~Any~~
619 ~~vacancy should be filled for the duration of the term. Vacancies occurring other than by expiration of a~~
620 ~~term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original~~
621 ~~appointments.~~ Appointments shall be made in compliance with the Clean Air Act pursuant to 42 U.S.C.
622 7661f, as amended, as follows:

623 1. Two members, who are not owners, or representatives of owners, of small business stationary
624 sources, appointed by the Governor to represent the general public;

625 2. Two members appointed by the House of Delegates who are owners, or who represent owners, of
626 small business stationary sources (one member each by the Speaker of the House of Delegates and
627 Minority Leader of the House of Delegates);

628 3. Two members appointed by the Senate who are owners, or who represent owners, of small
629 business stationary sources (one member each by the Majority and Minority Leaders of the Senate); and

630 4. One member appointed by the Executive Director.

631 *Members of Panel shall receive no compensation for their service, but shall be entitled to*
632 *reimbursement for all reasonable and necessary expenses incurred in the performance of their duties as*
633 *provided in §§ 2.2-2813 and 2.2-2825. The costs of expenses of the members shall be paid from such*
634 *funds as may be available under Subchapter V (42 U.S.C. 7661 et seq.) of the Clean Air Act, as*
635 *amended.*

636 § 15.2-4503.1. Northern Virginia Transportation District and Commission.

637 *There is hereby created the Northern Virginia Transportation District comprised of the Counties of*
638 *Arlington, Fairfax, Loudoun, and the Cities of Alexandria, Falls Church, and Fairfax and such other*
639 *county or city contiguous to the District that agrees to join the District.*

640 *There is hereby established the Northern Virginia Transportation Commission (the "Commission") as*
641 *a transportation commission pursuant to this chapter. The Commission shall consist of five*
642 *nonlegislative citizen members from Fairfax County, three nonlegislative citizen members from Arlington*
643 *County; one nonlegislative citizen member from the County of Loudoun, two nonlegislative citizen*
644 *members from the City of Alexandria, one nonlegislative member from the City of Falls Church, one*
645 *nonlegislative citizen member from the City of Fairfax, and the Chairman of the Commonwealth*
646 *Transportation Board or his designee to serve ex officio with voting privileges. If a county or city*
647 *contiguous to the District agrees to join the District, such jurisdiction shall appoint one nonlegislative*
648 *citizen member to the Commission. Members from the respective counties and cities shall be appointed*
649 *from their governing bodies. The Commission shall also include four members of the House of*
650 *Delegates appointed by the Speaker of the House of Delegates for terms coincident with their terms of*
651 *office and two members of the Senate appointed by the Senate Committee on Rules for terms coincident*
652 *with their terms of office. Members may be reappointed for successive terms. All members shall be*
653 *citizens of the Commonwealth. Except for the Chairman of the Commonwealth Transportation Board or*
654 *his designee, all members of the Commission shall be residents of the localities comprising the*
655 *Transportation District. Vacancies occurring other than by expiration of a term shall be filled for the*
656 *unexpired term. Vacancies shall be filled in the same manner as the original appointments*

657 § 15.2-4507. Members of transportation district commissions.

658 A. ~~The~~ *Any transportation district* commission *created* shall consist of the number of members the
659 component governments shall from time to time agree upon, or as may otherwise be provided by law.
660 The governing body of each participating county and city shall appoint from among its members the
661 number of commissioners to which the county or city is entitled; however, for those commissions with
662 powers as set forth in subsection A of § 15.2-4515, the governing body of each participating county or
663 city is not limited to appointing commissioners from among its members. In addition, the governing
664 body may appoint from its number or otherwise, designated alternate members for those appointed to the
665 commission who shall be able to exercise all of the powers and duties of a commission member when
666 the regular member is absent from commission meetings. Each such appointee shall serve at the pleasure
667 of the appointing body; however, no appointee to a commission with powers as set forth in subsection B
668 of § 15.2-4515 may continue to serve when he is no longer a member of the appointing body. Each
669 governing body shall inform the commission of its appointments to and removals from the commission
670 by delivering to the commission a certified copy of the resolution making the appointment or causing
671 the removal.

672 In the case of a transportation district, *commonly known as the Potomac and Rappahannock*
673 *Transportation Commission*, which was established on or after July 1, 1986, and which includes more
674 than one jurisdiction located within the Washington, D.C., metropolitan area, ~~the~~ *such* commission shall

§ 15.2-4512. Quorum and action by commission.

A majority of the commission, which majority shall include at least one commissioner from a majority of the component governments, shall constitute a quorum. *Members of the commission who are members of the General Assembly shall not be counted in determining a quorum while the General Assembly is in session.* The Chairman of the Commonwealth Transportation Board or his designee may be included for the purposes of constituting a quorum. The presence of a quorum and a vote of the majority of the members ~~present,~~ *necessary to constitute a quorum of all the members appointed to the commission,* including an affirmative vote from a majority of the jurisdictions represented, shall be necessary to take any action. *Notwithstanding the provisions of § 2.2-3708, members of the General Assembly may participate in the meetings of the commission through electronic communications while the General Assembly is in session.*

8. Line 1923, engrossed, after House

insert

~~one each from~~ *of Delegates*

Respectfully submitted,

Delegate H. Morgan Griffith

Delegate Leo C. Wardrup, Jr.

Delegate Vivian E. Watts

Conferees on the part of the House

Senator Mary Margaret Whipple

Senator William C. Mims

Senator Emmett W. Hanger, Jr.

Conferees on the part of the Senate

Legislative Information System

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
BY-LAWS

Adopted 3 Mar. 66
Revised 4 Aug. 66
Revised 9 Jan. 69
Revised 5 Jun. 75
Revised 6 May. 81
Revised 11 Jul. 85
Revised 3 Oct. 85
Revised 3 Jan. 90
Revised 1 Mar. 90
Revised 1 Jul. 04

1. PARTICIPATING GOVERNMENTS

A. The following local governments, comprising the Northern Virginia Transportation District (Section 15.2-4503.1 of the Virginia Code) are eligible to participate in the Northern Virginia Transportation Commission, with representatives as noted:

- (1) Fairfax County --Five members
- (2) Arlington County --Three members
- (3) City of Alexandria --Two members
- (4) City of Fairfax--One member
- (5) City of Falls Church --One member
- (6) Loudoun County* --One member

B. In addition, the chairman of the Commonwealth Transportation Board designates one ex officio member of the commission.

* Loudoun County's membership is governed by the terms of an agreement dated December 14, 1989 between NVTC and the county.

- C. The General Assembly of Virginia is represented by two senators and four delegates.
- D. Additional counties and cities may be added to the transportation district and shall appoint one representative.

2. MEETINGS

A. Regular Public Meetings

Regular public meetings will be held on the first Thursday night of each month unless two thirds of the members shall consent to an alternate date. If the meeting night occurs on a holiday, the commission shall designate a substitute night as a matter of business during a prior meeting.

B. Quorum and Action by Commission

Section 15.2-4512 of the Virginia Code stipulates the requirements of a quorum and action by the commission. A quorum requires eleven members including individuals representing four jurisdictions. However, while the General Assembly is in session, NVTC's General Assembly members shall not be counted in determining a quorum. General Assembly members on the commission represent the Commonwealth of Virginia and not the jurisdictions from which they are elected. The presence of a quorum and a vote of the majority of the members necessary to constitute a quorum of all the members appointed to the commission, including an affirmative vote from at least one commissioner from a majority of the jurisdictions represented at the meeting, shall be necessary to take any action.

Notwithstanding the provisions of Section 2.2-3708, members of the General Assembly may participate in the meetings of the commission through electronic communications while the General Assembly is in session.

3. RULES OF PROCEDURE

Robert's Rules, as amended shall apply.

4. OFFICERS

- A. The officers of the commission shall be elected from the membership of the commission and shall serve terms of one year, or until their successors are elected, and may succeed themselves.
- B. The officers and their duties shall be as follows:
 - (1) Chairman: The chairman presides at meetings of the commission, represents the commission before the United States Congress, the Virginia Assembly, and other commissions, and is the commission's spokesman in matters of policy.
 - (2) Vice Chairman: The vice chairman shall, in the absence or disability of the chairman, perform the duties and exercise the powers of the chairman.
 - (3) Secretary-Treasurer: The secretary-treasurer shall monitor the financial administration of the commission including the funds and investment of funds and securities of the commission and monitor

financial records and the issuance of such reports as required by law, i.e., annual audit and other financial statements as determined by the commission. At least quarterly he or she shall present reports of the financial condition of the commission, giving the status and basis for all investments and of all money and other valuable effects in the name or in the credit of the commission.

- C. Election of the officers shall take place annually at the January meeting of the commission, and the officers shall serve until their successors are duly elected. Notice of meeting must state that election of officers will be a matter of business at the meeting.

5. EMPLOYEES

- A. The Commission shall employ an executive director who shall hire and direct such other employees as may be necessary to perform the functions of the commission.
- B. The duties, qualifications, terms, compensation and related benefits of employees shall be prescribed in Personnel Policies as adopted and amended from time to time by the commission.

6. ACCOUNTS AND RECORDS

- A. The Virginia Code stipulates the types of records to be maintained by the commission.
- B. The annual report of the commission shall be for the fiscal year period.

- C. The official minutes of the commission shall be in the custody of the executive director of the commission who shall certify copies and abstracts of the minutes when required.

7. BONDING OF COMMISSIONERS AND EMPLOYEES

- A. The commission shall secure a public official bond for the faithful performance of duties in the amount of:

- (1) \$5,000 for each member of the commission except the secretary-treasurer:
- (2) \$25,000 for the secretary treasurer.

The bonds shall be filed with and preserved by the Comptroller of the Commonwealth.

- B. The commission shall secure a fidelity bond for the faithful performance of duties in the amount of:

- (1) \$1,000,000 for the executive director; and
- (2) As directed for other members of the commission staff and officers as appropriate. The executive director's and staff bonds will be held by the commission.

8. FINANCES

- A. Fiscal Year

The fiscal year shall begin the first day of July in each year.

- B. Budget

- (1) The executive director shall submit a proposed budget for the succeeding fiscal year during the month of January.
- (2) The budget approved by the executive committee shall be submitted to the commission at its February meeting. The notice of this meeting must state that the budget for the coming fiscal year is to be a matter of business at the meeting.
- (3) The administrative expenses of the commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component governments on the basis of the relative shares of state and federal transit aids allocated by the commission among its component governments.

C. Audit

The books of the commission shall be audited by a certified public accountant or accountants, and the audit report shall be included in the annual report.

9. COMMITTEES

A. Executive Committee

- (1) Membership: There shall be an executive committee consisting of the chairman, the immediate past chairman if still a member of the commission, the vice chairman, the secretary-treasurer, both of the commission's WMATA representatives and one member of the General Assembly. The legislative commissioner on the executive

committee shall be appointed by the senior member of the legislative commissioners in point of service in the General Assembly.

- (2) Duties: The executive committee shall:
- (a) Review the work program of the commission and advise the executive director on activities within policies set by the commission.
 - (b) Identify and present to the commission policy issues related to transportation improvements and the administration of NVTC.
 - (c) Review the current administration of the commission including the expenditure and investment of commission funds. Information on these matters shall continue to be provided at least quarterly to the commission.
 - (d) Consider and make recommendations to the commission on the substantive program areas for commission activity and for the establishment and disestablishment of subcommittees required for each activity.
 - (e) Regularly report its deliberations to the commission.
 - (f) Regularly review the performance of the executive director.
 - (g) Function as an audit committee by reviewing periodic financial reports, responding to recommendations from NVTC's auditors and meeting with those auditors as needed.

B. Other Committees

The commission shall, at its organizational meeting, or thereafter, establish such committees as it deems appropriate. Such committees shall continue throughout the calendar year unless dissolved. The chairman of the commission shall designate the chairman and membership of each such committee.

10. AMENDMENT TO BY-LAWS

- A. The By-Laws may be altered or amended by the presentation of such proposed alterations or amendments at one meeting with explanations of the proposed changes. Action on the proposed changes shall be taken at the following or subsequent meetings. Notice of proposed action to amend the By-Laws shall be included in the meeting notice.
- B. The enactment of a change of the By-Laws requires a majority vote of the full commission.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Jana Lynott
DATE: June 24, 2004
SUBJECT: Contract Award for Update of the Northern Virginia Transportation Plan

The Northern Virginia Transportation Authority (NVTA) has asked NVTC to procure a consulting team to update the existing Northern Virginia 2020 Transportation Plan, using Regional Surface Transportation Program funds. Three proposals were received in response to NVTC's request and interviews were conducted on June 18, 2004 with each team by a panel of local, regional and state agency staff. That selection panel has ranked the firms using the criteria listed in the RFP and recommends award of contract to the top-ranked team headed by BMI-SG of Vienna, Virginia. Other team members include Kittleson & Associates, Inc. of Baltimore; Burgess & Niple, Ltd. of Chantilly, Virginia; Tricord, Inc. of Leesburg, Virginia; and Travesky & Associates, Ltd. of Fairfax.

NVTC is asked to authorize its executive director to:

- 1) Begin to negotiate a contract within the parameters specified in the RFP at a cost not to exceed \$900,000 with the designated contact person for the top-ranked team;
- 2) Notify NVTA of the commission's action and request that NVTA ratify the commission's selection;
- 3) Request that NVTA authorize NVTC's executive director to execute a contract with the top-ranked team, or if unsuccessful, to negotiate and execute a contract with one of the remaining two teams in the order specified by the selection panel;
- 4) Request that NVTA authorize NVTC's executive director to issue the notice to proceed as soon after the execution of the contract as the project has been incorporated into the State Transportation Improvement Plan by VDOT and RSTP funds are released for that purpose by DRPT.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: June 24, 2004
SUBJECT: FTA Cancelled Grant for SmarTrip Consulting

The Federal Transit Administration has provided notice received by NVTC staff on June 9, 2004 that it had cancelled (effective June 7) NVTC's \$200,000 federal grant for SmarTrip technical consulting. Those funds, with about \$100,000 remaining, have been supporting work by IBI Group, Inc. on behalf of six local bus systems and VRE to integrate SmarTrip fare collection.

Material is attached that includes FTA's letter, NVTC's staff response, the federal grant award, IBI's scope of work and the statute cited by FTA in revoking the grant. Legal counsel confirms that the statute cited by FTA does not compel its action; FTA headquarters acted on its own discretion and without consultation or warning to those affected by its unexpected action.

The reasons to ask FTA to reconsider are included in the NVTC staff response. Staff will provide a status report and if the matter is still unresolved, the commission will be asked to help approach the Northern Virginia congressional delegation to seek support for NVTC's position.

June 21, 2004

Barbara A. Sisson
Associate Administrator for Research,
Demonstration and Innovation
Federal Transit Administration
400 7th Street S.W.
Washington D.C. 20590

Dear Ms. Sisson:

I am responding to your letter received June 9, 2004 canceling NVTC's regional smartcard fare integration grant (FTA grant VA-26-7009) effective June 7, 2004.

In your letter you stated that "...many other regions have begun fare integration projects and raw data having nationwide significance is now less likely to emerge upon completion of NVTC's project. Therefore, from a research perspective, while it may continue to have strong regional value, the project no longer qualifies for funding authorized for 49 U.S.C. Sec. 5314 (a)."

NVTC's Project is on the Cutting Edge of Fare Integration Projects Nationwide

NVTC has always enjoyed a very productive relationship with FTA. While we are certain you and your staff acted with the best intentions, after consultation with our legal counsel we firmly believe that your decision is not mandated by 49 U.S.C. § 5314 (a). NVTC has obligated all the funds in an ongoing contract with IBI Group, Inc. These consultants are providing needed technical expertise as we reach the most critical phase of this region's fare integration.

Ms. Barbara A. Sisson
June 21, 2004
Page 2

We believe that if you were to read the scope of work for the project and speak to some of the representatives of the participating transit systems, you would learn that the project is in fact on the cutting edge of smartcard fare integration projects nationwide. As explained in more detail below, our project affects the integration of 17 transit systems in two states and the District of Columbia, including bus, subway and commuter rail, using software that is untested. The specifications for these fareboxes cover five volumes and hundreds of pages of detailed technical material.

Further, as the real-world complexities of this regionwide installation project have surfaced, the scope of deliverables has evolved to reflect an entirely different software product. Interfaces with a unique data network consolidator (which does not exist in any other location), with automated vehicle locator systems and with a regional clearinghouse are also still being developed and tested for implementation here within the next few months. Our consulting contract also is assisting our Northern Virginia transit systems with developing effective driver and maintenance training materials for these new technologies, which will also be of great interest to other transit systems nationwide.

Terminating the Project will Seriously Damage NVTC's Ability to Pursue its Mission

The sudden cancellation of this project by FTA and removal of funding that NVTC has entirely obligated will harm NVTC's ability to contract for research, demonstration, planning and other vital services. NVTC has never before terminated a contract for failure to appropriate. It is not an action NVTC can take lightly as we intend to continue our important mission of assisting our six Northern Virginia member jurisdictions in providing balanced transportation networks to fight traffic congestion and restore clean air for over 1.5 million citizens in our district.

Reasons for FTA to Reconsider

We ask that you reconsider your decision, so that we can continue the vital work funded by this grant without further disruption. These are the reasons:

- 1) The work supported by the grant is ongoing, with NVTC's consultant, IBI Group, actively assisting six Northern Virginia bus systems plus the Virginia Railway Express commuter rail system with the testing, installation and integration of 375 fareboxes containing Nextfare IV software from Cubic Transportation Systems, Inc. This software is beginning in-service qualification testing and is not yet in service anywhere in the world. NVTC's experiences in this multi-state and multi-modal environment in accommodating state-of-the-art fare integration software appear to be entirely consistent with the precepts of 49 U.S. C. § 5314 (a) and are of significance to the several other transit systems in the United States that have ordered this software but as of yet are unable to install it.
- 2) The project is active, with 11 billings to FTA already in FY 2004.
- 3) Of the original \$200,000 federal grant, only approximately \$100,000 remains.
- 4) Given the technical difficulties inherent in a regional fare integration of this size and scope (providing seamless fare integration for 17 different transit providers spread across the Northern Virginia suburbs, D.C. and the entire state of Maryland) NVTC has just negotiated an expansion of the IBI Group scope of work with funding from the Virginia Department of Rail and Public Transportation. This provides \$36,700 overmatch to leverage the original federal grant and illustrates the timeliness and importance of the work supported by this grant. NVTC had previously added \$34,000 of the state funding to include Loudoun County in the project.

- 5) We are aware of no consultation with ourselves or your district staff. No advance notice was provided by FTA that you were considering such an action. Receipt of the cancellation notice after the effective date would appear to be highly unusual. We are aware of no other example in which an active FTA grant was canceled in mid-stream during its most productive phase without notice or consultation. There are no circumstances that, in our view, justify such an extraordinary action by FTA in this case.
- 6) The potential effect of your decision is to disrupt the implementation of NVTC's entire \$5 million farebox project and the \$120 million WMATA/MTA regional integration project (plus the \$36 million WMATA regional customer service center). This is because -- as you are aware -- integration of technologies across geographic and political boundaries poses a particularly daunting challenge. When one funding partner suddenly withdraws it is impossible to restore the missing funds at least until the next budget cycle (in this case FY 2006). And yet, now is the critical stage for installation. By FY 2006, the fareboxes must be in place and functioning and they cannot be installed in Northern Virginia without the technical expertise for which NVTC contracted in good faith with IBI Group.
- 7) Your letter refers to procedures to discontinue work under the existing contract, and pay costs that cannot be avoided. Your staff advised us to hire a lawyer for this purpose. Clearly, the staff time and legal expense for NVTC to engage in such negotiations are an unwelcome distraction at the most crucial phase of the farebox installation project. Sinking \$100,000 of federal funds into a research project and then pulling out just as the project is coming to fruition is highly unusual. While NVTC might be able to terminate the IBI contract for non-appropriation of funds and thereby return a small portion of the remaining federal funds to FTA, to do so would severely damage NVTC's ability to contract for similar projects in the future. We take this threat to our reputation very seriously.

Ms. Barbara A. Sisson
June 21, 2004
Page 5

We urge you to consider these facts in re-examining your decision. Feel free to contact me with any questions or for further information about our request.

Sincerely,

Richard K. Taube
Executive Director



U.S. Department
of Transportation
**Federal Transit
Administration**

Headquarters

400 Seventh St., S.W.
Washington, D.C. 20590

JUN - 4 2004

RECEIVED JUN 0 9 2004

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

Dear Mr. Taube:

I am writing to inform you that Federal Transit Administration (FTA) is terminating the Cooperative Agreement between FTA and the Northern Virginia Transportation Commission (NVTC), consistent with provisions in the Master Agreement governing the project (see Enclosure 1). The Cooperative Agreement has funded NVTC's regional fare integration project (FTA grant VA-26-7009). This termination will become effective June 7, 2004.

A total of \$200,000 in FTA National Planning and Research Program funds (49 U.S.C. § 5314(a)) was awarded for this project in 1996. According to FTA's records, the project has a remaining balance of over \$100,000.

FTA's National Planning and Research Program funds are very limited, and FTA frequently works to advance initiatives with nationwide applicability. The regional fare integration project supported this purpose at the time the Cooperative Agreement was awarded in 1996. At that time, few projects existed to integrate transit fare systems. However, in the 7 years since, many other regions have begun fare integration projects and new data having nationwide significance is now less likely to emerge upon completion of NVTC's project. Therefore, from a research perspective, while it may continue to have strong regional value, the project no longer qualifies for funding authorized for 49 U.S.C. § 5314(a).

Please undertake the necessary actions to immediately close this Cooperative Agreement. The Office of Management and Budget (OMB) Circular A-87, which applies to NVTC, has recently been amended to add new cost provisions for terminations at Attachment B, section 41 (see Enclosure 2). Please prepare and submit a final voucher consistent with those cost principles. With the final voucher, please include an explanation of the need to support any project expenses previously incurred by NVTC that cannot be canceled or otherwise mitigated. Costs that comply with the standards of OMB Circular A-87 will be allowable.

Please reply in writing within 30 days, stating the remaining balance of funds. Should you have any questions, please contact me at 202-366-4052.

Sincerely,



Barbara A. Sisson

Associate Administrator for Research,
Demonstration and Innovation

Enclosures

cc:

Robert D. Jamison, FTA Deputy Administrator

Herman C. Shipman, FTA Region 3

Brian Glenn, Washington Metro Office, FTA Region 3

Enclosure 1

FTA's authority to terminate Federal assistance for this project is set forth in Section 10 of Master Agreement, Form FTA MA(2), October 1, 1995, which is incorporated by reference and made part of Cooperative Agreement No. VA-26-7009. Section 10 states in pertinent part as follows:

Section 10. Right of the Federal Government to Terminate. The Recipient agrees as follows:

Upon written notice, the Recipient agrees that the Federal Government may suspend or terminate all or part of the Federal financial assistance provided herein if the Federal Government determines that the purposes of the statute under which the Project is authorized would not be adequately served by continuation of Federal financial assistance for the Project. In general, termination of any Federal financial assistance for the Grant Agreement or Cooperative Agreement will not invalidate obligations properly incurred by the Recipient and concurred in by the Federal Government before the termination date, to the extent those obligations cannot be canceled.

Enclosure 2

Excerpts from

NOTICES

OFFICE OF MANAGEMENT AND BUDGET

Cost Principles for Educational Institutions; State, Local, and Indian Tribal Governments; and Non-Profit Organizations

69 FR 25969 *et seq.*, Monday, May 10, 2004

ACTION: Revisions to OMB Circulars A-21, A-87 and A-122.

We amend Circulars A-21, A-87 and A-122 under the following three headings:

- A. Amendments to Circular A-21.
- B. Amendments to Circular A-87.
- C. Amendments to Circular A-122.

* * * * *

B. Amendments to Circular A-87

22. Attachment B, section 41 is revised to read as follows:

41. Termination costs applicable to Federal awards. Termination of awards generally gives rise to the incurrence of costs, or the need for special treatment of costs, which would not have arisen had the Federal award not been terminated. Cost principles covering these items are set forth below. They are to be used in conjunction with the other provisions of this Circular in termination situations.
- a. The cost of items reasonably usable on the governmental unit's other work shall not be allowable unless the governmental unit submits evidence that it would not retain such items at cost without sustaining a loss. In deciding whether such items are reasonably usable on other work of the governmental unit, the awarding agency should consider the governmental unit's plans and orders for current and scheduled activity.

Contemporaneous purchases of common items by the governmental unit shall be regarded as evidence that such items are reasonably usable on the governmental unit's other work. Any acceptance of common items as allocable to the terminated portion of the Federal award shall be limited to the extent that the quantities of such items on hand, in transit, and on order are in excess of the reasonable quantitative requirements of other work.

- b. If in a particular case, despite all reasonable efforts by the governmental unit, certain costs cannot be discontinued immediately after the effective date of termination, such costs are generally allowable within the limitations set forth in this Circular, except that any such costs continuing after termination due to the negligent or willful failure of the governmental unit to discontinue such costs shall be unallowable.
- c. Loss of useful value of special tooling, machinery, and equipment is generally allowable if:
 - (1) Such special tooling, special machinery, or equipment is not reasonably capable of use in the other work of the governmental unit,
 - (2) The interest of the Federal Government is protected by transfer of title or by other means deemed appropriate by the awarding agency, and
 - (3) The loss of useful value for any one terminated Federal award is limited to that portion of the acquisition cost which bears the same ratio to the total acquisition cost as the terminated portion of the Federal award bears to the entire terminated Federal award and other Federal awards for which the special tooling, machinery, or equipment was acquired.
- d. Rental costs under unexpired leases are generally allowable where clearly shown to have been reasonably necessary for the performance of the terminated Federal award less the residual value of such leases, if:
 - (1) the amount of such rental claimed does not exceed the reasonable use value of the property leased for the period of the Federal award and such further period as may be reasonable, and
 - (2) the governmental unit makes all reasonable efforts to terminate, assign, settle, or otherwise reduce the cost of such lease. There also may be included the cost of alterations of such leased property, provided such alterations were necessary for the performance of the Federal award, and of reasonable restoration required by the provisions of the lease.

- e. Settlement expenses including the following are generally allowable:
- (1) Accounting, legal, clerical, and similar costs reasonably necessary for:
 - (a) The preparation and presentation to the awarding agency of settlement claims and supporting data with respect to the terminated portion of the Federal award, unless the termination is for default (see section--.44 of the Grants Management Common Rule implementing OMB Circular A-102 [49 C.F.R. 18.44]); and
 - (b) The termination and settlement of subawards.
 - (2) Reasonable costs for the storage, transportation, protection, and disposition of property provided by the Federal Government or acquired or produced for the Federal award, except when grantees or contractors are reimbursed for disposals at a predetermined amount in accordance with sections--.31 and --.32 of the *Grants Management Common Rule implementing OMB Circular A-102 [49 C.F.R. 18.31 and 18.32].
- f. Claims under subawards, including the allocable portion of claims which are common to the Federal award, and to other work of the governmental unit are generally allowable.

An appropriate share of the governmental unit's indirect expense may be allocated to the amount of settlements with subcontractors and/or subgrantees, provided that the amount allocated is otherwise consistent with the basic guidelines contained in Attachment A. The indirect expense so allocated shall exclude the same and similar costs claimed directly or indirectly as settlement expenses.



20.514 Transit Planning and Research

(National Planning and Research Programs)

FEDERAL AGENCY:

FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

AUTHORIZATION:

49 U.S.C. 5314(a).

OBJECTIVES:

(1) To foster innovation in public transit systems, through local demonstrations of promising, but risky, new technologies and service or operational concepts to provide information that can be used nationally, wherever sound decisions are needed on how best to improve service or reduce costs. The National Program emphasizes advanced technology applications which complement private sector R&D, enhancing the vitality, competitiveness and responsiveness of America's industrial base so that it can better serve domestic needs and foster export markets. (2) To address economic and social issues resulting from human impacts on the environment, and develop risk assessment methodologies, integrated assessments, and other analytical tools for effective policy formulation. The program provides funds for assessing and improving local transportation conditions through innovative planning tools, assessing the condition of the transit industry, and providing technical support in safety, security, and drug and alcohol control. (3) To develop practical know-how for solving fundamental industry-wide problems, such as how to accommodate the travel needs of persons with disabilities, how to reduce the cost of transit infrastructure construction and maintenance, and how to meet requirements of the Clean Air Act, and (4) To support development of information and technical assistance to convey results of research, technology development and innovative demonstrations for adaptation and local implementation.

TYPES OF ASSISTANCE:

Project Grants; Dissemination of Technical Information; Training.

USES AND USE RESTRICTIONS:

This program includes several types of projects, including research, development, demonstration and training projects (49 U.S.C., Section 5312), planning studies (49

U.S.C., Section 5303(g), and human resource programs (49 U.S.C., Section 5322).

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Grants and cooperative agreements: Public bodies, nonprofit institutions, State and local agencies, universities, and legally constituted public agencies and operators of public transportation services, and private for-profit organizations.

Beneficiary Eligibility: State and local governments, transit agencies, private organizations, profit organizations, nonprofit organizations, and universities.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Although applications for research, development and demonstration projects may be submitted at any time, potential applicants are encouraged to communicate with FTA before submitting formal applications. The initial contact may be by telephone, by submitting a written outline, or by personally meeting with appropriate FTA Headquarters staff. This preliminary contact will serve to: (1) establish a base for communication between FTA and the applicants; (2) determine the a applicant's eligibility; (3) eliminate any proposal which have little or no chance for Federal funding before applicants incur expenditures involved in proposal preparation; and (4) determine funding available and conformance to FTA policy and program objectives. This program is eligible for coverage under E.O. 12372, "Intergovernmental Review of Federal Programs." An applicant should consult the office or official designated as the single point of contact in their State for more information on the process the State requires in applying for assistance if the State has selected the program for review. The standard application forms as furnished by the Federal agency and required by 49 CFR Part 18 or 49 CFR Part 19 must be used for this program.

Application Procedure: Potential applicants should follow guidance found in FTA Circular 6100.1C, "Transit Research and Technology Programs: Application and Program Management Guidelines." This Circular may be obtained from the Office of Research, Demonstration and Innovation, Federal Transit Administration (TRI-1) Room 9401, 400 Seventh Street, SW., Washington, DC 20590. This program is subject to the provisions of 49 CFR Part 18 for State and local governments and 49 CFR Part 19 for universities and private nonprofit organizations.

Award Procedure: The Administrator, Federal Transit Administration, makes the final decision to approve a project. An FTA grant or cooperative agreement award obligating Federal funds is reflected in a grant agreement or cooperative agreement. To access funds, the recipient must execute the grant agreement or cooperative agreement.

Deadlines: No fixed or standard deadlines for research, development, and demonstration projects.

Range of Approval/Disapproval Time: Varies.

Appeals: Not applicable.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Research, development, and demonstration projects: FTA encourages cost-sharing by performing organizations to the extent feasible and equitable. Cost-sharing is not a prerequisite to funding. However, it is actively considered in the evaluation of proposals. The amount of such sharing is determined by mutual agreement between FTA and the recipient. More weight is given to programs with a greater local share and proposals with cash contributions than to in-kind contributions.

Length and Time Phasing of Assistance: Varies with the complexity of the project.

POST ASSISTANCE REQUIREMENTS:

Reports: (1) Quarterly financial; (2) quarterly or monthly progress; and (3) interim and final. Electronic filing is preferred.

Audits: In accordance with the provisions of OMB Circular No. A-133, "Audits of State and Local Governments and Nonprofit Organizations," nonfederal entities (including universities) that expend \$500,000 or more in a year in Federal awards shall have a single or program specific audit conducted for that year. Nonfederal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements for that year with certain exceptions as stated in OMB Circular No. A-133. For direct procurement contracts, audits will be conducted in accordance with the Federal Acquisition Regulations.

Records: Grant recipients shall retain records for 3 years following submission of a final expenditure report, pending resolution of audit findings, all project contracts documents, financial records, and supporting records.

FINANCIAL INFORMATION:

Account Identification: 69-1137-0-1-401.

Obligations: (Transit Planning and Research Grants and Contracts) FY 02 \$31,428,000; FY 03 est \$33,317,000; and FY 04 est \$43,750,000.

Range and Average of Financial Assistance: None established.

PROGRAM ACCOMPLISHMENTS:

(1) FTA initiated the Bus Rapid Transit Demonstration Program integrating vehicle technology, Intelligent Transportation Systems (ITS), coordinated services, traffic engineering enhancements, and innovative urban design. Seventeen cities have formed a BRT consortium to share ideas and experience in implementing BRT. (2) The Advanced Technology Transit Bus (ATTB) test vehicle was successfully developed and tested. This revolutionary low-floor, light-weight, easily accessible bus features low-emission propulsion. (3) FTA, working with an industry committee (natural gas suppliers and transit operators) produced a detailed technical guideline document defining basic safety requirements for fueling facilities, vehicles, bus garages and storage areas. (4) Four-quadrant gates linked to a vehicle detection system are being demonstrated on a commuter-rail highway grade crossing in the Boston area to prevent motorists from attempting to drive around closed crossing gates. (5) Project ACTION (Accessible Community Transportation in Our Nation) has implemented accessible transportation initiatives, made national presentations on accessible transportation and distributed

thousands of copies of "how-to" publications. (6) The JobLinks program provided Welfare-to-Work pilot demonstrations, evaluations and technical assistance that were instrumental in designing the Job Access and Reverse Commute Program enacted in TEA-21. (7) In collaboration with the Federal Highway Administration, FTA published a 3-volume guidance manual on developing and implementing Transportation Demand Management (TDM) measures and developed and tested a pilot training course on TDM. (8) FTA prepared and disseminated descriptions of FTA Research and Technology programs and projects and annotated bibliographies of recent technical reports related to transit; these are available on the FTA Research and Technology website: <http://www.fta.dot.gov/research/info/info.htm>.

REGULATIONS, GUIDELINES, AND LITERATURE:

Fiscal Year 2003 Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements; Notice, published October 23, 2002. For other fiscal years, contact the FTA Office of Research Demonstration and Innovation to obtain the publication dates. FTA website www.fta.dot.gov/library/legal. Other information will be made available upon request.

INFORMATION CONTACTS:

Regional or Local Office: None.

Headquarters Office: Associate Administrator for Research, Demonstration and Innovation (TRI-1), Federal Transit Administration, Department of Transportation, 400 Seventh Street, SW., Room 9401, Washington, DC 20590. Telephone: (202) 366-4052. Henry Nejako, Office of Research, Demonstration and Innovation, (202) 366-0184.

Web Site Address: <http://www.fta.dot.gov/research>

RELATED PROGRAMS:

20.500, Federal Transit Capital Investment Grants; 20.507, Federal Transit Formula Grants; 20.515, State Planning and Research;

EXAMPLES OF FUNDED PROJECTS:

Nearly all projects funded in recent years were at the direction of the Congress under the Transportation Equity Act for the 21st Century (TEA-21) or annual appropriations acts. Most projects funded in recent years were at the direction of the Congress under annual appropriation actions. Projects funded during FY 2002 included: (1) Transit safety and Security Statistics; (2) Transis Safety and Security Training; (3) National Bus Rapid Transit Institute; (4) Evaluation Assistance for Bus Rapid Transit; (5) Electric Transit Vehicle Institute; (6) Santa Barbara Electric Transportation Institute; (7) Pittsfield, Massachusetts Electric Bus Program; (8) Center for Composites Manufacturing; (9) Zinc-Air Battery Development; (10) Joblinks; (11) North Dakota State University Transit Center for Small Urban Ares; (12) Transit Conditions and Performance Analysis; (13) Hennepin County, Minnesota Community Transportation; (14) Easter Seals Project ACTION; (15) WestStart-CALSTART Clean Car Sharing and Mobility Program; Washington State Weststart-CALSTART Innovative Transit Vehicle.

CRITERIA FOR SELECTING PROPOSALS:

<http://www.cfda.gov/static/20514.htm>

Proposals must support the FTA Strategic Plan, available on the FTA Home Page of the Internet at <http://www.fta.dot.gov/library/intro/sp21cov.htm> and the FTA Research & Technology Five-Year Plan, available upon request (e-mail to research@fta.dot.gov). If a preliminary proposal is judged to meet program and funding availability, FTA will invite formal proposal submission or cooperative agreement application. Criteria for preliminary approval include: (1) compatibility with FTA Strategic Plan and R&T Five-Year Plan; (2) availability of funding; (3) potential for impact on the state-of-the-art from the viewpoint of innovation in transit technology, services and operations; (4) technical feasibility and potential for successful introduction into use in the transit industry; (5) background, experience, and demonstrated capabilities of the applicant; (6) partnerships with public and private organizations; (7) non-FTA funding match; and (8) other pertinent matters, such as geographic distribution of projects and questions of environmental and labor impact.

*General Services Administration
Office of Governmentwide Policy (M)
Office of Acquisition Policy (MV)
Regulatory and Federal Assistance Publication Division (MVA)*

[Search USC](#), [About Database](#), [Download USC](#), [Classification Tables](#), [Codification](#)



Go to 1st query term(s)

-CITE-

49 USC Sec. 5314

01/22/02

-EXPCITE-

TITLE 49 - TRANSPORTATION

SUBTITLE III - GENERAL AND INTERMODAL PROGRAMS

CHAPTER 53 - MASS TRANSPORTATION

-HEAD-

Sec. 5314. National planning and research programs

-STATUTE-

(a) Program. - (1) The amounts made available under subsections (d) and (h)(7) of section 5338 of this title are available to the Secretary of Transportation for grants and contracts for the purposes of sections 5303-5306, 5312, 5315, 5317, (FOOTNOTE 1) and 5322 of this title, as the Secretary considers appropriate.

(FOOTNOTE 1) See References in Text note below.

(2) Of the amounts made available under paragraph (1) of this subsection, the Secretary shall make available at least \$3,000,000 to provide mass transportation-related technical assistance, demonstration programs, research, public education, and other activities the Secretary considers appropriate to help mass transportation providers comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.). To the extent practicable, the Secretary shall carry out this paragraph through a contract with a national nonprofit organization serving individuals with disabilities that has a demonstrated capacity to carry out the activities.

(3) Not more than 25 percent of the amounts available under

-17-

paragraph (1) of this subsection is available to the Secretary for special demonstration initiatives, subject to terms the Secretary considers consistent with this chapter, except that section 5323(a)(1)(D) of this title applies to an operational grant financed in carrying out section 5312(a) of this title. For a nonrenewable grant of not more than \$100,000, the Secretary shall provide expedited procedures on complying with the requirements of this chapter.

(4)(A) The Secretary may undertake a program of mass transportation technology development in coordination with affected entities.

(B) The Secretary shall establish an Industry Technical Panel composed of representatives of transportation suppliers and operators and others involved in technology development. A majority of the Panel members shall represent the supply industry. The Panel shall assist the Secretary in identifying priority technology development areas and in establishing guidelines for project development, project cost sharing, and project execution.

(C) The Secretary shall develop guidelines for cost sharing in technology development projects financed under this paragraph. The guidelines shall be flexible and reflect the extent of technical risk, market risk, and anticipated supplier benefits and payback periods.

(5) The Secretary may use amounts appropriated under this subsection to supplement amounts available under section 5313(a) of this title, as the Secretary considers appropriate.

(b) Government's Share. - When there would be a clear and direct financial benefit to an entity under a grant or contract financed under subsection (a) of this section, the Secretary shall establish

a United States Government share consistent with the benefit.

-SOURCE-

(Pub. L. 103-272, Sec. 1(d), July 5, 1994, 108 Stat. 812; Pub. L. 105-178, title III, Sec. 3016, 3029(b)(6), June 9, 1998, 112 Stat. 361, 372.)

-MISC1-

Historical and Revision Notes

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5314(a)	49 App.:1622(b) (1)-(7).	July 9, 1964, Pub. L. 88-365, 78 Stat. 302, Sec. 26(b)(1)-(8) (related to this subsection); added Dec. 18, 1991, Pub. L. 102-240, Sec. 3030, 105 Stat. 2118.
5314(b)	49 App.:1622(b)(8) (related to this subsection).	

In subsection (a)(2), the word "subsection" in the source provision is translated as if it were "paragraph" to reflect the apparent intent of Congress.

In subsection (a)(3), the words "conditions, requirements, and provisions" are omitted as being included in "terms".

In subsection (a)(4)(C), the word "section" in the source

provision is translated as if it were ''paragraph'' to reflect the apparent intent of Congress.

-REFTEXT-

REFERENCES IN TEXT

Section 5317 of this title, referred to in subsec. (a)(1), was repealed by Pub. L. 105-178, title V, Sec. 5110(c), June 9, 1998, 112 Stat. 444.

The Americans with Disabilities Act of 1990, referred to in subsec. (a)(2), is Pub. L. 101-336, July 26, 1990, 104 Stat. 327, as amended, which is classified principally to chapter 126 (Sec. 12101 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of Title 42 and Tables.

-MISC2-

AMENDMENTS

1998 - Subsec. (a)(1). Pub. L. 105-178, Sec. 3029(b)(6), substituted ''subsections (d) and (h)(7) of section 5338'' for ''section 5338(g)(4)''.

Subsec. (a)(2). Pub. L. 105-178, Sec. 3016, substituted ''\$3,000,000'' for ''\$2,000,000''.

-SECRET-

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 5338 of this title.



[Search USC](#), [About Database](#), [Download USC](#), [Classification Tables](#), [Codification](#)



U.S. Department
of Transportation

**Federal Transit
Administration**

Administrator

400 Seventh St., S.W.
Washington, D.C. 20590

SEP 30 1996

Mr. Richard Taube
Executive Director
Northern Virginia Transportation Commission
4350 North Fairfax Drive
Suite 720
Arlington, VA 22203

Re: VA-26-7009

Dear Mr. Taube:

I am pleased to advise you that the application of the Northern Virginia Transportation Commission for a technical assistance grant has been approved as a cooperative agreement in the amount of \$200,000 for a project authorized by 49 U.S.C. Section 5314(a).

This cooperative agreement provides funding for the Northern Virginia Transportation Commission to design and evaluate a regional fare collection system. The project must be carried out as described in the application. We also request an in-depth quarterly report on major activities, potential problem areas, and any documents that will be prepared or generated in relation to this project.

Enclosed are four counterparts of a cooperative agreement awarded by the Federal Transit Administration, one copy of the Federal Transit Administration Master Agreement incorporated by reference into the cooperative agreement, two copies of the approved project budget, and related documents. Instructions for executing the cooperative agreement are enclosed. You may incur costs for this project as of the obligation date appearing on the second page of the Cooperative Agreement. Although your funding request has been approved, reimbursement cannot occur until these documents are executed.

If you have any questions about the enclosed materials, please contact Sean Ricketson at (202) 366-6678 at our Office of Research, Demonstration and Innovation in Washington, D.C.

Sincerely,


Gordon J. Linton

Enclosures

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION

COOPERATIVE AGREEMENT
(Form FTA C-2, October 1, 1995)

Upon execution by the Recipient of this Cooperative Agreement named below, the U.S. Department of Transportation, Federal Transit Administration (Federal Government or FTA) and the Recipient have entered into this Cooperative Agreement. This Cooperative Agreement covers the Project described below. In addition, the following documents are incorporated by reference and made part of this Cooperative Agreement:

- (1) "Federal Transit Administration Master Agreement," Form FTA MA(2), October 1, 1995; and
- (2) Any Award notification containing special conditions or requirements, if issued.

THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FINANCIAL ASSISTANCE IF THE RECIPIENT DOES NOT EXECUTE THIS COOPERATIVE AGREEMENT WITHIN 90 DAYS AFTER AWARD.

FTA HEREBY AWARDS FEDERAL ASSISTANCE AS FOLLOWS:

Project Number: VA-26-7009

Recipient of Cooperative Agreement: Northern Virginia Transportation Commission

City/State: Arlington, VA

Citation of Statute(s) Authorizing Project: 5312(a)

Estimated Project Cost: Two hundred and fifty thousand dollars (\$250,000)

Maximum Federal Funds Approved [Including All Amendments]: Two hundred thousand dollars (\$200,000)

Amount of This Federal Assistance Award: Two hundred thousand dollars (\$200,000)

Maximum Percentage(s) of Federal Participation: Eighty percent (80%)

Project Description: This project supports the efforts of the Northern Virginia Transportation Commission to design a Regional Fare System. The system will integrate the fare collection operations of separate commuter rail, bus, and metrorail operators. The project is in concert with the Washington Metropolitan Area Transportation Authority's decision to implement the recently demonstrated Go Card throughout Metrorail. Building on this successful demonstration, this project will show how advanced fare systems can be used to facilitate the integration of fare

systems of different transit operators. With passenger transfer rates between the participating operators of 30-40%, this site is well suited to demonstrate the benefits and passenger convenience of a seamless transportation system.

Federal Role:

FTA will actively participate in the project activities by attending review meetings, commenting on technical reports, maintaining frequent contact with the project manager, etc., and will participate in any redirection of activities if needed.

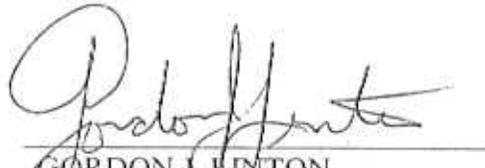
Recipient Role:

The Northern Virginia Transportation Commission will manage the project as outlined in the grant application, including conducting meetings; preparing technical, status and financial reports, and submitting the final project report.

Conditions of Award:

SEP 30 1996

OBLIGATION DATE



GORDON J. LINTON
ADMINISTRATOR

Revised Scope of Work – Farebox Procurement Support

LOCAL BUS SYSTEM PHASE

Task 1: Serve as Technical Representative for NVTC's Contract Officer

IBI Group will provide overall management and technical support to NVTC in the performance of the contract with CTS to provide 350 fareboxes and related garage revenue collection systems. Work in this task will include:

- Reviewing contractor progress with respect to contract milestones and evaluation of payments due
- Providing input to overall project schedule maintenance
- Participation in regional clearinghouse meetings to provide technical input based on the needs of NVTC partner agencies in terms of revenue management and settlement processes
- Reviewing and monitoring contractor performance with emphasis on quality assurance.
- Reviewing and responding to requests for technical information or resources by CTS.
- Developing periodic progress reports for NVTC and its regional transit system partners.
- Assistance in identifying need, developing requirements and negotiating the technical aspects of any potential change orders.
- Attendance at Regional Partners meetings
- Support on regional subcommittees to represent local agency interests, including participation in Operations Subcommittee and other committees at request of NVTC.
- Attendance at design review meetings and related workshops for regional activities including DNC (multiple phases), POS, and RCSC (multiple phases).
- Attendance at design review and related activities for upgraded farebox system.
- Provide technical support in revising Cubic contract for new system software.

Bus Systems Task 2: Negotiate Delivery and Installation Schedules with CTS, WMATA and MTA

IBI group will support NVTC in negotiating delivery and installation schedules with CTS in the context of CTS contracts with others, including MTA and WMATA. This will include the review of functionality and schedule impacts of parallel activities, including implementation of the clearinghouse and DNC.

Bus Systems Task 3: Design and Monitor Tests

IBI Group will provide technical support related to the design and monitoring of tests. This support will be comprised of two primary components:

1. Support related to the testing of the WMATA-configured fareboxes utilizing NextFare 3 (as of April, 2004 this has been completed).
2. Additional support related to the testing of fareboxes to be delivered to NVTC that are expected to be based on NextFare 4 (per the MTA configuration).

The testing activities will validate the following functions and processes:

- Functionality, operational speed and configuration of farebox;
- Performance of farebox with various payment media;
- Reliability of data upload process;
- Accuracy of reported data;
- Communication of data to the DNC and regional clearinghouse; and
- Audit of clearinghouse disbursements compared to expected revenue;

IBI will work with CTS and the transit systems to review the following for components purchased by NVTC:

- Identification of functionality to be tested and methods for testing and validating different aspects of the functionality;
- data collection forms;
- methods for collecting comparison and validation data;
- sampling methods;
- data evaluation processes; and
- success criteria.

IBI will oversee the testing activities and review results. .

Assumptions: Our pricing for this task assumes that all testing will be carried out in Northern Virginia.

Bus Systems Task 4: Assist Local Bus Systems in Selling Existing Fareboxes

This task has been deleted in its entirety.

Bus Systems Task 5: Coordinate Installation and Acceptance at Each System

In this task IBI will undertake the following activities:

- Review installation plans provided by Cubic to confirm complete and accurate documentation has been provided.
- Conduct site visits and review local system requirements and confirm that CTS has taken installation and location issues into account. This includes review of location and installation of fareboxes, driver control units, handrails, electrical and data cabling, and garage equipment. Due to delays in the implementation schedule, additional site visits have been required. Three new site visits have been included in this revised scope.
- Review punchlists resulting from items uncovered during the data integrity test
- Evaluate significance of punchlist items and make recommendations on acceptance of individual systems
- Develop transition plans and provide support to ensure the smoothest transition between systems for each operator. As part of this task, IBI will provide and customize a comprehensive installation process that has been developed for use in similar projects. This document describes an efficient production line type process that can be used to effectively schedule and install the system in a large number of vehicles.
- Develop work arounds and contingency plans to minimize loss of revenue in the event that the new system fails to perform. As discussed above, if the system fails to collect electronic transactions it will be very difficult to reconstruct the transaction history and collect the appropriate revenue. Failures in most other aspects of the system will result in loss of data, not revenue. It is anticipated that electronic SmarTrip transaction processing and retrieval will be tested thoroughly prior to full revenue operation, minimizing the chance for revenue loss. In the event of undetected gross failure of the system, SmarTrip acceptance would need to be suspended until the problems have been solved.

- Review warranty repairs made during the acceptance period and identify the compliance of the repaired equipment and the impact of the failure on the test progress.
- Review ADA requirements and work with CTS to validate compliance of the installations with these requirements.
- Provide recommendations to each agency on acceptance of the system at the end of the acceptance testing period.

Bus Systems Task 6: Coordinate Training and Operating Manual Preparation at Each System

IBI will support the partner agencies in the review of training and operations documentation. IBI has developed an interactive PowerPoint based presentation for training operators on use of a Cubic farebox. This powerful training tool provides a simulation of operation of the equipment and takes the user through the transaction processing steps. This tool will be made available to NVTC and its partners and customized as necessary.

IBI will also review CTS proposals for additional training and identify any other training processes or methods that should be implemented. IBI will support each transit system and CTS with the integration of new system procedures into their existing system operation manuals.

Bus Systems Task 7: Coordinate Integration of Farebox Maintenance and Warranties with Overall Preventive Maintenance Plans at Each Transit Station

In this task, IBI will work to ensure that documented maintenance procedures are complete, and identify how these will be incorporated within each agency's existing operations. This will include the following activities:

- Develop methods for tracking the warranty status of installed equipment and spares inventory.
- Develop and present a warranty summary to ensure relevant personnel at each transit system are familiar with the warranty terms, restrictions and requirements.
- Review and comment on CTS' maintenance manuals, ensuring preventative and corrective maintenance procedures are fully and clearly documented.
- Identify performance or predictive monitoring procedures that can be used to anticipate failures.
- Assist CTS and transit systems in identifying failure response strategies for various failure scenarios.

- Identify resources and capabilities required to perform maintenance and assess these with each transit system to identify needed improvements.
- Make recommendations on how to integrate the CTS provided equipment into each agency's overall maintenance plans.

Bus Systems Task 8: Coordinate Customization of Farebox Configuration and Reports and Associated Revenue Accounting Procedures at Each System

Work is proceeding on a regional basis to develop configuration, reporting and accounting procedures. IBI Group will provide representation for the NVTC Agencies and provide will provide input to regional activities to coordinate configuration, testing and programming tasks. IBI Group will provide regional input on:

- Farebox configurations, capabilities and programming options and approaches.
- Required fare structures, policies and rules.
- Required clearinghouse processing of different fare types including transfers and passes.
- Database and table structure.
- Integration of reports and accounting data into current Agency reporting systems and procedures.
- Audit requirements and processes.

Bus Systems Task 9: Coordinate Development of a Customer Information Program for Each System

The remainder of this work is being conducted by the Agencies directly. No further work activities are anticipated.

Bus Systems Task 10: Assist in Integrating Fareboxes with GPS and Other On-Board Electronic Equipment

In this task IBI will work with CTS and PRTC to identify the extent of integration of the farebox with the ARINC provided mobile data terminal (MDT). The intent of the integration will be to reduce the operator workload by combining functions into a single device, to reduce redundant activities and data collection processes that may be present once the new farebox is installed and to provide consolidated reporting. This task will include the following activities:

- Work with PRTC and ARINC to identify integration capabilities of MDT and to review preferred integration approach from technical and contractual perspectives.
- Work with CTS to identify and negotiate integration capabilities of fareboxes.
- Review integration conceptual designs that will minimize duplication of effort and maximize efficiency of operations and maintenance by combining functions in to one device.
- Support discussion between ARINC and CTS on integration strategy.
- Review any contractual change documents related to this integration.
- Coordinate testing activities between CTS and ARINC.
- Review test plans and test results.

VRE PHASE

VRE Task 1: Review Alternatives for Integrating VRE Fare Collection with the Regional SmarTrip Network

IBI Group will assist Virginia Railway Express with identifying and evaluating options for deploying SmarTrip functionality in the VRE environment. This includes options such as modifying the Scheidt & Bachmann TVM's to accept the SmarTrip card, or deploying a separate, stand-alone reloading system. Options for providing proof of payment inspection on the trains will also be explored.

As of April, 2004, VRE Tasks 1-5 have been completed. No further work activities are anticipated.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: June 24, 2004
SUBJECT: WMATA Items

A. Metro Board Digest for June, 2004.

A copy is attached for your information.

B. WMATA Approved Budget for FY 2005.

The WMATA Board approved the proposed budget on June 17, 2004. Details are attached. Staff continue discussions on local funding agreements for Metro Matters (roughly \$1.5 billion of unfunded high priority capital projects).

During the heated discussion on WMATA's capital budget, there were several votes on various proposals to alter the mix of new buses. Eventually it was decided to reprogram funds from CNG buses and facilities to purchase 100 hybrid-electric buses and additional clean diesel buses.

C. GEORGE Bus Changes in Fares and Schedules.

Following a public hearing, the changes described in the attachment have been approved.



June 17, 2004

MEMORANDUM FOR: Chairman and Members of the Board

SUBJECT: June Board Digest

Multilingual Customer Information Efforts Help Non-English Speakers Find Their Way Around Metro

From the Web site and printed materials to the customer information phone line and news media interviews, Metro continues to reach out to non-English speaking customers throughout the region to make getting information about Metrorail and Metrobus more accessible.

For the Spanish speaking population, Metro has several current initiatives in place. On June 1, Metro launched the Spanish-language Interactive Voice Response System (IVR) on the Customer Information phone line. When customers call 202-637-7000, they immediately are prompted to "press one" for information in English and "press two" for information in Spanish. Once connected to the Spanish language IVR, customers have access to a menu of information ranging from fares, schedules and hours of operations to special or holiday schedules, lost and found, and emergency information. Customers can "press zero" to reach a Spanish-speaking customer information agents.

Bus customers will start to see more Spanish-language information as the June 27 Metrobus service changes go into effect. A brochure available on our Web site and in stations outline the service changes for bus routes in the District of Columbia, Maryland and Virginia. In addition, new bilingual signs will go up at bus stops with bus information cases. The bus information panels include details on fares, transfers and passes.

Metro also has made efforts to translate news releases into Spanish and conduct interviews with Spanish media outlets, to ensure that the Spanish community is keep current on Metro news affecting their

**Washington
Metropolitan Area
Transit Authority**

600 Fth Street, NW
Washington, DC 20001
202/962-1134

By MetroRail
Jeffrey Squire-Rodriguez
Galvin Price-Christoforo
Ben Green and
Sharon Cook

A District of Columbia,
Maryland and Virginia
Joint Partnership

commutes, such as new fares, bus service changes, rail service disruptions, and safety and emergency preparedness. Spanish-speaking Metro employees have accepted the added responsibility of speaking with Spanish newspapers, radio and television stations, including *Tiempos del Mundo*, *El Nuevo Dia*, Univision and Telemundo.

For languages other than Spanish and English, Metro has information available in print and on the Web site. The Metro Pocket Guide containing general information about the rail system is available in print and online in 11 languages (Arabic, Chinese, French, German, Italian, Japanese, Korean, Portuguese, Spanish, Vietnamese and English). Also, the Web site has featured translation services since December 2003. With a click of the mouse, software translates Web pages into Chinese, French, German, Japanese, Korean or Spanish. Roughly 1,000 pages are translated each day.

Cashless Parking Payment System Only 11 Days Away

With just 11 days to go until the new cashless parking system takes effect, WMATA has undertaken several innovative efforts to get the word out to customers. The June 28 conversion date to SmarTrip is also the same date that new fares and bus service changes go into effect, and signage and brochures are in the works to inform customers.

For the SmarTrip parking change, communications and outreach have extended beyond traditional newspaper advertisements, Web site notification, letters to parking customers and printed brochures. Metro staff members have held in-station SmarTrip card sales events, conducted a two month e-mail campaign to SmartBenefits/Metrochek employers and other partners, and issued several news releases not only to local media outlets, but also one targeted specifically for travel sections of major out-of-town newspapers. In addition, *The Washington Post's* Dr. Gridlock took up the issue of the parking lot conversion to SmarTrip-only in his June 6 column.

On June 23 and June 28, volunteer Metro Information Persons (MIPs) will be in all Metrorail stations with parking lots and at core stations to remind customers about the pending change and assist them with buying SmarTrip cards. Members of the Executive Leadership Team and other Metro managers also will go out into the system to talk to customers about the change and help them make the transition to SmarTrip. On June 28, Parking Assistance Representatives will be in all parking lots to

answer customer questions and ensure that the faregates are working properly.

SmarTrip Fareboxes Installed on More Than Half of the Metrobus Fleet

SmarTrip fareboxes have been installed on more than half of the Metrobus fleet and the remainder of the fleet is scheduled for completion in August. So far, feedback from both operators and customers has been positive. According to comments received by our Customer Service office, customers who have boarded buses with the SmarTrip fareboxes are happy that they do not have to fish around for exact change, and customers who ride buses not yet equipped with the new fareboxes ask when their buses are going to get SmarTrip.

Between May 3 and June 7, four bus divisions — Royal Street, Southeastern, Landover and Four Mile Run — have rolled out with the new fareboxes, offering customers the choice to pay with their SmarTrip cards or with cash. To date, six of the 10 Metrobus divisions now accept SmarTrip cards for payment. As you recall, Arlington and Southern Ave. bus divisions first tested the SmarTrip fareboxes. The target rollout dates for the four remaining bus divisions are as follows: June 21 - Western Division; July 12 - Bladensburg Division; July 26 - Northern Division; and August 9 - Montgomery Division.

The installation of the SmarTrip fareboxes at the larger bus garages brings additional challenges, such as outfitting nearly 200 buses with the new fareboxes in one weekend while keeping the garage operational. At Four Mile Run, for example, installation crews worked over the weekend of June 5 to ensure that the division's 199 buses had the new fareboxes by Monday, June 7. Crews had to work in multiple shifts and at night to complete the installation. Similar work schedules are needed for the upcoming Western (158 buses) and Bladensburg (230 buses) installations. During the weekend that the installation of SmarTrip fareboxes takes place at a specific garage, customers on these routes see a mixed fleet of buses - some with the new farebox and some without. However, by Monday morning, all the buses in the scheduled division have the new fareboxes that accept SmarTrip and cash. Additional challenges for the larger garages include making sure that operators get ample training and ensuring that division training instructors, line instructors and management staff are available for the Monday morning rollout to troubleshoot problems that may arise.

Chairman and Members of the Board

Page 4

Ward 8 Economic Development Summit To Feature Anacostia Light Rail Project

Metro will participate in a Ward 8 Economic Development Summit on Saturday, June 19, in Southeast Washington, D.C. At the request of Councilmembers Sandra Allen (Ward 8) and Harold Brazil (at-large), Chairman of the Committee on Economic Development, Metro will share information about transportation options east of the Anacostia River as well as upcoming transit projects. The purpose of the summit is to provide opportunities for local residents and business owners to learn about and get involved with economic development initiatives planned for or underway in Ward 8.

Employees from various departments and/or offices, including Planning and Strategic Programs, Capital Projects, Safety, Property Management, Workforce Development, and Communications will present information about the Anacostia Light Rail Demonstration project, employment opportunities, small and minority business applications, SmarTrip, bus and rail maps and schedules, and more.

The event will take place at the Patricia Roberts Harris Educational Center, 4600 Livingston Road, SE, from 9 a.m. to 3 p.m.

Largo Community Updated on Blue Line Extension Progress

When the Morgan Boulevard and Largo Town Center stations open on the Blue Line later this year, Metro will establish a prominent presence in the Largo community. In an effort to get to know its new neighbors, the Office of Project Communications hosted a Metro Community Day in Prince George's County on Saturday, June 12. Between 2 p.m. and 5 p.m. in the food court area of Largo's Boulevard at Capital Center shopping center, employees from throughout the Authority, including—Project Communications, Customer Service, Parking Management, Bus Transportation and MTPD—got acquainted with citizens from the Largo community. Local residents and business owners got updates on the construction status of the new Blue Line stations and got answers to their questions about Metro services.

Metro Makes It A Memorial Day To Remember and Earns Accolades For Its Transportation Service

In October 2003, the American Battle Monuments Commission first met with Metro's Office of Project Communications to begin planning the transportation aspect of the dedication ceremony for the World War II Memorial. Eight months later, on May 29, the dedication took place in Washington, D.C., and Metro played a key role in bringing thousands of veterans and their families to the event. On that Saturday, Metrorail carried nearly 380,000 customers, approximately 42,000 more than the previous Saturday. Thousands more took special Metrobus shuttles from downtown stations, RFK Stadium and the Pentagon to get to the event. The advanced transportation planning, coordination with the event planners and other outside agencies, and participation of nearly every WMATA department contributed to the day's success. Metro's performance often gets overlooked by the public unless there is a major shortfall or controversy. But this time we have heard the heartfelt thanks from our customers and partners. The Washington Convention and Tourism Corporation said, "Everyone we've spoken to had nothing but praise for Metro." Comments from the D.C. Chamber of Commerce include, "You helped make the day wonderful for a very special group of people."

Of note, we received a letter from George Stryker, an 83-year-old World War II veteran. He said he and his wife rode Metro to take "full advantage of the celebration for the dedication of the monument... We must say it was a very rewarding experience." After a full day outside on the Mall, Stryker became fatigued. By day's end, he couldn't stand, so he sat on the floor of a Metrobus shuttle returning to a rail station. At Farragut West station, he collapsed near a faregate and got medical attention at the station. He did not want to go to the hospital, so an MTPD Officer stayed with him until he regained the strength to walk on his own. Stryker then got on a Blue Line train to go home. Stryker wrote, "We hear criticism of Metro and I have been a critic myself, but I can assure everyone that those who assisted me [Saturday] bring praise to the system and deserve all our praise. I personally hope that this letter might thank them and you for having demonstrated kindness and professionalism one and all."

MTPD Auto Theft Unit Receives COG Award

On May 26, MTPD's Auto Theft Unit received the Vehicle Theft Unit Award from the Chiefs of Police Motor Vehicle Theft Subcommittee of the Metropolitan Washington Council of Governments. The Auto Theft Unit started operations in August 2003 to reduce parking lot crime and take steps to reduce the region's increasing problem with automobile theft.

Property crime, including auto theft, is the most common type of crime reported to MTPD. On an average weekday, 57,000 vehicles park in Metro lots. Between August and December 2003, the unit made 42 arrests, culminating in 62 felony and 81 misdemeanor charges. For calendar year 2003, MTPD recorded a 23 percent reduction in auto thefts. The Auto Theft Unit consists of officers in plain clothes, on motorcycles and bicycles, and with K-9s. The unit uses portable aerial towers and deploys Metro employees on workers compensation assignments to work as parking lot observers. The unit's variety of resources and tactics, and rapid response capabilities, contribute significantly to its success.

MTPD Holds Annual Awards Ceremony

On May 14, Metro Transit Police held its Annual Awards Ceremony to recognize the outstanding effort and dedication displayed by MTPD members. Distinguished Service Citations were awarded to Deputy Chief Daniel Hall, Sgt. Shawn R. Doody, and Officers Howard J. Holloway, Gregory S. Hanna, Randolph Dawson III, Linda C. McClure, and Charles N. Ullmann. Meritorious Service Citations were given to Sgt. Douglas S. Durham, Detectives Richard T. Brunina, James C. Burks, Charles E. Cary, Vernon L. Clayton, David S. Dyhouse, Terry E. Forshey, Donald L. Holman, Cedric A. Mitchell, Gary A. Padgett, Taran Payne and William R. Sisson, and Officers Ronald W. Edwards, Alfred B. Eubanks, John V. Haile, David D. Hall, Brad D. Hanna, Michael G. Minchak, Matthew T. Mitrione, Martin J. Murray, Richard C. Ray, Thomas H. Ritter, Steven L. Smith, Roberto G. Stokes, Tomika M. Thompson, Anthony L. Weaver and John S. Wynkoop. In addition, Joanne E. Fearnow was named Police Communications Specialist of the Year.

Metro Races for the Cure

On Saturday, June 5, the Metrorail system opened two hours early at 5 a.m. to provide transportation for the 15th Annual Komen National Race for Cure. From the 5 a.m. opening until 9:30 a.m., Metrorail ridership totaled 52,791. Between 5 and 7 a.m., Metrorail ridership was 10,970. For comparison's sake, Metro rail ridership on Saturday, May 22, from the 7:30 a.m. opening until 9:30 a.m. was 31,076.

Pre-race events, including a rally and parade for survivors kicked off at 6:45 a.m. and the race itself began at 8 a.m. In order to get participants, volunteers, supporters and spectators to the events, race organizers asked Metrorail to open at 5 a.m. This year's race marked the eighth consecutive year that race organizers have requested an early opening. As consistent with board policy, they pre-paid Metro for the early-morning service.

More than 600 Metro employees registered to participate in the race, including 24 who are breast cancer survivors. In addition, more than 1,100 employees made donations to support Race for the Cure, which raises money for breast cancer research, education, screening and treatment.

2004 Metro Student Poster Contest Results

Youkeun Chang of Fairfax High School and the Young Art Studio received the Poster of the Year award in Metro's 2004 Student Poster Contest. Her winning poster can be viewed on our Web site. This year's contest carried the theme, "Metro Matters to Me," and elicited 365 entries from students across the region. Grand prize awards went to Kristoffer Paul M. Recio, Primary Division, Kenilworth Elementary School, Bowie, Md.; Joanna Kim, Elementary Division, Cary Christian Academy and the Young Art Studio, Woodbridge, Va.; Gi-Young Kim, Junior Division, Longfellow Middle School, Falls Church, Va.; and Heesung Kim, Senior Division, Chantilly High School and the Young Art Studio, Chantilly, Va. In addition, first, second and third place awards were given to primary, elementary, junior and senior division students in the District of Columbia, Maryland and Virginia. This year for the first time, Metro employees picked their favorite posters. Primary division winner Recio and Angela Oh of West Springfield High School, Springfield, Va., received the Employee Choice Awards.

Upcoming Events

June 17

NCR Regional Exercise Program, Senior Leadership Seminar; exercise designed to improve communication and coordination among Federal, state and local levels throughout the region; Crystal Gateway Marriott, Arlington, Va.; 7:30 a.m. to 12:30 p.m.

SmarTrip card sales event at Vienna Metrorail station; 4:30 to 7:30 p.m.

June 18 to June 21

The Blue Line will shut down between Stadium Armory and Addison Road-Seat Pleasant from 9 p.m. Friday, June 18, to 5 a.m. Monday, June 21. During this time, Metro will continue a major track circuit project to prepare the new Morgan Boulevard and Largo Town Center stations for passenger operations. Over the weekend, buses will shuttle customers between Stadium Armory, Benning Road, Capitol Heights and Addison Road.

June 22

SmartBenefits Employer Seminar; area employers are invited to this free seminar to learn how to make their Metrochek transit benefit program easier to manage; Jackson Graham Building, lobby level meeting room; 8:45 a.m. to noon.

SmarTrip card sales event at Franconia-Springfield Metrorail station; 4 to 7 p.m.

June 23

SmarTrip card sales event at Huntington Metrorail station (Huntington Ave. side); 4 to 7 p.m.

June 24

SmarTrip card sales event at Greenbelt Metrorail station; 4 to 7 p.m.

June 25 to June 28

The Blue Line will shut down between Stadium Armory and Addison Road-Seat Pleasant from 9 p.m. Friday, June 25, to 5 a.m. Monday, June 28. During this time, Metro will continue a major track circuit project to prepare the new Morgan Boulevard and Largo Town Center stations for passenger operations. Over the weekend, buses will shuttle customers

Chairman and Members of the Board
Page 9

between Stadium Armory, Benning Road, Capitol Heights and Addison Road.

June 29

MTPD Graduation Ceremony; Jackson Graham Building, lobby level meeting room; 10 a.m.

July 7

Department of System Safety and Risk Protection's Emergency Management Outreach with Metro Transit Police and the Department of Communications, Shady Grove Metrorail station, 7:30 to 9 a.m.

July 8

COG NCR Emergency Preparedness Council meeting; 777 North Capitol Street, NE; COG Board Room, third floor; 2 to 4 p.m.

If you have any questions, please let me know. Thank you.


Richard A. White
Chief Executive Officer

**SUBJECT: APPROVAL OF FISCAL 2005 OPERATING BUDGET AND
OPERATING REIMBURSABLE PROJECTS**



**PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, The Board of Directors has received and considered the comments of the local jurisdictions on the Proposed Fiscal 2005 Operating Budget; and

WHEREAS, The Board of Directors has received and considered the requests of the local jurisdictions on establishing the Fiscal 2005 Reimbursable Operating Projects; and

WHEREAS, The FY2005 Operating Budget includes:

- A fare increase generating additional operating revenue of \$29.2 million dollars,
- Approximately \$33.5 million in cost reductions and increases in non-passenger revenues,
- Opening of the two new station and six miles of additional rail system on the Blue Line,
- Opening of an in-fill station at New York Avenue,
- Continued rapid expansion of paratransit services to meet increased demand,
- Metrorail 5:00AM early opening;

now, therefore, be it

RESOLVED That the Board of Directors approves the Fiscal 2005 Operating Budget providing for revenues of \$538,468,850; operating expenses of \$940,683,200; and an operating subsidy requirement of \$402,214,350, including a Fiscal 2005 debt service requirement of \$27,484,200; and approves a staffing level of 10,327 positions; and be it further

RESOLVED That the Board of Directors approves the fare and fee increases as shown in attachment A; and be further

RESOLVED That weekend rail service from 2:00AM to 3:00AM on Friday and Saturday nights shall be converted from a District of Columbia reimbursable project to regional service as of January 1, 2005; and be it further

RESOLVED That the jurisdictional shares of the Fiscal 2004 total subsidy, including debt service requirement are as follows:

District of Columbia	\$163,769,322
Montgomery County	\$76,661,478
Prince George's County	\$84,109,019
City of Alexandria	\$17,647,105
Arlington County	\$29,534,186
Fairfax City	\$870,816
Fairfax County	\$55,927,032
City of Falls Church	<u>\$1,179,593</u>
Total	\$429,698,550

as further detailed in attachment B; and be it further

RESOLVED That the Reimbursable Operating Projects that will be undertaken are as follows:

<u>Service</u>	<u>Subsidy</u>
Columbia Pike Street Supervisor	\$75,000
3Y Bus Route	\$150,000
George Route	\$410,000
Customer Service & Signage Ini.	\$0
Laurel – Burtonsville Express	\$115,000
Weekend 3AM Rail Late Close#	\$935,000
National Arboretum	\$60,000
College Park - Bethesda	\$465,083
Crofton - New Carrollton	\$210,426
Greenbelt - BWI	\$1,076,572
Charles County Service	\$704,894
Springfield Circulator	\$464,801
Metro Park Shuttle	\$181,428
Springfield Shuttle	\$124,627
Tyson's Reverse Commute	\$262,183
Van Pools	\$215,250
Access-to-Jobs	<u>\$358,750</u>
Total	5,809,014

DC reimbursable until 12/31/04

and be it further

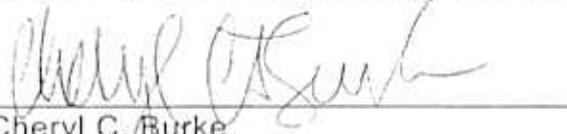
RESOLVED That the operating reimbursable project for enhanced passenger communication and signage shall be undertaken utilizing the revenues obtained from a Board approved advertising initiative, to be continued until the Board acts to

RESOLVED That the operating reimbursable project for enhanced passenger communication and signage shall be undertaken utilizing the revenues obtained from a Board approved advertising initiative, to be continued until the Board acts to eliminate, or amend the project, and that the elements of this initiative shall be approved by the Budget Committee annually; and be it further

RESOLVED That the Board of Directors approves the carry over of funds with a total of \$783,000, \$283,000 for collateral graphic arts material for fare actions and \$500,000 for purchasing of SmarTrip cards to support parking, from fiscal 2004 to fiscal 2005 for; and be it finally

RESOLVED That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency.

A handwritten signature in cursive script, appearing to read "Cheryl C. Burke", is written over a horizontal line.

Cheryl C. Burke
General Counsel



Fare Adjustments referred to Board by Budget Committee...

Fare Category	Revenue
Metrorail	\$21.2
Increase peak period boarding charge of \$1.20 to \$1.35	\$11.5
Increase 1st Tier of peak period mileage charges of \$0.21 to \$0.22	\$2.0
Increase 2nd Tier of peak period mileage charges of \$0.185 to \$0.195	\$1.8
Increase the max peak period fare of \$3.60 to \$3.90	---
Increase off peak fares of \$1.20, \$1.70 and \$2.20 to \$1.35, \$1.85, and \$2.35	\$5.8
Increase pass prices proportionally with the Metrorail boarding charge.	---
Charge regular fare for 2am-3am Friday & Saturday Late Nights	\$0.1
Metrobus	\$1.8
Increase the boarding charge of \$1.20 by \$0.05 to \$1.25	\$2.0
Increase the boarding charge on express bus from \$2.50 to \$3.00	---
Increase the \$0.85 discount on bus-to-rail transfers by up to \$0.05 to a maximum of \$0.90	---
Hold pass prices at current levels	(\$0.2)
Parking	\$5.7
Increase parking fee by \$0.75	\$5.2
Increase monthly reserved parking from \$35.00 to \$45.00	\$0.5
MetroAccess	\$0.5
Increase fare from \$2.40 by \$0.10 to \$2.50, double the bus boarding charge	\$0.1
Charge supplemental fare for service beyond 3/4 mile fixed-route	\$0.4
Offer free transit on Metrorail and Metrobus to a companion of MetroAccess ADA eligible persons	---
Elderly and Handicapped Fares	
Retain Metrobus fares at one-half the boarding charge, rounded down to the nearest \$0.05	---
Retain fares at one-half the peak period fare all day, max fare on Metrorail not to exceed one-half the max fare, rounded down to the nearest \$0.05.	---
Subtotal	\$29.2

Fiscal 2005 Fare Adjustments
Effective Date: June 27, 2004

Metrorail Prices

Increase regular fares by the following:

- Increase the regular boarding charge to \$1.35
- Increase the regular mileage charge for miles 3 - 6 to \$0.22
- Increase the regular mileage charge for over 6 miles to \$0.195
- Increase the maximum regular fare to \$3.90

Increase reduced period fares by the following:

- Increase the reduced period fare for trips under 7 miles to \$1.35
- Increase the reduced period fare for trips of 7 to 10 miles to \$1.85
- Increase the reduced period fare for trips over 10 miles to \$2.35

Maintain the fare for senior and disabled patrons at one-half the regular period fare, all day, not to exceed an amount of \$1.95

Provide free fares on Metrorail to a companion accompanying a certified ADA MetroAccess person

Charge regular fares for Friday and Saturday late night closing between the hours of 2:00 AM and 3:00 AM on Saturday and 2:00 AM and 3:00 AM on Sunday

Metrobus Prices

Increase the Regular Metrobus boarding charge to \$1.25

Increase the Express Metrobus boarding charge to \$3.00

Retain the senior and disabled fare at \$0.60

Provide free fares on Metrobus to a companion accompanying a certified ADA MetroAccess person

Increase the fare on routes 94, A-2-4-5-6-7-8, M8-9, W2, W3, W6, W8-9, B2, P1-2, P-6, U-2 and 90 to \$0.75

Increase the fare on routes 2T 2W, 3T, 12C-D-E-L-F-M-R-S, 18R-S, 20F-W-X-Y, 24T, and 28T to \$1.00

Transfers Arrangements

Increase the fee for transfers from regular Metrobus to Metrobus Express routes to \$1.75

Institute a balanced transfer worth a discount of \$0.50 in each direction with SmarTrip® only, after installation of SmarTrip® fareboxes on all buses operating in the region.

- Eliminate the \$.90 rail-to-bus paper transfer, after SmarTrip® installation on all bus fareboxes in the region. However, prior to the implementation of the balanced transfer the price paid to board a Metrobus with a paper rail-to-bus transfer will remain \$0.35.
- Prior to the implementation of the balanced transfer the price paid to board a Metrobus express route with a paper rail-to-bus transfer will increase to \$2.10.
- After the implementation of the balanced transfer, SmarTrip® users making a bus-to-rail transfer will receive a \$0.50 discount on the rail fare, and SmarTrip® users making a rail-to-bus transfer will receive a \$0.50 discount on regular Metrobus (fare owed \$0.75) or Metrobus Express fare (fare owed \$2.50)

Increase the transfer fee from local buses to Metrobus to the following:

- ART Route 90 to Metrobus: \$0.75, all other ART to Metrobus: Free
- The Bus to Metrobus: \$0.50
- Connect-a-Ride to Metrobus: Free
- DASH to Metrobus: Free
- Fairfax Connector Routes: Free
- George to Metrobus: \$1.00
- PRTC Omniride to Metrobus: Free
- Ride On to Metrobus: Free

Increase the transfer fee from local buses to Metrobus Express routes to the following:

- ART Route 90 to Metrobus: \$2.50, all other ART to Metrobus: 1.75
- The Bus to Metrobus: \$2.25
- Connect-a-Ride to Metrobus: \$1.75
- DASH to Metrobus: \$1.75
- Fairfax Connector Routes 383, 384, 385, and 989 to Metrobus: Free
- All other Fairfax Connector Routes to Metrobus: \$1.75
- George to Metrobus: \$2.75
- PRTC Omniride to Metrobus: Free
- Ride On to Metrobus: \$1.75

Retain the free transfer to Metrobus for MARC weekly and monthly pass holders and increase the price of a transfer to Metrobus Express routes to \$1.75

Retain the free transfer to Metrobus for VRE ticket and pass holders and increase the price of a transfer to Metrobus Express routes to \$1.75

Parking Rates and Fees

Increase parking rates and fees to the following:

<u>Daily Fees</u>			
<u>Station</u>	<u>Base Fee</u>	<u>Surcharge Fee</u>	<u>Total Parking Fee</u>
<u>Montgomery County</u>			
Shady Grove	\$2.50	\$1.50	\$4.00
Rockville	\$2.50	\$1.50	\$4.00
Twinbrook	\$2.50	\$1.50	\$4.00
White Flint	\$2.50	\$1.50	\$4.00
Grosvenor	\$2.50	\$1.50	\$4.00
Glenmont	\$2.50	\$1.50	\$4.00
Wheaton	\$1.75	\$1.50	\$3.25
Forest Glen	\$2.50	\$1.50	\$4.00
<u>Prince George's County</u>			
Greenbelt	\$2.75	\$0.75	\$3.50
College Park	\$2.75	\$0.75	\$3.50
Prince George's Plaza	\$2.75	\$0.75	\$3.50
West Hyattsville	\$2.75	\$0.75	\$3.50
New Carrollton	\$2.75	\$0.75	\$3.50
Landover	\$2.75	\$0.75	\$3.50
Cheverly	\$2.75	\$0.75	\$3.50

Addison Road	\$2.75	\$0.75	\$3.50
Capital Heights	\$2.75	\$0.75	\$3.50
Branch Avenue	\$2.75	\$0.75	\$3.50
Suitland Parkway	\$2.75	\$0.75	\$3.50
Naylor Road	\$2.75	\$0.75	\$3.50
Southern Avenue	\$2.75	\$0.75	\$3.50
<u>District of Columbia</u>			
Anacostia	\$3.50	\$0.00	\$3.50
Minnesota Avenue	\$2.50	\$0.00	\$2.50
Deanwood	\$3.50	\$0.00	\$3.50
Rhode Island	\$3.50	\$0.00	\$3.50
Fort Totten	\$3.50	\$0.00	\$3.50
<u>Arlington County</u>			
East Falls Church	\$2.75	\$1.00	\$3.75
<u>City of Alexandria/ Fairfax County</u>			
Van Dorn	\$3.25	\$0.50	\$3.75
<u>Fairfax County</u>			
Huntington	\$2.50	\$1.25	\$3.75
Franconia-Springfield	\$2.50	\$1.25	\$3.75
Vienna	\$2.50	\$1.25	\$3.75
Dunn Loring	\$2.50	\$1.25	\$3.75
West Falls Church	\$2.75	\$1.00	\$3.75

<u>Station</u>	<u>Base Fee</u>	<u>Surcharge Fee</u>	<u>Total Parking Fee</u>
<u>Daily Parking at Meters</u>			
Rockville Station 12- hour metered lot (\$0.25 per 45 minutes)	\$2.75 (68.8%)	\$1.25 (31.2%)	\$4.00
All Stations 12- hour parking meters (\$0.25 per 45 minutes)	\$4.00	\$0.00	\$4.00
<u>Short-term Parking at Meters</u>			
All Stations 7-hour and shorter duration meters (\$0.25 per 45 minutes) (Current rates remain in effect)	\$2.35	\$0.00	\$2.35

Monthly Permit Fees

Adjust the monthly reserved permit program to require Monthly Reserved permit holders to pay the daily parking rate to exit any Metro parking facility. At stations offering a Monthly Permit, Monthly Permit holders are not required to pay the daily rate to exit parking facilities. Adjust the parking permit fees to the following:

<u>Stations</u>	<u>Monthly Reserved Parking Fee</u>
All Stations	\$ 45.00

Increase the daily parking fee for non-Metro riders at New Carrollton to \$7.50 and at Twinbrook, and White Flint to \$7.75

Metro rail and Metrobus Fare Media

Metro rail

Increase the price of the One-Day pass to \$6.50 (Valid after 9:30 AM weekdays and all day Saturday and Sunday)

Increase the price of the 7-Day pass to \$32.50

Increase the price of the 7-Day Short Trip pass to \$22

Increase the maximum allowable fare on the 7-Day Short Trip pass to \$2.20

Increase the price of the Passport by the following:

- 2-Day to \$15.00
- 3-Day to \$22.50
- 4-Day to \$30.00

Metrobus

Retain the price of the Regional One Day bus pass at \$3.00 (Valid all day)

Retain the price of the Weekly Flash pass at \$11.00

Retain the price of the Weekly Senior pass at \$6.00

Retain the price of the Weekly Disabled pass at \$6.00

Increase the fee for tokens to \$1.25

Other

Increase the price of the MARC/VRE Transit Link Pass to \$65

Maintain the price of the MARC Commuter Bus Transit Link pass at \$110

Increase the price of DC Student tokens to \$0.625

Increase the Student Farecard to \$6.50

MetroAccess Fares

Increase the MetroAccess fare from \$2.40 to \$2.50, one-half the bus boarding charge

Add a supplemental fare to the MetroAccess base fare for all MetroAccess trips originating or terminating beyond $\frac{3}{4}$ of a mile from fixed-route bus route or rail station, with a supplemental fare of \$1.00 added for every three miles beyond the $\frac{3}{4}$ mile service area limit to a maximum of \$4.00 per one-way passenger trip.

The service area limit shall be established based upon the weekday peak period service of Metrobus, Metrorail and local jurisdiction bus services.

ATTACHMENT B

FISCAL 2005 APPROVED BUDGET
SUMMARY OF STATE/LOCAL OPERATING REQUIREMENTS

	DISTRICT OF COLUMBIA	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	CITY OF ALEXANDRIA	ARLINGTON COUNTY	FAIRFAX CITY	FAIRFAX COUNTY	FALLS CHURCH	TOTAL
METROBUS OPERATING SUBSIDY									
REGIONAL SUBSIDY	\$62,265,101	\$27,846,913	\$31,057,037	\$9,477,588	\$14,399,280	\$348,898	\$23,203,652	\$751,601	\$189,350,070
NON-REGIONAL	\$20,905,371	\$5,885,109	\$11,874,116	\$661,306	\$405,000	\$0	\$6,215,118	\$0	\$45,946,020
TOTAL BUS OPERATING	\$103,170,472	\$33,732,023	\$42,931,152	\$10,138,894	\$14,804,280	\$348,898	\$29,418,770	\$751,601	\$235,296,090
	43.8%	14.3%	18.2%	4.3%	6.3%	0.1%	12.5%	0.3%	
METRORAIL OPERATING SUBSIDY									
BASE ALLOCATION	\$39,009,027	\$21,401,475	\$20,544,473	\$5,341,245	\$11,344,515	\$348,796	\$16,424,616	\$310,299	\$114,724,445
MAX FARE SUBSIDY	\$263,345	\$2,107,841	\$924,763	\$105,512	\$72,890	\$40,395	\$970,236	\$12,142	\$4,497,115
TOTAL RAIL OPERATING	\$39,272,372	\$23,509,316	\$21,469,237	\$5,446,757	\$11,417,394	\$389,191	\$17,394,852	\$322,441	\$119,221,560
	32.9%	19.7%	18.0%	4.6%	9.6%	0.3%	14.6%	0.3%	
PARATRANSIT SUBSIDY									
	\$10,995,176	\$14,552,639	\$14,835,729	\$643,255	\$572,312	\$96,027	\$5,944,510	\$67,050	\$47,696,700
	23.1%	30.5%	31.1%	1.3%	1.2%	0.2%	12.5%	0.1%	
SUBTOTAL OPERATING SUBSIDY	\$153,438,022	\$71,793,978	\$79,236,119	\$16,228,905	\$26,793,986	\$824,116	\$52,758,132	\$1,141,093	\$402,214,350
DEBT SERVICE	\$10,331,300	\$4,867,500	\$4,872,900	\$1,418,200	\$2,740,200	\$46,700	\$3,168,900	\$38,500	\$27,484,200
TOTAL PROPOSED SUBSIDY	\$163,769,322	\$76,661,478	\$84,109,019	\$17,647,105	\$29,534,186	\$870,816	\$55,927,032	\$1,179,593	\$429,698,550
	38.1%	17.8%	19.6%	4.1%	6.9%	0.2%	13.0%	0.3%	

**PRESENTED AND ADOPTED:
SUBJECT: APPROVAL OF FISCAL 2005-2010 CAPITAL IMPROVEMENT
PROGRAM**

**PROPOSED RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, The Board of Directors has received and considered comments from the local jurisdictions on the Proposed Fiscal 2005-2010 Capital Improvement Program (CIP) consisting of the Infrastructure Renewal Program (IRP), System Access/Capacity Program (SAP), and the System Expansion Program (SEP); and

WHEREAS, The Proposed Capital Improvement Program is based on the results of a 25-year needs assessment and the requirement to align resources to rehabilitate the system adequately and to grow ridership; and

WHEREAS, In order to meet the funding programmed in Fiscal 2005 and beyond, the proposed program includes the use of a loan guarantee up to \$600 million under the Transportation Infrastructure Financing and Innovation Act of 1998 (TIFIA); and

WHEREAS, The Board of Directors recognizes that the Fiscal 2005 – 2010 CIP is severely impacted by current and projected funding shortfalls, and has defined three urgent priorities - fully funding the IRP (a shortfall of \$524.9 million); expansion of the rail fleet and associated support facilities (a shortfall of \$600.7 million); and expansion of the bus fleet and facilities (a shortfall of \$171.5 million); and

WHEREAS, On May 20, 2004, the Board of Directors authorized staff to circulate the draft Metro Matters Funding Agreement to the jurisdictions containing recommendations of the Strategic Alliances and Risk Assessment Program, which would enable the jurisdictional funding partners to fund Metro Matters programs in affordable increments; now therefore be it

RESOLVED, That the Board of Directors approves the Fiscal 2005 CIP totaling \$314,066,000 as follows: 1) the IRP totaling \$290,126,000; 2) the SAP totaling \$4,600,000; and 3) the SEP totaling \$19,340,000 all of which are further defined in the documents comprising the "Attachment to Proposed Resolution of the Board of Directors of the Washington Metropolitan Area Transit Authority" (hereinafter referred to as "Attachment"); and be it further

RESOLVED, That the Fiscal 2006 – 2010 CIP totaling \$1,576,007,000, which includes the IRP totaling \$1,556,507,000, the SAP totaling \$5,000,000 and the SEP totaling \$14,500,000, all of which are further defined in the Attachment, is hereby approved for planning purposes; and be it further

RESOLVED, That the Fiscal 2011 – 2014 IRP element of the CIP totaling \$1,740,000,000, also further defined in the Attachment, is included for information purposes; and be it further

RESOLVED, That consistent with Board policy that IRP funding approved in any fiscal year should be committed in that fiscal year; thus, the Fiscal 2005 program funding provided in the IRP must be committed by June 30, 2005, and those committed funds must become a confirmed obligation by December 31, 2005; and that funds which are not obligated by the deadlines will be separately identified to the Board for retention for Fiscal 2006 IRP program needs or for consideration as part of the Fiscal 2007 budget; and be it further

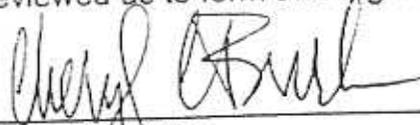
RESOLVED, That in order to implement the elements of the CIP, the Chief Executive Officer or the Chief of Staff has authorization to: 1) conduct public hearings; 2) file and execute grant applications on behalf of the authority for funds from the Federal government and any other public or private entity consistent with the CIP; and be it further

RESOLVED, That the Chief Financial Officer is authorized to issue revenue anticipation notes, revenue bonds, certificates of participation, and other financial borrowing instruments, subject to Board approval of the final papers for each such transaction, in order to finance the CIP; and be it further

RESOLVED, That the IRP is the same program as the CIP referenced in the TIFIA Loan Guarantee Agreement and related documentation; and be it finally

RESOLVED, That this Resolution will be effective immediately.

Reviewed as to form and legal sufficiency.



Cheryl C. Burke
General Counsel

ATTACHMENT to PROPOSED RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

1. Infrastructure Renewal Program FY 2005-2010 Use of Funds
2. Infrastructure Renewal Program FY 2005-2010 Source of Funds
3. System Access/Capacity Program FY 2005-2010 Projects
4. System Expansion Program FY 2005-2010 Projects

Attachment to the Proposed Resolution of the Board of Directors of the
Washington Metropolitan Area Transit Authority

Attachment 1: Infrastructure Renewal Program FY 2005-2010 Use of Funds

(in millions \$)

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total
Capital Projects							
Rolling Stock: Bus							
Bladensburg Maintenance Facility: Heavy Equipment	\$ 9,500						\$ 9,500
Bus Replacement	32,782	33,765	34,778	23,251	14,000	72,620	211,196
Third CNG Facility	1,000	19,000					20,000
Subtotal	\$ 43,282	\$ 52,765	\$ 34,778	\$ 23,251	\$ 14,000	\$ 72,620	\$ 240,696
Rolling Stock: Rail							
Rail Car Enhancements	1,100						1,100
Rail Car Rehabilitation	4,330	0,814					5,144
Subtotal	\$ 5,430	\$ 0,814	\$ -	\$ -	\$ -	\$ -	\$ 6,244
Passenger Facilities							
Mechanical Systems Rehabilitation	16,175	12,341	10,755	8,445	7,305	28,824	83,845
Parking Lot Rehabilitation	12,620	7,046	5,000	5,000		12,065	41,731
Station Enhancement Program	5,916	3,151	3,835	3,949	4,068	4,190	25,109
Vertical Transportation Rehabilitation	32,476	29,489	30,364	13,956	11,184	21,991	139,460
Subtotal	\$ 67,187	\$ 52,027	\$ 49,954	\$ 31,350	\$ 22,557	\$ 67,070	\$ 290,145
Maintenance Facilities							
Bus and Rail Support Equipment	16,181	9,362	5,275	5,035	0,800	20,509	57,162
Rail Work Equipment and Locomotives	3,382	3,081	1,000	1,000		5,197	13,660
Repairables	5,300	5,450	5,600	5,750	5,794	5,968	33,862
Structures, Field Bases, Yards, and Shops	9,664	3,638	1,750	2,758	2,000	14,396	34,206
Subtotal	\$ 34,527	\$ 21,531	\$ 13,625	\$ 14,543	\$ 8,594	\$ 46,070	\$ 138,890
Systems							
ATC and Power Systems Rehabilitation	62,719	22,680	37,237	25,743	15,308	49,850	213,537
Fare Collection Equipment	4,071					2,750	6,821
UPS and Electrical Systems Rehabilitation	7,994	7,842	2,883	3,500	2,100	12,181	36,500
Subtotal	\$ 74,784	\$ 30,522	\$ 40,120	\$ 29,243	\$ 17,408	\$ 64,781	\$ 256,858
Track and Structures							
Right-of-Way Track and Structures Rehabilitation	17,155	8,995	9,000	7,855	7,695	17,882	68,582
Station and Tunnel Leak Mitigation	2,264	1,300	1,300	1,300	1,300	2,625	10,089
Subtotal	\$ 19,419	\$ 10,295	\$ 10,300	\$ 9,155	\$ 8,995	\$ 20,507	\$ 78,671

Attachment to the Proposed Resolution of the Board of Directors of the Washington Metropolitan Area Transit Authority

Attachment 1: Infrastructure Renewal Program FY 2005-2010 Use of Funds

(in millions \$)

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total
Information Technology							
Information Technology	4,658	2,000	2,000	1,000	1,000	5,000	15,658
Subtotal	\$ 4,658	\$ 2,000	\$ 2,000	\$ 1,000	\$ 1,000	\$ 5,000	\$ 15,658
Program Management and Support							
Consultants and Engineering Services (IAWP)	4,500	3,000	2,500	2,500	1,000	8,196	21,696
Program Administration	9,639	7,431	5,553	4,412	3,000	7,540	37,575
Subtotal	\$ 14,139	\$ 10,431	\$ 8,053	\$ 6,912	\$ 4,000	\$ 15,736	\$ 59,271
Preventive Maintenance							
Preventive Maintenance	20,700	20,700	20,700	20,700	20,700	20,700	124,200
Subtotal	\$ 20,700	\$ 20,700	\$ 20,700	\$ 20,700	\$ 20,700	\$ 20,700	\$ 124,200
Subtotal: Capital Projects	\$ 284,126	\$ 201,085	\$ 179,530	\$ 136,154	\$ 97,254	\$ 312,484	\$ 1,210,633
Financing Expenses							
TIFIA Financing Expenses	106,825	133,200	161,600	198,375			600,000
Vertical Transportation Financing Expenses	6,000	6,000	6,000	6,000	6,000	6,000	36,000
Subtotal	\$ 6,000	\$ 112,825	\$ 139,200	\$ 167,600	\$ 204,375	\$ 6,000	\$ 636,000
Total Use of Funds	\$ 290,126	\$ 313,910	\$ 318,730	\$ 303,754	\$ 301,629	\$ 318,484	\$ 1,846,633

	FY 2011	FY 2012	FY 2013	FY 2014	Total FY 2011-14	Total FY 2005-14
FY 2011-14 (For Information Purposes Only)						
Capital Projects	\$ 435,000	\$ 435,000	\$ 435,000	\$ 435,000	\$ 1,740,000	\$ 2,950,633
Financing Expenses						636,000
Total Use of Funds	\$ 435,000	\$ 435,000	\$ 435,000	\$ 435,000	\$ 1,740,000	\$ 3,586,633

Attachment to the Proposed Resolution of the Board of Directors of the
Washington Metropolitan Area Transit Authority

Attachment 2: Infrastructure Renewal Program FY 2005-2010 Source of Funds

(in millions \$)

	FY 2005 (Fed. FY04)	FY 2006 (Fed. FY05)	FY 2007 (Fed. FY06)	FY 2008 (Fed. FY07)	FY 2009 (Fed. FY08)	FY 2010 (Fed. FY09)	Total
Grants and Contributions							
Federal Grants							
Federal Transit Formula Grant (Section 5307)	\$ 100.205	\$ 93.182	\$ 98.687	\$ 104.859	\$ 112.977	\$ 122.186	\$ 632.097
Federal Transit Capital Investment Grant (Section 5309)	59.236	80.148	84.883	90.191	97.173	105.094	516.725
Subtotal	\$ 159.442	\$ 173.330	\$ 183.570	\$ 195.050	\$ 210.150	\$ 227.280	\$ 1,148.822
Local Contributions							
Local Match for Federal Grants							
Federal Transit Formula Grant (Section 5307)	25.052	23.296	24.672	26.215	28.244	30.547	158.026
Federal Transit Capital Investment Grant (Section 5309)	14.809	20.037	21.221	22.548	24.293	26.274	129.182
Subtotal	\$ 39.861	\$ 43.333	\$ 45.893	\$ 48.763	\$ 52.537	\$ 56.821	\$ 287.208
Other Local Contributions							
Additional Local Contributions	46.241	70.043	55.913	40.137	19.094	14.810	246.238
Federal TEA-21 Flexible Funding via Local Jurisdictions	8.054	8.054	8.054	8.054	8.054	8.054	48.324
Repairable Parts Accounts	5.300	5.450	5.600	5.750	5.794	5.519	33.413
Subtotal	\$ 59.595	\$ 83.547	\$ 69.567	\$ 53.941	\$ 32.942	\$ 28.383	\$ 327.975
Subtotal: Local Contributions	\$ 99.456	\$ 126.880	\$ 115.460	\$ 102.704	\$ 85.479	\$ 85.204	\$ 615.183
Subtotal: Grants and Contributions	\$ 258.898	\$ 300.210	\$ 299.030	\$ 297.754	\$ 295.629	\$ 312.484	\$ 1,764.005
Other Fund Sources							
Internally Generated Funds - Bus and Rail	3.528						3.528
Passenger Revenue to Support Vertical Transportation	6,000	6,000	6,000	6,000	6,000	6,000	36,000
Project Close-Out / Reprogramming	7,000						7,000
Refinancing and Tax Advantage Leases	14,700						14,700
Transportation Infrastructure Investment Fund (TIIF)		7,700	13,700				21,400
Subtotal	\$ 31,228	\$ 13,700	\$ 19,700	\$ 6,000	\$ 6,000	\$ 6,000	\$ 82,628
Total Source of Funds	\$ 290,126	\$ 313,910	\$ 318,730	\$ 303,754	\$ 301,629	\$ 318,484	\$ 1,846,633

Attachment to the Proposed Resolution of the Board of Directors of the
Washington Metropolitan Area Transit Authority

Attachment 2: Infrastructure Renewal Program FY 2005-2010 Source of Funds

(in millions \$)

	FY 2005 (Fed. FY04)	FY 2006 (Fed. FY05)	FY 2007 (Fed. FY06)	FY 2008 (Fed. FY07)	FY 2009 (Fed. FY08)	FY 2010 (Fed. FY09)	Total
Grants and Contributions							
Federal Grants							
Federal Transit Formula Grant (Section 5307)	\$ 100.206	\$ 93.182	\$ 98.687	\$ 104.859	\$ 112.977	\$ 122.186	\$ 632.097
Federal Transit Capital Investment Grant (Section 5309)	59.236	80.148	84.883	90.191	97.173	105.094	516.725
Subtotal	\$ 159.442	\$ 173.330	\$ 183.570	\$ 195.050	\$ 210.150	\$ 227.280	\$ 1,148.822
Local Contributions							
Local Match for Federal Grants							
Federal Transit Formula Grant (Section 5307)	25.052	23.296	24.672	26.215	28.244	30.547	158.026
Federal Transit Capital Investment Grant (Section 5309)	14.809	20.037	21.221	22.548	24.293	26.274	129.182
Subtotal	\$ 39.861	\$ 43.333	\$ 45.893	\$ 48.763	\$ 52.537	\$ 56.821	\$ 287.208
Other Local Contributions							
Additional Local Contributions	46.241	70.043	55.913	40.137	19.094	14.810	246.238
Federal TEA-21 Flexible Funding via Local Jurisdictions	8.054	8.054	8.054	8.054	8.054	8.054	48.324
Repairable Parts Accounts	5,300	5,450	5,600	5,750	5,794	5,519	33,413
Subtotal	\$ 59,595	\$ 83,547	\$ 69,567	\$ 53,941	\$ 32,942	\$ 28,383	\$ 327,975
Subtotal: Local Contributions	\$ 99,456	\$ 126,880	\$ 115,460	\$ 102,704	\$ 85,479	\$ 85,204	\$ 615,183
Subtotal: Grants and Contributions	\$ 258,898	\$ 300,210	\$ 299,030	\$ 297,754	\$ 295,629	\$ 312,484	\$ 1,764,005
Other Fund Sources							
Internally Generated Funds - Bus and Rail	3,528						3,528
Passenger Revenue to Support Vertical Transportation	6,000	6,000	6,000	6,000	6,000	6,000	36,000
Project Close-Out / Reprogramming	7,000						7,000
Refinancing and Tax Advantage Leases	14,700						14,700
Transportation Infrastructure Investment Fund (TIIF)		7,700	13,700				21,400
Subtotal	\$ 31,228	\$ 13,700	\$ 19,700	\$ 6,000	\$ 6,000	\$ 6,000	\$ 82,628
Total Source of Funds	\$ 290,126	\$ 313,910	\$ 318,730	\$ 303,754	\$ 301,629	\$ 318,484	\$ 1,846,633

Attachment to the Proposed Resolution of the Board of Directors of the Washington Metropolitan Area Transit Authority

Attachment 3: System Access/Capacity Program FY 2005-2010 Projects

(in millions \$)

Major Jurisdiction / Sponsor / Project	Approved FY04 & Prior	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total FY 2005-10	Total Project
All WMATA Jurisdictions									
All WMATA Jurisdictions									
• Buses	\$ 6,200	\$ 2,900						\$ 2,900	\$ 9,100
• Buses (50)	17,100								17,100
• Bus Enhancements		1,000	1,000	1,000	1,000	1,000	1,000	6,000	6,000
• Intelligent Trans. Systems: Communications	1,562								1,562
Metro Matters:									
• Rail Car Options (50 cars / 70 cars)									
• Brentwood Rail Yard	3,000								3,000
• Greenbelt Rail Yard	4,000								4,000
• Shady Grove Rail Yard	5,000								5,000
• Traction Power Upgrades	6,000								6,000
• Precision Stopping for ATC (a)	4,000								4,000
• Regional Bus Bike Racks	1,645								1,645
• Regional Customer Service Center	0,550								0,550
• Rail Cars (50)	120,000								120,000
• Rail Maintenance Yards and Shops	70,375								70,375
Subtotal: All WMATA Jurisdictions	\$ 242,432	\$ 3,900	\$ 1,000	\$ 8,900	\$ 251,332				
District of Columbia									
District of Columbia Government									
• Downtown Circulator Buses	16,266								16,266
• Public Hearing on Minnesota Ave. Parking	0,050								0,050
• Station Name Changes: RI Ave. & Archives	0,211								0,211
• Washington Convention Center	31,374								31,374
Subtotal: District of Columbia	\$ 47,901	\$ -	\$ 47,901						
Maryland									
Maryland Mass Transit Authority (MD-MTA)									
• College Park Parking Facility	17,310								17,310
• New Carrollton Parking Facility	22,615								22,615
• Silver Spring Transit Center									
Subtotal	\$ 39,925	\$ -	\$ 39,925						
Montgomery County									
• Glenmont Parking Facility Design Work	1,600								1,600
• Grosvenor Parking Facility (b)									
• Shady Grove Parking Facility (b)									
• White Flint Parking Facility	16,540								16,540
Subtotal	\$ 16,140	\$ -	\$ 16,140						
Subtotal: Maryland	\$ 56,065	\$ -	\$ 56,065						

Attachment to the Proposed Resolution of the Board of Directors of the Washington Metropolitan Area Transit Authority

Attachment 3: System Access/Capacity Program FY 2005-2010 Projects

(In millions \$)

Major Jurisdiction / Sponsor / Project	Approved FY04 & Prior	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total FY 2005-10	Total Project
City of Alexandria									
• Huntington Parking Facility	19,200								19,200
• King Street Station Improvements	16,600								16,600
Subtotal	\$ 35,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,800
Arlington County									
• Arlington Capital Projects Program Administration	0.450	0.150						0.150	0.600
• Ballston Station Improvements	14,450	0.550						0.550	15,000
• Clarendon Station Improvements	1,000								1,000
• Crystal City Canopy	0.300								0.300
• Rosslyn Station Improvements	0.350								0.350
• Shirlington Bus Terminal	1,800								1,800
Subtotal	\$ 18,350	\$ 0.700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.700	\$ 19,050
Fairfax County									
• Vienna Parking Facility	\$ 27,100								\$ 27,100
Fair Oaks Leaguan									
• Fair Lakes Shuttle Buses	\$ 0.857								\$ 0.857
VA Department of Rail & Public Transportation									
• Dulles Corridor Buses	3,054								3,054
• Franconia/Springfield Parking Facility	16,609								16,609
• Pentagon Bus Terminals	0.291								0.291
• Virginia Bus Facility Expansion	0.900								0.900
• Virginia Bus Stop Boxes	0.120								0.120
• Virginia Bus Waiting Area	1,582								1,582
• Virginia Parking Lot Signage	1,000								1,000
• West Falls Church Bus Bay	1,000								1,000
• West Falls Church Parking Facility	17,367								17,367
Subtotal	\$ 41,903	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,903
Subtotal: Virginia	\$ 124,010	\$ 0.700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.700	\$ 124,710
Total SAP	\$ 472,408	\$ 4,600	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 9,600	\$ 482,008

(a) Precision Stopping for ATC funding includes \$3.0 million appropriated prior to Metro Matters.

(b) Blunt by others.

Attachment to the Proposed Resolution of the Board of Directors of the Washington Metropolitan Area Transit Authority

Attachment 4: System Expansion Program FY 2005-2010 Projects

(in millions \$)

Major Jurisdiction / Sponsor / Project	Approved FY04 & Prior	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total FY 2005-10	Total Project
All WMATA Jurisdictions									
• Project Development	\$ 13,300	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 12,000	\$ 25,300
Subtotal	\$ 13,300	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 12,000	\$ 25,300
District of Columbia									
District of Columbia Government									
• DC Transit Alternatives Analysis & Anacostia Corridor Demonstration Project	24,370								24,370
• New York Avenue Metrorail Station	103,700								103,700
Subtotal	\$ 128,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,070
Maryland									
Maryland Mass Transit Authority (MD-MTA)									
• Largo Extension and Parking	447,100	9,300						9,300	456,400
• Purple Line DEIS	10,600								10,600
Subtotal	\$ 457,700	\$ 9,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,300	\$ 467,000
Virginia									
Arlington Co. Project Development (Pentagon City)		0.040						0.040	0.040
VA Dept. of Rail & Public Transportation									
• Dulles PE/NEPA	52,250	8,000	4,500					12,500	64,750
Subtotal	\$ 52,250	\$ 8,040	\$ 4,500	\$ -	\$ -	\$ -	\$ -	\$ 12,540	\$ 64,790
Total SEP	\$ 651,320	\$ 19,340	\$ 6,500	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 33,840	\$ 685,160



Washington Metropolitan Area Transit Authority SERVICE CHANGE STAFF SUMMARY SHEET

ROUTING	TO	BY DATE	FOR	DATE:
1	CEO	6/04/04	1	APPROVAL SUBJECT Staff Report and Recommendations on Proposed Restructuring of GEORGE Routes 26A, 26E and 26W in Falls Church, Virginia (Docket No. B04-4)
2	BUDGET COMMITTEE	6/10/04	2, 3	
3	BOARD	6/17/04	INFORMATION	

PREPARED BY: OPAS - V. Jackson EXTENSION: x 2237
V. Jackson
 DEPT. APPROVAL: DGM/OPER - J. Gallagher

CATEGORIES:

- | | | | | |
|---|---|---|---|---|
| <input checked="" type="checkbox"/> BUS | <input checked="" type="checkbox"/> MAJOR | <input checked="" type="checkbox"/> FREQUENCY | PUBLIC HEARING | ROUTE ANALYSIS |
| <input type="checkbox"/> RAPID TRANSIT | <input type="checkbox"/> MINOR | <input checked="" type="checkbox"/> SPAN | <input type="checkbox"/> IS REQUIRED | <input checked="" type="checkbox"/> IS ATTACHED |
| <input type="checkbox"/> STATIONS | | <input checked="" type="checkbox"/> ROUTING | <input checked="" type="checkbox"/> IS NOT REQUIRED | <input type="checkbox"/> IS NOT ATTACHED |

PURPOSE

To request Board approval of the staff report and recommendations on the proposed restructuring of GEORGE Routes 26A, 26E and 26W in Falls Church, Virginia.

DISCUSSION

WMATA conducted a public hearing in Falls Church, Virginia on Wednesday, May 5, 2004, on the proposed service restructuring of GEORGE Routes 26A, 26E and 26W as described in Docket No. B04-4. Three persons attended the hearing and testified for the record. One letter was received for the record. Two witnesses supported portions of the plan but recommended modifications such as retaining segments of the current 26A routing, retaining weekend service, and extending service to Seven Corners Shopping Center. The Assistant City Manager of Falls Church testified that the city had held its own hearing on the proposed service changes on April 12, 2004, and outlined the City's budgetary reasons for the proposed changes. The letter received for the record supported the proposal.

COORDINATION (Routing)	Initial	Date	COMP	ENCLOSURES:
			<i>[Signature]</i> 6/2	Staff Report and Recommendations on Metrobus Public Hearing No. 510
x	<i>JR</i>	6/2/04	SECT	GENERAL MANAGER ACTION:
				<input checked="" type="checkbox"/> Approved
				<input checked="" type="checkbox"/> Approved for Submission to the Board
x	<i>JR</i>	6/1/04	Deputy / ADMIN	<i>[Signature]</i> 6/4/04
			[Signature]	Signature Date
x	<i>WJ</i>	6/2/04	Deputy / OPER	BOARD ACTION:
			<i>JR 6/2</i>	Approved by the Board of Directors on _____
				Secretary _____

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: June 24, 2004
SUBJECT: Regional Transportation Items

A. DRPT's Draft Rail, Public Transportation and TDM Needs Assessment.

The department has released a draft 16-page executive summary (attached) and a 108-page draft final report, prepared by Cambridge Systematics. The theme of the short summary is "Reconnecting Virginians." Among the good news cited: Virginia transit ridership grew by 21 percent in three years. The bad news includes: current funding is inadequate to maintain even the existing transit services. This transit/rail needs assessment is a component of the broader VTrans 2025 -- an integrated, multi-modal, long-range transportation plan for Virginia.

Concerns are expressed in the report for gaps in levels of transit service. NVTC's area provides over 10 miles of transit vehicle service per capita per year, while most of the state receives less than three. NVTC will need to monitor this concern closely, as it may lead to efforts to redistribute existing state transit resources to the "have nots." DRPT will need to be reminded that Northern Virginia's per capita effort to fund public transit using local funds far exceeds any other part of the state. Also, even in areas with relatively extensive public transit there are gaps in the level and quality of service that could be enhanced with more state funding.

Another concern noted in the report is the growth of the elderly population in Virginia and the consequences for transit. DRPT has funded NVTC's research proposal on this topic for FY 2005.

The report estimates that total capital needs over the 2005-25 period in year of expenditure of dollars are almost \$7.8 billion simply to maintain the "status quo" (ridership growth matches population growth and

mode share declines); \$14.0 billion for the “strategic investment” scenario in which transit ridership growth matches the growth of vehicle miles traveled for a constant mode share; and \$25.5 billion for the “fully integrated system” scenario with transit ridership growing faster than VMT for a growing transit mode share. All scenarios assume WMATA’s Infrastructure Renewal Program and Phase I of the Dulles Rail Project are fully funded. Northern Virginia’s respective shares for the three scenarios are 80,67 and 50%.

Regarding operating costs, public transit’s totals are \$15.8 billion, \$17.9 billion and \$20.8 billion for the three scenarios, with Northern Virginia transit systems comprising 76,75, and 72 percent of the respective totals. Over the past several years 51% of these costs have been offset by fare revenues in Northern Virginia and only 25% in the rest of the state.

Regarding sources of revenue for capital, extrapolating existing state and federal assistance yields about \$5.4 billion over the 2005-25 period. Of this amount, 38 percent is earmarked for the Dulles Rail Project. This produces unfunded capital needs of \$113 million per year for the status quo scenario up to \$957 million for the fully integrated system scenario.

To cover operating expenses, state and federal aid are likely to total \$11.1 billion to \$13.8 billion over the 2005-25 period. This produces average annual unfunded operating needs of \$352 million through \$594 million.

In the main report, several tables provide information about Northern Virginia’s transit systems’ levels of service relative to those in the rest of the commonwealth, as of 2001. For example, Northern Virginia’s transit systems provide 63 percent of the state total large and small urban vehicle revenue miles, 54 percent of the total vehicle revenue hours and have 51 percent of the total transit vehicles in service.

Other tables show relative levels of transit use. For example, Northern Virginia’s transit systems provide 83 percent of the total statewide passenger miles in large and small urban areas and 74 percent of the unlinked passenger trips.

Northern Virginia’s transit systems incur 73 percent of the total transit operating costs for large and small urban transit systems. Growth of transit ridership in Northern Virginia far outpaces the remainder of the state. From 1998 through 2001, unlinked transit trips grew 9.5 percent annually here, compared to declines in Richmond (-0.7%) and Hampton Roads (-1.9%).

B. Brookings Institution: Washington Metro: Deficits by Design.

Robert Puentes has completed a thorough examination of the unusual financial structure of WMATA and the relationship of its budgetary challenges to its “problematic revenue base.” Mr. Puentes used several NVTC products in his research and has briefed the WMATA Board and TPB on his findings. A PowerPoint presentation summarizing his study is attached and copies of the full report are available from NVTC staff or online at www.brookings.com/urban.

Unlike many other large transit systems, WMATA does not have dedicated sources of revenue (except NVTC’s two percent motor fuels tax that supplies less than two percent of WMATA’s annual operating subsidy). Transit agencies with over a million population average 53.1 percent dedicated revenue sources for capital and 38.6 percent for operating.

The author states, “WMATA remains something of an ‘institutional orphan’ for which no single mayor, governor or legislature takes responsibility.” He concludes:

In the end, the politically fragmented nature of the metropolitan area probably argues that the best option for WMATA may be some mix of dedicated revenue sources generated on the sub-regional level. In this way, dedicated revenue sources could be generated and administered in Virginia, Maryland and the District independently, according to their particular preferences and traditions. At the same time, though, the special relationship between the Washington metropolitan area and the federal government should not be ignored.... Given the number of federal workers who rely on the system, and the number of federal facilities directly served by WMATA, the federal government has a critical and continuing stake in WMATA and should provide an annual operating subsidy, at a minimum....

C. London Congestion Pricing -- Implications for Other Cities.

During the discussion of Mr. Puentes's paper, Metro Board members had questions about his reference to London's congestion charges. Since February of 2003, London has charged a fee for driving private automobiles in its central area during weekdays. The purpose is to reduce congestion and to raise revenues for transportation improvements.

An excellent description of the program and its results is provided in the attached paper by Todd Litman of the Victoria Transport Policy Institute.

Victoria Transport Policy Institute

1250 Rudlin Street, Victoria, BC, V8V 3R7, CANADA

www.vtpi.org info@vtpi.org

Phone & Fax 250-360-1560

"Efficiency - Equity - Clarity"

London Congestion Pricing

Implications for Other Cities

by

Todd Litman

Victoria Transport Policy Institute

18 February 2004

Abstract

Since 17 February 2003 the city of London has charged a fee for driving private automobiles in its central area during weekdays as a way to reduce traffic congestion and raise revenues to fund transport improvements. This has significantly reduced traffic congestion, improved bus and taxi service, and generates substantial revenues. Public acceptance has grown and there is now support to expand the program to other parts of London and other cities in the U.K. This is the first congestion pricing program in a major European city, and its success suggests that congestion pricing may become more politically feasible elsewhere.

Background

A basic economic principle is that consumers should pay directly for the costs they impose as an incentive to use resources efficiently. Urban traffic congestion is often cited as an example: if road space is unpriced traffic volumes will increase until congestion limits further growth. For decades economists have recommended road congestion pricing (special tolls for driving on congested roadways) as a way to encourage more efficient use of the transport system, and address congestion and pollution problems, providing net benefits to society.

In recent years a few cities have implemented various forms of congestion pricing, including Singapore, Orange County (California State Route 91) and the cities of Trondheim, Oslo, and Bergen in Norway, but proponents have been frustrated at the political resistance congestion pricing faced in other major cities.

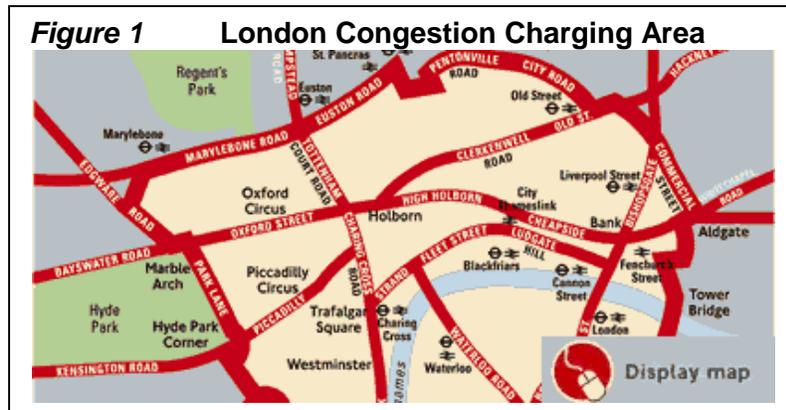
Central London is a particularly suitable for congestion pricing because of its limited road capacity (the streets network in the core area is hardly expanded since the medieval ages) and heavy travel demand result in severe congestion, plus relatively good travel alternatives, including walking, taxi, bus and subway services, which are used by most travelers. Only about 10% of peak-period trips were made by private automobile. For decades transport planners have recommended congestion pricing in central London.

In 2000, London's political system was restructured to create a new, elected Mayor with new powers to manage the city's transport system and raise taxes to fund transport improvements. Ken Livingstone won with a platform that included congestion pricing implementation. Revenues are to be used to fund public transit improvements.

This plan was criticized by various interest groups, including politicians, motorist groups and some labor organizations. The Conservative Mayor candidate promised to end the congestion pricing program if elected. There are a half dozen daily newspapers published in London, and many of them were skeptical or opposed to the program. However, Mayor Livingstone, considered a "radical" politician, proceeded with the charge.

How the Program Works

Since 17 February 2003 motorists driving in central London (Figure 1) on weekdays between 7:00 am and 6:30 pm are required to pay £5. There are some exemptions, including motorcycles, licensed taxis, vehicles used by disabled people, some alternative fuel vehicles, buses and emergency vehicles. Area residents receive a 90% discount for their vehicles. The charging area is indicated by roadside signs and symbols painted on the roadway, as indicated in figures 2 and 3.



Signs and Symbols Entering the Charging Area

Figure 2



Figure 3





Payments can be made at selected retail outlets, payment machines located in the area, by Internet (Figure 4) and cellular telephone messaging, any time during that day. Motorists can purchase weekly (£25), monthly (£110) and annual (£1,250) passes. A network of video cameras (Figure 5) records the license plate numbers of vehicles and matches it with the paid list. The owners of vehicles that have not paid as required are sent a £80 fine. This fine is reduced to £40 if paid within two weeks, and increases to £120 if not paid after a month - the same policy for parking penalties in the inner London area.



The system is considered reasonably effective. Approximately 110,000 motorists a day pay the charge (98,000 individual drivers and 12,000 fleet vehicles), increasingly by mobile phone text message. Non-payment rates were high during the first few weeks, due to general confusion and a relatively high error rate (there is often confusion between the number 0 or 1 and the letter O or l), but these have declined as users and system operators gain experience. After two months about 4,000 motorists a day are fined for non-payment, and this seems to still be declining.

This system is not considered optimal because:

- The fee is not based on how many miles a vehicle is driven within the charging area.
- The fee is not time-variable, that is, the fee is not higher during the most congested periods and lower during less congested periods.
- The fee does not vary by location. It would be more efficient to have higher rates on more congested roads.
- The system has relatively high overhead costs.
- Transit service (particularly the Tube) is crowded and unreliable, although this is changing as bus service improves and pricing revenue is used to upgrade the system.

The Day the Traffic Disappeared

New York Times, 20 April 2003, by Randy Kennedy.

On an unusually bright morning earlier this year, that mayor, Ken Livingstone, strides into the room before a bank of cameras, and with an unusually pleased look, announces a coup, one that has eluded dozens of large cities like New York, Los Angeles and Paris. He has not conquered crime or poverty, but he may very well have hobbled an urban enemy seemingly just as invincible: the car. Livingstone has just begun the world's most radical experiment in reclaiming the city from the tyranny of the automobile, a power struggle that cities have been losing in humiliating fashion for more than half a century. Since well before his election, he has been warning Londoners that far too many of them are driving into far too small a place – central London – polluting the air, choking commerce, slowly strangling their own livelihood. To stop them, the mayor decided to draw a line, literally.

The line formed a lopsided oval around eight square miles of the historic inner city. Almost anyone who drove across the line during business hours – in fact, almost anyone who moved or even parked a car on the street within it after Feb. 17 – owed the city of London £5 (about \$8) a day for every day it happened. If a driver failed to pay, one of more than 700 vulture-like video cameras perched throughout the zone would capture his license plate number and relay it to a computer, leading to a huge fine. And if the driver declined to pay those fines? The mayor vowed, only half-jokingly, that the city would relentlessly track his car down, clamp it, tow it away and crush it – “with or without the driver inside.”

The idea behind his assault on automotive freedom was neither new nor very hard to understand. If a finite resource is free, human beings tend to use it all up, regardless of the consequences. If it has a cost, they tend to use it more rationally. Livingstone, a far-left Socialist, won his mayoralty largely on the promise of applying this tough-love theory to London's streets. But in the weeks just before the “congestion charge” began, it sometimes seemed that he was the only one who believed it would work. The newspapers were full of derisive nicknames for it, like “Ken-gestion” and “Carmagedon.”

An oversimplified chronology would read something like this: the car helps to create sprawl; sprawl siphons people and political power away from the hearts of cities; the car returns to attack the city, which was never designed to accommodate so many; the city is forced to transform itself, ceding sidewalks to streets, trolley tracks to traffic lanes, parks to parking lots, whole neighborhoods to expressways.

Costs and Revenues

The program was predicted to have the following costs and revenues between 2000 and 2008, including three years of development and five years of operation:

Table 1 Congestion Charging Program Projected Costs and Revenues

	<i>Total (NPV)</i>	<i>Per Operating Year</i>
Start up costs	£180M	£36M
Operating costs	£320M	£64M
<i>Total Cost</i>	<i>£500M</i>	<i>£100M</i>
Charge revenues	£690M	£138M
Penalty revenues	£110M	£22M
<i>Total Annualized Revenue</i>	<i>£800M</i>	<i>£160M</i>

This table shows the charging program's projected costs and revenues. Actual revenues are somewhat lower.

According to this projection, during this first five-year period 62% (£100/£160) of revenues will be used to pay charging system program start-up and operating costs, and once start-up costs are repaid about 40% (£64/£160) of revenue will be devoted to operating costs. However, because the charge has reduced traffic more than expected, actual revenue is somewhat lower than predicted (about £100 rather than £138 projected annual revenue), so a somewhat higher portion of revenues may be devoted to charging program expenses.

Travel Impacts

Transport for London, with various academic organizations, established a five-year monitoring program to evaluate the impacts of congestion charging on traffic, transport, social, business activity and the environment (www.tfl.gov.uk/tfl/cc_monitoring.shtml).

Just over a million people enter central London during a typical weekday morning peak (7-10am). Over 85% of these trips are by public transport. Prior to the congestion pricing program about 12% of peak-period trips were by private automobile. During the programs first few months automobile traffic declined about 20% (a reduction of about 20,000 vehicles per day), resulting in a 10% automobile mode share.

The majority of drivers changing their travel patterns due to the charge have transferred to public transport with many choosing to travel by bus. Some, who had previously used central London as a cut through, have diverted from the zone. The remainder have switched to using their cars at different times, to different destinations, to taxis, motorcycles, pedal cycles, or to walking

This has significantly increased traffic speeds within the zone. A survey of journey times on roads inside the charging zone performed March and April 2003 show that the average traffic speed during charging days (including time stopped at intersections) increased 37%, from 8 miles-per-hour (13 km/hr) the previous year to 11 miles-per-hour (17 kms/hr) after pricing was introduced. Peak period congestion delays declined about 30%,

London Congestion Pricing

and bus congestion delays declined 50%. Bus ridership increased by 14% and subway ridership about 1%. Taxi travel costs declined significantly (by 20-40%) due to reduced delays. Vehicles can cover more miles per hour, so taxi and bus service productivity (riders per day) and efficiency (cost per passenger-mile) have increased substantially.

There has been some increase in motorcycle, moped and bicycle travel, and vendors have promoted these modes (figures 6 and 7).

Figure 6 Marketing Mopeds



Figure 7 Marketing Bicycles



The program's net revenues will be used to improve public transit services, including more buses and major renovations to the subway ("Tube") system, which is widely agreed to be in need of significant redevelopment. Bus service is being improved in many ways, including an expanded bus lane system, with enforced using a network of over 1,400 on-bus and roadside video cameras.

Figure 8 London Roadway



This shows a major roadway within the charging zone.

Figure 9 Tube Travel



This shows a busy subway station.

Public and Political Response

Before implementation this plan was widely criticized by various interest groups, including politicians, motorist groups and some labor organizations. The Conservative Mayor candidate promised to end the program if elected. Many newspapers were skeptical or opposed to the program, and opponents produced a website titled *Sod-U-Ken* (www.sod-u-ken.co.uk) to promote their objections.

The Forum About the London Congestion Charges



The congestion pricing program has since become generally accepted by the public and interest groups, including many that initially voiced criticism, such as automobile clubs. Within a month of its start residents of other areas in London began requesting to be included, and the Conservative candidate no longer promises to end the fee.

London First (www.london-first.co.uk), a business group whose members account for 22% of the city's GDP, supports the city's congestion charge. A survey performed May 2003 found that its members consider the scheme to have overall positive impacts on business activity. The majority (69%) felt charging had no impact on their business, 22% reported positive impacts on their business, and only 9% reported an overall negative impact. Many industries support the charge because its direct costs are offset by savings and benefits, such as faster delivery times. Cert Logistics, a distribution company that delivers to many downtown restaurants and hotels, reports its delivery times have been cut by as much as 50%, and other industries find that their employees spend less time delayed in traffic, and so can attend more out-of-office meetings in a day. The £5 charge pays for itself in just 17 minutes of travel time savings for employees earning average London wages (£34,000 per year), and many city center employees earn far more.

London Chamber of Commerce (www.londonchamber.co.uk) members have been more skeptical of the program. A survey performed in March, 2003 found that many city center retailers blame the charge for reduced sales (although the Iraq war and its security measures, a temporary closure of two subway lines, and a general economic downturn also impacted local business activity), and some threaten to leave the city. Opposition to the program tends to be greater among smaller retail businesses, and may partly reflect political ideology (the business community tends to oppose Mayor Ken Livingstone and his policies), and may represent a political strategy to gain more special treatment to benefit local retail businesses, such as lower parking fees and special discounts.

Criticism

Some issues of criticism are discussed below.

Business Activity

As mentioned above, some business consider themselves harmed by the program, particularly bulk good retailers that rely on customers who drive private cars. However, other economic activities have benefited due to improved access by other modes, reduced delay for high-value vehicle trips, and improved environmental conditions. A shift in the location of bulk retailing is not necessarily harmful to the regional economy if the city center locations they vacate are used for equally productive activities. Economic theory suggests that congestion pricing should increase overall productivity and business activity by favoring higher-value activities over lower-value activities, and reducing congestion costs. Some criticisms were based on inaccurate assumptions (for example, theater patronage impacts are slight since the charge does not apply evenings and weekends when most performances occur), or were addressed by special treatments (such as discounts for certain types of employees). The Retail Traffic Index for the Congestion Zone recorded a rise of 4.7% during 2003, higher than the gain made elsewhere in the London, suggesting that the program has had little impact or benefited businesses overall.

London Companies Learn To Love Congestion Charge

The Guardian (UK), February 16, 2004, by Andrew Clark

London's £5-a-day congestion charge will celebrate its first birthday tomorrow with a qualified thumbs-up from the capital's businesses, which overwhelmingly back the scheme but want some improvements. A study by the business lobbying firm London First reveals that 72% of companies believe the road charging experiment is working, with 14% convinced it is a failure.

Over the past 12 months the charge's critics have argued vigorously that it has starved central London of shoppers and failed to bring promised improvements in delivery times for businesses. London First's findings, which are based on a survey of 500 firms by an independent polling agency, suggest that the impact has been exaggerated. Just 26% said the charge has had a "negative" impact on the capital's economy, while 32% said it was neutral and a further 26% judged it to be positive.

The controversial charging scheme is also considered an asset for London's reputation. Some 58% reckoned it had improved London's image, while only 15% judged it to give a bad impression to outsiders. Julia Lalla-Maharajh, director of transport at London First, said: "The whole world expected it to fail. But this shows that three-quarters of businesses in London think the charge is a success and is good for the capital's image."

Estate agents, however, have reported a more mixed picture. One in four commercial property agents said the charge had been cited in lease renewal negotiations, with shops inside the zone demanding lower rates to reflect a fall in passing trade. Independent experts say the impact has been insufficiently dramatic to cause significant damage to the capital's economy. Tony Travers, of the London School of Economics, said: "There is no evidence yet of a mass exodus by businesses, and supermarkets are still opening convenience stores across the capital. "Even if the congestion charge has had an impact on the economy, whether good or bad, it hasn't been an overwhelming one."

System Accuracy

The congestion pricing system uses a network of video cameras to record license plate numbers, and optical character recognition (OCR) technology to read this information, match this with the database of “paid” vehicles, and generate a ticket that is sent to the owners of unpaid vehicles. During the first few weeks the rate of false positives (motorists being ticketed wrongly) was high, in part due to both drivers and OCR systems misinterpreting characters or using incorrect vehicle registration data. These failure rates have declined over time as motorists and operators gain experience.

Traffic Spillover Impacts

There was concern that congestion may increase on nearby roads due to diverted traffic. Although some diversion occurred the effect appears to be too small to measure, and may be addressed in the future by expanding the priced area and charging more variable fees (higher rates in the center and lower rates in outer zones). Although there is 10% more traffic on the peripheral roads, journey times on them have not increased, in part because traffic signal systems on these roads were adjusted in anticipation of these traffic shifts.

Fairness

Some critics argue that road pricing is unfair because it constitutes “double charging,” since motorists already pay registration and fuel taxes, and is unfair to lower-income people who must drive, such as workers who commute to central London during off-hours. Some motorists are exempt (e.g., people with disabilities) or have substantial discounts (residents within the priced area) not available to others. This criticism has raised debate concerning what pricing is equitable and how reforms can be most fair and beneficial to consumers. Some concerns have been addressed with special exemptions or policies.

Pricing Efficiency

Most economists favor a variable road use fee that reflects the type of vehicle, when it is driven, where and how much it is driven within the priced area, since that most accurately reflects the costs imposed by driving and gives motorists an incentive to minimize their negative impacts, for example, by shifting from peak to off-peak periods, or by minimizing their mileage. The current system uses a flat fee applied to any vehicle that drives within the central area during weekdays, so once a motorist pays the fee they have no incentive to minimize driving. This flat-rate system was chosen because it was relatively fast and easy to implement, and simple to understand. A more sophisticated system that allows variable fees is likely to be implemented in the future.

Cost Efficiency

A substantial portion of revenue will be used to pay program costs. According to original estimates, 62% of the first five years of revenue are devoted to program costs, and 40% once start-up costs are paid, due to lower than anticipated revenues, this will increase as high as 80% during the first five years and 50% once start-up costs are repaid. There are other ways to collect money from motorists with lower administrative costs. However, as a congestion reduction strategy and a way to improve bus service it has proven to be an effective and cost efficient investment.

Loss of Privacy

There is concern that the network of video cameras and the system for tracking vehicles within London is an invasion of privacy. However, British cities already have extensive video surveillance systems, and access to vehicle location data is controlled to limit invasion of privacy. However, these factors have not eliminated this concern.

Table 2 Congestion Pricing Winners and Losers

Winners	Losers
<ul style="list-style-type: none"> • Downtown bus riders. • All transit riders (due to increased funding for improvements). • Taxi riders and drivers. • Motorists with high-value trips. • Most city center businesses. • Overall city productivity. • Pedestrians and cyclists. 	<ul style="list-style-type: none"> • Motorists with marginal-value trips. • City center businesses that depend on low-cost weekday car access. • Residents and motorists in border areas who experience spillover impacts. • City center parking revenue recipients.

Implications for Other Cities

London’s congestion pricing project is considered an important test of the political feasibility of congestion pricing in major democratic cities. London’s experience shows that congestion pricing is technically feasible and effective, and that it is possible to overcome the political and institutional resistance to such pricing. As a result, it will help put congestion pricing on the menu of transportation improvement options in other cities.

For example, in February 2003, New York City Mayor Bloomberg said he would closely monitor the London congestion-pricing program to determine whether it might work in his city as a way to reduce congestion and raise funds.

This pricing program indicates that private automobile travel is more price sensitive than most experts believed. This is good news for congestion reduction but bad news for revenue generation.

Better pricing systems are needed to optimize the incentive, with prices that vary depending on the type of vehicle, when, where and how much it is driven. These are technically feasible, and have been implemented in Hong Kong and Singapore, but they involve greater investments and potential loss of privacy.

Implementation is not easy. It requires a suitable combination of travel and political conditions, including widely dispersed benefits and the ability to overcome public skepticism. Compared with other cities London has a particularly small portion of automobile commuters, and many of them reside outside the city. As a result, a relatively large portion of voters perceive themselves as benefiting from the fee. Voters in other cities may be more skeptical that they will benefit from such a fee.

Congestion Charging Sweeps The World: A Rash Of Cities Round The Globe Is Set To Travel The Same Road As London

The Observer (UK), February 15, 2004, by Juliette Jowit

Cities throughout Britain and across the world are poised to introduce their own congestion charges after the apparent success of the first year of the ground-breaking London scheme. Edinburgh and Cardiff are the furthest ahead, with plans for new charges on cars to raise money for investment, to be introduced within two years. The Scottish and Welsh capitals are both advancing proposals to charge drivers to pass a cordon around their city centres, explicitly linked to raising money for trams, trains and other transport improvements. Stockholm is to start a pilot next year and Barcelona and Milan have shown interest in the idea. In North America, San Francisco is said to be moving close to charging. And the Brazilian city of Sao Paulo is working on a proposal as well.

The surge in studies and consultations has been unleashed by the apparent success of the £5-a-day London congestion charge, which celebrates its first year this week. To mark the milestone, the London Mayor, Ken Livingstone, is likely to say latest figures show congestion in the zone is down by up to 30 per cent, average speeds are their highest since the 1960s, journey times are more reliable and businesses have benefited. Livingstone is also expected to announce a public consultation on a proposal to double the scheme to cover the West End as well as the capital's central zone. He has already braved the controversial announcement that he plans to raise fines by 25% for non-payers.

Derek Turner, the man credited with introducing the London scheme, now runs his own consultancy and says the London charge is seen as a success around the world and has given politicians the confidence to start discussing their own schemes. "I think most urban areas and suburban areas will have some sort of road-pricing regime," he said. "It's a nonsense to suggest we can sustain a free-at-the-point-of-delivery congested road network. After all, we pay for water in a metered way."

Elsewhere, studies by Deloitte consultants claim that 26 out of 34 cities in 15 European countries showed "significant support" for some form of charging. Across 11 countries in Latin America, 47 per cent of cities claimed "significant support" and a further 40 per cent were "thinking about it" – although the report does not say how many cities responded there.

In North America, San Francisco is openly talking about a congestion charge to complement existing tolls on special "fast" lanes of highways into the city to encourage vehicles with one or more passengers, and the "twin cities" of Minneapolis and St Paul in Minnesota are considering pricing all main roads and freeways. Other urban areas are expected to follow suit – but they are more likely, at least at first, to charge cars to drive into the cities, says Peter Samuel, editor of the US-based Toll Roads Newsletter. "Perhaps with the exception of lower Manhattan and San Francisco, American central cities have been developed in the automobile age and they aren't the most congested places; the most congested places are the freeways."

The World Bank is also reported to be pressing booming cities in developing countries to use charging to curb exploding traffic growth, calling for cities in the developing countries to use charges to reduce fast-growing car use, raise money for much-needed infrastructure and free up congested buses, which are traditionally the main form of mass transport. In a different type of scheme, Nottingham has proposed taxing parking places at work. There are reasons for caution. In the past year two proposals have been put on hold because of politics – in Bristol because of change in political control of the council, in New York because of wider political opposition.

References and Resources

CFIT, *Paying for Road Use*, Commission for Integrated Transport (www.cfit.gov.uk/reports/pfru/index.htm), 2002.

Congestion Pricing Bibliography, (www.hhh.umn.edu/centers/slp/conpric/bib.htm).

European Program for Mobility Management (www.epommweb.org) provides resources for transportation demand management planning and program development.

European Transport Pricing Initiatives (www.transport-pricing.ne) includes various efforts to develop more fair and efficient pricing.

T&E, *Congestion Pricing in London, A European Perspective*, European Federation for Transport and Environment (www.t-e.nu/Factsheets/2003/14-2-03-CongestionBriefing.PDF), 2003.

Oscar Faber, *Fair and Efficient Pricing in Transport - The Role of Charges and Taxes*, European Commission DG TREN in association with EC DG TAXUD and EC DG ENV. Available through the European Program for Mobility Management (www.epommweb.org), 2000.

Tim Hau, *Economic Fundamentals of Road Pricing*, Report Nos. TWU 1 and TWU 2, Infrastructure and Urban development, World Bank (Washington DC), 1992, available at www.worldbank.org/html/fpd/transport/publicat/pub_tran.htm and at www.econ.hku.hk/~timhau.

HHH Institute of Public Affairs, *Buying Time; Guidebook for Those Considering Congestion Relief Tolls*, Value Pricing Website (www.hhh.umn.edu/centers/slp/conpric/guide1.pdf), 1996.

Todd Litman, "Using Road Pricing Revenue," *Transportation Research Record 1558*, TRB (www.trb.org), 1996, pp. 24-28, available at www.vtpi.org.

Todd Litman, *Socially Optimal Transport Prices and Markets*, VTPI (www.vtpi.org), 2000.

London Congestion Charging Website (www.cclondon.com). For press releases see www.tfl.gov.uk/tfl/press_cc_news_latest.shtml. For a six-month status report see www.tfl.gov.uk/tfl/downloads/pdf/congestion-charging/cc-6monthson.pdf. For information on the monitoring and evaluation program see www.tfl.gov.uk/tfl/cc_monitoring.shtml.

Malcolm Murry-Clark, *Central London Congestion Charging* (www.foundation.org.uk/801/180303_1.pdf), 2003

Sod-You-Ken (www.sod-u-ken.co.uk), a website opposed to London's congestion charge.

Transport For London Homepage (www.tfl.gov.uk/tfl) provides regular updates on the pricing program.

William Vickrey, *Principles of Efficient Congestion Pricing*, Columbia University, June 1992, available at www.vtpi.org/vickrey.htm.

VTPI, "Road Pricing," *Online TDM Encyclopedia*, Victoria Transport Policy Institute (www.vtpi.org/tdm/tdm35.htm), 2003.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and NVTC Staff
DATE: June 24, 2004
SUBJECT: Mid-Year Review of Progress on NVTC's Work Program.

Attached for your information are detailed descriptions of the status of the primary projects currently being undertaken by NVTC staff. Staff will provide a brief Power Point presentation of the highlights of progress during the first six months of the year and the challenges remaining for the rest of 2004.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Regional Electronic Fare Payment System (SmarTrip)

PROJECT MANAGER: Adam McGavock

DESCRIPTION OF PROJECT: The Regional Electronic Fare Payment System project (more commonly known as SmarTrip) involves the purchase and installation of 387 SmarTrip compatible fareboxes on the buses of Arlington County ART, Alexandria DASH, City of Fairfax CUE, Fairfax County Connector, Loudoun County Transit, and PRTC's OMNIRide and OMNILink. The project also includes the integration of SmarTrip payment with the VRE fare collection system. All local systems will be connected to the Regional Customer Service Center (RCSC) through garage computer systems communicating through a Data Network Concentrator. The fareboxes and garage computer systems are being purchased from Cubic Transportation Systems Inc. WMATA is also planning to purchase and implement a network of Point-of-Sale devices to sell and add value to SmarTrip cards at participating retail locations throughout the WMATA compact area. NVTC has secured DRPT funding to purchase and operate 19 Point-of-Sale devices in Loudoun and Prince William counties. The SmarTrip project also includes a contract with the IBI Group to provide technical assistance for the installation of the fareboxes, garage computers, and fare payment integration.

MILESTONE ACCOMPLISHMENTS TO DATE:

NVTC executes contract with Cubic Transportation Systems – November 2001
NVTC executes contract with IBI Group, Inc. – November 2001
Loudoun County added to farebox and tech. assistance contracts – April 2002
Completed WMATA First article testing – August 2002
Began WMATA in service qualification testing – November 2002
Completed garage inspections in Northern Virginia – April 2003
Completed preliminary and final design review of equipment to be installed in Northern Virginia – April 2003
Secured DRPT grant to purchase and operate POS network for PRTC and Loudoun – June 2003
Secured additional DRPT funding for Technical Support contract – May 2004
Participating in design review process for RCSC and DNC – Ongoing

MILESTONES REMAINING:

Completing design review process for RCSC and DNC – Summer 2004
Farebox and garage installations in Northern Virginia – Late 2004 – Early 2005
Data system integrity test – 2005
Final acceptance – 2005

PROJECT BUDGET STATUS:

Farebox purchase contract: \$5,250,042 (\$3,590,953 remaining) Funding from VDRPT grant of \$4,074,712, FTA grant of \$1,000,000 (with \$250,000 in matching VDRPT funds), and \$198,293 from Arlington County for additional fareboxes
IBI Technical Asst. contract: \$320,884 (\$210,523 remaining) Funding from FTA grant of \$200,000 (with VDRPT matching funds of \$50,000) and VDRPT grants of \$34,184 and \$36,700

ISSUES:

After two years of delays and disappointments, there is finally reason for optimism regarding the regional SmarTrip project. In late May of 2004, WMATA began the process of garage installations that will ultimately lead to fleet-wide SmarTrip functionality on their Metrobus fareboxes. The WMATA installations will proceed at the rate of one garage per weekend (except on weekends with special events that require enhanced service) and finish in early August. Initial reports from WMATA staff indicate that the installations are progressing smoothly, and WMATA customer service staff report no significant increase in customer complaints.

MTA will begin their In Service Qualification Testing (ISQT) in late July / early August of 2004. The MTA ISQT is of particular interest to NVTC, as MTA will be testing the latest version of the Cubic garage and farebox software, known as Nextfare4. This is the software that will be installed in the fareboxes and garage computers of the Northern Virginia transit systems. If the MTA ISQT is completed on schedule, 90 days after inception, the farebox and garage installations in Northern Virginia would begin no later than January of 2005. Conversely, any delays in the completion of the MTA ISQT will delay the Northern Virginia installations.

On June 9th, NVTC received an unexpected grant cancellation notice from FTA. This cancellation notice affects approximately \$100,000 of remaining funding for the technical consulting contract with the IBI Group. NVTC staff is organizing a response to encourage FTA to reconsider.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: City of Falls Church GEORGE Bus Service

PROJECT MANAGER: Adam McGavock

DESCRIPTION OF PROJECT: This project involves the purchase of four clean diesel buses for the GEORGE bus service in the city of Falls Church. The buses are equipped with state of the art, low-pressure exhaust gas re-circulation systems and particulate filters, which provide for dramatically reduced emissions. For example, the GEORGE buses will emit 50% less NOx than standard diesel buses, 80% less carbon monoxide, and 90% less particulate matter. The demonstration project also covers 18 months of operating costs for the GEORGE system, with WMATA providing the drivers, maintenance, and garage facilities. In addition, project funding will cover initial marketing and promotional expenses for the GEORGE service. Originally, there were plans to include a hybrid-electric bus in the GEORGE fleet, as a six-month demonstration. Unfortunately, the manufacturer of the hybrid buses (AVS) has declared bankruptcy, and will not be fulfilling its contractual obligation to provide a vehicle. NVTC has filed a claim against AVS and is awaiting a ruling from the bankruptcy court.

MILESTONE ACCOMPLISHMENTS TO DATE:

Start of Project - February 1997

Secured final \$250,000 in 5309 funds for project - December 2002

Purchased four Thomas 30 foot Clean Diesel Buses and four low pressure exhaust gas recirculation filters - December 2002

Buses titled to WMATA - December 2002

SmarTrip fareboxes installed at WMATA as part of ISQT at Arlington garage - December 2002

Clever Devices Stop Annunciators and Automatic Passenger Counters installed at WMATA - December 2002

First Low-pressure exhaust gas recirculation and particulate filters installed - January 2003

Remaining EGR filters installed – April 2003

Free fare service began December 15, 2002

Revenue service began January 12, 2003

Operating Agreement with WMATA signed- April 2004

Initial monthly ridership - 1,100 (January 2003)

Current monthly ridership - 7,240 (March, 2004)

MILESTONES REMAINING -

Final Project Evaluation - July 2004

Project Budget Status

Capital funds expended:	\$1,683,577
Capital funds remaining:	\$ 9,159
Operating funds expended	\$994,159
Operating funds remaining:	\$213,695
Total remaining funds:	\$222,854

Capital funding Sources:

1998 Federal Grant	\$390,879
1999 Federal Grant	\$397,000
2001 Federal Grant	\$202,673
1995 State Grant (VDOT/VARF)	\$88,628
1998 State Grant (VDRPT/TEIF)	\$146,081
Recovery from Manufacturer #2	\$202,810
NVTC In-Kind (Through FY 02)	\$80,208
WMATA In-Kind	\$100,000
Falls Church Contributions	\$12,814
Recovery from Manufacturer #1	\$62,484

Operating funding sources

1998 State Grant (VDRPT/TEIF)	\$101,431
1999 Federal Grant (CMAQ)	\$564,000
1999 State Grant (VDRPT/TEIF)	\$310,900
Falls Church Contributions @ \$40,000/year for three years	\$107,186
Passenger Fare Revenue @\$15,000/year	\$30,000
Recovery from Manufacturer #1	\$10,751
Interest on Recovery #1& #2& Falls Church Contributions	\$7,732

ISSUES: With the WMATA operating agreement signed, and the billings now fully up to date, the GEORGE bus system is ready to transition from a demonstration project to a locally funded transit system. As the remaining demonstration funds are exhausted in the first quarter of FY 05, the City of Falls Church will begin to assume full responsibility for the funding and administration of the GEORGE bus system.

NVTC staff has begun work on the evaluation of the GEORGE bus demonstration project. The evaluation will look at the successes and failures of the various innovative technologies employed over the course of the project, and will include a history of the project, an on-board survey, and interviews with WMATA maintenance and operations staff. This evaluation should be available for the September Commission meeting.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Transit Performance Database

PROJECT MANAGER: Adam McGavock

DESCRIPTION OF PROJECT: The Transit Performance Database provides monthly and/or annual performance data for transit systems operating in the NVTC jurisdictions. The database is accessible by the public through our NVTC website, and allows anyone to obtain performance information on these transit systems without having to make multiple calls, or disturb the transit system employees. Currently, the Transit Performance Database contains operating and revenue information for VRE, WMATA (Northern Virginia only), Alexandria DASH, Loudoun County Transit, Fairfax Connector, CUE, and GEORGE.

MILESTONE ACCOMPLISHMENTS TO DATE:

Annual and/or monthly data on revenue miles, revenue hours, one-way passenger trips, passenger miles, and passenger revenues posted on website – January 2003

Update of monthly data – June 2003

Update of monthly data – December 2003

Update of monthly and annual data – April 2004

MILESTONES REMAINING:

Updates of annual performance data, to coincide with Annual Performance Update - yearly

Updates of monthly performance data (VRE, WMATA, DASH) – every six months

PROJECT BUDGET STATUS:

Administrative function of NVTC, approximately 20 hours of staff time each quarter

ISSUES:

There is a great variation among local transit providers on how much operating information they provide to the public. Some systems only provide information through NTD reports, which lag far behind in terms of publication (the most current data available at this time from the NTD site is FY 2001). Other systems, such as DASH and VRE, provide comprehensive data to the public on a monthly basis. Ideally, we would like to receive this level of detail from all of the systems in our jurisdictions. There are also difficulties with the WMATA ridership information for Northern Virginia. WMATA does not provide breakdowns of Metrorail ridership by jurisdiction, which means that these numbers have to be aggregated and estimated from system-wide reports. In terms of Metrobus ridership, WMATA provides “highest average daily ridership” figures on a monthly basis for each of the bus routes operating in Northern Virginia. These provide a reasonable estimate of monthly Metrobus ridership in Northern Virginia. Recently, we have found that the route revenue analyses that are distributed to the JCC can provide an even more accurate estimate of monthly ridership, and we are attempting to use these as much as possible.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— July, 2004 —

PROJECT NAME: NTD Technical Assistance

PROJECT MANAGER: Adam McGavock

DESCRIPTION OF PROJECT: In order to bring additional federal transit funding to the region, transit systems in Northern Virginia must complete the annual National Transit Database report. The National Transit Database report collects extensive information on all aspects of a transit system's existence, including operating statistics (trips, miles, hours, passenger miles,) financial information, safety statistics, staffing, and funding sources. Although the new online reporting system is an improvement, the task is still very time-consuming. The purpose of this project is to assist the local transit systems with the more complex aspects of completing their annual NTD reports.

The consulting team will put together sampling plans, collect ridership data, complete NTD reporting forms, and perform any other tasks as requested by the individual systems. Annual costs for this consulting assistance will be negotiated each year. Funding will come from a change in NVTC's subsidy allocation, which provides state aid funds "off the top" of NVTC's funding.

MILESTONE ACCOMPLISHMENTS TO DATE:

Proposals Evaluated and Contract Awarded - May 2003

Technical Advisory Committee assembled with representation from DRPT, Arlington, Alexandria, Fairfax County, Loudoun County, and the city of Fairfax. – June 2003

Kick-off meeting – June 2003

Create work plan for FY04 – July 2003

Negotiate price for FY04 work plan – July 2003

Compile stop lists and update routes – October 2003

Create work plan for FY 05 – June 2004

Negotiate price for FY 05 work plan – June 2004

Completion of FY 04 sampling – June 2004

MILESTONES REMAINING:

Repeat for subsequent years (three year contract with two year option)

PROJECT BUDGET STATUS:

George Hoyt and Associates FY 04 contract: \$172,276 (\$90,927 remaining)

ISSUES:

The first calendar year of the NTD Technical Assistance project has been completed without any significant problems. The FY '04 work plan will not be completed until the consultant assists with the filing of the actual FY 04 NTD reports. The FY 05 workplan has been reviewed and approved by jurisdictional staff. Sampling for the FY 05 NTD report will begin in July of 2004.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: ITS Evaluation

PROJECT MANAGER: Adam McGavock

DESCRIPTION OF PROJECT: This purpose of this project is to document the applications of ITS (Intelligent Transportation Systems) operating in Northern Virginia, and provide a framework for evaluating the benefits of these ITS applications. The project consists of three major tasks: an inventory of existing ITS applications, a documentation of the effectiveness and benefits of these applications (achieved through interviews with vendors, system managers, and a passenger survey), and a final report that contains the results of the first two tasks plus an explanation of ways for NVTC to continue gathering information on ITS applications and measuring performance.

MILESTONE ACCOMPLISHMENTS TO DATE:

Completed Task 1 – Inventory of existing ITS applications – 85 ITS applications documented in the region – January 2003

Completed Task 2 – Evaluating results of ITS applications via manager/vendor interviews and passenger survey

- 23 interviews conducted with managers or vendors associated with high profile ITS applications in the region – February, March 2003
- 14,000 passenger surveys distributed at 17 Metrorail stations in Northern Virginia, 2,292 completed surveys returned – April 2003

Task 3 – Final Report – August 2003

Presentation of final results to NVTC Board – September 2003

MILESTONES REMAINING:

Continuing Evaluation Process

PROJECT BUDGET STATUS:

Project budget: \$105,263, \$100,000 State funds, 5% local match, no project funds remain

ISSUES: The consultant has presented the final report to the board.

NVTC staff has received the board's permission to undertake a pilot evaluation to demonstrate the validity of the recommended ITS evaluation system. The pilot evaluation will look at the benefits provided by the Automatic Passenger Counting systems on the GEORGE buses, using the forms recommended in the report. This evaluation will illustrate whether the proposed evaluation process is practical, what the future demands might be on project sponsors and whether the results of the process are likely to be worthwhile if expanded to additional projects in the future. Because of problems with the APC system, the evaluation has been delayed until the summer of 2004, and will be presented at the September Commission Meeting.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Bus Shelter Project

PROJECT MANAGER: Adam McGavock

DESCRIPTION OF PROJECT: The Northern Virginia regional bus shelter program is designed to facilitate the procurement and installation of bus shelters at highly utilized stops in the Northern Virginia area, using CMAQ funds provided in 1998. Participating jurisdictions/agencies include Arlington County, Fairfax County, Alexandria and the Potomac and Rappahannock Transportation Commission. These agencies met and agreed to complete independent procurements, as well as provide their portion of the required local match. The current funding of the project was estimated to provide approximately 45 shelters, at an average price of \$10,000 per shelter. NVTC was asked by DRPT to coordinate the local sharing of funds for this project, and to manage requests for reimbursement. Alexandria has obligated their \$150,000 in funding to construct seven bus shelters, with another 10 to be built this fall. Thus far they have billed \$57,381 to the grant. Fairfax has billed \$149,872 for the construction of eight bus shelters throughout the County.

MILESTONE ACCOMPLISHMENTS TO DATE:

City of Alexandria uses grant funds to construct seven bus shelters – January 2002

Fairfax County uses grant funds the construction of eight shelters – June 2003

MILESTONES REMAINING:

Expenditure of the remaining grant funds prior to the end of June, 2004

PROJECT BUDGET STATUS:

The project budget includes \$360,000 in CMAQ funds (administered by DRPT) and \$90,000 in local matching funds. Of these funds, \$242,746 remains.

The funds are allocated by jurisdiction as follows:

City of Alexandria:

CMAQ funding	\$120,000	
Matching funds	\$ 30,000	
TOTAL	\$150,000	<i>All City of Alexandria funds obligated, \$57,381 billed to grant</i>

Arlington County:

CMAQ funding	\$120,000
Matching funds	\$ 30,000
TOTAL	\$150,000

Fairfax County:

CMAQ funding	\$120,000	
Matching funds	\$ 30,000	
TOTAL	\$150,000	<i>\$149,872 in Fairfax County funds billed</i>

ISSUES:

The first question everyone asks about this project is “why hasn’t all of this money been spent?” The grant funds have been available for almost three years, yet there is still a sizable portion that has not yet been spent. Why has it taken so long to spend this money?

The main problem is that the process of building shelters is very time-consuming. Most would probably consider the construction of a bus shelter to be a simple process, like putting up a tool shed. However, constructing a bus shelter is more complex than one would think. They require extensive engineering studies, land surveys, siting, and frequently require easements. In some ways, constructing a shelter is every bit as laborious as constructing a public building. This is why it has taken so long for most of this money to be used.

Arlington has yet to bill their grant funds, but they have received permission from DRPT to bill for the purchase eight shelters this fall. Alexandria has billed \$57,381 to the grant, and has received permission from DRPT to submit additional grant-billing invoices through the fall of 2005 for the purchase of

10 additional bus shelters. For all intents and purposes, Fairfax County has exhausted their grant funds.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— July, 2004 —

PROJECT NAME: Northern Virginia Regional Transportation Plan Update

CONTRACT MANAGER: Jana Lynott

DESCRIPTION OF PROJECT: In December 2003, the Northern Virginia Transportation Authority requested NVTC to serve as the contracting agency to procure a consultant for the update. This project involves updating the project lists and cost estimates for transportation improvements needed between now and 2030. Through analysis and a prioritization process that is linked to a meaningful public involvement program, the contractor team will help the NVTA prioritize these improvements. An important part of the work is travel demand modeling and network performance analysis, including the addition of a transit level of service analysis to complement the highway level of service analysis.

MILESTONE ACCOMPLISHMENTS TO DATE:

- NVTC staff, in consultation with the NVTA Interim Technical Committee, prepared and released an RFP on April 16, 2004. Proposals were received on May 27.
- Funding for the 2020 Plan Update was amended into the regional TIP in April by the TPB Steering Committee.
- A Pre-proposal Conference was held on April 29th in the NVTC Conference Room. Representatives from 18 firms attended and expressed an interest in the project.
- The selection committee, composed of representatives from local, state, and regional transportation agencies met on June 14 to shortlist firms. Oral presentations with these firms took place on June 18.
- The selection committee has recommended NVTC approval to complete contract negotiations and enter into a contract with the top-ranked firm.

MILESTONES REMAINING:

- Notify NVTA of NVTC's action on selection committee's recommendation and request that NVTA ratify the commission's decision.
- Amend State STIP to include RSTP funding for project.
- Finalize contract negotiations, sign contract, and issue notice to proceed.

PROJECT BUDGET STATUS:

The NVTAs approved \$1,000,000 in RSTP funds (FY04 carryover). Of this \$900,000 is reserved for the consultant contract.

ISSUES:

Funding for the 2020 Plan Update was amended into the TIP in April. However, on a statewide basis, VDOT is at the limit of its obligation authority limit for Federal funds. Since the State Transportation Improvement Program (STIP) is a financially constrained document, FHWA can not approve STIP amendments that will effectively over-obligate available funding. Hence, either an increase in obligation authority must be received by the Virginia Division of FHWA or VDOT must drop existing projects out of the STIP to provide funding available for obligation. While awaiting the federal surface transportation program reauthorization, VDOT is identifying, and dropping from the STIP, projects that have been delayed and are not using authorized funding. It is expected that additional projects will be identified for deletion from the STIP, and that the STIP amendment for the 2020 Plan update can be submitted to FHWA for approval within the next month.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT NVTC PROJECTS

— July, 2004 —

PROJECT NAME: Transit Emergency Response and Contingency Planning

PROJECT MANAGER: Jana Lynott

DESCRIPTION OF PROJECT:

At the urging of our member jurisdictions, NVTC staff agreed to host a series of workshops to develop contingency plans for key Metro Station closures in Northern Virginia. These plans will outline alternative staging areas for buses should the Metrorail station be shut down. Plans will include instruction on bus stop and signage and schedule information, public information, and supervision of operations to adjust to changing traffic patterns. Procedures for instituting a bus bridge will also be devised. In addition, participants will identify issues for regional discussion such as the retiming of traffic signals and parking enforcement. The final product will be a series of approximately five-page summary plans that outline the recommended contingency plan for each key station area. The product will be shared with the Regional Transit Operators Emergency Preparedness Group and MWCOG as input to its regional planning effort. NVTC will co-sponsor these sessions with the local jurisdiction containing the station area under discussion. NVTC will facilitate the discussions, keep a record of the discussions, and draft emergency response plans. Representatives of NVTC member jurisdictions, including local transit operators, police, and fire and rescue personnel, WMATA, and MWCOG, have participated in these discussions.

MILESTONE ACCOMPLISHMENTS TO DATE:

- The first eight scheduled emergency planning sessions were held between November 2003 and June 2004. Station areas discussed included the Pentagon, Rosslyn, King Street, West Falls Church, Vienna, Franconia-Springfield, Huntington, and Ballston Metrorail stations.
- Local jurisdiction co-sponsors have been actively engaged in session planning, scenario development, and the discussions, and have supplied useful maps and visuals of the station areas.
- There has been a strong commitment to the process by all key agencies and departments and from numerous levels within those agencies, including WMATA rail and bus managers, supervisors and planning personnel, Metro Transit Police, local jurisdiction transit managers,

planners and street supervisors, police and fire and rescue personnel. This level of participation has enabled robust discussions and a few response protocol “breakthroughs.” Participants have indicated that the process has been valuable and will reconvene in September to generate more detail for each of the emergency response plans.

- A draft report on the discussions and emergency response plans was shared with participants on June 15, 2004. Options for improving notification and communications, interagency coordination, and customer information is offered in the report, in addition to draft summaries of response plans for each station area discussed.
- Ms. Lynott briefed the Regional Transit Operators Emergency Preparedness Group on June 23, 2004.

MILESTONES REMAINING:

- Ms. Lynott has been invited to share the initial outcomes of this work with the MOITS committee at a future meeting. Participants have indicated a desire to integrate this work with ongoing activities of the MOITS committee.
- More detailed response plans for the Pentagon, Rosslyn, Ballston, West Falls Church, Vienna, King Street, Huntington, and Franconia-Springfield Metro Stations will be developed this fall. Each station area plan will include a map of alternative passenger pick-up and drop-off locations, a map showing alternative bus staging locations and bus bridge pathways, and a list of contact numbers for each agency and department. Ultimately, these response plans will be formatted as a transit emergency response manual.
- Ms. Lynott will work with local jurisdiction mapping departments to obtain basemaps and aerial photography in a GIS format to aid future planning sessions.

PROJECT BUDGET STATUS:

DRPT awarded NVTC a grant of \$1000 to support this effort.

ISSUES:

Ultimately the success of this effort will be to get understanding and buy-in from all levels of key agencies and training for all staff responders (rail and bus supervisors and operators, police and fire and rescue personnel).

I

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— July, 2004 —

PROJECT NAME: Air Quality Code Red Free Bus Fares

PROJECT MANAGER: Jana Lynott

DESCRIPTION OF PROJECT:

As part of a continuing regional air quality improvement strategy, this project provides free bus service on forecast Code Red Air Quality Action Days as an enticement to travelers to take public transportation. Participating providers include Arlington Transit, DASH, Fairfax Connector, CUE, Loudoun County Transit, Virginia Regional Transportation Association, Falls Church George, and WMATA.

NVTC is responsible for administering the CMAQ funds received for this project. Since project inception in 1999, CMAQ funds totaling \$2,520,000 have been made available to NVTC.

MILESTONE ACCOMPLISHMENTS TO DATE:

- There have not been any Code Red days yet this summer.

MILESTONES REMAINING:

- Administer program during 2004 Ozone Season.
- Complete processing of FY04 grant amendment through DRPT.
- Prepare and submit FY06 CMAQ grant proposal by September 2004.

PROJECT BUDGET STATUS:

The current project budget for free fare reimbursement, including the FY04 grant, is \$582,000. Based on an estimated weekday average cost of \$80,000 per day, which takes into account the increased fares of our transit providers, we have sufficient funds to cover seven forecast Code Red Days this summer.

ISSUES:

- Two changes in the MWCOG's forecasting procedures began this summer. First, the MWCOG will base its air quality forecasts on the 8-hour standard. Second, forecasts for both ozone and particles will be done. The MWCOG estimates that these changes could lead to one or two additional Code Red days over the number that would have been forecast under the 1-hour standard.
- Because of the shift in the TIP and STIP schedules, the FY05 grant of \$290,000 will not become available until September or October at the earliest when the TPB adopts the TIP and the State adopts the STIP. Without the project's inclusion in the regional TIP and state STIP, NVTC is not able to draw down on the following year's funding to cover a shortfall should the number of Code Red days exceed seven this summer. To address this potential problem and enable NVTC to reimburse transit operators regardless of the number of Code Red days this season, Ms. Lynott is polling other recipients of FY04 and earlier CMAQ grants to see if any are in the position to trade funds to be reimbursed out of NVTC's anticipated FY06 CMAQ grant.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT NVTC PROJECTS

— July, 2004 —

PROJECT NAME: Air Quality Code Red Free Bus Fares Evaluation Project

PROJECT MANAGER: Jana Lynott

DESCRIPTION OF PROJECT:

At the request of NVTC's Board members, staff obtained \$105,000 in CMAQ grant funding to evaluate the effectiveness of offering free bus fares on Air Quality Code Red Days. This project is particularly timely given the challenges the region faces, both in meeting air quality requirements and addressing budget constraints. The evaluation includes a telephone survey targeted to the general population, an on-board bus survey of bus riders, and an analysis of emissions reductions.

MILESTONE ACCOMPLISHMENTS TO DATE:

During the spring and summer of 2003, NVTC procured a consultant (BMI-SG) to evaluate the program's effectiveness through the administration of a telephone survey, on-board survey and assessment of emissions reductions resulting in use of the program. The telephone survey to test the public's general level of awareness was completed in August 2003. The on-board survey was pre-tested on the first forecast Code Red Day of the 2003 ozone season (June 25). Because the survey instrument was not complete on June 26, the second and last forecast Code Red Day of the season, the on-board survey will be completed this season (Summer 2004). The on-board bus survey is intended to assess whether free fares lead to ridership increases on days the promotion is offered. Origin and destination data obtained from respondents was to be used to estimate emissions reductions resulting from increased ridership on area buses.

The consultant has prepared an interim report based on the findings of the telephone survey. Initial analysis of reported ridership gains provides a rough estimate of emissions reductions. The Commission received a presentation on this interim report in December 2003.

To address the problem of poor ridership counts on Code Red days, Ms. Lynott and the project contractors gave presentations to bus drivers at six safety meetings this spring, including the Fairfax Connector garage, and the Four Mile Run, Royal Street, and Arlington WMATA garages. The presentations provided an overview of the Code Red program and evaluation project, and stressed the importance of recording ridership on Code Red days. WMATA's garage superintendents and driver trainers have also included Code Red day counts in their training on the new farebox machines. Because of these measures, we are hopeful that we will get improved ridership counts this year.

On-board surveyors were re-trained June 21, 2004.

MILESTONES REMAINING (proposed):

Execute on-board survey on three Air Quality Code Red Days (Summer 2004)

Analyze final survey results (Fall 2004)

Complete final report (December 2004)

PROJECT BUDGET STATUS:

\$34,410 of the \$100,000 consultant budget remains.

ISSUES: None at this time.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Electronic Transit Schedules

PROJECT MANAGER: Kala Quintana

DESCRIPTION OF PROJECT:

Convert NVTC jurisdictional bus and VRE schedules into an easy to access format that can be accessed and downloaded to both Personal Digital Assistants (PDA's), and Hand Held Computers, as well as cell phones with internet access. This value-added free service will be beneficial to Northern Virginia riders and could potentially attract more riders to the area's transit systems by placing the most up to date bus schedule information literally in the palm of their hand.

MILESTONE ACCOMPLISHMENTS TO DATE:

- Executed sole source contract with Redmon Group and forwarded schedules for VRE, DASH, Connector, CUE, GEORGE. Working closely with Arlington County to develop a "hand-held technology" marketing campaign. Arlington County is investing \$50K in regional promotion.
- JCC presentation to DC and Maryland staffs on June 27, 2003;
- All systems in Northern Virginia are participating. PRTC recently added this service for their customers.
- Posters to be distributed to participating systems for advertising.

MILESTONES REMAINING:

- Ongoing schedule maintenance
- Funding for regional scale poster campaign

PROJECT BUDGET STATUS:

Remainder \$6,800 for schedule update and maintenance costs is being billed by the close of FY 2004. Project total: \$45,000.

ISSUES:

Ensure that participating transit systems submit their schedule changes in a timely fashion. Funding for regional marketing effort. Looking at expanding the format to cover the newest Blackberry technology as well as partnering with cell phone providers and portals to make location of the schedules and navigation faster and easier for users.

L

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: NVTC WEB SITE DEVELOPMENT

PROJECT MANAGER: Kala Quintana

DESCRIPTION OF PROJECT:

Update NVTC's website and transfer under the domain name:
www.thinkoutsidethecar.org thereby continuing to establish NVTC as "*The*
leading source of information on public transportation issues in Northern
Virginia."

MILESTONE ACCOMPLISHMENTS TO DATE:

- Website has been "up and running" since February, 2003;
- Recent hits totaled over 40 per day, lasting 21 minutes on average per visit;
- Key word search capability;
- Easier site navigation and information is better organized;
- Archived data and reports;
- Enhanced Interactivity, radio interviews, commercials, brochures, ListServ, Contact form and request or information forms;
- Special password protected area for MAC members, NVTC Board and staff.
- Archived photos and important NVTC documents in PDF files and preserved on line.
- Created web maintenance protocol.
- Commission and MAC agendas are available electronically and preserved electronically. They are also key word searchable.

MILESTONES REMAINING:

- Will continue to archive historical data, maps, reports and photographs to store on the NVTC web site. Thus providing easier access to the information by staff, users and visitors and safely preserving and securing the information in perpetuity.
- Continued updates and enhancements to the site as needed.
- Adding archival films from NVTC's 40th anniversary.

PROJECT BUDGET STATUS:

Costs to be determined -- well within reasonable NVTC budget guidelines.

ISSUES:

- Would like NVTC to continue to budget for web maintenance costs up to \$5,000 annually. This would cover any additional audio files as well as regular maintenance costs as needed throughout the year.
- Keeping the "What's New" section current requires vigilance by staff.
- Measuring the number of site visits, collecting feedback from site users and spreading the word about the availability of the information on the site are ongoing challenges.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Legislative Initiatives

PROJECT MANAGER: Kala Quintana

DESCRIPTION OF PROJECT:

Chris Zimmerman is the newly elected President of the Virginia Transit Association (VTA). Rick Taube, chairs the VTA Legislative Committee. Each year NVTC and its jurisdictions adopt legislative agendas and work with VTA to pursue them actively at the state and federal levels, including letters and personal contact with legislators.

MILESTONE ACCOMPLISHMENTS TO DATE:

Transit Education Day January 10, 2004 -- "We are the Faces of Public Transportation!"

- Co-chaired this event with Noelle Brown of Hampton Roads Transit;
- Distributed 65 dozen Krispy Kreme doughnuts to legislators and their staffs, including Lt. Governor Tim Kaine, to highlight that "Transit is a sweet investment for Virginia" and 350 cups of coffee;
- Highlighted the DASH About Bus and Mobile Commuter Store;
- Hosted nearly 250 attendees in Richmond;
- Organized legislators to come and speak to the group;
- Attendees visited with legislators and passed out information about the benefits of public transportation;
- Held a rally on the grounds of the Capitol;
- Attendees and participating transit organizations were recognized on the House and Senate floors for our commitment to public transportation;

Attended the Annual VTA Conference June 2-3, 2004 and promoted next year's Transit Education Day. Presentation to the VTA Executive Board to get involved in the coming year. Solicited volunteers and participants for Transit Education Day 2004;

Enhanced legislative information on NVTC's web page established links for residents to contact their legislators;

Attended APTA Capitol Hill Education Day (July 22-23, 2003).

MILESTONES REMAINING:

- NVTC Legislative Committee meets in early November, 2004.
- VTA Legislative Committee begins meeting in September, 2004.
- Will attend Legislative Liaison Committee meeting July 12, 2004.
- Transit Education Day planning for 2005 has begun.
- Enhancement and addition of legislative information to NVTC's web page before 2005 General Assembly session.
- Tracking reauthorization of TEA-21 and advocating favorable actions for transit.
- Advocating legislation affecting transportation issues in the 2005 legislative sessions

PROJECT BUDGET STATUS:

NVTC staff time totaling about 80 hours annually plus VTA membership dues of \$800 and access to Legislative Alert Service at \$600.00.

ISSUES:

Ongoing need for more funding for transit from state and federal partners. Specifically, a dedicated source of funding for Northern Virginia's transit systems.

N

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Public Outreach

PROJECT MANAGER: Kala Quintana

DESCRIPTION OF PROJECT:

We continue to establish NVTC as “*The* leading source of information on public transportation issues in Northern Virginia” through the use of Press Releases; Submission of Op-Eds to area print media like the Washington Post and The Northern Virginia Journal; Letters to the Editor and columnists like Steve Eldridge and Dr. Gridlock; participation with the TAGS executive board; jurisdictional support for local outreach initiatives;

MILESTONE ACCOMPLISHMENTS TO DATE:

- Press Releases
 - Who says that no one is riding transit? (Feb 04)
 - NVTC to seek new CEO for VRE (Jan 04)
 - Calls on the General Assembly (Jan 04)
 - New NVTC officers and Work Program for 2004 (Jan 04)
- Op-eds
 - Transportation Advocacy and Education series for the Post and Journal (Fall, 2003)
 - We need a balanced transportation network (Aug 03)
- TAGS Executive Board
 - Re-elected Secretary of the TAGS Board June 03.
 - Assisted in the design and printing of the new TAGS brochure.
 - Assist in Annual Breakfast in Springfield October 03 planning and implementation.

- Member of two subcommittees:
 - Marketing/Image development; and
 - Fleet./Service expansion
- Jurisdictional Support
 - Arlington County
 - Expansion and maintenance of Electronic Schedule downloads/PDA project.
 - Supported DRPT with information for national and international presentations.
 - Supported VTA on various projects including legislative dinner.
 - Ongoing support on special projects as needed for all jurisdictions
- Presentations
 - CTB Presentation with Elaine McConnell
 - JCC presentation on Electronic Schedule Project expansion to MD & VA
- Events
 - 40th Anniversary Celebration
 - 150 guests, commemorative pin and poster, recap of NVTC's contributions to Northern Virginia
- Advertising
 - NVTC/Transit as the remedy for congestion poster (in development)

MILESTONES REMAINING:

- Transportation Nuggets (monthly additions to the NVTC web page)
- Continued commemoration of NVTC's 40th Anniversary – time capsule event.
- Code Red promotion – continuing through the end of the summer
- Continued Marketing of the Electronic Schedules – combined effort with Code Red outreach

- Possible October tour of transit systems for General Assembly members from Northern Virginia and the Commonwealth.
- Hire intern for 2004-2005
- Archive historical photos and slides, place in web site.

PROJECT BUDGET STATUS:

NVTC staff has utilized all available marketing funds from the VDRPT Marketing Grant. Need additional funds for project support of the NVTC web site and the electronic schedule marketing efforts.

ISSUES:

Lack of available funding for promotional efforts.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: FY 2005 State Grant Applications

PROJECT MANAGER: Scott Kalkwarf

DESCRIPTION OF PROJECT: NVTC applies for state capital and operating assistance on behalf of the member jurisdictions. This includes assistance for the Virginia jurisdictions' share of the WMATA operating and capital subsidies and assistance for the Virginia local systems' operating and capital needs. In addition, demonstration and technical assistance is often requested for NVTC projects. Upon approval by DRPT, NVTC enters into the project agreements as the grantee and recipient of the project funds.

NVTC also applies for capital and operating assistance on behalf of VRE. Upon approval by DRPT, NVTC enters into the project agreements as the grantee.

MILESTONES ACCOMPLISHMENTS TO DATE:

- NVTC staff attended training sessions in using DRPT's Online Grant Administration program (OLGA).
- Notified jurisdiction staff to provide the local systems' operating and capital budgets to NVTC by January 20th.
- Requested that WMATA provide detailed preliminary FY 2005 budget information by January 20th including jurisdiction's operating subsidies by mode, detailed operating budgets by mode, jurisdiction's capital requirements by program, and detailed capital budgets including federal funding requirements.
- Calculated the jurisdiction's share of WMATA's operating revenue and expenses and categorize expenses according to the state operating assistance requirements.
- Calculated the jurisdiction's share of WMATA's capital budgets, including the federal share and type of assistance attributable to the jurisdiction's subsidies.
- Reviewed operating and capital budgets submitted by jurisdiction staff.
- Determined the amount of assistance provided for WMATA capital subsidies in previous years available for carryover to the current fiscal year.
- Reviewed the operating, capital and other assistance requests prepared by VRE.

- Prepared summaries of the operating, capital and other assistance to be requested and review this information with the Management Advisory Committee at the January meeting.
- Applied for over \$179 million in eligible operating, capital and project assistance for NVTC and VRE from DRPT by February 2nd
- Calculated the jurisdiction's share of the actual FY 2003 WMATA operating expenses and submit the Certification of Operating Expenses to DRPT by February 2nd.
- Reviewed the actual FY 2003 local systems operating expenses and submitted the Certification of Operating Expenses or verified that the certification was submitted for each system to DRPT by February 2nd.
- Obtained commission approval for submitting assistance requests.

MILESTONES REMAINING:

- Review and execute project agreements with DRPT in July 2004.
- Calculate the jurisdictions' share of WMATA's actual FY 2004 operating revenue and expenses and submit this information to DRPT in August 2005.

PROJECT BUDGET STATUS:

Costs relating to the FY 2005 state grant applications are included in the NVTC general and administrative budget.

ISSUES:

The operating and capital budgets from WMATA used to calculate the assistance requests are preliminary and the local subsidy requirements may change with the approved budget. Accordingly, the capital and operating assistance that NVTC requests may be different than the local subsidies billed by WMATA.

NVTC was unable to apply for capital assistance for the FY 2005 Metro Matters capital needs because these amounts were not known as of the application due date.

The assistance application deadline was moved from March 1st to February 2nd beginning with the FY 2005 grant applications. The earlier that assistance applications are required to be filed, the greater the probability that actual needs will not match the assistance applied for.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: FY 2005 Transit Financial Assistance Allocation

PROJECT MANAGER: Scott Kalkwarf

DESCRIPTION OF PROJECT: Transit financial assistance received by NVTC on behalf of the member jurisdictions is allocated using the Subsidy Allocation Model (SAM) and held in trust for the restricted use by the member jurisdictions individually to support the programs of their respective governments. The revenue received and allocated by the SAM includes state operating and capital assistance for the Virginia jurisdictions' share of the WMATA operating and capital subsidies, state operating and capital assistance for the Virginia local system's operating and capital needs, VTA Metro Rail replacement and rehabilitation funds, Metro Capital Improvement Program bond proceeds (MCIP), and Motor Vehicle Fuels Sales Tax revenue (MVFST). For FY 2005, this is expected to equal about \$102 million.

The SAM formula is defined and established by NVTC board resolutions and the Code of Virginia. It is maintained and updated annually using the latest available budgeted and projected data for the upcoming fiscal year. Revenue recognized and received in a fiscal year is allocated by the SAM in effect for that fiscal year.

A SAM manual is maintained which includes for each fiscal year the detailed formula calculations, analysis of the component changes in the allocation percentages from the preceding year, the data sources including Metro and local budgeted operating and capital needs, projected MVFST revenue, and all other data needed to compute the formula. Also included in the manual are the historical allocation factors, NVTC board resolutions defining the formula, notes of MAC discussions regarding the formula, implementation steps and formula development and maintenance procedures.

Cash flow projections are prepared 45 days prior and again about 30 days prior to the due date of the quarterly WMATA subsidy billings. These projections allow the jurisdiction staff to plan the amount and type of trust fund balances available for the upcoming WMATA payment. In addition, quarterly statements of the actual trust fund activity is provided to the jurisdiction staff for their use and review.

MILESTONE ACCOMPLISHMENTS TO DATE:

- Most of the Input data needed to perform preliminary calculations has been recently made available and collected by NVTC, with the exception of the Metro Matters subsidy needs. This data includes local capital and operating budgets, WMATA capital and operating budgets, motor vehicle fuels sales tax projections, and projected FY 2005 grant funding from DRPT. Historically the preliminary calculations are performed as early as April or May.

MILESTONES REMAINING:

- The final SAM formula is calculated in August when the final MVFST information becomes available, and distributed to jurisdiction staff for their review. Once accepted, the formula will be used to allocate revenue received and recognized by NVTC during FY 2005 to the member jurisdictions.
- Reporting the projected and actual activity to the jurisdiction staff will continue during the fiscal year.

PROJECT BUDGET STATUS:

Costs relating to the FY 2005 transit financial assistance allocations are included in the NVTC general and administrative budget.

ISSUES:

The final SAM formula for each fiscal year is dependent upon the approved capital and operating budgets from WMATA and the local systems, the contracted state capital and operating assistance including amounts carried over from preceding fiscal years, actual MVFST revenue generated through June (received by NVTC in August), and the best projection of MVFST revenue for the upcoming fiscal year. Generally all of this data necessary for the final SAM formula is not available until August of each year. The FY 2005 final calculation may be further delayed because the jurisdictions may not enter into agreements for the Metro Matters program until October 2004.

The SAM formula itself is quite complex since it involves numerous hold harmless calculations that have been added over the years to help resolve concerns with the equity of the formula.

MID-YEAR REPORT ON PROGRESS ON SIGNIFICANT
NVTC PROJECTS

— JULY, 2004 —

PROJECT NAME: Motor Vehicle Fuels Sales Tax Audit Improvements

PROJECT MANAGER: Scott Kalkwarf

DESCRIPTION OF PROJECT: The purpose of this ongoing project is to enhance the Motor Vehicle Fuels Sales Tax revenue (MVFST) collected by NVTC on behalf of each member jurisdiction. This is accomplished in several ways, including NVTC's monitoring of MVFST revenues, and meetings with MVFST Field Representatives and Taxation Department staff. The annual yield of tax revenues is presently about \$22 million.

MILESTONE ACCOMPLISHMENTS TO DATE:

- NVTC continually monitors the gross MVFST collections, adjustments and deductions by reviewing and analyzing monthly detailed reports received directly from the Department of Taxation. These procedures have allowed NVTC to identify fluctuations and unusual activity for the MVFST Field Representatives to investigate further resulting in reallocation of revenues among jurisdictions. In addition, due to erroneous deductions discovered funds have been refunded to NVTC.
- A working relationship has been established with the MVFST Field Representatives through regular meetings and frequent communications. The meetings provide an opportunity for the Field Representatives to discuss audit and collection results as well as issues and obstacles they face while performing their daily tasks. These discussions include ways in which NVTC can assist the Field Representatives in being more effective and other ideas to maximize revenue collected.
- Established good contacts within senior management of the Department of Taxation and have communicated directly with Commissioner Thorson.
- At NVTC's request, the Department has agreed to hire an additional employee for the MVFST, and is presently engaged in the recruiting process. The responsibilities of the new position include maintaining an inventory of gas stations and registrants, and assisting the MVFST Field Representatives with certain collection and inspection tasks.

- At NVTC's request, the Department of Taxation has quickly filled vacant MVFST Field Representative positions with experienced auditors. This occurred in the summer 2003 and again in May 2004. Failure to keep these positions filled with experienced auditors most likely would result in decreased tax collections.
- As a result of NVTC communications with Department of Taxation supervisory staff, Field Representatives now receive timely customized reports from the Department, where previously they could not. In addition, the Field Representatives are now required to report their time by task and audit result to their supervisors, where previously they were not.
- With the assistance of the MVFST Field Representatives, NVTC developed and distributed a MVFST brochure. The primary purpose of this brochure is to educate gas station owners of their responsibilities in collecting and remitting the tax.

MILESTONES REMAINING:

- Continue encouraging the Department to fill the new MVFST support position.
- Upon the Department filling the new MVFST support position, NVTC will continue to explore the possibility of using GIS mapping capabilities to help analyze the revenue reporting of gas stations. The goal of this project is to increase the accuracy of station reporting by jurisdiction.
- By receiving detailed MFVST collection reports in electronic format, NVTC will be able determine unusual activity much more effectively. While the Department says they cannot presently provide this information because of migration to new computer systems, NVTC will continue to make this request.
- Regular meetings will continue to be held with Department of Taxation personnel to determine ways that MVFST collections can be enhanced.
- Increased contacts with local commissioners of revenue to assist in educating station owners and identifying new owners for outreach efforts.

PROJECT BUDGET STATUS:

Funding for this project is primarily from the NVTC general and administrative budget. Certain costs relating to the MVFST brochure are from the Marketing Program budget. Increased collections due to streamlined audit procedures accrue to NVTC's jurisdictions' trust accounts.

ISSUES:

Department of Taxation staff has often been slow in responding to NVTC's requests, causing delays in implementing improvements. Through maintaining and improving the working relationship that has been established with the Field Representatives and other Department of Taxation staff, NVTC hopes to increase the level and speed of cooperation in the future.

MEMORANDUM

TO: Chairman Euille and NVTC Commissioners

FROM: Scott Kalkwarf and Colethia Turner

DATE: June 24, 2004

SUBJECT: NVTC Financial Reports for May, 2004.

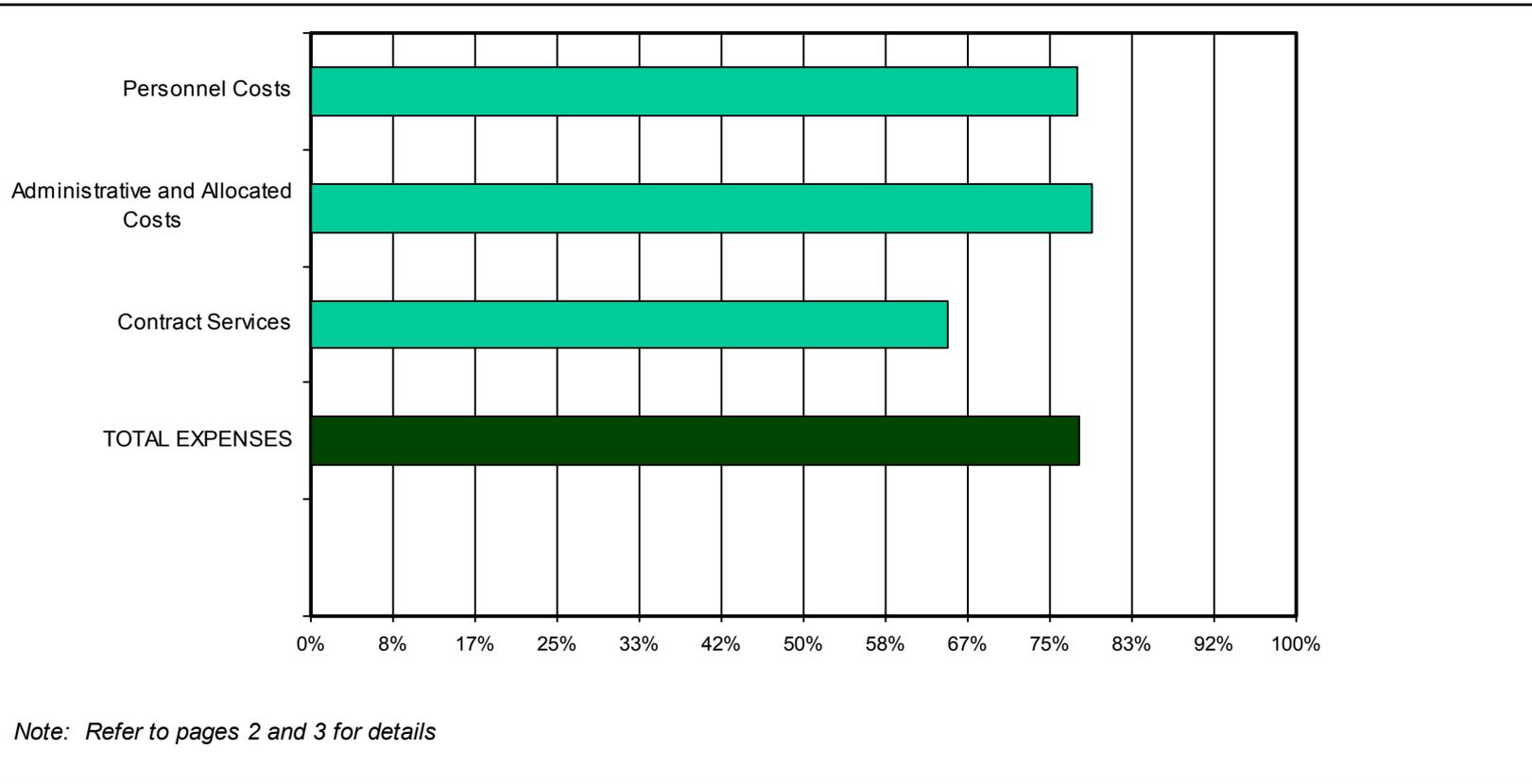
The May, 2004 financial reports are attached for your information. The error in gas tax reporting discussed at previous meetings has still not been corrected by the Virginia Department of Taxation. When the error is corrected in NVTC's July report it will result in a shift of about \$88,097 in revenues from the city of Fairfax to Fairfax County.

Northern Virginia Transportation Commission

Financial Reports

May, 2004

Percentage of FY 2004 NVTC Administrative Budget Used
May, 2004
(Target 91.67% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
May, 2004

	<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	\$ 59,208.67	\$ 496,925.91	\$ 636,400.00	\$ 139,474.09	21.9%
Temporary Employee Services	-	-	1,000.00	1,000.00	100.0%
Total Personnel Costs	59,208.67	496,925.91	637,400.00	140,474.09	22.0%
<u>Benefits</u>					
Employer's Contributions:					
FICA	4,304.19	33,455.78	45,700.00	12,244.22	26.8%
Group Health Insurance	6,045.10	47,729.09	69,000.00	21,270.91	30.8%
Retirement	5,498.00	49,703.00	57,000.00	7,297.00	12.8%
Workmans & Unemployment Compensation	23.13	2,858.85	2,000.00	(858.85)	-42.9%
Life Insurance	291.31	3,380.35	3,300.00	(80.35)	-2.4%
Long Term Disability Insurance	228.25	2,504.99	3,450.00	945.01	27.4%
Total Benefit Costs	16,389.98	139,632.06	180,450.00	40,817.94	22.6%
<u>Administrative Costs</u>					
Commissioners Per Diem	1,050.00	11,550.00	15,500.00	3,950.00	25.5%
<i>Rents:</i>					
Office Rent	13,403.44	137,910.56	157,300.00	19,389.44	12.3%
Parking	12,008.44	129,629.21	145,300.00	15,670.79	10.8%
Parking	1,395.00	8,281.35	12,000.00	3,718.65	31.0%
<i>Insurance:</i>					
Public Official Bonds	425.70	3,166.70	3,700.00	533.30	14.4%
Liability and Property	400.00	1,813.00	2,000.00	187.00	9.4%
Liability and Property	25.70	1,353.70	1,700.00	346.30	20.4%
<i>Travel:</i>					
Conference Registration	1,479.95	13,519.14	26,500.00	12,980.86	49.0%
Conference Registration	150.00	345.00	3,000.00	2,655.00	88.5%
Conference Travel	-	1,950.43	7,000.00	5,049.57	72.1%
Local Meetings & Related Expenses	759.95	9,743.27	12,000.00	2,256.73	18.8%
Training & Professional Development	570.00	1,480.44	4,500.00	3,019.56	67.1%
<i>Communication:</i>					
Postage	660.50	8,015.99	13,950.00	5,934.01	42.5%
Telephone	98.23	3,567.05	7,000.00	3,432.95	49.0%
Telephone - LD	174.52	755.56	1,950.00	1,194.44	61.3%
Telephone - Local	387.75	3,693.38	5,000.00	1,306.62	26.1%
<i>Publications & Supplies</i>					
Office Supplies	993.12	15,852.27	24,500.00	8,647.73	35.3%
Office Supplies	-	2,710.52	5,300.00	2,589.48	48.9%
Duplication	993.12	11,623.35	13,200.00	1,576.65	11.9%
Public Information	-	1,518.40	6,000.00	4,481.60	74.7%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
May, 2004**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	769.95	13,693.91	23,150.00	9,456.09	40.8%
Furniture and Equipment	-	7,409.75	8,250.00	840.25	10.2%
Repairs and Maintenance	-	214.70	1,000.00	785.30	78.5%
Computers	769.95	6,069.46	13,900.00	7,830.54	56.3%
<i>Other General and Administrative</i>	1,506.69	11,010.34	6,350.00	1,414.46	22.3%
Subscriptions	379.00	427.00	750.00	323.00	43.1%
Memberships	-	974.00	1,100.00	126.00	11.5%
Fees and Miscellaneous	227.37	2,637.78	2,000.00	(637.78)	-31.9%
Advertising (Personnel/Procurement)	387.92	896.76	2,500.00	1,603.24	64.1%
40th Anniversary	512.40	6,074.80	-	-	0
Total Administrative Costs	20,289.35	214,718.91	270,950.00	62,305.89	23.0%
<u>Contracting Services</u>					
Auditing	-	10,345.00	14,000.00	3,655.00	26.1%
Consultants - Technical	-	-	1,000.00	1,000.00	100.0%
Legal	-	-	1,000.00	1,000.00	100.0%
Total Contract Services	-	10,345.00	16,000.00	5,655.00	35.3%
 Total Gross G&A Expenses	<u>\$ 95,888.00</u>	<u>\$ 861,621.88</u>	<u>\$ 1,104,800.00</u>	<u>\$ 249,252.92</u>	<u>22.6%</u>

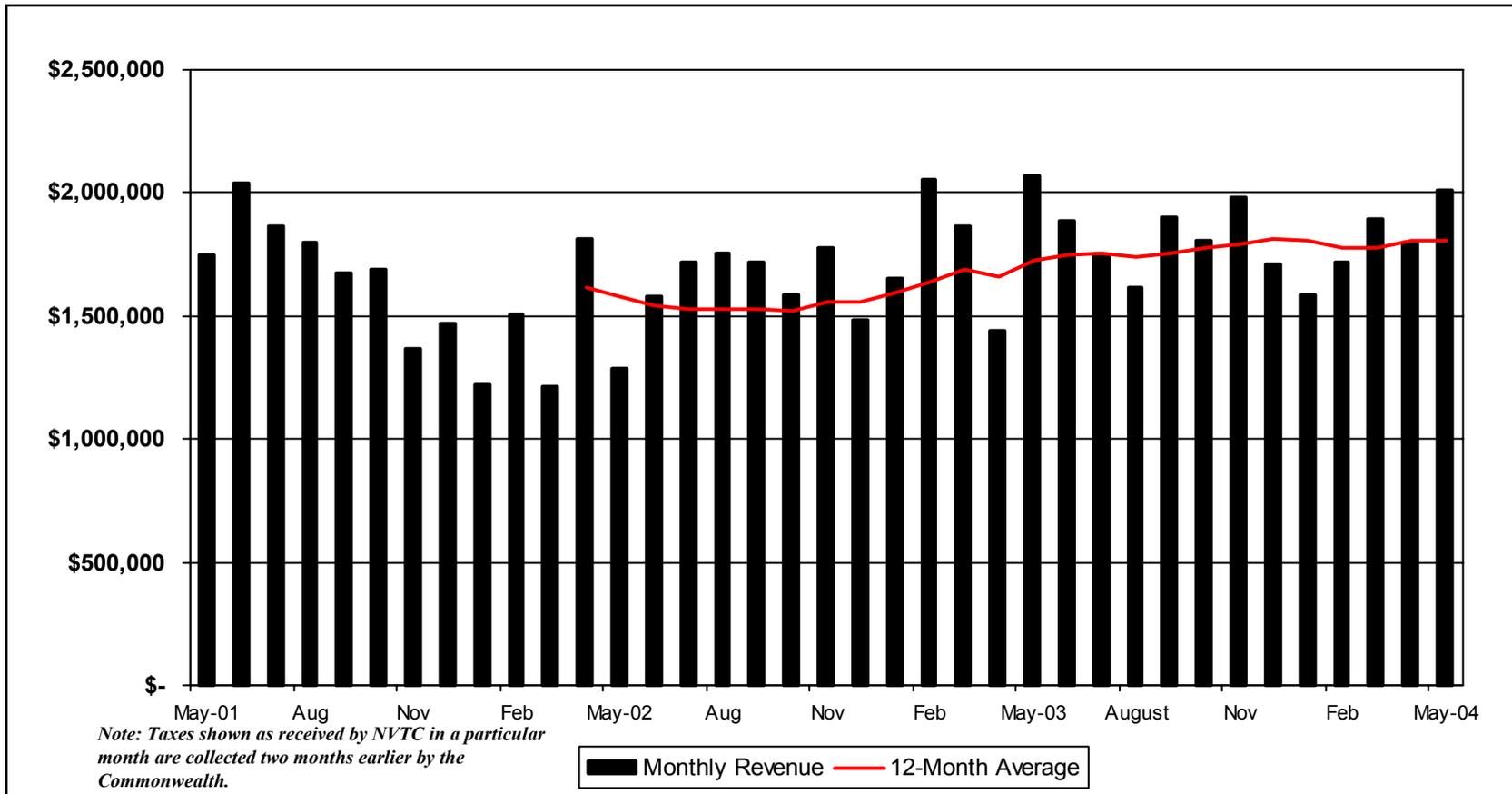
**NVTC
RECEIPTS and DISBURSEMENTS
May 2004**

<u>Date</u>	<u>Payer/ Payee</u>	<u>Purpose</u>	<u>Wachovia (Checking)</u>	<u>Wachovia (Savings)</u>	<u>VA LGIP</u>	<u>VA SNAP</u>
RECEIPTS						
3	DRPT	SmarTrip grant receipt			\$ 634.00	
6	VRE	Reimbursement for staff support		7,650.00		
7	FTA	SmarTrip grant receipt			283.00	
11	Dept of Taxation	Motor vehicle fuels sales tax receipt			2,009,614.47	
12	VRE	Reimbursement for staff support		9,018.90		
18	DRPT	FTM/Admin grant receipt			4,267,394.00	
24	Loudoun County	G&A contribution			3,374.25	
26	DRPT	Falls Church bus grants receipts			260,322.00	
26	DRPT	SmarTrip grant receipt			67.00	
28	FTA	Falls Church bus grants receipts			564,000.00	
31	Banks	May interest income		50.11	49,939.95	
			<u>-</u>	<u>16,719.01</u>	<u>7,155,628.67</u>	<u>-</u>
DISBURSEMENTS						
1-31	Various	NVTC project and administration	(83,046.46)			
4	IBI	SmarTrip consulting	(353.16)			
11	City of Fairfax	Other operating			(87,270.90)	
14	George Hoyt	Bus Data consulting	(9,337.63)			
24	Loudoun County	Other operating			(3,374.25)	
28	WMATA	Falls Church bus operating			(880,828.00)	
31	Banks	May service fees	(71.44)			
			<u>(92,808.69)</u>	<u>-</u>	<u>(971,473.15)</u>	<u>-</u>
TRANSFERS						
11	Transfer	From LGIP to checking	9,338.00		(9,338.00)	
17	Transfer	From savings to checking	30,000.00	(30,000.00)		
28	Transfer	From savings to checking	42,000.00	(42,000.00)		
			<u>81,338.00</u>	<u>(72,000.00)</u>	<u>(9,338.00)</u>	<u>-</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ (11,470.69)</u>	<u>\$ (55,280.99)</u>	<u>\$ 6,174,817.52</u>	<u>\$ -</u>

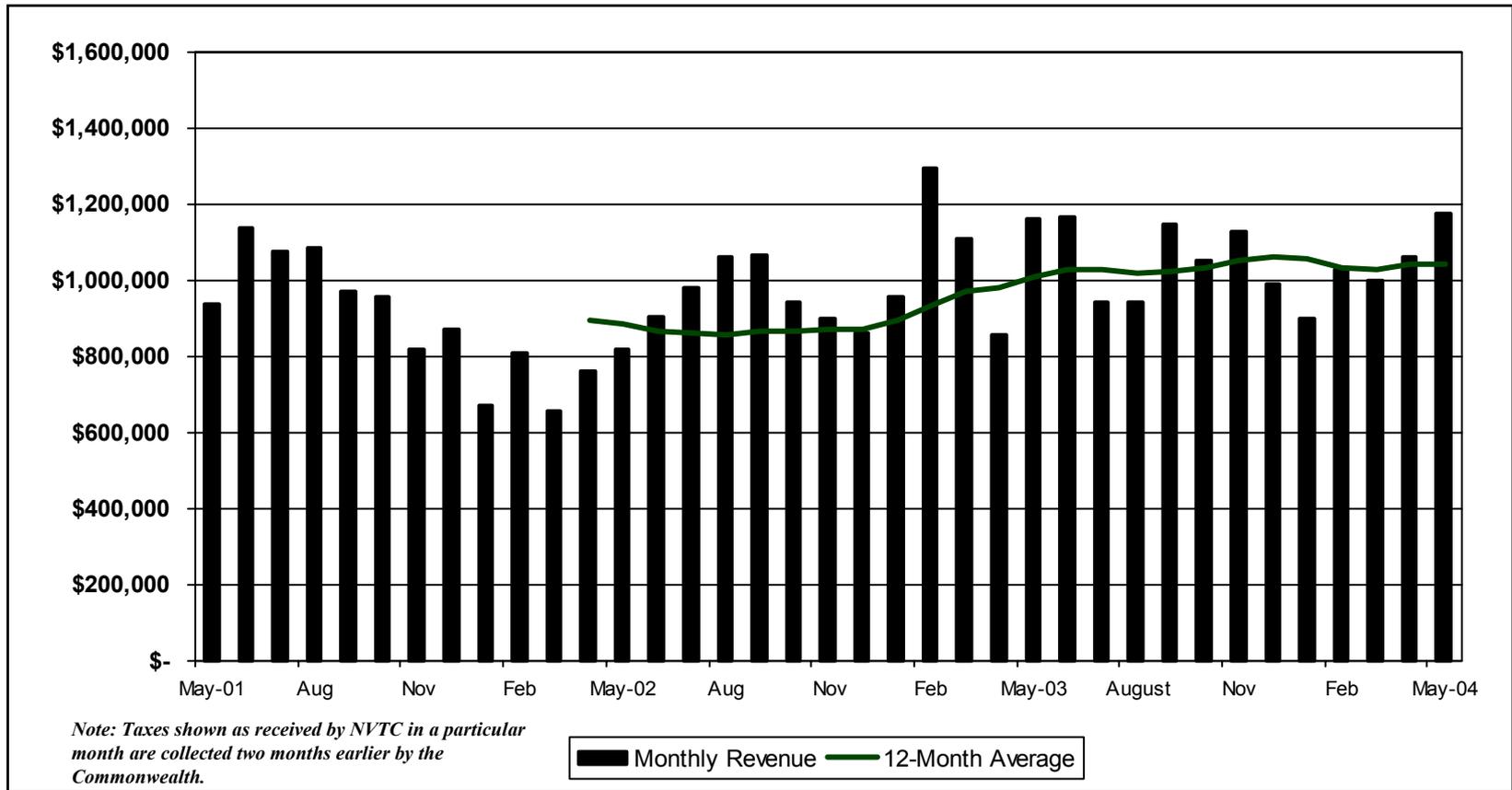
**NVTC
INVESTMENT REPORT
May 2004**

<u>Type</u>	<u>Rate</u>	<u>Balance 4/30/2004</u>	<u>Increase (Decrease)</u>	<u>Balance 5/31/2004</u>	<u>NVTC G & A</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun County</u>
<u>Cash Deposits</u>							
1st Union: NVTC Checking	N/A	\$ 44,238.31	\$ (11,470.69)	\$ 32,767.62	\$ 32,767.62	\$ -	\$ -
1st Union: NVTC Savings	0.28%	237,104.71	(55,280.99)	181,823.72	181,823.72	-	-
<u>Investments - State Pool</u>							
Nations Bank - LGIP	1.08%	51,043,179.15	6,174,817.52	57,217,996.67	311,264.20	39,551,779.55	17,354,952.92
		<u>\$ 51,324,522.17</u>	<u>\$ 6,108,065.84</u>	<u>\$ 57,432,588.01</u>	<u>\$ 525,855.54</u>	<u>\$ 39,551,779.55</u>	<u>\$ 17,354,952.92</u>

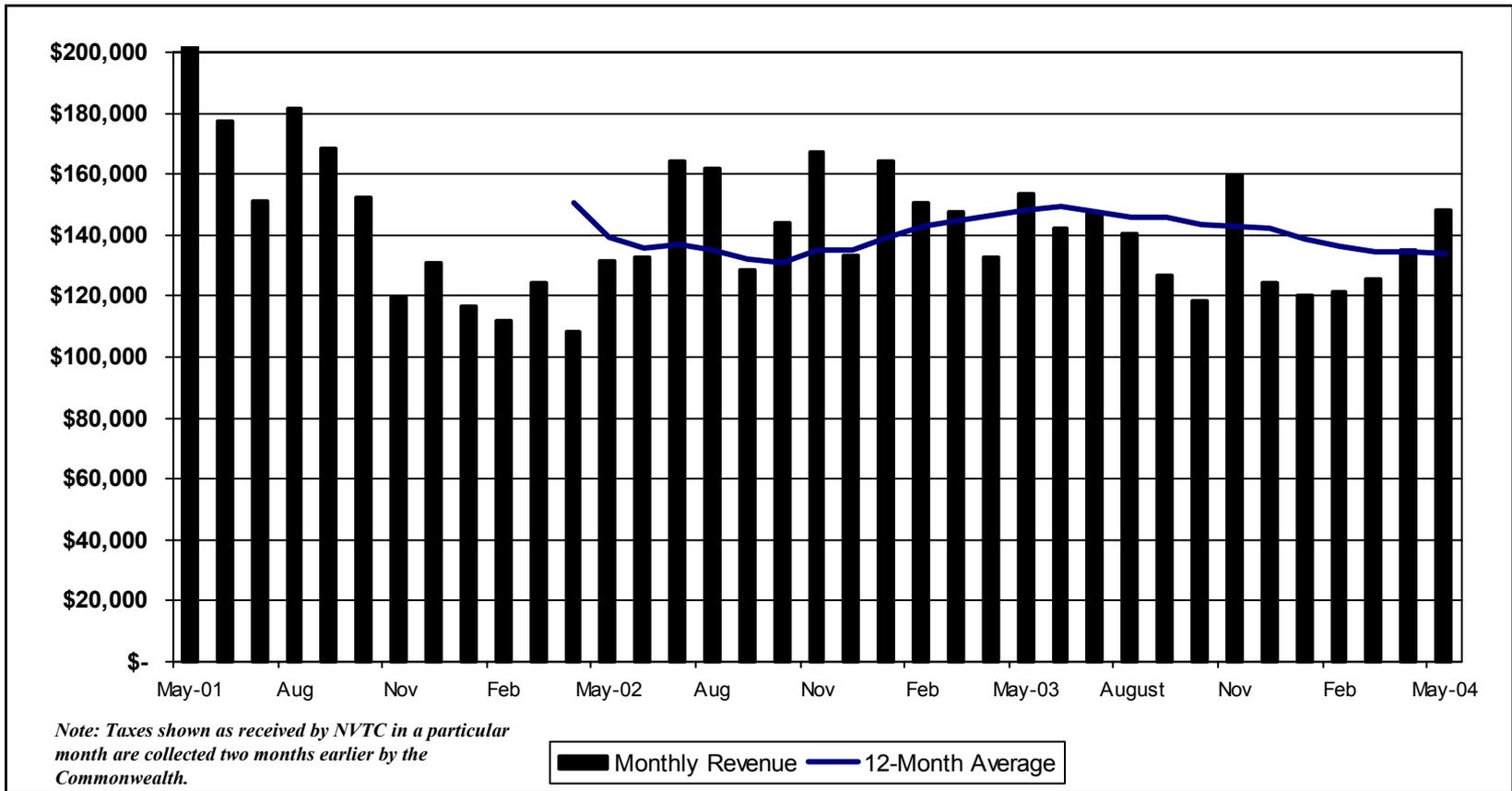
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2001-2004



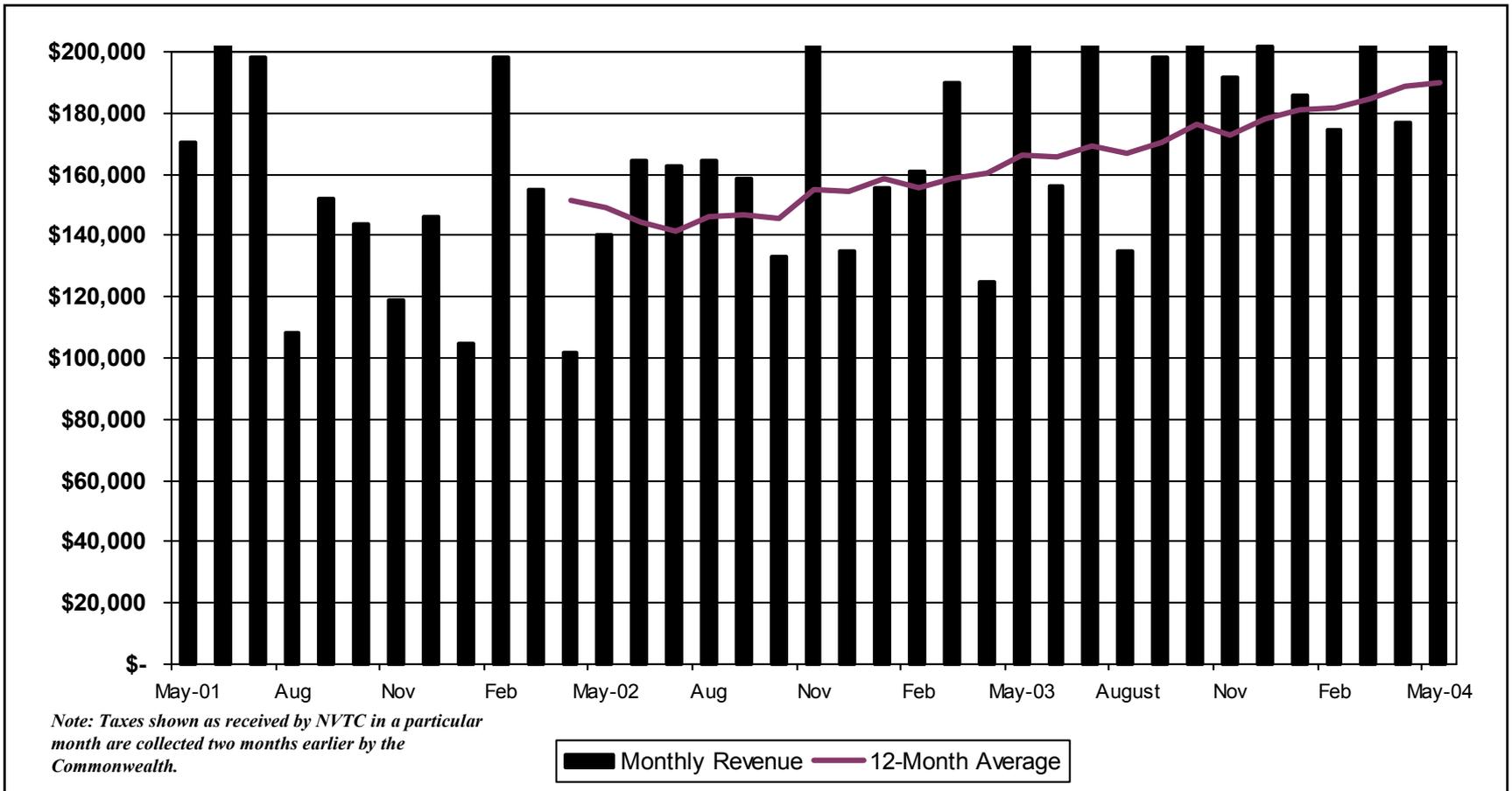
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2001-2004



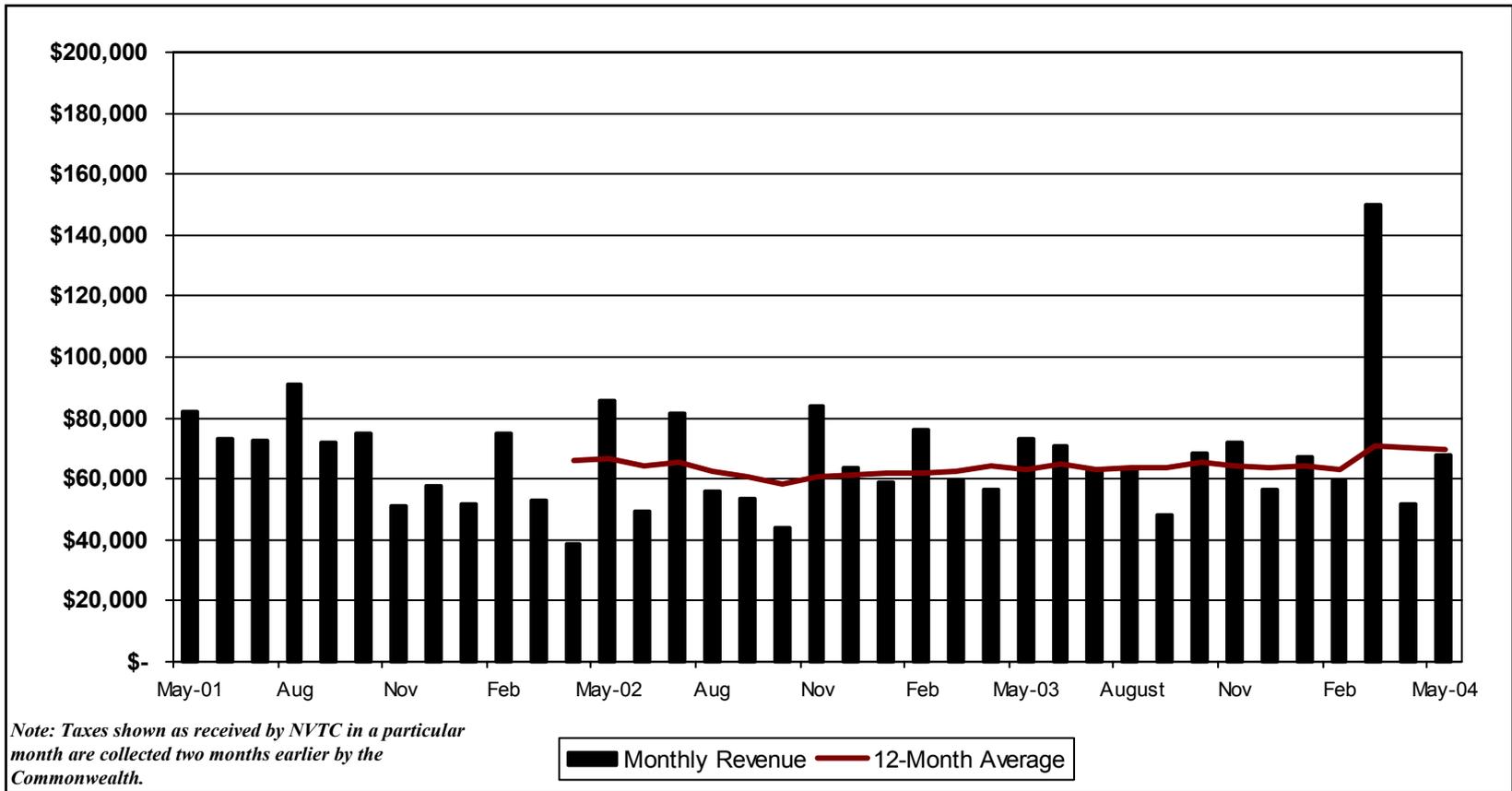
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2001-2004



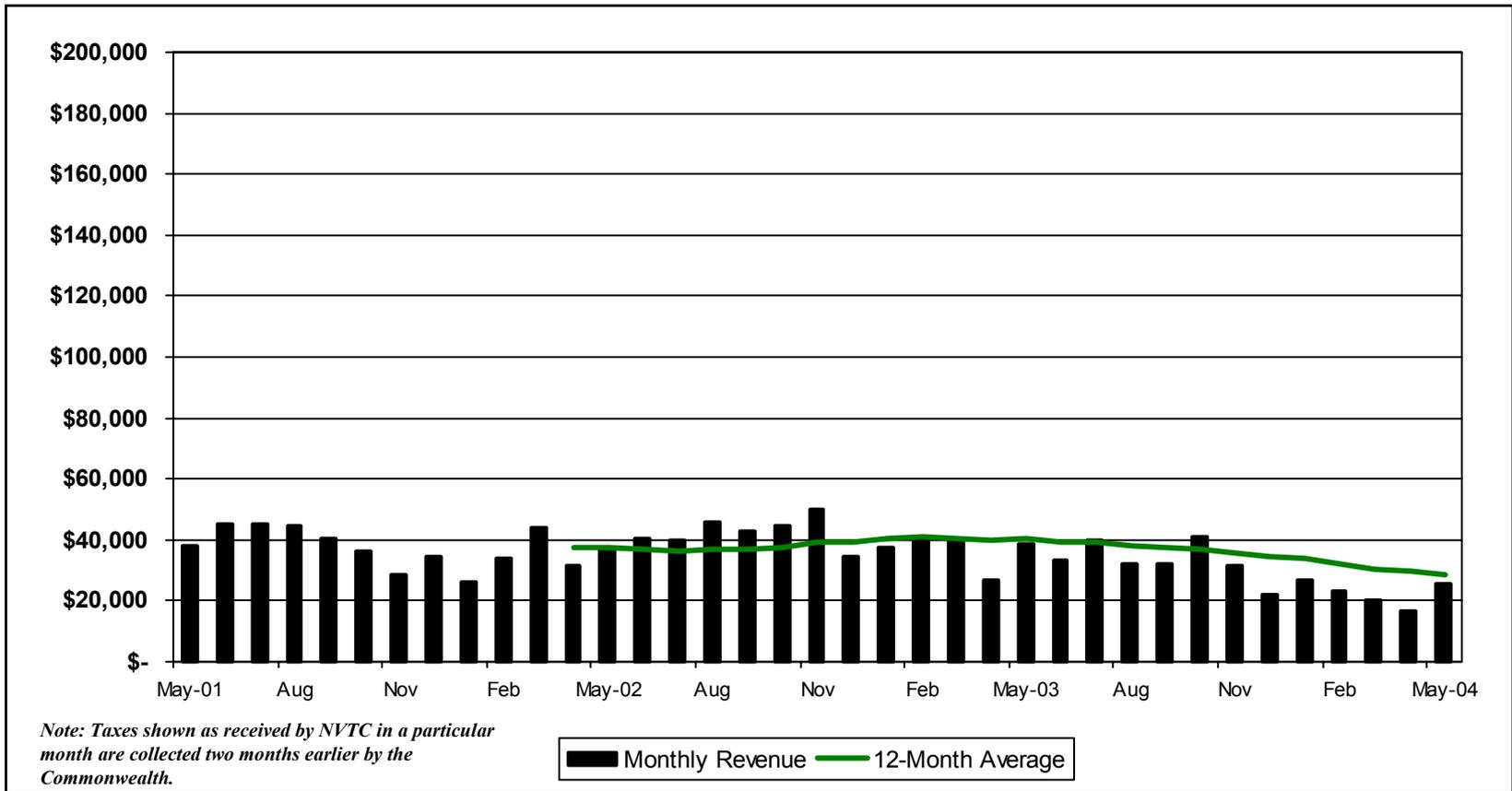
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2001-2004



NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2001-2004



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2001-2004



NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2001-2004

