



**NVTC COMMISSION MEETING
THURSDAY, APRIL 7, 2005
NVTC CONFERENCE ROOM
8:00 PM**

NOTE: A light buffet supper will be available for commissioners starting at 7:30p.m.

AGENDA

1. Oath of Office for New Commissioner.

The Loudoun County Board of Supervisors has appointed Eugene Delgaudio to replace Mick Staton as NVTC commissioner.

Recommended Action: Chairman Ferguson will administer the oath of office to the new commissioner. A certificate of appreciation will be provided to Mr. Staton.

2. Minutes of NVTC Meeting of March 3, 2005.

Recommended Action: Approval.

3. VRE Items.

- A. Report from the VRE Operations Board (with minutes of the meeting of March 18, 2005) and from VRE's CEO—Information Item.
- B. VRE Subsidies Versus Ridership By Jurisdiction—Information Item.
- C. Manassas Park Platform Extension—Action Item/Resolution #1070.

4. Performance Budgeting at NVTC.

Staff will present a recommended approach to identifying performance objectives and measures and using them in preparing NVTC's FY 2007 budget.

Recommended Action: Approve a performance budgeting process.



5. NVTC By-Laws Change to Permit Alternates.

At NVTC's March 3rd meeting, commissioners discussed a change to NVTC's By-Laws that would permit local jurisdictions to appoint NVTC alternates from their elected boards. General Assembly members would not have alternates.

Recommended Action: Approve this change to NVTC's By-Laws to permit alternates.

6. Public Information Strategy to Promote Sustainable Funding for WMATA.

Staff will provide a menu of opportunities for consideration by commissioners.

Recommended Action: Determine a strategy and direct staff to begin its implementation.

7. Legislative Items.

- A. State—Including an update on NVTC funding.
- B. Federal—Including an update on TEA-21 reauthorization.
- C. CTB Pre-Allocation Testimony.

Recommended Action: Authorize NVTC's Chairman to write to NVTC's U.S. Senators explaining the Commission's concern about a provision in HR3 that would restrict new value pricing projects. Authorize NVTC's chairman (or designee) to provide testimony to the April 17th statewide public hearing on the six-year program.

8. WMATA Items

- A. Metro Board Digest for March, 2005
- B. Research on Railcar Seating Configurations.
- C. Financial Performance as of January, 2005.

Information Item.

9. Regional Transportation Items

- A. Federal Subsidies to Passenger Transportation.
- B. Traffic Congestion and Reliability.
- C. Performance-Based Measures in Transit Fund Allocation
- D. Fairfax County Transportation Summit.

E. The Economic Impact of Public Investment in Surface Transportation.

Information Item.

10. Update on NVTC Correspondence

- A. Corridor Traffic Counting to Determine Mode Shares (including presentation of data from TPB's HOV Count for VDOT in Fall, 2004).
- B. Concern for CMAQ/RSTP Rescissions.
- C. HOV Concerns.
- D. E-Mail Exchange on VRE Ridership.
- E. Close to Home Submission.
- F. NVTC Senior Mobility Study.

Information Item.

11. FY 2004 Northern Virginia Transit Performance Data

NVTC staff has completed updates of performance information collected from Northern Virginia's nine transit systems.

Information Item.

12. FY 2005 Budgeted Funding Sources for Northern Virginia Transit.

Funding Shares are calculated for federal, state, regional, local and fare sources. A revised FY 2004 table is also provided for comparison.

Information Item.

13. NVTC Financial Reports for February, 2005.

Information Item.



AGENDA ITEM # 1

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: Oath of Office for New Commissioner

Chairman Ferguson will administer the following oath to Eugene Delgaudio, who was appointed to NVTC by the Loudoun County Board of Supervisors:

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



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AGENDA ITEM #2

**MINUTES
NVTC COMMISSION MEETING – MARCH 3, 2005
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA**

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Ferguson at 8:08 P.M.

Members Present

Sharon Bulova
Gerald Connolly
Adam Ebbin
Paul Ferguson
Catherine M. Hudgins
Tanya Husick (DRPT)
Dana Kauffman
Elaine McConnell
Scott Silverthorne
David F. Snyder
Mary Margaret Whipple
Christopher Zimmerman

Members Absent

David Albo
Jeannemarie Devolites Davis
William D. Euille
Jay Fisette
Ludwig Gaines
Timothy Hugo
Gary A. Reese

Staff Present

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



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Minutes of NVTC Meeting of February 3, 2004

Senator Whipple moved, with a second by Mr. Connolly, to approve the minutes. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Extension of Contract for Evaluation of Free Bus Fares on Ozone Alert Days

Mr. Taube explained that the commission contracted in 2003 with SG Associates (now BMI-SG) for an evaluation of free bus fares on Code Red Days. The commission is asked to authorize the extension of the contract with BMI-SG to include an additional \$10,500 to be used to retrain survey workers, revise the sample to reflect new bus routes and accomplish an additional day of surveying on a non-Code Red day to provide a baseline for comparison. The funds are available in the Code Red CMAQ allocation to NVTC for FY 2006 of \$694,000 for free bus fares. This survey project has been recommended by NVTA's Interim Technical Committee and approved by NVTA as part of the overall free bus fare program.

Mr. Taube reported that for the past two successive summers, surveys could not be completed due to a lack of forecast Ozone Alert Code Red days. BMI-SG has completed an initial analysis of the effectiveness of the free bus fare program but will need to analyze on-board survey results before conclusions on the effectiveness of the program can be reached and recommendations for any improvements made.

Mr. Connolly moved, with a second by Mr. Zimmerman, to authorize the extension of the BMI-SG contract for another \$10,500 to be used for this work. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Grant Request for Phase 2 of NVTC's Senior Mobility Project

Mr. Taube stated that staff is completing the detailed grant application to be submitted to VDOT through NVRC by the March 11th deadline. NVTC will request up to \$150,000 to test in Phase 2 specific recommendations from Phase 1 of the study to improve transportation for persons 75 years of age and above. Also, additional outreach to non-English speaking seniors would occur, recognizing that over 10 percent of the families in Northern Virginia are Spanish speaking and significant numbers speak Asian and other languages. Resolution #1067 would provide the authority to submit the application.

Mr. Connolly moved, with a second by Mrs. Hudgins, to approve Resolution #1067 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Request for Funding of an Improved Corridor Traffic Counting Program

Mr. Taube stated that for several years NVTC has actively sought to have improved traffic counting occur in Northern Virginia to permit statistically significant and corridor-specific measures of mode shares. This would permit planners and policy makers to measure the performance of past transportation investments and help guide future allocations of scarce resources. The commission is asked to authorize its chairman to write to VDOT, DRPT, TPB and NVTA to ask that this project receive support and consideration in allocating federal planning technical assistance funds available at TPB for FY 2006. This would permit a pilot program to begin in Fall, 2005 with a complete counting program to continue in FY 2007 and beyond.

Mr. Taube explained that TPB staff has prepared a cost estimate to perform the revised scope of work. In response to a question from Mr. Connolly, Mr. Taube stated that the scope seeks to expand existing traffic counting activities to provide statistically significant estimates of mode shares in Northern Virginia's two major commuting corridors (I-66 and I-95/395/Route 1) at two screen lines (one just outside the Beltway and one at the core). Both of these corridors have strong transit and HOV usage. The cost estimate assumes that TPB would hire a private contractor to identify specific sites and conduct counts each year on the parallel facilities for two days at the two screenlines, and for one day on the mainlines. TPB would provide to the contractor its data from annual counts performed for VDOT on the one day count on the two mainlines as part of its recurring HOV monitoring work.

Mr. Taube stated that in combination with passenger counts provided by each transit system without charge to the project, this counting procedure would yield statistically significant mode share estimates. The estimated cost for this additional counting would be \$250,000 annually, over and above the expected costs for VDOT's HOV monitoring work of about \$250,000 annually. TPB has budgeted \$375,000 for its Spring, 2006 regionwide core traffic count. Neither the existing work for VDOT nor the regionwide counts permit statistically valid inferences about corridor-specific travel by mode.

Mr. Taube explained that NVTC would request that VDOT and DRPT program sufficient federal technical assistance funds at TPB for FY 2006 to initiate the proposed counting program in Fall, 2005 for either a pilot corridor or screenline, at an estimated budget of \$125,000. If sufficient funds are not available, then funds for one corridor at one screenline are requested (\$62,500 or as little as \$57,000 if done in conjunction with the Spring, 2006 core cordon count). For FY 2007 and beyond, a combination of federal technical assistance and CMAQ funding would be requested to accomplish the full count of both corridors at both screenlines approximately every three years, if the pilot is successful. Such a pilot program for FY 2006 would allow the region to learn how best to conduct the full-scale project and could result in reduced costs for subsequent counts. If successful, Maryland and the District of Columbia may wish to participate in the future so the enhanced program could be part of TPB's regionwide traffic monitoring program.

In response to a question from Senator Whipple, Mr. Taube stated that NVTC has been criticized by TPB staff in the past on its estimates based on the regionwide traffic counting being done. If this additional work was done, NVTC would have the necessary data it needs to do the analysis. Chairman Ferguson stated that if they are

questioning the data, then its important to ask TPB to do the work if this request is not funded.

Mr. Zimmerman moved, with a second by Mrs. Bulova, to authorize NVTC's chairman to write to VDOT, DRPT, TPB and NVTA to ask that this pilot project receive support and consideration in allocating federal planning technical assistance funds available at TPB for FY 2006.

In response to a question from Delegate Ebbin, Mr. Taube explained that the primary sources of funding for such a program are federal planning funds provided to TPB from allocations to Virginia by FHWA and FTA. This is because VDOT is already using that source for its annual HOV counts. TPB's annual workprogram for FY 2006 will be approved in March, 2005 and at this time VDOT has not been able to specify its preferred set of projects for these technical assistance funds, because delays in federal appropriations and authorizations make the exact amount of funds available for VDOT's technical assistance program an unknown. A reasonable estimate is \$320,000. In response to a question from Mr. Connolly, Mr. Taube stated that this would be a pilot program. In response to another question from Mr. Connolly, Mr. Taube stated that VDOT is supportive of NVTC's request, but he doesn't know if VDOT staff would consider it a priority.

The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Legislative Items

Chairman Ferguson asked members of the General Assembly for an overview of the 2005 Session. Senator Whipple reported that the budget includes \$40 million for Metro railcars, \$20 million for VRE railcars and \$5 million for a statewide bus purchase. Mr. Taube stated that according to DRPT Northern Virginia will get \$1.5 million of that statewide bus purchase.

Senator Whipple stated that her bill (SB 1099), which would have increased the motor fuels tax from two percent to four percent, did not pass the House Finance Committee, although the committee discussed the legislation for 45 minutes before killing the bill. She stated that the committee discussion reflects that there are a lot of prejudices against Metro and this region has its work cut out to educate legislators regarding the value of Metro, including relieving congestion and also the economic benefit to the whole commonwealth. There are many new members of the General Assembly that are potentially not very knowledgeable about the benefits of transit. Mr. Connolly observed that the price of gasoline is predicted to spike as much as another 25-cents per gallon. This is the time for legislation to be passed.

Mr. Snyder recognized Senator Whipple for her hard work on trying to get legislation passed that supports transit. He also acknowledged Mr. Biesdiany of Fairfax County staff. He suggested NVTC generate more written material on the economic benefits of Metro so that people can understand what it means. There's a huge amount of money generated in this region that flows to Richmond and doesn't come back. A job created and supported in Northern Virginia is a huge benefit to the

rest of the state. Mr. Zimmerman supported Mr. Snyder's ideas. NVTC has done previous studies showing the economic benefits from Metro. Metro is generating a whole lot of revenue, some of which this region retains, but a lot of which gets distributed to the rest of the state. It is important to make the connection of how people down state are benefiting directly from revenue generated by Metro.

Mr. Connolly observed that the region has to deal with the hostility to Metro that it's facing from the General Assembly. He suggested more education as well as inviting legislators to tour Northern Virginia to see first-hand its transit needs. Chairman Ferguson asked if NVTC has any funding that could be used for this purpose. Mr. Taube responded that NVTC has funds in its marketing budget that could be used to host visits from legislators. Mr. Connolly stated that the tour should include a visit to Metro, to show that Metro is bumping up against capacity and the age of the system and Metro needs legislators' help to find funding sources.

Mr. Kauffman reported that there will be a series of Washington Post articles in mid-March or mid-April, which he anticipates won't put Metro in a good light.

Mr. Connolly stated that the Post continues to criticize the political leadership, blaming both local officials and the General Assembly, about not putting Metro on stable financial footing. Mr. Connolly stated that it was the local officials that convened the Blue Ribbon Panel and all parties have endorsed the Panel's recommendations and now are awaiting General Assembly action.

Mrs. Hudgins stated that it would be helpful for commissioners to have a good question and answer fact sheet about all these issues so that they can respond to questions from the public and the media. Mr. Connolly observed that it is important to frame the issue. We are now victims of our own success; we built the Metro system and everyone wants to use it and we are now running at capacity. It's not that the system is failing; it is doing what it was designed to do. It is the most successful project that the region has done collectively, but now there needs to be significant reinvestments made to the system. He reminded commissioners that within 12 months Metro Matters was agreed to and funded.

Mr. Zimmerman stated that a peer review panel from APTA reviewed Metro and assessed the organization and made recommendations. The General Manager from MBTA in Boston was one of the panel members and when asked what his overall assessment of Metro was, he stated that it is one of the best running transit systems in the country.

Mr. Shiva Pant observed that you can try to educate members of the House of Delegates but there are still politics involved. He suggested working with the Speaker of the House. It's important to jump political hurdles as well as educating the public.

Chairman Ferguson suggested NVTC could form a working group to develop a press strategy to get the message out. He stated that the Executive Committee could serve in this capacity and if other commissioners want to be involved, they should contact him. Mr. Kauffman suggested having NVTC submit press releases and develop other educational material prior to the Post articles.

Mr. Taube stated that an amendment to SB 934 passed that authorizes the Auditor of Public Accounts to audit WMATA as it pertains to monies furnished to WMATA by the commonwealth, as directed by the Joint Legislative Audit and Review Commission (JLARC). JLARC staff has already requested from NVTC and WMATA copies of audited financial statements. It is unclear whether the bill provides any additional audit authority not already possessed by the commonwealth. NVTC will monitor this.

Mr. Taube also explained that a draft response written as a “Close to Home” piece for the Washington Post has been prepared for commission discussion. He explained that it answers some of the questions raised by the House Finance Committee members before they voted down SB 1099, including Metro employee salaries and fares. Mr. Kauffman suggested highlighting the fact that according to APTA, of the 57 transit agencies that negotiated labor contracts in 2004, Metro ranked 12th lowest by reaching agreement with the labor union for only a 1.5 percent increase. Mr. Connolly also suggested simply stating that Metro doesn’t use any state funds for salaries. Mr. Snyder requested not linking the gasoline tax with property tax and just removing any reference to it from the last paragraph. Mr. Connolly asked if the piece should be sent to the Richmond Times Dispatch as well as the Washington Post. Mrs. Bulova asked about the audience that NVTC is trying to reach—the public or legislators? Mr. Connolly observed that the content of the piece is directed at legislators. Mr. Ebbin suggested sending it to the newspapers as well as in letter format to members of the appropriate legislative committees. Senator Whipple suggested raising the bullet points as questions. Chairman Ferguson stated that once staff has revised the piece it will be distributed to commissioners for their review before it is sent.

Mr. Taube then reviewed some of the legislation passed by the General Assembly that could result in a one-time addition of \$70-105 million for the Northern Virginia region for transit, with a best guess of over \$90 million.

Policy on HOV Performance Monitoring and HOV Exemptions for Hybrid Vehicles

Mr. Taube stated that PRTC has written to Virginia Transportation Secretary Clement and Secretary of Public Safety Marshall to support the recommendations of their HOV Task Force in general but to express concern that HOV lanes have “virtually reached capacity.” In the view of PRTC this problem is compounded by the growth of hybrid vehicles using the lanes. Waiting until the exemption expires on July 1, 2006 will be too late. PRTC calls for a HOV performance monitoring system and a remedial plan, as well as requiring auto dealers to be more forthcoming about the potential end of the hybrid vehicle HOV exemption. NVTC staff has drafted a letter supporting PRTC’s position.

Mr. Taube gave a presentation on the HOV Task Force recommendations. Data show volumes on the HOV lanes of up to 1,500 vehicles per lane per hour, which is the theoretical capacity. The principal cause for alarm is the crowding that is plaguing the lanes, with the inevitable result that HOV users will switch back to driving alone if HOV time savings disappear. There are 5,843 hybrid vehicles registered in Virginia and 90 percent of them are in Northern Virginia.

Mr. Connolly observed that if HOV violators were eliminated, hybrid use wouldn't be an immediate problem to the HOV lanes. It is important not to frame the issue as hybrid vehicles being bad things. Mr. Snyder agreed and stated that the major emphasis should be on enforcement of HOV violators. Mr. Taube stated that last year's recommendation by the HOV Task Force was for better enforcement, and fines were increased, points were assessed and more funding provided to the State Police, but it didn't solve the problem.

Mr. Zimmerman stated that HOV isn't just about less air pollution, but it's also about managing a transportation system by moving lots of people. If HOV lanes don't work, it will bog down the rest of the transportation system. The question is whether the region can get to the July, 2006 hybrid exemption expiration without the HOV facilities failing.

Mr. Taube stated that the HOV Task Force does emphasize enforcement. Delegate Ebbin asked if the legislative action to increase fines and add points have made a difference to HOV violators. Mr. Taube stated that there seemed to be some difference initially after the information campaign, but violations remain a serious problem.

Mr. Connolly stated that he can't support the letter unless the hybrid issue is framed positively. Chairman Ferguson directed staff to revise the letter and share it with all commissioners before it is sent.

Concern for Allocations of CMAQ Funds

Mr. Taube reported that information from the Surface Transportation Policy Project indicates a concern that VDOT, in responding to rescission directives from FHWA, may disproportionately reduce CMAQ allocations on which transit depends. FHWA has directed states to return a portion of previously allocated FY 2005 transportation funds but is allowing each state to decide which programs will be cut. Similar requests are likely to occur for FY 2006 and beyond.

Mr. Taube stated that Virginia is required to return \$31.2 million. CMAQ may be a tempting target since it reflects only 2.4 percent of the obligated funds compared to 5.1 percent of the apportioned funds, resulting in 3.8 percent of the unobligated balances. RSTP, another program on which transit depends, is in a similar precarious position in Virginia, with only 3.2 percent of the obligations compared to 7.9 percent of the apportionments, resulting in 21.1 percent of the unobligated balances.

Mr. Taube explained that a draft letter has been prepared to VDOT Commissioner Shucet expressing NVTC concerns regarding this matter. The letter would be copied and sent to CTB members.

Mr. Zimmerman moved, with a second by Mrs. McConnell, to authorize NVTC's chairman to send to letter to Commissioner Shucet.

Mr. Connolly observed that it is a hard letter to follow and suggested rewording some of it. He suggested a change to the second page so that the letter suggests NVTC believes Mr. Shucet will act correctly on this information.

The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Results of a Survey of NVTC Commissioners

Mr. Taube stated that NVTC commissioners were asked to complete a survey, which was directed primarily at identifying ways in which attendance at the commission meetings could be improved. A majority of commissioners (11) completed the survey. Mr. Taube reviewed some of the survey results. The majority of commissioners favored the current meeting time and no one objected to the meeting location. Seven commissioners favored continuing the joint meetings with PRTC, although the joint meeting has not been scheduled this year, since neither commission achieved a quorum at the November, 2004 joint meeting.

Mr. Taube stated that six commissioners favored eliminating the need for a majority of jurisdictions to be present. This would require legislation. Only three favored alternates, with seven opposed. Mr. Zimmerman speculated that more commissioners would be in favor of alternates if it was clarified that alternates would need to be elected officials. Chairman Ferguson stated that the commission could discuss changing the bylaws at the next meeting to allow alternates. Mr. Zimmerman stated that the real problem is with the jurisdictional quorum. Mr. Maclsaac stated that the Code may need to be amended to make any changes, including alternates. Senator Whipple observed that the jurisdictional quorum was included to protect smaller jurisdictions, so it does serve a purpose.

Mr. Snyder moved with a second by Mr. Zimmerman, to propose NVTC's By-Laws for amendment at the next meeting to provide for alternates, subject to legal counsel review. Mrs. Bulova clarified that the alternates would be elected officials. Chairman Ferguson stated that it would be up to each jurisdiction to decide if they wanted to have alternates. The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Mr. Taube suggested that at the next meeting the commission have a presentation on performance based budgeting. Chairman Ferguson stated that this is a good idea since some of the commissioners interested in this issue are not present tonight.

Washington Post Commuting Survey

Mr. Taube stated that the front-page of the Sunday, February 13 Washington Post featured an in-depth article detailing the results of a recent telephone survey conducted by the Post. The survey polled 1,003 adult residents of the D.C. Metro area at the end of January, 2005 and asked a variety of questions relating to their daily commute. NVTC staff asked to gain access to the raw data to see if Virginia

results can be stratified and the Post did supply more detailed results for a few of the questions.

Mr. Taube gave a presentation of the findings of the survey. The results show that 58 percent of the respondents felt that the region should find new ways to fund Metro. Opinions on raising the gas tax to support road, traffic and transit improvements were almost evenly split, with 48 percent supporting higher gas taxes and 49 percent opposing. One of the most encouraging items in the survey was the overwhelming support for Metrorail to Dulles.

Mr. Taube stated that there was a survey question about red light enforcement cameras. 65 percent of respondents favored that technique. Mr. Connolly observed that once again the General Assembly has taken away something the people of this region want. Mrs. Bulova further stated that red light photo enforcement is something everyone understands and she suggested that this could become a real rallying point. Mrs. McConnell asked what was the opposition in the General Assembly to the red light cameras. Senator Whipple stated that generally it was a privacy rights issue. Mr. Connolly stated that the red light camera issue encapsulates many other legislative issues in a clear way. That is, legislators in southern Virginia decide what is best for Northern Virginia. Mr. Snyder stated that NVTA will include this issue on its agenda. He asked staff to email this NVTC presentation to him.

Mr. Taube suggested that the following agenda items be held over to the next meeting: FY 2004 Northern Virginia Transit Performance Data, FY 2005 Budgeted Funding Sources for Northern Virginia Transit, and Regional Transportation Items.

NVTC Financial Reports for January, 2005

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

WMATA Items

Mr. Kauffman reported that a Metro town meeting for Virginia is scheduled for April 12, 2005. Mrs. Hudgins announced that the Record of Decision for the Dulles project has been received. Mr. Connolly acknowledged Mr. Kauffman and his statement he gave at Metro as its new chairman.

VRE Items

Report from the VRE Operations Board and VRE' CEO. Mrs. Bulova commended the minutes of the VRE Operations Board meeting of February 21st to commissioners.

Rehabilitation of VRE Locomotive Head End Power Units. Mrs. Bulova reported that VRE's Operations Board recommends approval of Resolution #1068, which would authorize VRE's CEO to increase the existing contract with Transportation Technology, Inc. (TTI) to overhaul Head End Power Units on 15 of

VRE's locomotives. The contract would increase by \$165,000 for a new total contract value of \$1,050,329. Funding from federal grants is available in VRE's approved CIP.

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the Commission unanimously approved Resolution #1068 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Station Security Monitoring System. Mrs. Bulova stated that the VRE Operations Board recommends approval of Resolution #1069. This resolution would authorize VRE's Chief Executive Officer to enter into a contract with Security Services and Technologies of Springfield, Virginia for the installation of a camera-based security monitoring system at five VRE stations. The amount of the contract would not exceed \$597,000, with funds provided from a grant to VRE from the Department of Homeland Security. Three of the five locations are in NVTC jurisdictions.

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the Commission unanimously approved Resolution #1069 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Hudgins, Husick, Kauffman, McConnell, Silverthorne, Snyder, Whipple and Zimmerman.

Stafford County Action on VRE Budget. Mrs. Bulova reported that the Stafford County Board of Supervisors so far has failed to agree to VRE's recommended budget, because the Board does not wish to provide its share of the increased local subsidy. Instead, it wants increased fares to cover its \$90,000 increased subsidy. The VRE Board has asked its chairman, Elaine McConnell, to work with VRE's CEO and attorney to try to resolve this issue with Stafford County. Failure by Stafford County to appropriate its subsidy amount would require VRE to notify bond holders and adversely affect NVTC's credit worthiness.

Plans to Extend VRE to Gainesville/Haymarket. Mrs. Bulova stated that the General Assembly was asked by Delegate May to designate up to \$5 million for VRE to study the proposed extension. Mr. Taube reported that no money was earmarked for this but there is budget language that requires DRPT to conduct a study about this extension. VRE is not listed as a participant in the study.

Mr. Connolly asked for data on where ridership comes from on VRE and how it matches up with the subsidies. Mr. Zehner replied that there are approximately 900 Spotsylvania riders that use VRE daily. VRE is bumping up against capacity. Mr. Kauffman observed that ridership at Lorton is dropping because riders can't get on the trains due to overcrowding. Mr. Connolly stated that there is some obligation to those riders who live in the jurisdictions who are paying the bills for VRE. Mrs. McConnell stated that it is important that the public is aware that any extension of the rail line will not be happening anytime soon. Mrs. Bulova stated that VRE would like to expand but its immediate needs are capacity and parking issues for existing riders.

Mr. Connolly asked about the VRE reception in Richmond. Those commissioners who attended the reception said it was well attended. Chairman Ferguson stated that it was a good idea to go down to Richmond and have NVTC meet down there. He suggested doing this in the future. Mr. Connolly suggested linking NVTC's meeting and VRE's reception.

Other NVTC Business

Mrs. McConnell invited commissioners to attend a transportation seminar in Fairfax County on March 14th.

Chairman Ferguson stated that Rudy Penner has been invited to participate in NVTC's June meeting and he suggested starting the meeting at 7:30 P.M. There were no objections. Mr. Connolly requested that staff remind commissioners of this time change.

Adjournment

Without objection, Chairman Ferguson adjourned the meeting at 10:02 P.M.

Approved this 7th day of April, 2005.

Paul Ferguson
Chairman

David F. Snyder
Secretary-Treasurer



RESOLUTION #1067

SUBJECT: Grant Request for Phase 2 of NVTC's Senior Mobility Project.

WHEREAS: NVTC received a grant from DRPT to initiate a study of the transportation needs of seniors and to propose how best to meet those needs through public transportation, paratransit and other means;

WHEREAS: NVTC has formed a technical advisory committee for its study consisting of persons from transit and paratransit systems, area agencies on aging, and other local and regional planning bodies with expertise in survey research, demographic analysis, GIS mapping and process re-engineering; and

WHEREAS: That technical advisory committee has asked NVTC to seek funding from VDOT's pilot planning program for FY 2006 in order to leverage the results of NVTC's initial research.

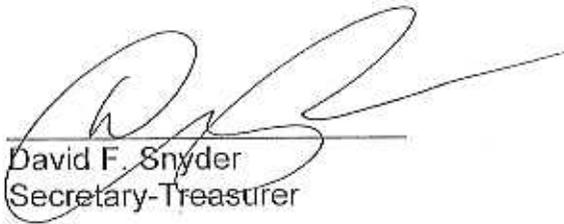
NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes its executive director to apply for up to \$150,000 for Phase 2 of a senior mobility study from VDOT's pilot planning program, to accept on behalf of the commission and enter into a contract with the responsible agency for whatever amount of funds may be provided, to accept reasonable conditions imposed by VDOT on the use of the funds, to comply with all applicable statutory and administrative requirements, to maintain records for possible inspection and audit by VDOT, to amend the project scope of work and/or budget if necessary, and to provide NVTC staff administrative costs as in-kind match for the project; and



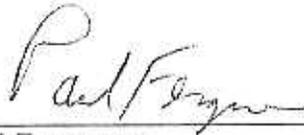
Res. #1067

BE IT FURTHER RESOLVED that NVTC intends to cooperate fully with the federal, state, regional and local agencies sharing an interest in senior transportation issues to avoid duplication of effort and to fully share the results and lessons of the project.

Approved this 3rd day of March, 2005.



David F. Snyder
Secretary-Treasurer



Paul Ferguson
Chairman

NVTC Northern Virginia Transportation Commission

RESOLUTION #1068

- SUBJECT:** Rehabilitation of VRE Locomotive Head End Power Units.
- WHEREAS:** In October of 2003, the VRE Operations Board awarded a contract to TTI to rebuild the HEPs on VRE's GP-39 fleet;
- WHEREAS:** In May of 2004, authorization was provided to expand the contract to include the rebuild of the HEPs on VRE's GP-40 locomotives; and
- WHEREAS:** The exhaust systems on all 15 of VRE's GP-type locomotives now require replacement.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to increase the contract with Transportation Technology, Inc. (TTI) for the overhaul of HEP units on VRE's locomotives by \$165,000, for a total contract value of no more than \$1,050,329.

Approved this 3rd day of March, 2005.

Paul Ferguson
Chairman



David F. Snyder
Secretary-Treasurer



NVTC

Northern Virginia Transportation Commission

RESOLUTION #1069

SUBJECT: Station Security Monitoring System.

WHEREAS: In FY 2004, VRE received a grant from the Department of Homeland Security for the installation of a security monitoring system at a limited number of VRE stations;

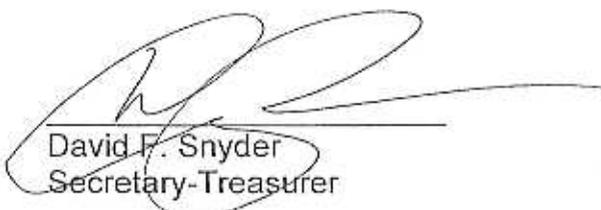
WHEREAS: The VRE Operations Board has recommended implementation at the inner city stations (L'Enfant Plaza, Crystal City, Alexandria) as well as at Franconia Springfield and Manassas Park; and

WHEREAS: This system will allow remote and secure observation of the stations listed above using the Internet.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to enter into a contract with Security Services and Technologies for the installation of a camera based Security Monitoring System at five VRE stations in an amount not to exceed \$597,000.

Approved this 3rd day of March, 2005.

Paul Ferguson
Chairman


David F. Snyder
Secretary-Treasurer



MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: VRE Items.

- A. Report from the VRE Operations Board (with minutes of the meeting of March 18, 2005) and from VRE's CEO—Information Item.
- B. VRE Subsidies Versus Ridership by Jurisdiction—Information Item.
- C. Manassas Park Platform Extension—Action Item/Resolution #1070.

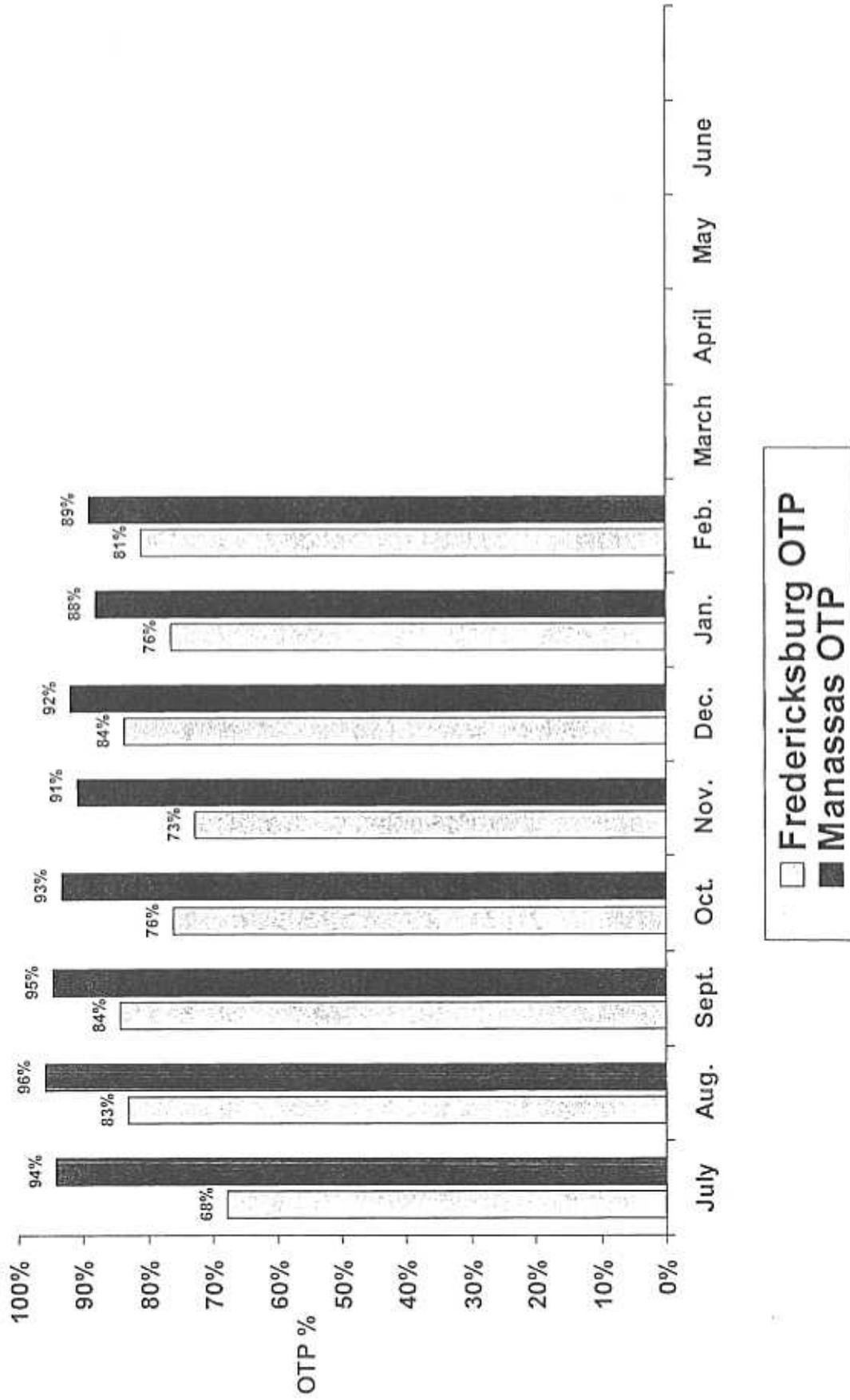


Report from the VRE Operations Board and VRE CEO

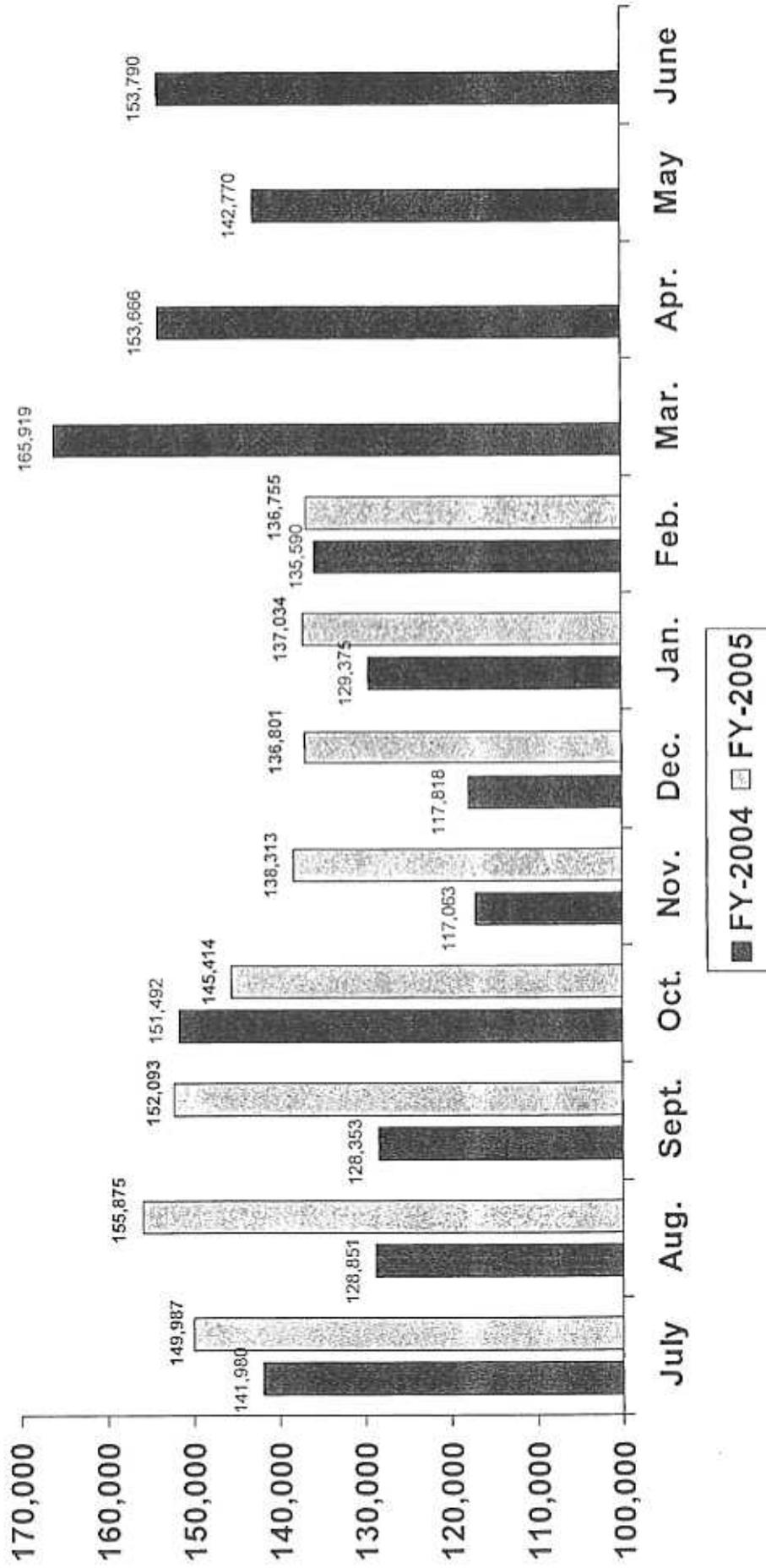
The minutes are attached from the March 18, 2005 meeting of the VRE Operations Board together with the report of VRE's CEO. Ridership and on-time performance reports are also attached, as is an article describing progress with Spotsylvania County and a letter to the Stafford County Board regarding VRE's budget.

Average On-Time Performance

FY-2005

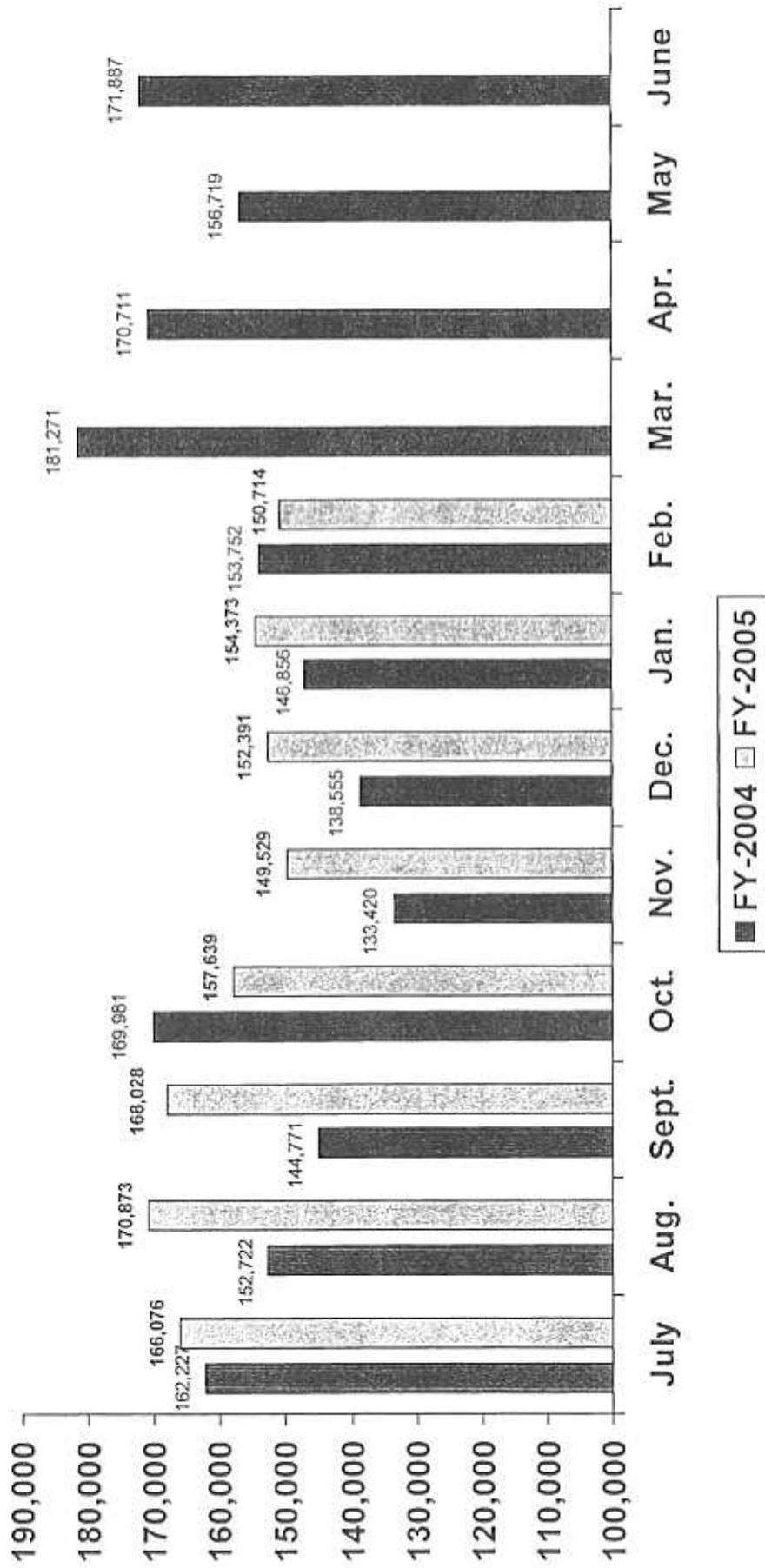


VRE Monthly Gross Ridership Manassas Line



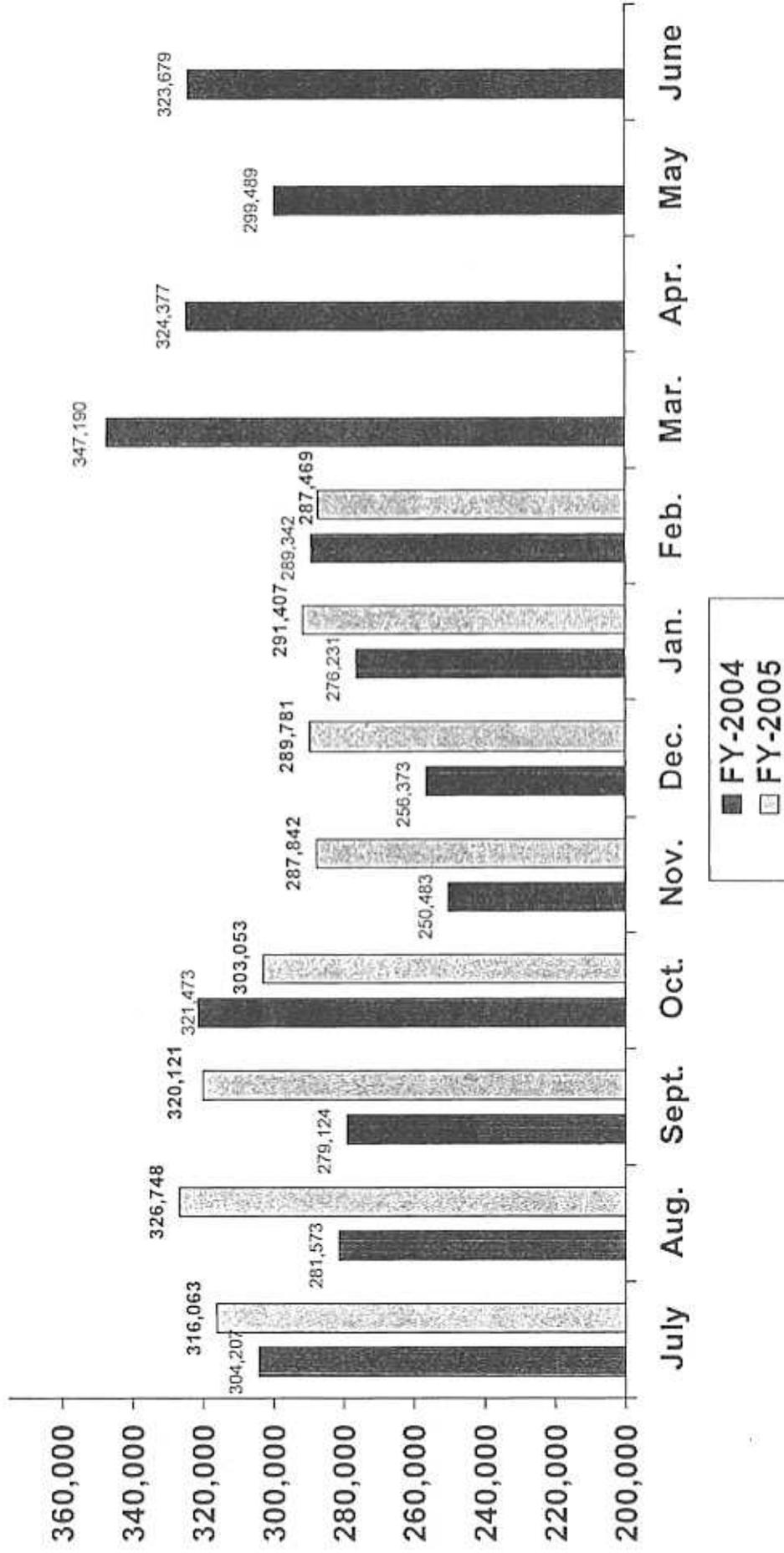
* There were 22 service days in October 2003 and 20 service days in October 2004.

VRE Monthly Gross Ridership Fredericksburg Line



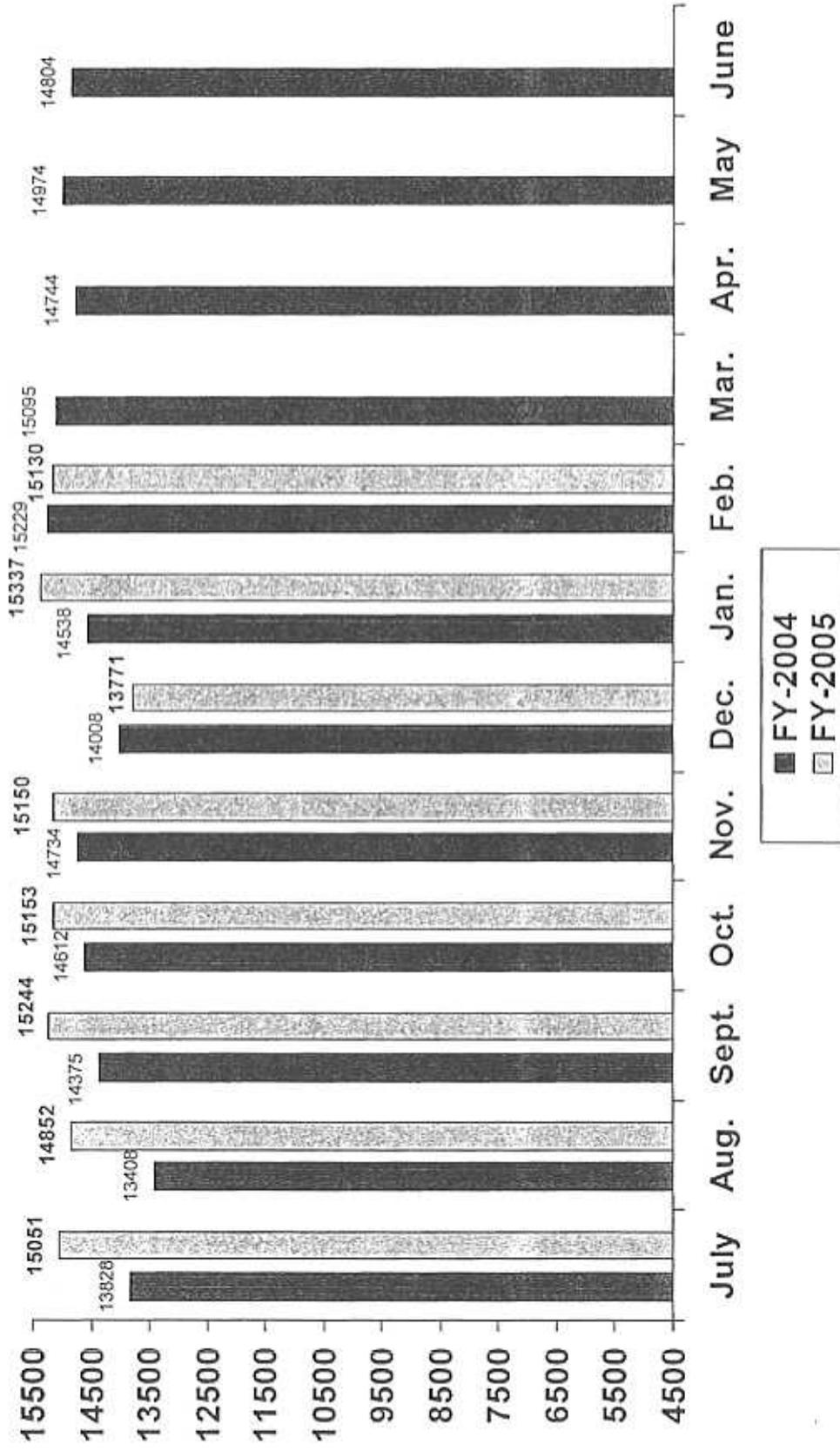
* There were 22 service days in October 2003 and 20 service days in October 2004.

VRE Monthly Gross Ridership



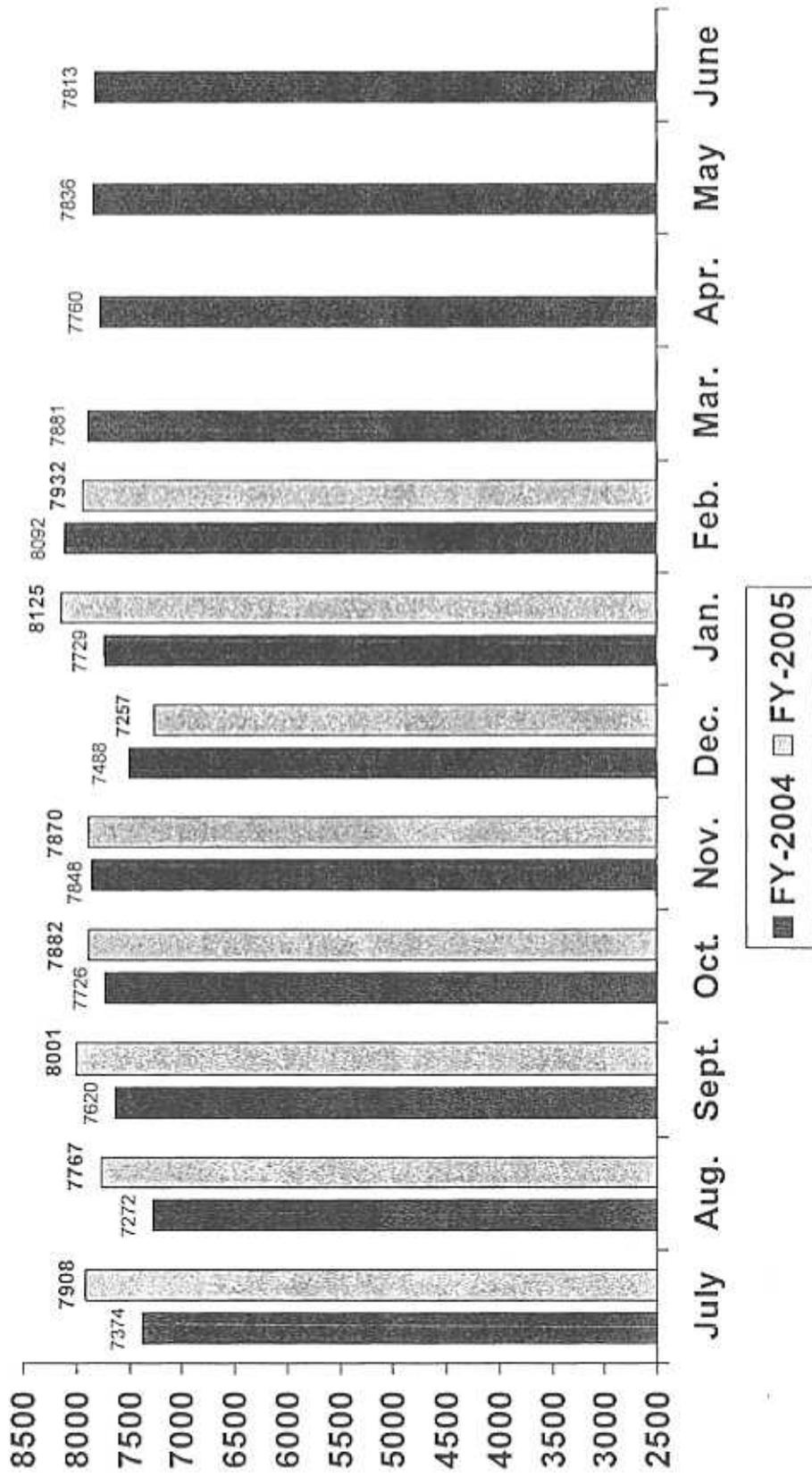
* There were 22 service days in October 2003 and 20 service days in October 2004.

VRE Total Average Daily Ridership



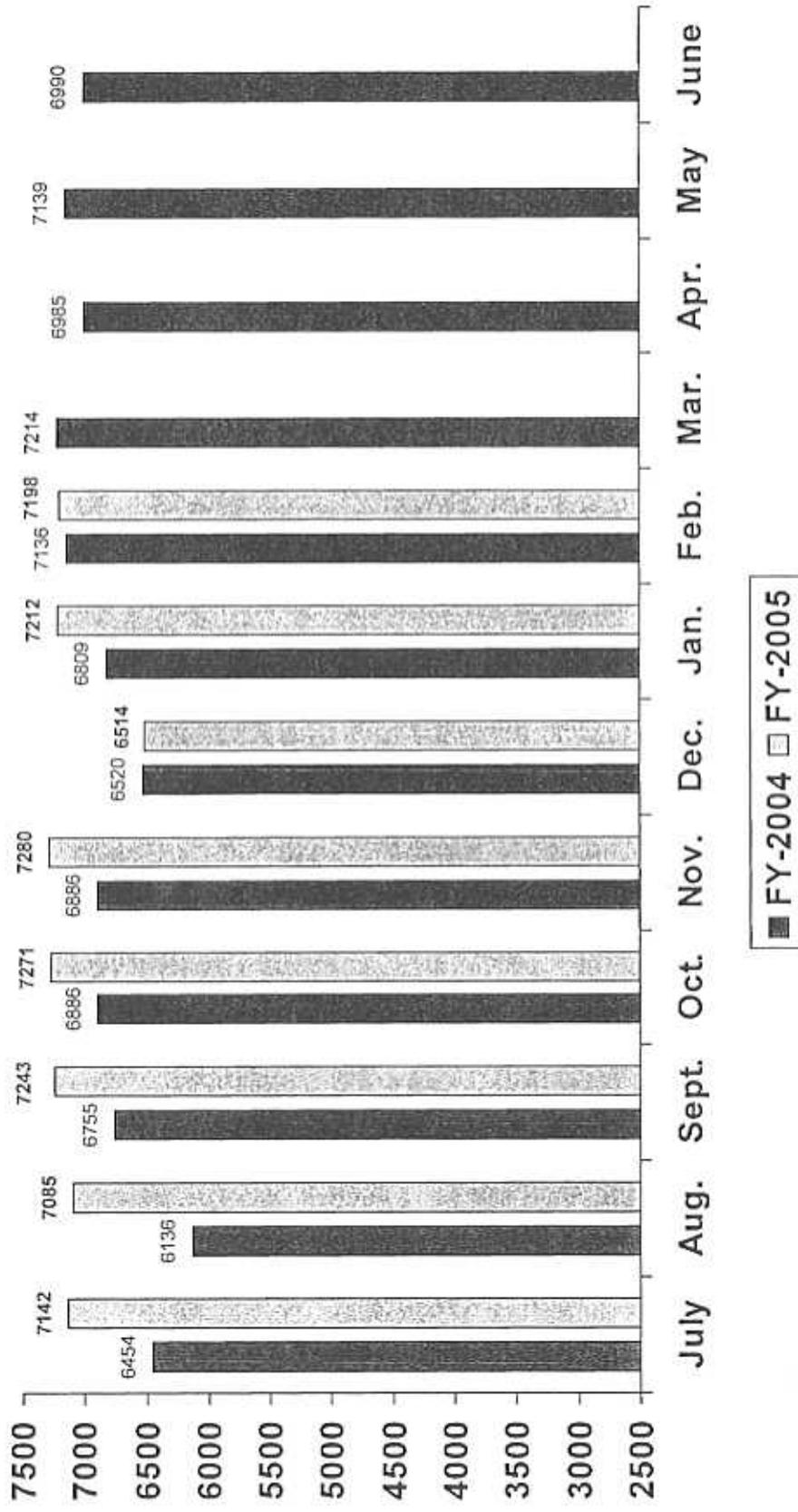
*December 2004 numbers are lower than 2003. Because of the CSX derailment in 2003, the number of days calculated led to a higher than usual number for December.

VRE Average Daily Ridership Fredericksburg Line



*December 2004 numbers are lower than 2003. Because of the CSX derailment in 2003, the number of days calculated led to a higher than usual number for December.

VRE Average Daily Ridership Manassas Line



*December 2004 numbers are lower than 2003. Because of the CSX derailment in 2003, the number of days calculated led to a higher than usual number for December.



CHIEF EXECUTIVE OFFICER'S REPORT

March 2005

QUOTE OF THE MONTH

"VRE is a 'lifeline' for commuters and people who want to visit the Washington, D.C. area, with their families."

**Jennifer L. Dorn, Administrator
Federal Transit Administration**

March 4, 2005

RIDERSHIP

For several months now, VRE ridership has been consistently increasing over the previous year's ridership. Since July, average daily ridership has remained above or near 15,000 daily trips (with the exception of December which is impacted by the holidays season). Monthly ridership for February, with only 19 service days, still exceeded the 15,000 threshold, averaging 15,137. This number is particularly strong given that we had a holiday and inclement weather during the month.

Further validation of increasing ridership can be seen in the growth of the system cumulatively through February, which represents $\frac{3}{4}$ of the fiscal year for 2005. Based on ridership data, VRE is 7% above last year's ridership numbers. That still makes VRE one of the fastest growing commuter railroads in America, nearly double the national average.

REVIEW OF RIDERSHIP THROUGH FEBRUARY	RIDERSHIP YEAR-TO-DATE
VRE FY 2005 Passenger Totals	2,422,024
VRE FY 2004 Passenger Totals	2,261,987
PERCENTAGE INCREASE	7%

ON-TIME PERFORMANCE

On-time performance for February remained consistent with that of the past few months. The Manassas line trains continue to outperform the Fredericksburg line trains, remaining on-time 88 percent of the time.

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
VRE February 2005 Fredericksburg OTP Average	81%
VRE February 2005 Manassas OTP Average	95%
VRE FEB 2005 OVERALL ON-TIME PERFORMANCE	88%

As shown above, the principal reason for delays on the Fredericksburg line is train interference. This issue reinforces the larger problem of railway crowding and supports advancement of the corridor capital improvements.

February 2005 Train Delays	REASON	TOTALS	PERCENT
	Signal/Switch Failure	8	11%
	Slow Orders	0	0%
	M/W	5	7%
	Train Interference	24	34%
	AMTRAK	5	21%
	Freight	16	67%
	VRE	3	13%
	Mechanical Failure	6	8%
	Late Turn	0	0%
	PAX Handling	6	8%
	Weather	1	1%
	Crew Related	3	4%
Other	18	25%	
TOTAL	71	100%	

In terms of overall operations, this information is encouraging because we have seen service level increase slightly on the CSX line and stabilize back to the mid-to-high 90's on the Manassas line.

FTA ADMINISTRATOR ANNOUNCES VRE GRANTS

Federal Transit Administrator Jenna Dorn, Congressman Tom Davis and Congressman Frank Wolf announced last week the release of a FY 2004 federal earmark that makes whole two parking improvement projects that VRE had been advancing.

As authorized by the FTA, \$2 million will be made available to complete the multi-level parking garage at VRE's Old Town Manassas station. The new parking deck, which is slated to be complete by the third quarter of 2006, will offer 328 new parking spaces.



The remaining \$1 million was allocated to the VRE Burke Centre station parking expansion project. The new multi-level parking structure at the Burke Centre station will add an additional 1,100 parking spaces when the project is completed by the end of 2007.

Congressman Davis added, "Any federal contribution toward promoting mass transit and easing gridlock in our region is a welcome one, and in this case we'll see some real benefit for VRE riders in the very near future."

SAFETY AWARD

Each year Amtrak presents a President's Safety Award to recognize safety leaders (lowest reportable injury ratio) within each of the major departments. Once again, this year VRE was cited for our outstanding record in commuter rail service.

Amtrak's corporate goal for FY 2004 was 4.0 reportable injuries for each 200,000 hours worked (reportable injuries are those that require more than general first-aid). VRE was well below this projected goal with no reportable injuries on VRE. Other evaluation criteria include operating rule error – of which VRE had none during the past fiscal year. This marks the fourth consecutive year that VRE has been honored with this distinction.

WRAP UP OF THE VIRGINIA GENERAL ASSEMBLY SESSION

The final budget amendments, as offered by the conferees between the House and Senate, positioned VRE favorably for consideration by the Governor. For example, the final budget included some of the following specific appropriations related to VRE:

- \$20 million for rail cars.
- An additional \$500,000 for rail access fees – raising the total to approximately \$8 million for the fiscal year.
- \$240,000 for station access assessment/employment enhancement.
- An amendment calling for the issuance of a report to the House Appropriations Committee and the Senate Finance Committee on the viability of the Gainesville-Haymarket extension and possible funding options.
- The permanent establishment of a Rail Enhancement Fund (funding for FY 2006 is \$23.2 million).

We were fortunate this session to have support from the Governor as well as the continued leadership and commitment from Senator Chichester, Speaker Howell and Delegate Callahan who took up our fight to remain an integral part of the transportation solution during the legislative session. Additionally, staff is working with Delegate Janis to reintroduce a bill to address passenger rail transportation liability on the state level. Delegate Janis was very accommodating to the concerns and interests of VRE throughout this process. Together with CSX, NS and VDRPT we hope to bring a new measure forward next year.

LEELAND STATION PARKING

We continue to work with Stafford County and Congresswoman Davis to advance an initiative that would bring additional parking to the VRE Leeland Station. At the request of Stafford County, VRE has requested a task order estimate from our GEC to complete environmental, design and engineering work for a parking expansion at this site. They estimated approximately \$500,000 for the design/engineering work and advised that the construction may cost up to \$1.5 million. This price was above our original sketch-planning estimate due to many unforeseen site conditions such as storm water management issues.

On the bright side, we were able to work through the FAMPO CMAQ/RSTP allocation process to secure \$658,400 in CMAQ funds for parking expansion at the Leeland Station. This was ratified by the MPO yesterday, after receiving approval from the FAMPO Policy Committee.

Finally, we have been working with Congresswoman Davis to seek a federal funding earmark for this project. The necessary paperwork has been completed, and the Congresswoman will be submitting the grant request to the House Appropriations Committee for possible inclusion in the FY 2006 federal budget.

BROAD RUN PARKING IMPROVEMENTS

On March 2nd, VRE and Prince William County formally launched a parking expansion project at the Broad Run VRE station with the demolition of a barn. The project is a collaboration between VRE and the County, and is funded by the Governor's Congestion Relief initiative. This station remains one of the most heavily utilized stations in the entire system.

In 2001, VRE expanded the lot from its original 300 spaces to 696 spaces. At the time it was thought that these improvements would last through 2010. However, by 2004 the station was well over capacity. The two expansions will add nearly 200 additional spaces to the facility.

Supervisor Covington captured it well when he noted, "Prince William County is, and continues to be, recognized as a perfect place to live, work, play and raise a family. Much of that can be attributed to having VRE in our community." That is certainly evident by the success that VRE has become in Prince William and throughout Virginia.

Partnerships like this one will be vital as VRE continues to grow. Prince William County residents make up approximately 33% of our total ridership, and for many of those residents VRE is the commuting option of choice. That is by far the largest proportional ridership of any jurisdiction and is representative of why we must keep finding ways to expand our facilities to meet the demand.

EPA AWARDS

VRE was notified that we, in partnership with Fairfax County, have been selected as a recipient of the 2004 Clean Air Excellence Award. The Environmental Protection Agency, Office of Air and Radiation has sponsored the Clean Air Excellence Awards Program for the past five years.



The Clean Air Act Advisory Committee, a senior-level federal advisory committee that provides advice to EPA on air issues, developed the Program to acknowledge innovative solutions that make our environment better.

The Awards Program recognizes and honors both individuals and organizations that have undertaken the risks of innovation, served as pioneers in their fields, and helped to improve air quality.

The EPA has deemed that the merits of the EZ-Bus Program stood out as one of the five best in the nation this year, and will be formally recognizing the program as such on April 7th when they present VRE and Fairfax County with the award in Washington, DC.

MEET THE MANAGEMENT SET TO RESUME

Beginning on April 6th at Union Station, our annual "Meet the Management" series will be initiated for the year. VRE staff and managers will visit each of our stations to meet our passengers face to face. As in years past, we will hold one "Meet the Management" event each week until the end of June. After a brief hiatus during the summer, we will resume with the remaining stations in September and October.

In addition to meeting VRE personnel, riders will have a chance to voice their concerns to our host railroads. We are pleased that officials from CSX have indicated that they will be attending the "Meet the Management" at L'Enfant on April 13, while Norfolk Southern has confirmed that they will send representatives to Crystal City on April 20. Amtrak staff also will be in attendance at all inner station events.

We have found that these events are beneficial to both staff and passengers. Our management and staff get to interact with our passengers face to face and learn what concerns they may have, while our passengers have opportunity to get to know the people who make their commute easier.

REAUTHORIZATION

The Rules Committee gave its voice-vote approval late Wednesday to a second rule (H Res 144) governing floor debate on the \$284 billion surface transportation bill (HR 3), allowing for an additional 12 amendments to be debated on the House floor.

An earlier structured rule approved by the Rules panel on Tuesday (H Res 140) made 10 Republican amendments to HR 3 in order. The House approved that rule on Wednesday and began floor debate on the surface transportation measure. The second rule was necessary to allow lawmakers more time to work on a manager's amendment to be offered by Don Young, R-Alaska, Chairman of the Transportation Committee and the sponsor of the surface transportation measure.

H Res 144 would provide another structured rule, with no more time for general debate. The rule would make an order allowing only the dozen amendments listed in the rule. The rule would waive all points of order against the amendments and allow for one motion to recommit. In the end, the rule allowed for the consideration of 10 Republican amendments and two Democratic amendments.

Manager's Amendment

Among the highlights of Young's amendment are provisions that would:

- Count the money allocated to the 3,300 "high priority" projects listed in the bill as part of the money apportioned to the states via formula.
- Increase the amount of money apportioned to each state via the funding formula so that no state receives less apportioned money because of the addition of the high priority projects.
- Set funding amounts so that 92.6 percent of the bill's funds are included in the apportionment formula.

Young's manager's amendment also would:

- Set a total estimated net capital project cost ceiling of \$200 million for new starts projects to be eligible for consideration under the new "Small Starts" program.

Other Amendments in Order

- Thomas M. Davis III, R-Va. - would remove the requirement that toll rates on high occupancy toll lanes provide lower tolls for low-income drivers.



Virginia Railway Express Operations Board

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

March 23, 2005

The Honorable Gary D. Pash
Chairman
Stafford County Board of Supervisors
PO Box 339
Stafford, VA 22555-0339

Dear Chairman Pash:

I am writing to explain to you the challenging situation the Virginia Railway Express (VRE) is in regarding the FY 2006 VRE budget and proposed increase in local subsidy. I also wanted to advise you of the action taken by the VRE Operations Board on March 18, 2005 to invite public reaction to an alternate proposal in the event that the Stafford Board of Supervisors rejects the VRE budget proposal previously transmitted to member governments for appropriation.

VRE is in possession of minutes from the February 15, 2005 Stafford County Board of Supervisors work session on the VRE subsidy. These minutes indicate that a sense of the Board regarding both a fare increase and a subsidy increase was taken and, by voice vote, the Board showed no support for a subsidy increase and majority support for a fare increase.

The VRE budget process is nearly a year long by design, with many steps intended to insure that the interests of all VRE members are considered. This process is detailed by the Master Agreement, of which Stafford is a signatory, and has worked almost flawlessly since VRE's inception fourteen years ago. It prescribes four decision points:

1. VRE Operations Board adoption of budget guidelines in June (thirteen months before the start of the fiscal year);
2. Transmission of a draft budget to the CAO Budget Task Force for formal review and comment in August (eleven months before the start of the fiscal year);
3. Transmission of a proposed final budget to the VRE member jurisdictions in December (seven months before the start of the fiscal year); and,
4. Formal adoption of the budget after the member governments have appropriated funding (immediately prior to the start of the fiscal year).

Northern Virginia
Transportation Commission
4350 North Fairfax Drive, Suite 720
Arlington, Virginia 22203
(703) 524-3322

- A Transportation Partnership -

Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, Virginia 22192
(703) 583-7782

The FY 2006 VRE budget required additional funding due to increasing insurance, fuel and operating costs. Consequently, in June of 2004, the Operations Board voted unanimously to consider three budget options including a fare increase, subsidy increase and combination of both (hybrid option). In August 2004, staff returned to the Operations Board with the preliminary FY 2006 budget, which included detailed information on the three budget options listed above. These budget options were again unanimously approved by the Operations Board and then referred to the Commissions. Discussions at these meetings supported the concept of the hybrid option because fares have been raised several times over the past few years while the local subsidy has remained relatively constant.

It is important to understand that VRE's overall local subsidy has remained virtually unchanged for many years and Stafford County's subsidy has been relatively stable during this period, as the table below indicates. In fact, the proposed Stafford County subsidy in FY 2006 is less than it was in FY 2000, FY 2001 and FY 2004.

Stafford County Share of VRE Subsidy

Fiscal Year	Subsidy
2006	\$699,424
2005	\$609,222
2004	\$726,297
2003	\$554,900
2002	\$613,575
2001	\$750,890
2000	\$775,892

On September 2, 2004, both Commissions voted to refer the budget to the local jurisdictions for formal review and comment via the CAO Budget Task Force. Over the next several months, VRE met with local jurisdictional staffs several times and answered over 100 budget related questions. Stafford County was represented at these meetings by Marcus Majors, who reported that the Stafford Board was being briefed on VRE budget issues. At no time did either Stafford County staff or Supervisor Gibbons (as Stafford County's representative on the VRE Operations Board) express a concern about the proposed subsidy increase. In fact, it wasn't until December 2004, when Supervisor Gibbons abstained from the Operations Board vote, that VRE had any indication of a potential concern. Despite this abstention, Supervisor Gibbons did vote in favor of budget transmittal at the Potomac and Rappahannock Commission (PRTC) meeting on January 6, 2005.

On January 11, 2005, PRTC management formally transmitted the proposed VRE budget to Stafford County. To-date, neither PRTC nor VRE have received any formal

The Honorable Gary D. Pash
March 23, 2005
Page Three

communication from Stafford County regarding its intentions toward the VRE subsidy. At this point, VRE is in the midst of the public hearing process and will complete the public comment period on April 1, 2005. Staff will then compile the results and return to the Operations Board on April 15, 2005, and the Commissions on May 5, 2005, with a final recommendation on the fare structure for FY 2006. Once adopted, the fare structure goes into effect on June 27, 2005.

We understand that Stafford County's final action on the budget will occur in late April. Unfortunately, a decision not to fund the subsidy increase at that time does not give VRE ample time to seek public comment on an alternate plan and implement changes to printed fare materials and fare collection equipment software. Consequently, an alternate plan was developed and on March 18, 2005, the VRE Operations Board authorized management to invite public comment on this alternate plan at the ongoing public hearings. This alternate plan is designed to compensate for the \$90,000 deficit VRE would face in the event that the Stafford Board rejects payment of the increased subsidy. Supervisor Gibbons was the sole dissenting vote.

The alternate plan envisions a higher than previously proposed fare increase for Stafford County stations. This option raises fares 2.75% in all zones but Zone 8 (Stafford County stations), which would incur a 5.46% increase. The Operations Board found this to be the most responsible alternative since Stafford alone is proposing to cap its local subsidy while all the other member governments assent to an increase.

I hope that the alternate plan will become moot if the Stafford Board decides upon further reflection to approve the subsidy increase as proposed. We have enjoyed an amicable relationship over the years and in that spirit, I look forward to resolving this issue with you. VRE's local government sponsors and riders are well served by the hands on involvement of all members in budgeting aspects of VRE's operation. We have collectively made VRE one of the most successful commuter rail operations in America. Please call me at (703) 451-8873 to discuss next steps.

Sincerely,



Elaine McConnell
Chairman, VRE Operations Board

cc: VRE Operations Board Members
Steve Crosby, Executive Director, Stafford County
Steve MacIsaac
Al Harf, PRTC
Rick Taube, NVTC

AGENDA ITEM 8-F
ACTION ITEM

TO: CHAIRMAN MCCONNELL AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: MARCH 18, 2005

RE: AUTHORIZATION TO AMEND MATERIALS RELATED TO PUBLIC HEARINGS ON THE PROPOSED FARE CHANGE

RECOMMENDATION:

The VRE Operations Board is being asked to authorize the Chief Executive Officer to amend materials used to solicit comment through public hearings related to the proposed fare change.

BACKGROUND:

In February of 2005, the Operations Board authorized the Chief Executive Officer to solicit comment on the proposed fare change through public hearings. Since that time, the Stafford County Board of Supervisors has indicated that they may not approve the \$90,000 increase in Stafford County's local subsidy as recommended by the Operations Board in December 2004, and Commissions in January 2005.

In an effort to continue with the public hearing and fare change implementation schedule, the Chief Executive Officer is requesting that an alternative fare option be presented for consideration at the public hearings. In addition to the information approved in February, this scenario will be presented which makes up for the potential \$90,000 deficit VRE may be facing from Stafford County.

The Zone 8 Option (shown in the attached spreadsheet) raises the fares 2.75% in all zones but Zone 8 (Stafford County stations), which realizes a 5.46% increase. Staff will present this option at the public hearings and explain that implementation would only occur if negotiations with Stafford County to pay their entire subsidy were unsuccessful.

If Stafford County were to recommend payment of a portion of their \$90,000 subsidy increase, the corresponding fare increase for Zone 8 could be adjusted to fund the remaining balance owed by Stafford County.

VRE will hold five public hearings beginning on March 17 and ending on March 29, 2005. Hearings are being held in Fredericksburg, Alexandria, Manassas, Stafford County and Arlington. Comments will be accepted through April 1 at which time staff will compile the results and return to the Operations Board in April and Commissions in May with a recommendation. If adopted, these changes will become effective on June 27, 2005.

FISCAL IMPACT:

This modification is consistent with the recommendations of the Operations Board relating to the FY 2006 budget.

TO: CHAIRMAN MCCONNELL AND THE VRE OPERATIONS BOARD
FROM: DALE ZEHNER
DATE: MARCH 18, 2005
RE: AUTHORIZATION TO AMEND MATERIALS RELATED TO PUBLIC HEARINGS ON THE PROPOSED FARE CHANGE

**RESOLUTION
8F-03-2005
OF THE
VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD**

WHEREAS, during the FY 2006 budget process, the Operations Board authorized a fare increase of 2.75% and jurisdictional subsidy increase of \$525,060; and,

WHEREAS, the Stafford County Board of Supervisors has taken action indicating that they may not approve the \$90,000 increase in Stafford County's local subsidy as recommended by the Operations Board in December 2004, and Commissions in January 2005; and,

WHEREAS, VRE must include options to address this deficit in its upcoming public hearings.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to amend materials used to solicit comment through public hearings related to the proposed fare change.

**Proposed Amendment to
2005 Public Hearings on Fare Changes**

		VRE Approved 2.75% Fare Increase	Zone 8 Option 2.75% Fare Increase +Stafford Fare Incr	
Projected FY 2006 deficit:	\$ 1,058,450			
Increase in Fare Revenue--system wide		\$ 533,390	\$	533,390
Increase in Local Subsidy (shown below)		525,060	(90,202) \$	434,858
Stafford (Zone 8) only increase to 5.46%			90,202 \$	90,202
Total Increase		\$ 1,058,450	\$ -	\$ 1,058,450
Local Subsidy Amounts by Jurisdiction:		Total	Incr (Decr)	Total
FY 2005				
Fairfax County	2,963,820	3,159,642		3,159,642
Prince William County	2,061,008	2,236,676		2,236,676
Stafford County	609,222	699,424	(90,202)	609,222
City of Manassas	270,924	276,306		276,306
City of Manassas Park	149,757	179,422		179,422
City of Fredericksburg	57,543	73,827		73,827
				-
Arlington County	142,992	150,142		150,142
City of Alexandria	97,734	102,621		102,621
Total All Jurisdictions	\$ 6,353,000	\$ 6,878,060	\$ (90,202)	\$ 6,787,858



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Poll: VRE backed by Spotsylvanians

March 23, 2005 6:13 am

By EDIE GROSS

Seventy percent of Spotsylvania County residents polled in a citizen survey favor a tax-supported commuter train service, according to results released yesterday.

Supervisors who have pushed the county to join the Virginia Railway Express say the study is proof that residents are ready to make that commitment.

"There's overwhelming support for us joining VRE, and it's about time," said Supervisor Vince Onorato, who predicts the county could vote as early as June on that prospect.

About 83 percent of the residents in Onorato's urbanized Lee Hill District endorsed a subsidized commuter train service, the highest level of support in the county.

But even residents in rural areas took a shine to the idea. More than half of the citizens in the Livingston and Berkeley districts backed a VRE-type service, too.

Also 66 percent of those surveyed countywide support a subsidized commuter bus operation.

Supervisor Gary Jackson, who represents the Salem District, said that while the VRE discussion should continue, the county should also examine the bus option.

A few buses pick up commuters each morning at the State Route 3 lot next to Ukrop's. But if the county made such buses a priority and agreed to support them with public dollars, they could probably run more often.

Right now, Prince William County spends about \$1 million a year to run OmniRide buses, which take commuters to Washington and Northern Virginia.

"I would be very interested in having those buses come to Spotsylvania," Jackson said.

Spotsylvania officials have mulled over joining the Potomac and Rappahannock Transportation Commission, which runs OmniRide and co-owns VRE.

About 1,000 Spotsylvania residents ride VRE each day, but the county--unlike Stafford and Fredericksburg--is not a PRTC member so it pays nothing to support the rail service.

That has irked member communities, including Stafford, which put its collective foot down last month and refused to increase its subsidy to VRE while Spotsylvania pays nothing.

Communities that join PRTC levy a 2 percent gas tax that is used to pay administrative costs and VRE expenses. Most of the tax money actually ends up supporting local transportation projects.

For instance, the tax generated \$2.4 million in Stafford last year. After paying for PRTC and VRE costs, the county was left with \$1.6 million--or 68 percent of the money--to use on local road and transit projects.

VRE officials have estimated that a similar tax in Spotsylvania would generate \$2.5 million there, \$2 million of which would remain in the county for local projects.

The Spotsylvania survey, conducted in December and January by the University of Virginia's Center for Survey Research, asked 843 residents about a number of county concerns, including growth, education, traffic and public safety.

The survey has a margin of error of 3.4 percent.

Residents ranked fixing traffic congestion as one of their top concerns, second only to providing good public education.

Joining VRE and supporting commuter buses can help that problem, said Supervisor Hap Connors of the Chancellor District.

The money generated by the 2 percent gas tax also addresses that, he said, because the county could build new roads and improve existing ones.

"All these things cost money," he said. "There's no money coming out of Richmond to solve these problems for us. Until the time the General Assembly in Richmond stands up and does its job--but I'm not holding my breath for that--we've got to lead."

To reach EDIE GROSS: 540/374-5428 egross@freelancestar.com

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**VIRGINIA RAILWAY
EXPRESS**

**OPERATIONS BOARD
MEMBERS**

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CHAIRMAN**

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**DANA KAUFFMAN
SECRETARY**

**ROBERT GIBBONS
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HILDA BARG

SHARON BULOVA

WALLY COVINGTON

WILLIAM GREENUP

JOHN D. JENKINS

KAREN RAE

DOUG WALDRON

**CHRISTOPHER
ZIMMERMAN**

**DALE ZEHNER
CHIEF EXECUTIVE
OFFICER**

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MINUTES

**VRE OPERATIONS BOARD MEETING
PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA
MARCH 15, 2005**

MEMBERS PRESENT	JURISDICTION
Maureen Caddigan (PRTC)	Prince William County
Sharon Bulova (NVTC)	Fairfax County
Robert Gibbons (PRTC)	Stafford County
John D. Jenkins (PRTC)**	Prince William County
Elaine McConnell (NVTC)	Fairfax County
Alan Tobias	VDRPT

MEMBERS ABSENT	JURISDICTION
Dana Kauffman (NVTC)	Fairfax County

ALTERNATES PRESENT	JURISDICTION
Hilda Barg	Prince William County
Wally Covington (PRTC)	Prince William County
William Greenup (PRTC)	City of Fredericksburg/VHSRDC
Doug Waldron (PRTC)	City of Manassas
Christopher Zimmerman (NVTC)**	Arlington County

STAFF AND GENERAL PUBLIC	
George Billmyer – citizen	Steve MacIsaac – VRE counsel
Donna Boxer – VRE	April Maguigad – VRE
Raynetta Cross – VRE	Betsy Massie – PRTC staff
Anna Gotthardt – VRE	Dick Peacock – citizen
Alfred Harf – PRTC staff	Mark Roeber – VRE
Mike Lake – Fairfax DOT	Rick Taube – NVTC staff
Wendy Lemieux – VRE	Dale Zehner – VRE
Bob Liebbrandt – Prince William County	

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

Chairman McConnell called the meeting to order at 9:35 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Ms. Caddigan moved, with a second by Ms. Barg, to approve the agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Gibbons, McConnell and Tobias.

Minutes of the February 18, 2005 VRE Operations Board Meeting – 4

Ms. Bulova moved, with a second by Mr. Covington, to approve the minutes. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Gibbons, McConnell and Tobias.

Chairman's Remarks – 5

Chairman McConnell reported that the Fairfax County Transportation Subcommittee recently hosted a very successful transportation summit at the Fairfax County Government Center. Over 20 people attended. One objective of the summit was to reach the "grassroots" community to help them better understand the process of where transportation funding comes from and how it's distributed. She encouraged VRE to conduct a similar summit. Ms. Barg suggested having a regional summit. Ms. Caddigan stated that this is an excellent idea.

Ms. Bulova stated that she attended the summit and it was an outstanding event. It was encouraging to see so many people interested in transportation. It is important to engage the public as much as possible to educate them about transportation issues. Mr. Taube stated that he was able to view the summit by video on the Internet.

Mr. Gibbons expressed interest in getting Virginia representation on the APTA committee that will be convened to reexamine the Trust Fund as it relates to the next reauthorization bill. In response to a question from Chairman McConnell, Mr. Roeber stated that the Senate hasn't had a final vote on the TEA-21 Reauthorization bill. The funding earmarks will be released in the next week. The Senate voted down \$1.4 billion in funding for Amtrak.

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

Chief Executive Officer's Report – 6

Mr. Zehner stated that work is continuing on the Quantico Station rehabilitation. The doors need to be refabricated and there are some window issues that are delaying the project. The opening ceremony is being rescheduled for the end of April.

Mr. Zehner reported that ridership is increasing about eight percent annually. On-time performance has improved by five percent compared to last month, with Manassas Line at 95 percent and Fredericksburg Line at 81 percent for February.

Mr. Zehner announced that EZ Bus will receive a Clean Air Excellence award from the U.S. EPA for Transportation Efficiency Innovations on April 7th at the Mayflower Hotel in Washington, D.C. All three participating partners (VRE, Fairfax County and CONNEX North America, Inc.) will receive the award. Also, VRE won the Amtrak Safety Award for the fourth consecutive year. This award is given to systems that have had no safety or operating errors, which means that there were no reportable injuries on VRE for FY 2004. Mr. Waldron asked how VRE publicizes this because it is a prestigious award. It is a remarkable accomplishment and should be publicized. Mr. Zehner stated that staff will work on a press release.

Mr. Zehner reported that the funding level for the TEA-21 Reauthorization bill is set in both the House and Senate at \$284 billion. The House version, which was passed by the full House on March 10th, includes \$100 million for VRE railcars. The state and local match would be 50 percent. Also, Senator Jo Ann Davis helped to get an amendment included in the Reauthorization Bill for \$2.5 million for renovations to the Fredericksburg VRE station.

Mr. Zehner reported that VRE conducted another on-line forum about the VRE fare increase. Staff will continue to do this every month and about 40-60 questions can be answered in an hour's time.

Mr. Gibbons reported that FAMPO authorized \$685,400 in CMAQ funds for the Leeland Station parking expansion. Senator Jo Ann Davis also helped to get additional federal money in the FY 06 appropriations bill for this project.

VRE Riders' Comments – 7

Mr. Billmyer stated that on March 14, 2005 the House passed a resolution to put the funding back in the reauthorization bill for Amtrak. He stated that it is really just discrimination that state and local governments have to pay a 50 percent match for rail projects while there's only a 20 percent match for highways projects.

Mr. Billmyer provided Board members with a list of all rail equipment being purchased, delivered or ordered for rail systems throughout the United States during this year. He also reminded the Board that freight train crews cannot operate over 12 hours, so when

the twelfth hour comes, the trains have to shut down and can block the rail lines until another crew arrives. He expressed his irritation with CSX regarding this issue and he stated that dispatchers should have a warning at 11 hours so that they can get the trains out of the rail traffic before it reaches the 12th hour. Chairman McConnell requested staff to look into this issue and report back to the Board.

Mr. Billmyer stated that in regard to the Stafford funding issue, \$90,000 is not a large amount, but it could affect VRE's credit rating. Blaming Spotsylvania County that they get a free ride is incorrect. Spotsylvania County may be beginning to realize that they are losing money by not being part of PRTC and VRE, since they would be getting more revenue from the gas tax.

Mr. Peacock observed that VRE has had a lot of good news—the Virginia General Assembly allocated \$20 million for VRE railcars and the Quantico Station is being rehabilitated. Stafford County residents will benefit from all this.

[Mr. Zimmerman arrived at 9:58 A.M.]

Mr. Gibbons asked if the \$20 million railcar appropriation could be used as part of the 50% match for the \$100 million federal reauthorization appropriation. Mr. Tobias replied that it can be used as part of the match and the additional \$30 million needed would be eligible for state transit funding assistance as well. Mr. Gibbons requested a summary sheet of this information at the next meeting. Mr. Zehner reminded the Board that the \$100 million for VRE is included in the House version but still needs to be included in the Senate version.

Authorization to Issue a Purchase Order for Printing Services Related to the VRE Update – 8A

Mr. Zehner stated that in October 2004, the Journal Publishing Company, who printed and distributed VRE's weekly newsletter, ended its five-year relationship with VRE. Staff issued a RFP to find a replacement and received three responses. One bid was deemed non-compliant, one bid withdrew and one bid was unresponsive. In the meantime, staff began producing the newsletter "in house" and began publishing a bi-weekly version entitled "VRE Update." Staff has obtained quotes from four vendors to arrive at the lowest possible printing cost. The work scope includes copying, folding and delivery to the outlying trains yards. To further offset costs, staff is working to sell the back page to advertisers. Advertising would be sold and managed by VRE and would conform to the Operations Board approved advertising guidelines.

Mr. Zehner explained that Resolution #8A-03-2005 would authorize the Chief Executive Officer to issue a purchase order to Lake Litho Printing and Marketing Services of Manassas, Virginia in an amount not to exceed \$50,000 for one-year of printing services related to the publication of VRE's bi-weekly on-board newsletter.

In response to a question from Mr. Gibbons, Mr. Zehner stated that this newsletter is not e-mailed to the riders but distributed on the seats. Mr. Lemieux stated that the "VRE Update" newsletter is often referenced in VRE's email notifications.

In response to a question from Mr. Zimmerman, Mr. Zehner stated that funding for this work has already been included in the budget and no additional funds are being requested.

Ms. Barg made a motion to approve Resolution #8A-03-2005. Ms. Bulova seconded. The Board then voted on the motion and it passed. The vote in favor was cast by Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

Authorization to Increase Authority for Freight Services Required to Transport the Gallery III Cars – 8B

Mr. Zehner reported that in October 2003, the Board approved the purchase of freight services in an amount not to exceed \$114,950 to transport 35 Gallery cars. Ten of the cars were shipped from Chicago directly to VRE while the other twenty were to be shipped to a repair facility. An estimate was used in the award, as it was not known who would be awarded the re-qualification contract or where the work would be performed. Since then, Kawasaki Rail Car was awarded the re-qualification contract and work is taking place at their plant in Yonkers, New York. Based on the cost of shipping the first car from the facility to VRE, the freight charges need to be amended by \$10,000 to allow for the transport of all twenty cars. Resolution #8B-03-2005 would authorize the CEO to increase the spending limit for freight services required to transport the Gallery III cars by \$10,000, for a total amount not to exceed \$124,950.

On a motion by Ms. Caddigan and a second by Mr. Covington, the Board unanimously approved the resolution. The vote in favor was cast by Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

Authorization to Award a Construction Contract for a Platform Extension at Manassas Park – 8C

Mr. Zehner explained that as part of the parking agreement with Manassas Park approved in April 2003, a temporary platform was constructed in July 2003. A second condition of the agreement was that the temporary platform would be replaced with a permanent platform and canopy by April 2005. Following extensive discussions with Manassas Park and a public procurement, five bids were received on March 7, 2005. After reviewing the bids, staff is recommending award to the low bidder, N.V. Enterprises, Inc. Resolution #8C-03-2005 would recommend that the Commissions authorize the VRE Chief Executive Officer to award the contract to N.V. Enterprises, Inc. for a total contract value of \$747,694, plus a 15 percent contingency of \$112,154, for a total authorization not to exceed \$859,848.

Mr. Zehner explained that while the MOU capped the cost to construct the platform at \$500,000, unless additional funding was approved for this project, staff is comfortable that site conditions and the current construction market justify the revised project costs. Funding is included in VRE's CIP as part of the Platform Extension project and would be made up of FY 2002, FY 2003 and FY 2004 federal grants. The local match is provided for using state and local funds. Platform construction is expected to be completed in August 2005.

Ms. Bulova moved, with a second by Mr. Covington, to approve Resolution #8C-03-2005. The vote in favor was cast by Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

Authorization to Increase a Purchase Order for Traction Motor Combo Repairs – 8D

Mr. Zehner explained that the VRE Operations Board is being asked to authorize the CEO to increase the authorization limit of a purchase order with RAM Industries by \$27,500, in an amount not to exceed \$50,000, for the refurbishment of traction motor combos. Resolution #8D-03-2005 would accomplish this. This work has been performed in the past by Amtrak and was thought to again be performed by Amtrak in the future. However, as they have not reinitiated this work, staff is requesting that an additional \$27,500 be added to this purchase order so that up to four additional traction motor combos can be repaired. Staff is currently preparing a comprehensive locomotive repair solicitation, which would include this work so that a more extensive contract can be executed.

Mr. Jenkins moved, with a second by Ms. Bulova, to approve the resolution. The vote in favor was cast by Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

Authorization to Execute a Lease with Prince William County Model Railroad Club, Inc. to Occupy the South Room of the VRE Quantico Station – 8E

Mr. Zehner stated that staff recommends that the Operations Board approve Resolution #8E-03-2005, which would authorize the CEO to execute a five-year lease with the Prince William County Model Railroad Club, Inc. (PWMRC) to occupy, manage and create a permanent model railroad display in the South Room of the VRE Quantico Station.

Mr. Zehner explained that the newly renovated Quantico Station has a 30'x30'x6' square foot enclosed vendor space, referred to as the South Room, available for lease. In March 2004, the Operations Board authorized the release of a procurement to lease this space, which was issued on January 15, 2005. Only one proposal from PWMRC was received for the South Room. A selection committee made up of VRE staff and the

Mayor of Quantico evaluated the proposal and conducted an interview with the Model Railroad Club on March 7th.

Ms. Caddigan thanked staff for their hard work on this project and stated that the refurbished station will bring life back to the area for both children and adults. She stated that although no revenue will be generated from this lease, the Model Railroad Club has agreed to manage the space productively and be responsible for the payment of all utility bills dedicated to that space. In addition, they have also agreed to provide a maintenance contract to VRE to maintain the HVAC unit specifically designated for that space. Mr. Zehner stated that the term of the lease is for one year with four one-year renewal options. VRE will exercise the option year periods at its sole discretion.

Ms. Caddigan moved, with a second by Mr. Jenkins, to approve the resolution. The vote in favor was cast by Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

Authorization to Amend Materials Related to Public Hearings on the Proposed Fare Change – 8F

Mr. Zehner explained that the Operations Board is being asked to approve Resolution #8F-03-2005, which would authorize the CEO to amend materials used to solicit comments through public hearings related to the proposed fare change. In February 2005, the Board authorized the CEO to solicit comment on the proposed fare change through public hearings. Since that time, the Stafford County Board of Supervisors has indicated that they may not approve the \$90,000 increase in the County's local subsidy as recommended by the Operations Board in December 2004, and the Commissions in January 2005.

Mr. Zehner stated that in an effort to continue with the public hearing and fare change implementation schedule, he is requesting that an alternative fare option be presented for consideration at the public hearings. In addition to the information approved in February, this scenario would be presented which makes up for the potential \$90,000 deficit VRE may be facing from Stafford County. The Zone 8 Option would raise the fares 2.75 percent in all zones but Zone 8 (Stafford County stations), which would realize a 5.46 percent increase. Staff will present this option at the public hearings and explain that the implementation would only occur if negotiations with Stafford County to pay their entire subsidy were unsuccessful.

Mr. Zehner reported that VRE will hold five public hearings from March 14 through March 29th in Fredericksburg, Alexandria, Manassas, Stafford and Arlington. Comments will be accepted through April 1st at which time staff will compile the results and return to the Operations Board in April and the Commissions in May with a recommendation. If adopted, the fare changes would become effective June 27, 2005.

Ms. Barg moved, with a second by Ms. Bulova, to approve the resolution which would authorize the CEO to amend materials used to solicit comment through public hearings related to the proposed fare change.

In response to a question from Ms. Barg, Mr. Zehner stated that he is not recommending taking away stops in Stafford County. In response to a question from Mr. Zimmerman, Mr. Zehner stated that the public hearing in Fredericksburg was held on March 14th, but he didn't discuss this Stafford fare option and only mentioned that the Operations Board would be discussing it at today's meeting.

Chairman McConnell stated that since she and staff were not able to meet with Stafford County Board, she suggested VRE send a letter to the County Board.

Mr. Gibbons stated that he will vote against this resolution. He reminded the Operations Board that the Master Agreement provides for jurisdictions to disagree with the budget. He wants to make sure that this action is not construed as vindictive. He stated that if a jurisdiction doesn't agree with the budget, they can vote against it. He cautioned the Board not to get out of the scope of due process of the Master Agreement. Chairman McConnell stated that she hopes Mr. Gibbons goes back to his Board to convey VRE's position that the County had ample time, since June 2004, to let VRE know if they weren't going to pay their share. She expressed her disappointment that the County Board has not found time to meet with VRE representatives to discuss this issue. Mr. Gibbons replied that he abstained from the vote in December and indicated that the County might have a problem with the budget. He also stated that the County has a process where the County's Transportation Committee would meet with VRE and then report back to the County Board. At that point, the Board would decide if they want to meet with VRE. Chairman McConnell expressed her opinion that with something of this magnitude, the County Board should address it and not a committee.

Mr. Gibbons stated that Stafford County is bitter that Spotsylvania County has not joined VRE and is getting a free ride. Ninety-two percent of VRE riders who board at Fredericksburg are Spotsylvania residents.

Ms. Caddigan expressed her disappointment over Stafford County's position. She stated that all the jurisdictions have budget constraints. Quantico Station is used by more Stafford residents than Prince William County residents. If fares in Stafford are going to increase because Stafford County won't pay the \$90,000, Stafford residents will flock into Prince William county stations. This needs to be taken into consideration.

Ms. Bulova expressed her concern that the goal is to get Spotsylvania to join PRTC and VRE. This whole issue could spook them. Of all times, VRE should be one big happy family and not be in discord. Chairman McConnell stated that it's her understanding that Spotsylvania will be discussing joining PRTC at their next meeting. Mr. Greenup stated that at the outset, Spotsylvania County painted themselves into a corner and actually never brought the issue of joining VRE to a vote. He stated that Mr. Gibbons has worked very hard over the years to bring Spotsylvania County to the table. He

expressed his concern that there are members of the Spotsylvania Board who are trying to bring together enough votes to join PRTC and VRE. The other members who are recalcitrant are going to take Stafford County's action as a threat and will use it as a reason to not vote to join.

Chairman McConnell stated that in defense of Mr. Gibbons, he has been a loyal supporter of VRE for many years. Mr. Gibbons stated that Stafford County is only questioning the additional \$90,000 and not the rest of the VRE budget.

Mr. Waldron stated that he is very concerned about the perception from those outside VRE, especially the view of the bond rating agencies, as well as FTA, General Assembly and other jurisdictions. An adverse perception from the bond rating agencies could cost VRE much more than \$90,000. This issue may be a small internal matter and important to Stafford County, but the larger audience may see it differently. Bond rating agencies are a powerful force and look for the slightest deviation, including decision making, agreements, and political will and stability. It is very important that VRE jurisdictions act in concert.

Mr. Harf stated that it would be helpful for staff to discuss the consequences of deferring this #8F action to help Board members understand why their action is needed now. Mr. Zehner explained that it is proposed that the public hearings will occur into April, with Commission approval sought in May, with implementation in June after the software is changed and new rider guides and schedules are updated, which takes about 30 days. It costs about \$20,000 to update these materials. If at the 11th hour something changes, VRE would have to go back out to public hearing and go through the whole process again. The target date for new fares to go into effect is June 27, 2005. If this date gets pushed back, VRE loses the additional fare income.

The Board then voted on the motion and it passed. The vote in favor was cast by Board members Bulova, Caddigan, Jenkins, McConnell, Tobias and Zimmerman. Mr. Gibbons voted in opposition.

Gainesville/Haymarket Update – 9A

Mr. Zehner reported that the General Assembly passed a transportation initiative that will allocate \$848 million for highway and public transportation starting July 1, 2005. Included in the Conference Committee report was language regarding the potential VRE extension to Gainesville/Haymarket mandating VDRPT to submit a report to the General Assembly by December 1, 2005.

Mr. Zehner explained that after discussing this with VDRPT Director Rae, it was determined that VRE was the most appropriate organization to develop the plan. If the Operations Board supports this action, VRE staff could solicit task order proposals from VRE's General Engineering Consultants. However, no state funding was appropriated explicitly for this work and VRE CIP money is not available. Staff can obtain a task

order estimate for this work and return in April with this cost as well as funding recommendations.

Mr. Tobias explained that this is a state mandate to VDRPT and not a mandate to VRE. VDRPT gets these types of requests from the General Assembly all the time. VDRPT can do the report internally, but it would essentially be a summary of the status of what has happened to-date. There is a distinction of what VDRPT would need to do to comply with the General Assembly mandate and what VRE needs to do to move the project forward.

Mr. Zehner stated that as it considers this project, the Operations Board should take into account three points. First, the budget language assumes that the Operations Board and Commissions approve and support the extension of VRE to Gainesville/Haymarket in concept. If so, the report would be a more detailed implementation plan, with a funding strategy that the Board and Commissions could use to determine if the concept is reasonable in the current environment.

Mr. Jenkins stated that it is his understanding that an extension to Gainesville/Haymarket is already included in the VRE Strategic Plan. Mr. Zehner stated that it is included, but does not state when it will be done. Ms. Barg observed that it is an approved plan, but unfunded. Mr. Harf stated that the Strategic Plan identifies every project that the Commissions believe VRE ought to do between now and 2025. The plan was not fiscally constrained. What projects to do and how and when to fund them are still issues.

Mr. Zehner explained that the second point to consider is that the benefits of an extension need to be weighed against the impacts on the current system. This report could be an opportunity to lay out an implementation plan and funding schedule to show how the extension could be accomplished.

Thirdly, since the extension resides in Prince William County, participation of the County in management and planning of site selection is paramount and critical to the overall planning for the extension. Part of the extension would affect the City of Manassas as well and they would also need to be involved. Mr. Zehner stated his opinion that this report should be as detailed as possible.

Mr. Covington stated that since this affects his district he is very supportive of seeing the extension go forward. He would also like to see the concept of running a rail line from Gainesville to Dulles Airport to make a complete loop of mass transit. Ms. Bulova observed that VRE has not laid its own track. Chairman McConnell stated that there is public support for extending VRE out to Front Royal. The I-66 corridor will become even more populated in the next 10 years and will need transit.

Mr. Zimmerman applauded the forward-thinking attitude of this project, but cautioned the Board that it needs to focus on what would be the implications for VRE's current service and what would need to be done to have the entire system operate properly.

VRE is handicapped by not owning its own tracks. Metro is dealing with these limitations and Metro owns its own tracks. VRE needs to take into account reasonable growth on the existing line and what would need to be done to accommodate more growth with an extension. Service problems are magnified and become more significant when more passengers are added.

Mr. Gibbons expressed his opinion that he would feel more comfortable having VDRPT doing the report, since they are the lead agency, and having VRE coordinate with them. Mr. Jenkins reminded Board members that the George Mason campus expansion in Prince William County began with a \$25,000 appropriation for a feasibility study, which opened the door to a 300,000 square foot campus to being built. This also may be another door opening. If VRE gets too far beyond the scope, it may lose focus on the Gainesville/Haymarket extension. Mr. Tobias stated that the mandate requires a funding plan and identifying all revenue sources. It's really isn't directed towards designing the service or doing the environmental and preliminary engineering. Norfolk Southern is very anxious to get additional capacity on this line. There are opportunities for public-private partnerships on this extension project.

Mr. Zehner stated that it is his recommendation to bring back an action item for the next meeting on how to proceed. VRE will work closely with VDRPT, Prince William County and the City of Manassas. Mr. Jenkins stated that VRE needs to closely coordinate with Mr. Covington, as Prince William County's representative, in terms of land use planning for that area.

Mr. Taube urged Board members to recognize that VRE needs to be involved to point out the affects the project would have on VRE's existing service. Mr. Gibbons stated that the concept of an extension to Front Royal shouldn't be dropped.

[Mr. Covington left the meeting at 10:59 A.M. and did not return.]

Closed Session – 10

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

Pursuant to the Virginia Freedom of Information Act (Section 2.2-3711A (6) of the Code of Virginia), the VRE Operations Board authorizes discussion in Closed Session concerning the investment of public funds where competition and bargaining are involved where, if made public initially, the financial interest of the VRE would be adversely affected.

The vote in favor was cast by Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

The Board entered into Closed Session at 11:03 A.M. The Board returned to Open Session at 11:11 A.M. On a motion by Ms. Bulova and a second by Mr. Jenkins, the Board unanimously approved the following certification:

The VRE Operations Board certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session:

1. Only public business matters lawfully exempted from open meeting requirements under 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 Board members Bulova, Caddigan, Gibbons, Jenkins, McConnell, Tobias and Zimmerman.

Adjournment

Without objection, Chairman McConnell adjourned the meeting at 11:12 A.M.

Approved this 15th day of April, 2005.

Elaine McConnell
Chairman

Dana Kauffman
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the March 18, 2005, Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest

VRE Subsidies Versus Ridership by Jurisdiction

At the last NVTC meeting, commissioners requested the attached report. It shows, for example, that 821 Spotsylvania County residents ride VRE based on the October, 2004 survey, making this the fourth largest jurisdiction in terms of ridership. Spotsylvania pays no subsidy.

<i>Jurisdiction</i>	<i>Daily Ridership Based on AM Boardings*</i>	<i>FY 2005 Subsidy</i>
Prince William County	2432	\$2,061,008
Fairfax County	1661	\$2,963,819
Stafford County	1225	\$609,222
Spotsylvania County	821	\$0
City of Manassas	361	\$270,924
City of Fredericksburg	214	\$57,543
City of Manassas Park	268	\$149,757
Fauquier County	209	\$0
Culpepper County	59	\$0
Caroline County	54	\$0
King George County	77	\$0
Orange County	46	\$0
City of Richmond	24	\$0
City of Alexandria	4	\$97,734
Arlington County	1	\$142,992
	7456	\$6,352,999

*Based on October 2004 Survey

*Ridership only provided for VRE member jurisdictions and those jurisdictions with over 20 boardings.

Manassas Park Platform Extension

The VRE Operations Board recommends approval of Resolution #1070. The resolution authorizes VRE's Chief Executive Officer to award a contract to NV Enterprises, Inc. to construct a platform extension at the Manassas Park VRE station. The total contract value will not exceed \$859,848, which includes a 15 percent contingency. Grant funds are available in VRE's approved CIP for this project.



RESOLUTION #1070

SUBJECT: Manassas Park Platform Extension.

WHEREAS: On April 3, 2003, the commissions approved an agreement with the city of Manassas Park to remove the resident parking restriction from the Manassas Park VRE station;

WHEREAS: A temporary platform was constructed in July of 2003 as part of this agreement;

WHEREAS: The agreement also included an obligation for VRE to replace the temporary platform with a permanent platform by April of 2005; and

WHEREAS: Bids were opened on March 7, 2005 and, after review of the bids, staff recommended award to the lowest bidder, N.V. Enterprises, Inc.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to award a contract to N.V. Enterprises, Inc. to construct a platform extension at the Manassas Park VRE station with a total contract value not to exceed \$859,848, including a 15 percent contingency.

Approved this 7th day of April, 2005.

Paul Ferguson
Chairman

David F. Snyder
Secretary-Treasurer



AGENDA ITEM 8-C
ACTION ITEM

TO: CHAIRMAN MCCONNELL AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: MARCH 18, 2005

**RE: AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT
FOR A PLATFORM EXTENSION AT MANASSAS PARK**

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to award a contract to N. V. Enterprises, Inc. to construct a platform extension at the Manassas Park VRE station. The total contract value shall be \$747,694, plus a 15% contingency of \$112,154, for total authorization not to exceed \$859,848.

BACKGROUND:

At the April 3, 2003, Commission meetings, an agreement with Manassas Park was approved which removed the resident restricted parking at that station. As part of the agreement, VRE was obliged to immediately begin work to construct a temporary platform extension. Construction of the temporary platform was completed in July of 2003.

A second condition of the agreement was that the temporary platform would be replaced with a permanent platform and canopy by April 2005. Staff completed the design in September and authorization to solicit bids was granted by the Operations Board in September 2004. Following extensive discussions with Manassas Park and a public procurement, five bids were received on March 7, 2005.

Following review of the bids, staff is recommending award to the lowest bidder, N. V. Enterprises, Inc. While the MOU capped the cost to construct the platform at \$500,000 unless additional funding was approved for this project, staff is comfortable that site conditions and the current construction market justify this revised project cost. Pending authorization to award, the platform construction is expected to be completed in August 2005.

FISCAL IMPACT:

Funding for this project is included in VRE's Capital Improvement Program (CIP) as part of the Platform Extension project. Funding is made up of FY 2002, FY 2003 and FY 2004 federal grants. The local match is provided for using state and local funds.

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: Performance Budgeting at NVTC

Some commissioners have called for NVTC to adopt a process for performance budgeting. In NVTC's recent board member survey, relevant questions were:

- Should NVTC greatly extend the use of performance measures for its budget and workprogram?

Yes: 7 No: 2 No Answer: 4

- I have enough information to evaluate NVTC's overall performance?

Yes: 10 No: 3

- Should NVTC return to the practice of annual performance surveys of all board members, in which performance measures are listed and board members are asked to provide grades/ratings?

Yes: 3 No: 5 No Answer: 5

Because these responses may be providing mixed signals, commissioners and staff should spend some time reviewing the features of performance budgeting. For example, according to the Transportation Research Board:

- 1) Performance measures must be understandable and useful to staff and decision makers;



- 2) Agency staff and decision makers must work together to select and define the performance measures;
- 3) Top leadership must be committed to the implementation of the performance measures and must communicate the commitment effectively to all employees; and
- 4) The data that are gathered must be used and employees must know how the data are being used.¹

One area of potential concern to the commission is how to benchmark NVTC's performance (compare to similar agencies). With a staff of 10 and a unique mission, NVTC does not fall conveniently into the benchmarking categories used by large jurisdictions such as Fairfax County. For example, the county uses the 16 ICMA categories as well as the broad categories of the Commonwealth's Auditor of Public Accounts (for the former, transportation is "Roads and Highways" and for the latter it falls within "Community Development").

NVTC staff has prepared the attached PowerPoint as a means to guide the discussion. Commissioners are encouraged to provide guidance (which may require further discussion at subsequent meetings and/or retreats) regarding a recommended approach for a NVTC performance budgeting process.

¹ TR News (January-February, 2005) at 17.



Northern Virginia Transportation Commission

NVTC



Thinking Outside the Car Since 1964

NVTC PERFORMANCE MEASURES

AGENDA ITEM #3

--Revised Draft April 7, 2005--



QUESTIONS FOR DISCUSSION

- 1) What are the potential benefits to NVTC from applying performance measures? Are there offsetting costs?
- 2) What measures would be most useful for board members?
- 3) How many measures are needed? Should NVTC start with a few and gradually add more?



QUESTIONS FOR DISCUSSION (Continued)



- 4) To what extent should success in achieving NVTC's goals and objectives as measured by these indicators be used to evaluate the success of the organization and individual employees?

- 5) Most board members did not favor annual surveys of commissioners as a measure of success. Are there preferred methods of assessing performance as viewed by commissioners?



QUESTIONS FOR DISCUSSION (Continued)



- 6) As a very small and unique organization, where should NVTC look for benchmark (comparative) performance data?

- 7) What schedule should be followed in beginning to use these measures? Does the commission need further time to consider these measures? Is a retreat needed? If so, for what specific purpose and who would participate?



PROCESS FOR REFINING NVTC PERFORMANCE MEASUREMENT



1. Survey of Commissioners- February, 2005
2. Extended discussion- April, 2005. Decide how to proceed.
3. Incorporate additional agreed-upon measures into NVTC budget for FY 2007- September, 2005
4. Year-end review (scorecard using the measures with possible new annual board member survey)- December, 2005



PROCESS FOR REFINING NVTC PERFORMANCE MEASUREMENT (Continued)



5. Incorporate additional measures into 2006 workprogram- January, 2006
6. Incorporate additional measures into final FY 2007 NVTC budget and report results for FY 2006— February, 2006
7. Using the measures, hold staff accountable in their periodic performance reviews and adjust their compensation accordingly- July, 1, 2006



TOOLS FOR APPLYING NVTC PERFORMANCE MEASURES



1. NVTC Workprogram:

- Annual listing of mission, goals and actions. Staff will add more quantifiable objectives and performance measures for 2006.



TOOLS FOR APPLYING NVTC PERFORMANCE MEASURES



(Continued)

2. NVTC Semi-Annual Progress Reports:

- For major projects, an ongoing compilation by each project manager of milestones accomplished and pending together with budget details and issues (some explicit performance measures were added beginning with the January, 2005 report).



TOOLS FOR APPLYING NVTC PERFORMANCE MEASURES (Continued)



3. Periodic Project Reports:

- As developments warrant, project managers report directly to the commission and seek guidance from the board. Greater emphasis will be placed in these reports on identifying and reporting on measurable indicators of performance.



TOOLS FOR APPLYING NVTC PERFORMANCE MEASURES (Continued)



4. NVTC Administrative Budget:

- Given NVTC's small staff, relatively constant level of expenditures and steady funding sources, the budget document has been relatively simple and straight forward.
- In preparing the FY 2007 draft budget, NVTC staff could incorporate to the extent possible performance measures to justify line item expenditures.



TOOLS FOR APPLYING NVTC PERFORMANCE MEASURES (Continued)



- This would probably require altering NVTC's budget format in several ways, including adding a description of success in meeting past performance targets together with targets for the coming year.



TYPES OF PERFORMANCE MEASURES



Source: Fairfax County Measures Up- A Manual for Performance Measurement, Department of Management and Budget (2004).

✓ **Goal:** Intended accomplishment. NVTC has 7 in its workprogram originating from a board retreat.

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



TYPES OF PERFORMANCE MEASURES



✓ ***Objective:*** Measurable intended accomplishment. NVTC has 20 included in 62 action statements detailed in its workprogram.

Example: Prepare and submit NVTC and VRE state grant applications (approximately \$80 million) due February 1st using the commonwealth's electronic OLGA system.



TYPES OF PERFORMANCE MEASURES



✓ ***Input Measure:*** Budget or actual expenditures per employee.

Example: Effectively manage up to \$90 million of grant revenues at an administrative cost of 2,000 staff hours valued at \$80,000 including fringe benefits, or \$0.001 per dollar of revenue.



TYPES OF PERFORMANCE MEASURES(Continued)



✓ ***Output Measure:*** Amount of accomplishment achieved.

Example: Provide an internally consistent cash flow forecast to the jurisdictions no later than 25 days prior to start of the next quarter.



TYPES OF PERFORMANCE MEASURES(Continued)



✓ ***Efficiency Measure:*** Cost per unit of accomplishment.

Example: By assisting Northern Virginia jurisdictions in meeting the January 1st deadline for annual NTD reporting, achieve \$5 million or more in additional FTA formula funds for WMATA per \$160,000 of NVTC funds spent on data collection.



TYPES OF PERFORMANCE MEASURES(Continued)



- ✓ ***Service Quality Measure:*** Degree of satisfaction, accuracy or timeliness.

Example: Any subsidy allocation or trust fund adjustments required by auditors or material deficiencies in internal controls and related management letter comments must be less than the average for the past three years.



TYPES OF PERFORMANCE MEASURES(Continued)



- ✓ ***Outcome Measure:*** Percent of objective achieved.

Example: 100% of trust fund grant reimbursement requests from jurisdictions with proper documentation must be processed within one week in order to maximize investment earnings.



**SUMMARY OF EXISTING AND PROPOSED
MEASURES DISCUSSED
WITH JURISDICTION STAFFS**

Existing Goals: 7

Existing Objectives: 20 (contained in 62 workprogram actions).

Possible Measures: Input: 12

Output: 7

Efficiency: 5

Service Quality: 13

Outcome: 13

[Note: Some measures are counted in multiple categories.]



ADDITIONAL EXAMPLES:



Input: Maintain tight budget controls to keep NVTC total contributions to NVTC's budget at no more than \$360,000 annually.

Output: Increase hits on the transit schedules web page by at least 15% to over 5,100 average per day (from 4,400 currently).



ADDITIONAL EXAMPLES (Continued)

Output: At NVTC Commission meetings in 2005, review at least 25 important research reports and/or surveys on transit performance and funding with PowerPoint presentations to commissioners and suggestions for applying the lessons in this region.

Output: Increase NVTC web hits by 20%.



ADDITIONAL EXAMPLES (Continued)

Efficiency: By using NVTC's research assistant to perform high-quality GIS analysis, save \$50 per hour of paid consultants totaling \$40,000 annually, compared to an investment of \$2,500 in software and hardware.



ADDITIONAL EXAMPLES (Continued)

Service Quality: Measure satisfaction with surveys of board members, jurisdiction financial and transportation staff, and the public (via the NVTC website). After agreeing on a measuring scale, achieve at least 85 percent favorable rating initially with at least two percent improvement each year.



ADDITIONAL EXAMPLES (Continued)

Outcome: Close out 100% of GEORGE bus demonstration project grants with no lapsed funds by the end of March, 2005.



DISCUSSION AND DIRECTIONS TO STAFF



- 1) What are potential benefits to NVTC from performance measures? Offsetting costs?
- 2) What measures would be most useful for board members?
- 3) How many measures are needed? Should NVTC start with a few and gradually add more?
- 4) How should success as measured by these indicators be used to evaluate NVTC and its individual employees?
- 5) What are commissioners' preferred methods of being involved in assessing performance?
- 6) Where should NVTC look for benchmark data?
- 7) What schedule should be followed? Does the commission need further time? Is a retreat needed?

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: NVTC By-Laws Change to Permit Alternates

This proposal was discussed at NVTC's March 3, 2005 meeting. Legal counsel has now carefully reviewed the state statutes that permit local governments to appoint alternate members to NVTC. Consequently, NVTC's By-Laws can now be amended to provide guidance regarding the role of the alternates.

Attached is a draft amendment to the By-Laws for your action.



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
Draft: Revised 7 Apr. 05

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.
- E. Pursuant to Section 15.2-4507 of the Virginia Code, each local government may appoint one or more elected officials from its governing board to serve as alternates for its principal members, and these alternates shall be able to exercise all the powers and duties of a commission member when their regular members are absent from commission meetings. Alternates shall not serve as officers of NVTC and shall not assume the duties of those officers when the officers are not present, but the alternates for principal commissioners who are officers can perform other functions of commission members not related to officer status, such as voting at meetings not attended by their principal NVTC members. Alternates shall not serve on NVTC standing committees nor be appointed to represent NVTC on the WMATA Board.

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.

[previous](#) | [next](#)

§ 15.2-4507. Members of commission.

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

In the case of a transportation district which was established on or after July 1, 1986, and which includes more than one jurisdiction located within the Washington, D.C., metropolitan area, the commission shall also include two members of the House of Delegates and one member of the Senate of Virginia from legislative districts located wholly or in part within the boundaries of the transportation district. The members of the House of Delegates shall be appointed by the Speaker of the House for terms of two years and the member of the Senate by the Senate Committee on Privileges and Elections for a term of four years; however, the terms of such members shall terminate if they no longer are members of their respective houses. The members of the General Assembly shall be eligible for reappointment so long as they remain members of their respective houses.

In the case of the Transportation District Commission of Hampton Roads, the commission shall also include one member of the House of Delegates and one member of the Senate, one of whom shall be a resident of the City of Hampton or the City of Newport News and one of whom shall be a resident of the City of Chesapeake, the City of Norfolk, the City of Portsmouth, the City of Suffolk, or the City of Virginia Beach. The member of the House of Delegates shall be appointed by the Speaker of the House for a term of two years and the member of the Senate shall be appointed by the Senate Committee on Privileges and Elections for a term of four years. The terms of such members shall terminate if they no longer are members of their respective houses. The members of the General Assembly shall be eligible for reappointment so long as they remain members of their respective houses and appointments shall be made for any unexpired terms.

The Chairman of the Commonwealth Transportation Board, or his designee, shall be a member of the commission, ex officio. The chairman of the Commonwealth Transportation Board may appoint an alternate member who may exercise all the powers and duties of the chairman of the Commonwealth Transportation Board when neither the chairman of the Commonwealth Transportation Board nor his designee is present at a commission meeting.

B. Any appointed member of a commission of a transportation district which was established prior to July 1, 1986, and which includes jurisdictions located within the Washington, D.C., standard metropolitan statistical area, is authorized to serve as a member of the board of directors of the Washington Metropolitan Area Transit Authority (Chapter 627 of the Acts of Assembly of 1958 as amended) and while so serving the provisions of § 2.2-2800 shall not apply to such member.

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube and Kala Quintana
DATE: April 1, 2005
SUBJECT: Public Information Strategy to Promote Sustainable Funding for WMATA

At its March 3, 2005 meeting, NVTC Commissioners discussed the need for an effective strategy to educate the public about WMATA's strong performance and need for sustainable funding. This is especially important in light of continuing attacks from some of the media at the same time the recommendations of the Blue Ribbon Panel are being considered.

After discussion, the commission as asked to provide direction to staff about pursuing a strategy to assist Metro.

Ten ideas that may be worth pursuing are:

- 1) With NVTC's Metro Board members, educate NVTC's board members and local elected officials and staff about Metro's performance and coordinate a strategy that establishes a consistent message with short, medium and long-term objectives. For example, in the short term, all NVTC board members should be armed with facts to respond to expected media criticism of WMATA in the next few days. By summer, NVTC can supply information to the business community and other supporters of the Blue Ribbon Panel's recommendations to boost the prospects of dedicated Metro funding through region-wide summits and other means. By the fall elections and looking toward the next General Assembly session, NVTC can work to ensure that all General Assembly and gubernatorial candidates have the facts about Metro and that its need for sustainable funding is recognized as a crucial campaign issue.



- 2) Agree on a central message such as “Metro is a success. It is a great investment. It may have some problems, but it remains the best system in the country. Fix the problems, don’t destroy the system. Let’s not ruin a good thing by pinching pennies while legitimate needs go unfunded.”
- 3) For the benefit of Northern Virginia voters as well as statewide General Assembly members, emphasize economic data that show the relationship between WMATA and Northern Virginia’s economic strength, as well as the effect on the commonwealth’s tax returns resulting from new jobs created in this region.
- 4) Frame the issues properly so that the public understands that WMATA is successful—perhaps so much so that it is now a victim of that success through overcrowding and the need for enhanced maintenance and more rolling stock. Metro is not a failure; rather, it is this region’s most significant collective achievement. Get the good news out to the public, such as the fact that APTA’s peer review panel declared WMATA to be the best in the country and the “apple of the transit industry’s eye,” while media reports focused instead on the panel’s recommendations for a few revised WMATA procedures. Focus the public’s attention on the “glass half full” and maintain the region’s positive feelings for Metro. Metro provides a service that goes unrecognized when it functions effectively and typically reaches the public’s attention only when something goes wrong. NVTC should work to raise public awareness of its steady success.
- 5) NVTC board members and others would benefit from concise information sheets, perhaps in a Q&A format, to be prepared for media and constituent inquiries and to allow proactive outreach on behalf of WMATA. Keep the information simple and relate it to a central message.
- 6) Invite influential members of the General Assembly to visit Northern Virginia to meet with elected officials and transit managers and experience first-hand the pain of this region’s crushing congestion and the enormous contributions made to regional mobility by our transit systems. Be sure that reporters and editorial writers also experience transit first-hand.
- 7) Develop tools that other Metro supporters can use, such as posters depicting the chaos that would result if WMATA were forced by its detractors to lose its effectiveness; web-pages with quick look-up facts about WMATA and immediate responses to criticism (e.g. WMATA’s “Straight Scoop”); congestion diaries that document the pain of traffic congestion and the role that a reliable Metro system plays in easing the burdens; and open letters to the public from Metro explaining its policies, reporting on performance and appealing for support (perhaps run free by the media as a public service).

- 8) Work with the region's transit system and local government Public Information Officers and utilize MWCOC's PIO group to expand NVTC's campaign and coordinate with Metro.
- 9) Build on the very positive feelings the public has for Metro as reflected in the January, 2005 Washington Post poll. Help the public realize specifically why it has such positive feelings, by responding to critics with facts that will correct the record.
- 10) Broaden the positive message about transit to include NVTC's other systems which haven't been tarred with media accusations. Focus on community newspapers that don't have an anti-Metro agenda. Don't let all the media jump on an anti-Metro bandwagon.

The Economic Case for Increased Investment by the Commonwealth in Northern Virginia's Public Transit Systems

--DRAFT: April 7, 2005--

Public transit is vital to the prosperity of Northern Virginia. Because of the state taxes generated by such a healthy regional economy, everyone in the commonwealth gains from investments in Northern Virginia's transit systems. For example, schools and other state-funded services are better in southwest Virginia because public transit systems create jobs, provide access to employment and boost mobility in Northern Virginia.

Northern Virginia has about 27% of Virginia's population, and generates about 49% of its income. In turn, Northern Virginia's economic engine depends on the fuel supplied by its public transportation network. Each workday, over 428,000 trips are taken on this region's nine transit systems, with substantial shares of travel in peak commuting periods in Northern Virginia's principal commuting corridors (e.g. about 60% on I-66 inside the Beltway).

A recent study describes the nationwide net economic benefits from access to jobs for businesses and individuals resulting from public investment in transit. It showed nationwide transit benefits from job access of over \$80 billion as of 2003, which was twice as great as transit costs. [Healthy Returns: The Economic Impact of Public Investment in Surface Transportation, Robert Shapiro and Kevin Hasset (March 2005) available at www.apta.com.] The Texas Transportation Institute estimates a \$1.2 billion dollar savings each year in regional traffic congestion costs for auto users resulting from the Washington Metropolitan region's previous investments in its transit network (see <http://mobility.tamu.edu/ums/>).

NVTC directed two research studies a decade apart by KPMG Peat Marwick that addressed the economic benefits to the commonwealth from its investments in Metrorail (see www.thinkoutsidethecar.org). Using conservative methods, researchers found that rates of return on the commonwealth's own financial contributions to Metrorail's construction and operation are being returned many times over through additional tax revenues. In fact, the annual rate of return was calculated at 12.4% for 1978 through 1994 and projected at a stunning 19.2% annually from 1995 through 2010. And these strong yields do not even include the anticipated benefits due to the extension of Metrorail through Tysons Corner and the Dulles Corridor.

These remarkable returns are the product of economic activity stimulated by Metrorail in Northern Virginia. For example, by 2010 the presence of Metrorail will have generated 90,000 permanent jobs, while also providing an average of 1,600 construction jobs each year through 2003 as the system grew to its

current configuration. In addition, by 2010 Metrorail will have stimulated development projects totaling 25 million additional square feet of office space; 1.8 million square feet of retail space; 4,000 additional hotel rooms; and 31,000 additional residential units. These are clustered nearby Metrorail stations to maximize access and minimize disruption to other areas.

For its investment in Metrorail, which is projected to total about \$950 million over the period of 1978 through 2010, the state government of Virginia should receive \$2.1 billion of additional tax revenues attributable to Metrorail.

This consists of \$1.4 billion of personal income taxes, \$218 million of corporate income taxes and \$500 million of sales taxes, among others. And these net returns of well over a billion dollars do not include the additional benefits that accrue to the commonwealth from cleaner air, reduced congestion and life-style enhancements that make Virginia more attractive for businesses and their employees. The returns also do not include reductions in the amount that Virginia would otherwise need to spend on roads, clean air and other amenities, if transit were not functioning effectively and clearing some space on highways for those who are unable or choose not to use bus or rail services.

Despite the clear economic incentive for the commonwealth to invest in the success Metrorail and the connecting systems, the commonwealth currently pays for only about 20% of the almost \$500 million annual cost of all public transit systems in Northern Virginia.

It is true that public transit's other funding partners (the federal government which pays 16% of the total and local taxpayers and transit users who jointly pay 64%) also benefit economically. For example, in Arlington, about a third of its property tax revenue comes from the eight percent of land nearby Metrorail stations in the Rosslyn-Ballston Metrorail Orange Line corridor. In fact, 90 percent of Arlington's future development is planned for this two square mile corridor.

However, there are enormous competing demands on local property tax revenues. With a documented rate of return of almost 20%, the commonwealth is clearly under-spending on public transit in Northern Virginia. In FY 2005 alone, the commonwealth provided \$100 million less to this region than it could have if it had met the commonwealth's own statutory target for transit assistance.

A suggestion that merits further exploration is to dedicate directly to transit a portion of the additional income and sales tax revenues accruing to the commonwealth from the new jobs created by transit. This is similar in concept to tax-increment financing in which new taxes on the enhanced value of land are set aside to cover the costs of the improvement that boosted that land's value. In the Dulles Corridor, commercial landowners have agreed to tax themselves to contribute \$400 million toward the construction cost of the Metrorail extension. There may be other techniques also that would allow the commonwealth to apply some of its "transit profit" to supporting the systems that are generating the profit in the first place.

In conclusion, Northern Virginia's local governments recognize the need for effective transit systems, appreciate their economic benefits and have shouldered more than their fair share of the costs. It is past time for the commonwealth to act in its economic self-interest and to increase its own investments in Northern Virginia transit while also enacting sustainable, dedicated sources of funding to be used by local governments. All of Virginia's citizens would profit from this wise investment decision.

Mass Transit Hysteria

By P.J. O'Rourke

The new transportation bill, currently working its way through Congress, will provide more than \$52 billion for mass transit. Mass transit is a wonderful thing, all right-thinking people agree. It stops pollution "in its tracks" (a little ecology-conscious light-rail advocacy joke). Mass transit doesn't burn climate-warming, Iraq-war-causing hydrocarbons. Mass transit can operate with non-polluting sustainable energy sources such as electricity. Electricity can be produced by solar panels, and geothermal generators. Electricity can be produced by right-thinking people themselves, if they talk about it enough near wind farms.

Mass transit helps preserve nature in places like Yellowstone Park, the Everglades and the Arctic wilderness, because mass transit doesn't go there. Mass transit curtails urban sprawl. When you get to the end of the trolley tracks, you may want to move farther out into the suburbs, but you're going to need a lot of rails and ties and Irishmen with pickaxes. Plus there's something romantic about mass transit. Think Tony Bennett singing "Where little cable cars / Climb halfway to the stars." (And people say mass transit doesn't provide flexibility in travel plans!) Or the Kingston Trio and their impassioned protest of the five-cent Boston "I" fare increase, "The Man Who Never Returned." No doubt some lovely songs will be written about the Washington County, Ore., Wilsonville-to-Beaverton commuter rail line to be funded by the new transportation bill.

There are just two problems with mass transit. Nobody uses it, and it costs like hell. Only 4% of Americans take public transportation to work. Even in cities they don't do it. Less than 25% of commuters in the New York metropolitan area use public transportation. Elsewhere it's far less—9.5% in San Francisco-Oakland-San Jose, 1.8% in Dallas-Fort Worth. As for total travel in urban parts of America—all the comings and

goings for work, school, shopping, etc.—1.7% of those trips are made on mass transit.

Then there is the cost, which is—obviously—\$52 billion. Less obviously, there's all the money spent locally keeping local mass transit systems operating. The Heritage Foundation says, "There isn't a single light rail transit sys-

For \$52 billion, we better get loop-the-loops on Amtrak.

tem in America in which fares paid by the passengers cover the cost of their own rides." Heritage cites the Minneapolis "Hiawatha" light rail line, soon to be completed with \$107 million from the transportation bill. Heritage estimates that the total expense for each ride on the Hiawatha will be \$19. Commuting to work will cost \$8,550 a year. If the commuter is earning minimum wage, this leaves about \$1,000 a year for food, shelter and clothing. Or, if the city picks up the tab, it could have leased a BMW X-5 SUV for the commuter at about the same price.

We don't want minimum-wage workers driving BMW X-5s. That's unfair. They're already poor, and now they're enemies of the environment? So we must find a way to save mass transit—get people to ride it, be eager to pay for it, no matter what the cold-blooded free-market types at Heritage say. We must do it for the sake of future generations; for our children.

That's it! The children. The solution to the problems of mass transit is staring us in the face. Or, in the case of my rather short children, staring us in the sternum. All over America men and women, at the behest of their children, are getting on board various light-rail systems that don't even go anywhere. And these trips—if you factor in the price of cotton candy, snow cones and trademarked plush toys—cost considerably more than \$19. Yet we're willing to stand in line for ages to

utilize this type of mass transit. All we have to do is equip Hiawatha with a slow climb, a steep, sudden plunge, several sharply banked curves, and maybe a loop-the-loop over by St. Paul.

The new mass transit can harness clean, renewable resources. "Unplug the Prius, honey! I'm taking the waterslide to work!" And it need not be expensive. In fact, we might be able to make certain advantageous cuts in transportation spending. A few reductions in Amtrak's already minimal maintenance budget would turn the evening Metroliner into a reeling, lurching journey through the pitch dark equal to anything Space Mountain has to offer. And here is a perfect opportunity for public/private partnership. The Walt Disney Co. is looking for new profit centers. The New York subway can become a hair-raising thrill ride by means of a simple return to NYPD 1970s policing practices.

Not all of the new mass transit has to be frenetic. Bringing groceries home on the tilt-whirl presents difficulties. We can take a cue from the lucrative cruise ship industry—every commute a mini-luxury vacation. Perhaps this wouldn't be suitable in areas without navigable water. But don't be too sure. Many "riverboat casinos" are completely stationary, and a lot of commuters don't want to go to work anyway. Slot machines could be put on all forms of mass transit. Put slot machines on city buses and people will abandon their cars, or abandon their car payments, which comes to the same thing.

This is a revolutionary approach to mass transit. It can save the planet. And it can save me from taking the kids to Orlando. Now I can stay home in D.C. and send them for a ride on Washington's new, improved Metro of Horrors, where scary things jump out at you from nowhere—things like \$52 billion appropriations for mass transit.

Mr. O'Rourke is the author, most recently, of "Peace Kills: America's Fun New Imperialism" (Atlantic Monthly Press, 2004).

Wall Street Journal
(3/16/05) at A-24



Northern Virginia Transportation Commission

NVTC

Thinking Outside the Car Since 1964



AGENDA ITEM #6

PUBLIC INFORMATION
STRATEGY TO PROMOTE
SUSTAINABLE FUNDING FOR
WMATA



ORDER OF DISCUSSION



- Review 10 ideas for NVTC to help WMATA and review some draft NVTC products.
- Discuss additional ideas from board members.
- Direct staff to undertake a strategy.



TEN IDEAS



1) Utilize a consistent message

- a) Short Term - provide information to board members and the public to respond to hostile media.**
- b) Summer, 2005 - provide information to the business community to promote the success of a regionwide summit on dedicated Metro funding.**
- c) Fall, 2005 - provide information to candidates and the public for elections and next General Assembly session.**



TEN IDEAS cont'd



2) Agree on a central message:

- **Metro is a success.**
- **Metro is an excellent investment.**
- **Metro may have some problems but it remains the best system in the country.**
- **We need to fix the problems, not destroy the system.**
- **We need to share in the solution to Metro's challenges.**
- **Let's look to the future, not ruin a good thing and hurt ourselves by failing to fund legitimate needs.**



TEN IDEAS cont'd



3) Emphasize economic data showing Metro's contribution to Northern Virginia's prosperity and the entire commonwealth's tax returns.

See NVTC's draft "The Economic Case for Increased Investment by the Commonwealth in Northern Virginia's Public Transit Systems."

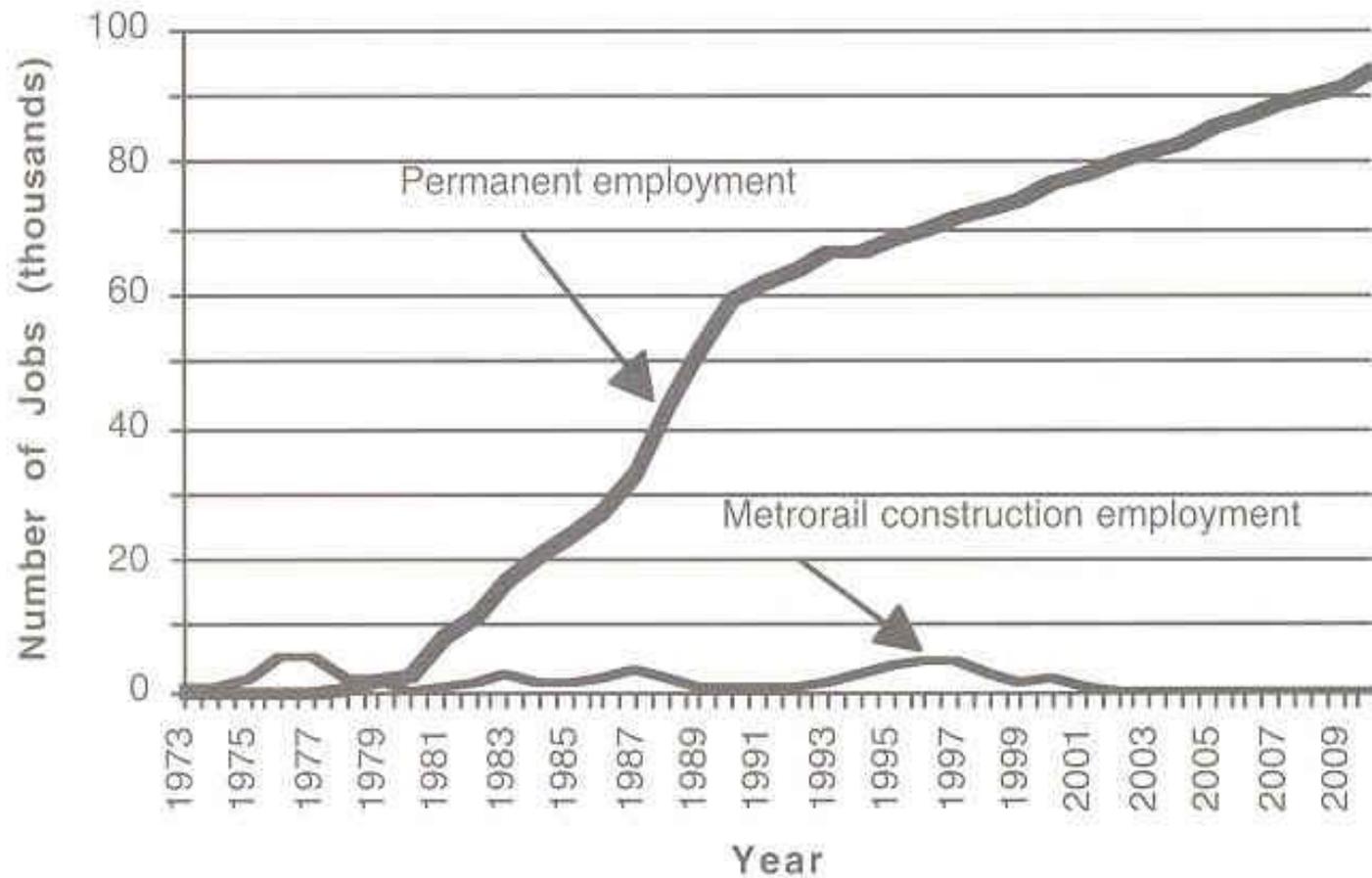


The Economic Case:



- **The central message:**
Public transit boosts Northern Virginia's economy, which generates state taxes to benefit the entire commonwealth.
- **KPMG Study for NVTC:**
 - 12.4% actual annual state rate of return on its Metrorail investments (1978-1994)
 - 19.2% projected (1995-2010)
- **Consider value capture funding with transit-induced jobs (90,000 created by Metrorail alone), as is already being done with land. Use transit "profits" to invest more in transit.**

Metrorail Generated Jobs





TEN IDEAS cont'd



- 4) Frame issues to focus on Metro's success and its role as the Washington Metropolitan region's most significant collective achievement.
 - Report that “Metro is the best system in the country,” based on recent APTA peer review.
 - See NVTC's March 7th “Close to Home” submission on Metro cost containment and performance.



APTA PEER REVIEW



Washington Times, The (DC)

Panel names Metro nation's best

February 25, 2005

Section: METROPOLITAN

Page: B02

Tarron Lively, THE WASHINGTON TIMES

An international review **panel** yesterday called **Metro** the **best** rail system in the country, but said the agency could ease overcrowding and improve service by running longer trains.

The **panel** also said aging equipment and a rapidly increasing ridership are pushing the agency to its limits.

"The system is under tremendous stress," said Michael Mulhern, general manager of the Massachusetts Bay Transportation Authority. Mr. Mulhern led the American Public Transportation Association's **panel**, comprised of six top officers from transit systems in London, Toronto, New York, Boston, Atlanta and Philadelphia.

The **panel** reviewed **Metro's** rail operations and briefed board members yesterday with its results.

"It's dealing with normal life-cycle issues. The problem is, [**Metro**] is dealing with these issues at a time of intense demand."



CLOSE TO HOME SUBMISSION:



In support of Metro performance, NVTC Chairman Ferguson wrote:

- 1) Are Metro salaries too high? No, they are in line with other large transit systems, at an average of \$20 per hour, compared to \$21 nationwide and \$22 in Boston. Of 57 transit agencies negotiating contracts in 2004, Metro ranked 12th from the bottom with a 1.5% annual wage increase.
- 2) Why should auto drivers pay for others to use transit? Transit is heavily used. With 60% of people traveling on I-66 by transit in peak periods, space is cleared on other facilities for single occupant autos. Clean air benefits everyone.
- 3) Why don't transit users pay more? Metrorail maximum fares are the second highest in the U.S. and it recovers among the highest proportion of its operating costs (almost 75%).



TEN IDEAS cont'd



5) Provide concise information sheets in a question and answer format for board members and others.

Two examples are provided.



Q & A SAMPLES



Question: Why are Metro employees paid so much? I have heard that some Metrorail operators earn over \$100,000 annually. Isn't that too much?

Answer: First of all this is an extreme example and the train operators in question are senior operators with many years of experience on the job.

Second, Metro operators on average are paid less than operators in other major cities like New York. WMATA's overall salaries/wages are less than the average of other large transit systems and WMATA's most recent contract provided annual raises of only 1.5 percent

Third, Metro operators transport hundreds of thousands of passengers daily, getting them safely from one destination to another. Metro employs highly skilled and trained operators to do this work. And the bottom line is -- you get what you pay for.

Finally, on that same note, if Metro pays operators well, Metro will retain them, thus saving money in recruiting and training new operators. An experienced operator is a safer operator.



Q & A SAMPLES cont'd



Question: The Washington Post repeats references to a train collision on the Red Line, tunnel fires and operators abandoning their trains. Is Metro safe? What is Metro doing about safety?

Answer: Metro is safe. Metro's safety performance is strong and improving overall. In the most recent month, the rail passenger injury rate per million passenger miles was 0.02, down from 0.03 in the previous year. Metro is among the safest systems in the country. Compared to the rest of the transit industry, the most recent National Transit Database shows WMATA meets the FY 2001 0.04 average for the top seven rail transit systems.

The fact is that Metro riders have a better chance of getting to and from work without risk of injury or death than a commuter driving in his or her own vehicle. That speaks directly to the professionalism of Metro's drivers and operators.

Yes, accidents do happen, but WMATA takes immediate action and they learn from them and ensure that every operator benefits from that experience, thus decreasing the likelihood of that type of incident in the future.



TEN IDEAS cont'd



- 6) Invite influential General Assembly members and media representatives to experience first-hand Northern Virginia's congestion and Metro's vital role in easing it.

See NVTC's "Funding Public Transit in Northern Virginia," which has been prepared to brief such guests.



FUNDING PUBLIC TRANSIT



In describing the complex world of transit finance, NVTC's presentation explains that:

- 1) Transit operating and capital expenditures in Northern Virginia in FY 2005 were \$468 million for 125 million annual passenger trips on nine separate transit systems.
- 2) Funding shares were:
 - State: 20%
 - Feds: 16%
 - Local/Regional/Fares: 64%
- 3) Unfunded transit needs here approach \$1 to \$1.5 billion annually.
- 4) The commonwealth paid \$100 million less to NVTC in FY 2005 for transit than the maximum permitted by statute.



TEN IDEAS cont'd



7) Develop new tools:

**a) Posters depicting chaos without Metro
(see attached).**

What would you do without METRO?



These people found out the hard way.

If you could decide the future of your commute...



**which
would
you
choose?**



You don't need a crystal ball to tell you that a future without dedicated transportation funding is bleak.

We need a dedicated funding source for transportation in Virginia.
Together we can decide on a better future for all of us.

Visit www.thinkoutsidethecar.org and call your legislator today.





TEN IDEAS cont'd



b) Web-pages for quick look-up facts and responses to sudden issues (see attached).



NVTC

Northern Virginia Transportation Commission



Thinking Outside the Car Since 1964

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March 28, 2005

NVTC's next commission meeting April 7, 2005.

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WEB-BASED RESPONSE



- Sample of “Straight Scoop”

The screenshot shows the Washington Metropolitan Area Transit Authority (WMATA) website. At the top left is the WMATA logo and name. To the right is a search bar. Below the header is a black alert bar that reads "ALERTS: There are no service alerts at this time". On the right side of the alert bar are links for "All Advisories" and "Elevator Status".

The main content area is divided into a left sidebar and a main article. The sidebar contains a list of navigation links: Home, Maps & stations, Schedules & fares, Alerts & advisories, Accessibility, How to travel, and About us. Under "About us", there are sub-links for Board of Directors, Metro at a glance, News, Events, Renewal & expansion, Community involvement, Jobs, Business opportunities, Employer fare programs, Metro gifts, and Contact us.

The main article is titled "The straight scoop: Metro's view to some media stories". It features a list of seven media stories, each with a date and author. The stories are:

- [The Examiner](#) story by Steve Eldridge on March 21, 2005
- [Washington Post Online Chat](#) story by Lyndsey Layton on March 7, 2005
- [The Examiner](#) story by Editorial Writer on February 28, 2005
- [Washington Post Online Chat](#) story by Ron Shaffer (Dr. Gridlock) on February 14, 2005
- [Washington Post Online Chat](#) story by Ron Shaffer (Dr. Gridlock) on February 14, 2005
- [Washington Post Online Chat](#) story by Lyndsey Layton on February 7, 2005
- [Washington Post Online Chat](#) story by Lyndsey Layton on February 7, 2005
- [Washington Post Online Chat](#) story by Lyndsey Layton on February 7, 2005

Below the list of stories are links for "Press releases | Press room" and "Questions or comments?". Under "Questions or comments?", there is a "Contact Metro" section with a phone icon and the number "202/637-7000 TTY 202/638-3780". Below that is an email icon and the text "send us an e-mail."

On the right side of the main content area, there is a "Buy SmarTrip" advertisement with the text "faster, safer, easier" and an image of a SmarTrip card.



WEB-BASED RESPONSE



Metro's view to some media stories

 **The Examiner** story of March 21, 2005 by **Steve Eldridge**

Headline:

Transportation Just Isn't Pretty - Sprawl & Crawl

Article:

In his recent column, Mr. Eldridge noted that MARTA (Atlanta's mass transit system) is placing 15-inch flat screen TV's into 230 of its subway cars. The CEO of the Rail Network, the company that MARTA is working with, said other transit agencies will follow with a similar program. According to Mr. Eldridge, "maybe some should tell Mr. Lane that Metro's Board has already turned resounding thumbs down to any scheme that creates visual or audio clutter in the stations or in the cars. Even still, it WOULD be kind of cool, wouldn't it?"

The straight scoop:

The Metro Board of Directors did not give a "resounding thumbs down" to such a project. In fact, the Board approved a pilot program in May 2004, to help Metro generate \$5 to \$15 million per year in advertising initiatives.

The Metro Board approved the following non-passenger revenue initiatives: the placement of ATM's in free areas of select Metrorail stations; a tunnel advertising program; and a video display pilot program on Metrorail and Metrobus.

Under the pilot program, targeted to begin this fall, video monitors would be installed on two six-car trains and 25 Metrobuses that will rotate throughout the system. The video monitors would display news, weather, sports, Metro information and advertisements. While it has not yet been determined, customers may listen to a broadcast through an open caption, or through a closed audio component with a personal listening device.

The pilot program, will run for up to 24 months and upon its conclusion, Metro will assess the operational performance and customer acceptance of the system. If successful, the video display system will be expanded throughout the bus and rail fleet.



TEN IDEAS cont'd



c) Congestion diaries (see attached).

NVTC

Northern Virginia Transportation Commission

Transit Journal

March 23, 2005 - August 5, 2005

Wednesday, March 23, 2005

Dear Journal,

Today was an extremely frustrating morning. I spent 20 minutes in the VRE parking lot. I usually arrive at 6:00 am, catching the 6:15 am train, and there are always some parking spaces left. Over the past few months the parking situation has been increasingly worse. And today was the day I've been dreading. There were no empty spaces. And since there are no other nearby lots, I had to drive. It took me another 20 minutes because traffic was bad. I had to pay \$20 to park.

I enjoy taking VRE and find it to be an enjoyable way to commute to work. But I do not find it worth going through the experience I had this morning.



- Kathy



TEN IDEAS cont'd

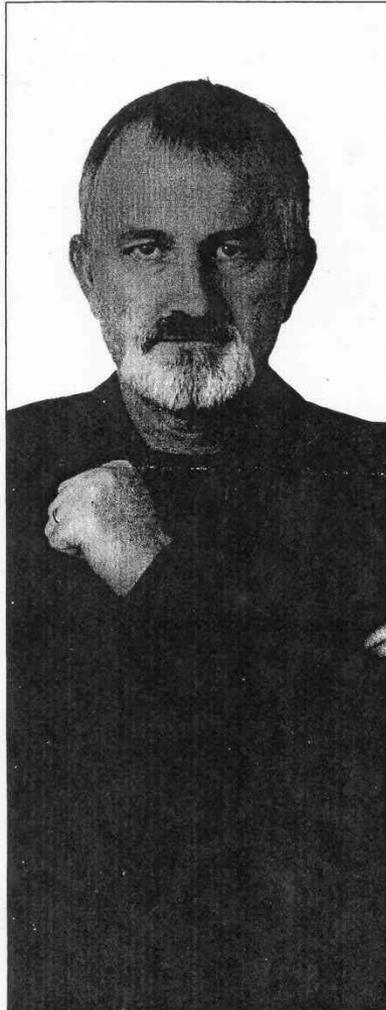


d) Open Letters to the public, submitted for free publication as a public service (see sample).

Yesterday,

you didn't get what you deserve from your United Way.

REC'D AUG 31 2004



After more than 20 years running businesses and nonprofits, I know that if someone's not buying, don't blame the customer—reinvent the product.

Today, we're doing that:

- New leadership.
- A new Board next month.
- A tough forensic audit of our past.
- Reorganization in January.
- New bylaws.
- An Ethics Officer.
- No more than 10 cents of your dollar will go to running United Way.
- Tighter financial controls and internal policies.

We guarantee there will be no smarter way to empower our region than the United Way. That's a promise! With United Way as your partner, your dollar has power—for real outcomes you can see. This United Way will help pinpoint pressing needs in your community. More, we'll help mobilize everything—our community funds, nonprofits, businesses, volunteers and governments—to meet those needs head-on.

Widespread regional budget cuts will slash more than \$100 million in health and human services in 2003. This will affect us all and touch every corner of our region—from where we do business, to the environment in which we raise our kids. Unless everyone gives, fewer dollars will be on hand to support urgently needed services. So, no matter how you give or who you choose to support, put your community first.

Despite your frustration at the problems of the past (which you may read more about), our region badly needs this United Way. With a strong United Way leading, we can live in a community where we face and solve our problems together, with passion and intelligence.

I challenge you to help turn this United Way into an engine of empowerment for **tomorrow**. We'll look outward in hope, not downward in pity. This United Way is moving forward. **Join us!**

Robert Egger
Interim Executive Vice President



United Way

of the National Capital Area
www.unitedwaynca.org

full page
Washington Post 1/2/03



TEN IDEAS cont'd



- 8) Work with the region's Public Information Officers (PIO's) to expand NVTC's campaign and coordinate with Metro, perhaps using the PIO group at MWCOG as the host.
 - Provide NVTC's positive information on Metro to local jurisdictions and transit systems for dissemination via their e-mail and other distribution lists.



TEN IDEAS cont'd



- 9) Continue to build on the positive grassroots support and feelings of the public for Metro as reflected in the January, 2005 Washington Post survey.

See NVTC abstract of Post survey.



Washington Post Survey (2/13/05)



- 1,003 adult residents of the D.C. Metro area (374 Virginia residents)
- Metro excellent or good at:
 - Reliability (88%)
 - Comfort (84%)
 - Value (77%)
 - Getting where they want to go (74%)
 - Convenience to home (49%)
 - Convenience to work (45%)
- 58% support new way to fund Metro
- 70% support Metrorail to Dulles at \$4 billion
- 48% support higher gas taxes for transportation (52% in VA)



TEN IDEAS cont'd



10) Broaden the positive transit message to include all of NVTC's other transit systems and the services they offer.

- **Focus on community newspapers that don't have an anti-Metro agenda.**
- **Don't allow the media to jump on the anti-Metro bandwagon.**



DISCUSSION AND ADDITIONAL IDEAS?



- **What questions are you hearing from constituents and riders about Metro's performance?**
- **Which of the above ideas do you believe offer the best opportunity for NVTC to be helpful?**
- **Are there additional actions NVTC should take?**



FOLLOW UP AT SUBSEQUENT MEETINGS

- **Devise Strategy - April 7, 2005**
- **Discuss with Senior WMATA Management - May 5, 2005**
- **Discuss Blue Ribbon Commission Recommendations with Rudy Penner- June 2, 2005**
- **Review Progress and Refine Strategy - July 7, 2005**

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: Legislative Items

A. State.

Staff will provide an update on the financial impact on transit in NVTC jurisdictions resulting from FY 2006 budget changes. Plans for the spring conference of the Virginia Transportation Association will also be described. VTA will meet in Williamsburg on May 9-10, 2005.

B. Federal.

The House has acted on its TEA-21 reauthorization (TEA-LU). Attachments describe the bill (HR3). VRE has a \$100 million earmark (requires 50% non-federal funds). One problem with HR3 is a prohibition on additional value pricing projects that would appear to threaten public-private transportation proposals in this region. The commission is asked to authorize its chairman to write to NVTC's U.S. Senators to express concern about this provision of HR3. A copy of the proposed letter is attached.

Senate committees have also passed a reauthorization bill. Because transit funding has dropped relative to highways and because some Senators prefer higher overall funding, it is expected that when the bill reaches the Senate floor efforts will be made to add to it.

C. CTB Pre-Allocation Testimony.

The Commonwealth Transportation Board will conduct a statewide public hearing on the six-year transportation program on April 17th. The attached draft NVTC statement is provided for your review. The commission is asked to authorize its chairman (or his designee) to deliver the statement at the hearing.





NVTC

Northern Virginia Transportation Commission

(B)

March 9, 2005

DRAFT

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Vice Chairman
Hon. Gerald E. Connolly

Secretary/Treasurer
Hon. David F. Snyder

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Hon. William D. Euille
Hon. Ludwig Gaines

Arlington County
Hon. Paul Ferguson
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**Virginia Department of Rail
and Public Transportation**
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Virginia General Assembly
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Sen. Mary Margaret Whipple
Del. David B. Albo
Del. Adam P. Ebbin
Del. Timothy D. Hugo
Del. Gary A. Reese

Executive Director
Richard K. Taube

Honorable John Warner
United States Senate
225 Russell Senate Office Building
Washington, DC 20510-4601

Dear Senator Warner:

At its meeting on April 7, 2005, the Northern Virginia Transportation Commission discussed the status of the federal transportation reauthorization bill. While the commission is generally pleased with HR-3 as passed by the House of Representatives, one aspect of this bill is particularly troubling.

HR-3 proposes to alter current federal law with regard to value pricing and tolling. Virginia and many other states view value pricing (also referred to as "congestion pricing") and tolling as an important supplemental source of transportation funding and method for managing transportation demand. Several large projects in Virginia include I-395/95 and I-495 here in Northern Virginia and I-81. Thus, the Commission strongly supports changes to federal law that would give states greater latitude to use these tools, but HR-3 as drafted does just the opposite by capping the number of such projects nationwide.

In Sections 1209, 1603, and 1604 of HR-3 as approved by the House, the total number of projects allowed by these sections would be limited to 25, three, and three, respectively. Previously approved pilot projects count against these caps, and the total number of projects approved to date exceeds what HR-3 would allow.

In short, if these unfortunate provisions of HR-3 are enacted by the Senate, states (including Virginia) would be prevented from starting new congestion pricing/tolling projects for the duration of the act. This would have

profound, negative implications for Virginia and other states entertaining new congestion pricing/tolling projects by , preventing what promises to be a very potent funding and demand management strategy.

I urge you and your colleagues representing the many states that view congestion pricing/tolling as a vital tool to enact a reauthorization bill that does not contain the limitations that are imposed by HR-3. Last year's Senate reauthorization bill (S1072) did not contain these limits and could serve as a useful starting point.

Please feel free to contact me with any questions.

Sincerely,

Paul Ferguson
Chairman

cc: Virginia Congressional Delegation

DRAFT



Legislative Update

American Public Transportation Association
(202) 496-4800

1666 K Street, N.W., Washington, DC 20006
www.apta.com

March 17, 2005

Senate Committees Approve TEA 21 Reauthorization Legislation

Senate Banking Committee Action

On March 17, the Senate Committee on Banking, Housing, and Urban Affairs approved the transit title of the Senate's TEA 21 reauthorization bill by unanimous voice vote. The bill would authorize \$51.6 billion in funding for transit for Fiscal Years (FY) 2004 through 2009. The transit title will be combined with the highway title, passed on March 16 by the Senate Committee on Environment and Public Works (EPW) (see below), into a single reauthorization bill that would authorize a total of \$283.9 billion for surface transportation through the period. Additional titles from the Senate Finance Committee and the Senate Commerce, Science and Transportation Committee will be added to the bill when it goes to the Senate floor. While the Senate's overall funding level for highways and transit is equal to the amount authorized by the House-passed Transportation Equity Act: A Legacy For Users (TEA LU) reauthorization bill, TEA LU would authorize \$52.3 billion for transit through FY 2009.

At the Banking Committee markup, many Senators from both sides of the aisle strongly supported additional funding for transit, citing \$53.3 billion as an amount consistent with the highway/transit funding ratio in last year's \$318 billion Senate-passed bill. Nonetheless, they agreed to withhold any amendments in that regard, recognizing that there would be a strong effort to "plus up" the transit and highway funding levels when the bill is taken up on the Senate floor.

The bill is essentially the same as last year's Senate-passed bill, although the charter bus provision has been deleted; that issue will be addressed in conference. See the table below for funding details.

Senate Environment and Public Works Committee Action

On March 16, the Senate EPW Committee reported out on a 17-1 vote the highway title of the Senate's TEA 21 reauthorization bill. The bill assumes an overall funding level of \$283.9 billion through FY 2009. Debate over the legislation in committee focused on the rate of return to states for the highway program. Like the transit title, the bill is essentially the same as the bill passed in the Senate last year. EPW Chairman James Inhofe (R-OK) noted during the markup of the highway title that he supports increasing the funding level for both highways and transit above the \$283.9 billion now in the bill.

ACTION ALERT!

The TEA 21 reauthorization bill is expected to reach the floor of the Senate after April 19. There will be a strong effort to increase funding for the transit and highway programs when that happens. Meet with your Senators during the congressional recess over the next two weeks and let them know you support a floor amendment to increase investment in transit!

Federal Public Transportation Act of 2005							
Program	FY 2004 (Millions)	FY 2005 (Millions)	FY 2006 (Millions)	FY 2007 (Millions)	FY 2008 (Millions)	FY 2009 (Millions)	Six-Year Total (Millions)
Total All Programs	7,265.88	7,646.34	8,208.65	8,673.85	9,477.99	10,327.30	51,600.00
Formula Total	4,966.03	5,155.00	5,664.33	5,985.34	6,540.23	7,126.30	35,437.24
Total Urbanized Area Formula	3,425.61	3,593.20	3,685.85	3,896.15	4,259.67	4,643.62	23,504.10
§ 5336 Urbanized Area Formula	3,425.61	3,593.20	3,397.79	3,591.76	3,927.07	4,281.21	22,216.63
Growing and High Density States UZA	0.00	0.00	288.06	304.39	332.61	362.41	1,287.46
Total Rural Formula	239.19	250.89	454.82	480.60	525.15	572.21	2,522.86
§ 5311 Rural Formula	239.19	250.89	371.44	392.49	428.88	467.31	2,150.20
Growing and High Density States Rural	0.00	0.00	83.38	88.11	96.27	104.90	372.66
Elderly and Persons with Disabilities	90.12	94.53	178.29	188.40	205.86	224.31	981.50
Fixed Guideway Modernization (a)	1,199.39	1,204.69	1,307.47	1,381.57	1,509.65	1,644.93	8,247.70
Alaska Railroad	4.82	4.81	5.47	5.78	6.31	6.88	34.07
Over-the-Road Bus	6.91	6.89	7.43	7.85	8.58	9.35	47.01
Transit and the Parks	0.00	0.00	25.00	25.00	25.00	25.00	100.00
§ 5309 Capital Investment Grants	1,989.19	2,157.03	2,183.50	2,307.24	2,521.15	2,747.06	13,905.17
Bus and Bus facilities	673.21	719.20	796.98	842.14	920.22	1,002.68	4,954.42
New Starts	1,315.98	1,437.83	1,386.52	1,465.10	1,600.93	1,744.39	8,950.75
Job Access and Reverse Commute	104.38	124.00	121.83	128.74	140.67	153.28	772.90
Planning	72.57	72.42	104.00	109.90	120.09	130.85	609.82
Research	52.69	54.56	47.08	49.74	54.35	59.23	317.64
University Transportation Centers	5.97	5.95	5.82	6.15	6.72	7.32	37.92
Administrative Expenses	75.06	77.38	82.09	86.74	94.78	103.27	519.31

(a) Part of Capital Investment Grants in FY 2004 and FY 2005.

For further information, contact Rob Healy of the APTA Government Affairs Department at (202) 496-4811 or email rhealy@apta.com.

New Starts - FTA Dear Colleague Letter

Last week FTA Administrator Dorn released a Dear Colleague letter advising of an important change in the New Starts rating and evaluation process. Only projects with a medium or higher cost-effectiveness rating would be advanced to the Full Funding Grant Agreement stage by the Administration, notwithstanding other positive factors associated with the project. The letter also solicited comments by April 1 regarding several other potential changes.

FTA subsequently sent a Dear Colleague letter in which it announced that it would hold a webinar to answer questions about their proposals on Monday, March 21, 2005. For more information, please contact FTA's Office of Planning & Environment at (202) 366-2360.

APTA President Bill Millar has met with Administrator Dorn to discuss the letter, and its impact on transit projects currently in the New Starts pipeline. APTA's Policy and Planning Committee's Subcommittee on Major Capital Investment has discussed the letter and begun developing APTA comments. For more information, or to submit comments on the letter, contact Rich Weaver of the APTA Government Affairs Department at (202) 496-4809 or email rweaver@apta.com.

DRAFT

**American Public Transportation Association
Passenger Rail Legislative Update**

March 17, 2005

1) New York DOT Commissioner, Joe Boardman, to be Nominated FRA Administrator: President Bush has nominated New York State DOT Commissioner Joe Boardman to be the next Federal Railroad Administrator. Mr. Boardman has served as New York's Transportation Commissioner since 1997. Prior to that he served as Commissioner of Public Transportation in Broome County, New York; as manager of Rome Transportation and as General Manager of Utica Transit Authority. He has long been active in APTA and AASHTO, and knows the public transportation industry well. Mr. Boardman's appointment will require confirmation by the U.S. Senate. Until that time, Robert Jamieson will continue to serve as Acting Administrator.

2) Liability for Rail Passenger Operations on Freight Lines: House Railroads Subcommittee Chair Steve LaTourette (R-OH) has indicated that he would like to consider issues involving liability for terrorist actions against railroads as part of forthcoming legislation to reauthorize the Surface Transportation Board. Last year, Representative LaTourette offered, and then pulled an amendment that would have required passenger operators to have in hand insurance coverage of at least \$500 million before entering rail access negotiations with freight railroads. APTA staff is involved in an extensive dialogue with staff of the House Railroads Subcommittee to understand the extent and application of the liability cap as provided by the Amtrak Reform and Accountability Act of 1997.

3) Future Federal Role in Intercity Rail Remains Uncertain: The House and Senate debated their respective budget resolutions this week. The House budget assumes \$1.2 billion in Amtrak funding for Fy 2006. In the Senate, a floor amendment offered by Senator Robert Byrd (D-WV) to budget Amtrak at \$1.4 billion was narrowly defeated by a vote of 46-52, with some Senators indicating they voted against the amendment due to issues involving the required revenue offset. Strong floor statements were made by Senate Surface Transportation Subcommittee Chair Trent Lott (R-MS) and others that indicated that they would not let Amtrak fall into bankruptcy.

As it now stands, three scenarios are foreseeable:

- a) *Scenario #1*: In the end, Congress will provide funding to continue Amtrak operations for another year.
- b) *Scenario #2*: Congress will enact reform legislation, to include a new framework for service and matching federal grants.
- c) *Scenario #3*: Amtrak will run out of money and stop operations. Commuter operations that rely on Amtrak services and / or facilities would be continued through “directed services” orders by the Surface Transportation Board. The disposition of Amtrak assets and the degree of oversight by Bankruptcy courts is not known.

4) Administration’s Rail Legislative Proposal Imminent: This week U.S. DOT Secretary Norm Mineta released a statement: “The Senate’s rejection of the Byrd amendment signals that it is ready to begin an earnest discussion of the best way to undertake desperately needed reforms to put intercity passenger rail on a stable footing for the future. I look forward to working closely with the Congress on the President’s proposal to rebuild the Northeast Corridor, revitalize Amtrak, and partner with the states in improving passenger rail.”

The soon-to-be-released Administration bill will again outline a series of reforms similar to legislation introduced last year. The Administration bill introduced in the 108th Congress (S. 1501) would have ended Amtrak’s national route network as such, with states given responsibility for determining services that would continue to be operated with state funding and U.S. DOT capital incentives. Secretary Mineta has indicated that matching grants with a 50% federal share would be available to states under their reform initiative. States would contract directly with third party contractors for operation of service.

The Administration’s proposal would break Amtrak into three companies. A private infrastructure company would be created to maintain and operate the Northeast Corridor under contract to a multi-state compact. Second, a company would be created to operate trains under contract. Third, a government corporation would retain and award Amtrak’s current rights of access.

Separately, the Amtrak board itself is reportedly working on a reform proposal of its own.

5) Chairman Young to Reintroduce RIDE 21: House Transportation and Infrastructure Committee Chair Don Young (R-AK) has indicated that he will reintroduce legislation approved last year by the Committee, and later put on hold by the House Ways and Means Committee. Designated the Railroad Infrastructure Development and Expansion Act for the 21st Century (RIDE 21), the legislation would authorize a mix of tax-credit bonds and tax-exempt bonds to build high-speed rail projects. The legislation lowers the maximum speed requirement from 150 miles per hour to 110 miles per hour, and would also authorize \$100 million per year in general funds for acquisition of locomotives, rolling stock, track and signal equipment, and authorizes additional funds for the Railroad Infrastructure Financing (RRIF) loan program (a program the Administration has proposed to eliminate). Although the bill would place considerable financial obligations on states, it is strongly supported by AASHTO and the States for Passenger Rail Coalition.

6) Progress Continues on Rail Security: APTA is busy in the follow-up from several pieces of transit security legislation approved in 2004, and is working to build on that success to obtain additional favorable actions in 2005.

The FY 2005 Department of Homeland Security (DHS) Appropriations bill earmarked \$150 million for transit, passenger rail, and freight rail security grants. DHS will decide how this funding is distributed, with "risk assessments" to be the primary basis. While DHS funds now are allocated through the states to transit systems, APTA is advocating that they be made directly to transit systems.

Also last year, the Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-76) directed DHS to work jointly with the Department of Transportation (DOT) to develop a transportation security plan and submit it to Congress by April 1, 2005. DHS is charged with implementing the plan.

This year, for the first time, the President's FY 2006 DHS budget proposed \$600 million for a Targeted Infrastructure Protection program, to protect critical infrastructures, including public transportation. On the authorizing side, both the Senate Banking Committee and the House Transportation and Infrastructure Committee are expected to consider bill aimed at expanding and improving anti-terrorism measures for the nation's public transportation systems and intercity bus operations. Both Committees reported bills last year.

7) TEA 21 Update: On March 10, the U.S. House of Representatives by a vote of 417 to 9 approved H.R. 3, the Transportation Efficiency Act – A Legacy for Users (TEA LU). The bill would provide \$283.9 billion in guaranteed investment for highways and transit. The transit share would be \$52.3 billion. On March 17, the Senate Banking Committee approved the transit title of the Senate’s TEA 21 reauthorization bill by unanimous voice vote. The bill would authorize \$51.6 billion for transit for Fiscal Years 2004 through 2009. There is serious talk about increasing the transit and highway numbers when the bill goes to the Senate floor. A favorable amendment during consideration of the Senate Budget resolution would permit the Senate Finance Committee more discretion to get additional resources for the bill passed by a resounding 81 -19 vote.

8) Build America Bonds Act of 2005: Legislation has been introduced by Senators Jim Talent (R-MO) and Ron Wyden (D-OR) to create a “Transportation Finance Corporation” that would leverage funds to supplement the \$284 billion amounts being considered by the House and Senate. The bill would direct 80 percent of the funds toward highways and 20 percent to transit, with passenger rail projects also eligible. The bill was introduced February 17 and is designated S. 428.

9) Rail Freight Initiatives: Tax legislation adopted in late 2004 finally abolished the 4.3 cent / gallon tax on diesel fuel that freight railroads have been paying. That same bill provided for the phase-in of a new program wherein short line railroads are able to take a tax credit for one-half of their investment in railroad infrastructure and facilities. There is discussion of expanding this program so that short line railroads that do not pay taxes could benefit from the transfer of their investment credit to others. Class I railroads are also discussing how such a program could apply to them.

10) FRA and FTA Announce New Initiative on Shared Use: In January, 2005, the Federal Railroad Administration, the Federal Transit Administration, and U.S. DOT’s Intelligent Transportation System Joint Program Office announced their intent to explore the concept and feasibility of shared use operations of light rail and short line railroads (other than temporal separation). Over the next year, potential approaches for shared-use operations will be identified and analyzed, and a new methodology will be developed for performing risk assessment.

11) Operating Budget relief: APTA's Commuter Rail CEO Committee has reported to the APTA Legislative Committee on the need to look for additional opportunities where operating budget relief might be available. The attached memo identifies some of the opportunities currently available in the federal transit grants programs.

12) Current APTA Positions on Passenger Rail Legislative Issues: As this eventful year unfolds, APTA is guided by the APTA Principles for Funding Passenger Rail Services as adopted by the APTA Executive Committee in September, 2002 (attached), and by other adopted policy statements. Relevant positions are summarized as follows:

- APTA supports investment in the overall growth of the rail passenger industry, which includes intercity rail, regional high-speed rail, commuter rail, and rail transit.
- Funding for intercity and high-speed rail projects and operations must not come from existing Highway Trust fund resources, where limited funds are currently dedicated to public transportation and highway investment needs. APTA has supported legislation to fund high-speed rail projects through tax credit bonds, separate and apart from the Highway Trust Fund.
- Commuter rail riders need to be sheltered from the impact of any disruption in Amtrak service. APTA supports efforts to empower the Surface Transportation Board (STB) to direct and fund specific actions to assure the continuation of commuter rail service in the event of any Amtrak shutdown.
- Congress should reauthorize the Rail Safety Act without additional statutory requirements and mandates, and recognize the need for additional rail infrastructure requirements.
- Congress should establish reasonable liability caps on all claims, not just on passenger injuries as currently is the case.
- Federal security programs can be implemented more efficiently and effectively were federal funding to go directly to transit agencies. Grant programs need a more flexible recognition of local priorities, including the need to cover both capital and operating support.

American Public Transportation Association Principles for Funding Rail Passenger Services

Rail passenger service in the United States is in the midst of a renaissance at the local and regional level, yet is facing critical policy decisions at the national level. Ridership on our commuter rail, rail transit, and intercity rail systems continues to increase dramatically. The development of rail passenger service merits support and should continue to be the focus of attention at all levels of government.

America needs a balanced transportation system that provides alternatives for travelers. Traffic congestion on our highways and in the air costs the U.S. economy \$100 billion annually. Rail transportation provides an important means to help alleviate growing highway and airport congestion. Many state and local governments already see rail passenger service as an essential element necessary to assure future mobility for their citizens. The federal government needs to work in partnership with state and local agencies to increase America's investment in passenger services. According to a recent GAO report, from 1971 – 2000, the federal government invested \$225 billion in aviation and \$607 billion in highways. In contrast, the federal investment in intercity rail over the same period was \$39 billion. A similar commitment is necessary in the rail passenger service industry, especially given national security needs, and the growing need to complement air and roadway service. The following policy principles represent APTA's general view on issues related to rail passenger service:

- The federal government must in the near term provide sufficient funding to Amtrak to assure vital continuation of our national intercity rail network. Many commuter rail operations rely upon Amtrak facilities, and contract services. Such arrangements must continue without disruption.
- APTA supports investment in the overall growth of the rail passenger industry, which includes intercity rail system, regional high-speed rail, commuter rail, and rail transit systems. Priority of investment should be given to projects where such investment would benefit and contribute to multiple use corridors and to intermodal connectivity to other transportation systems including intercity bus service.
- The current Amtrak system is an essential network that supports the development and current operations of intercity, high speed rail and commuter services. Any changes to Amtrak's institutional structure must protect the integrity of the network and honor existing contracts, commitments and financial arrangements, including provisions of existing contract services to some commuter railroads and public transportation providers. Should changes to Amtrak's institutional structure be adopted, they must be coordinated with state and public authorities to ensure an orderly transfer of such responsibilities, operations and services as may be required. Consideration must be given to the impact of any such changes on public transportation services generally. Examples of impact areas include rail access rights, ownership, facilities, stations, and equipment used in public transportation rail passenger operations.
- Investment funding for all types of rail passenger service should come from a combination of federal, state, and local sources. Incentives need to be developed that would encourage private sector participation.

- Highway Trust Fund resources and general funds dedicated to the support and preservation of public transportation and highway programs are currently inadequate to support the growing needs of both the public transportation and the highway program. Current federal funding levels for investment in intercity and high-speed rail projects also are inadequate to support the growing demands for improvement in intercity and high-speed rail service. Increased federal funding is necessary to foster the growth of all modes of passenger rail and public transportation.
- Intercity rail and high-speed rail corridor projects, as well as other passenger rail projects, should be coordinated with the federally required state and regional transportation planning process. Coordination with state and regional transportation planning organizations and current rail operators must be assured.
- Intercity and high-speed rail services should be linked and coordinated with commuter rail, rail transit, intercity bus and other local transportation systems as defined by state and local transportation plans and policies. Rail infrastructure, such as stations and track, should be shared in a cooperative and efficient manner consistent with public policy goals. Reasonable and consistent procedures for access to and compensation for use of rail freight track and/or rights-of-way should be established for commuter rail service.
- Commuter railroads generally are constituted at a state or regional level and are separate from intercity and high-speed rail systems. Any new laws pertaining to intercity and high-speed rail systems should not, by extension, be presumed to automatically apply to or exclude commuter rail. Many commuter railroads are currently subject to burdensome railroad-only laws originally written for interstate commercial railroads. Significant financial and regulatory burdens on local government authorities and their contractors forced to comply with such costly provisions have a direct financial impact on riders, taxpayers, and state and local governments.
- Any new or amended Amtrak legislation must consider the impact on commuter railroads regarding changes to the railroad retirement system. Any changes regarding Amtrak's payment into the railroad retirement system should also consider the payments of commuter railroads which face similar financial pressures and cross-subsidy issues.
- APTA urges the Administration and Congress to develop and implement a National Transportation vision, policy and strategy that balances future investments in transportation systems based on economic, social and environmental criteria.



***STATEMENT TO
THE COMMONWEALTH TRANSPORTATION
BOARD***

***PRE-ALLOCATION HEARING
(NORTHERN VIRGINIA DISTRICT)***

APRIL 17, 2005



Growth of transit ridership and local transit funding in Northern Virginia far outpaces the remainder of the state.

We need the CTB to allocate to this region its fair share of statewide resources and to join us in advocating increased statewide funding for public transit.

In FY04 Northern Virginia transit systems provided an average of 428,977 trips each weekday

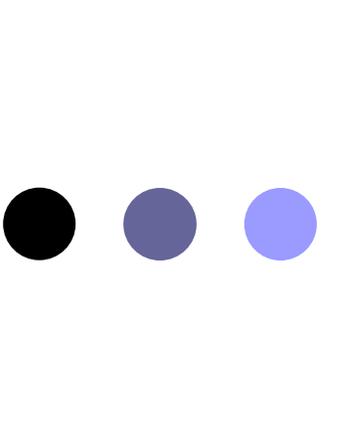


More Places. More Often. More Columbia Pike.



Potomac and Rappahannock Transportation Commission





“The fastest and most effective way to reduce air pollution and dependence on foreign oil is to get more people out of cars and onto trains or buses.”

Brookings Institute Study

"Conserving Energy and Preserving the Environment: The Role of Public Transportation," July, 2002

● ● ● | **PUBLIC TRANSIT INVESTMENTS YIELD**
HEALTHY DIVIDENDS

- Current transit riders in Northern Virginia save 8,150 tons of pollutants in a year and 59 million gallons of motor fuel.



PUBLIC TRANSIT INVESTMENTS YIELD HEALTHY DIVIDENDS

- The Texas Transportation Institute found that the Washington region saves \$1.2 billion annually in congestion costs as a result of its transit investments. Without transit, congestion costs would exceed \$3 billion annually.
- KPMG's study for NVTC found that Metrorail creates 90,000 permanent professional jobs and yields state tax revenues in excess of state investments of \$1.2 billion during the period 1995-2010 for an astounding 19.2 percent annual rate of return.



NORTHERN VIRGINIA'S TRANSIT RIDERS AND LOCAL GOVERNMENTS FUND MORE THAN THEIR FAIR SHARE

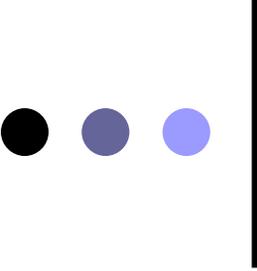
- As of FY 2005, NVTC's jurisdictions pay \$119 million annually with local and regional funds for their transit systems and local transit system revenues add \$181 million. The commonwealth paid about \$95.6 million and federal funds covered \$72.6 million of the \$468.1 million transit bill.
- According to the most recent estimate of the Virginia Department of Rail and Public Transportation, Northern Virginia's per capita payments for transit of \$126 of local funds is at least four times larger than any other locality in the commonwealth.



NORTHERN VIRGINIA'S LOCAL GOVERNMENTS AND TRANSIT RIDERS FUND MORE THAN THEIR FAIR SHARE

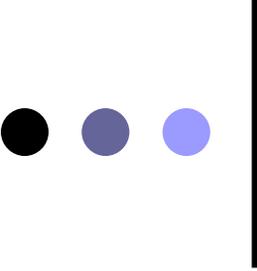
- In FY 2005 NVTC will receive \$74 million from the commonwealth, but if state programs were fully funded NVTC would receive nearly \$100 million more. The statutory state transit assistance target is up to 95 percent of eligible net transit expenses; for FY 2005 the commonwealth covers only 48 percent of operating costs and 38 percent of capital costs.
- The 2005 General Assembly did provide some additional funding for FY 2006 but it does not provide a dedicated sustainable funding source.





NORTHERN VIRGINIA'S LOCAL GOVERNMENTS AND TRANSIT RIDERS FUND MORE THAN THEIR FAIR SHARE

- Since FY 2001, payments for transit in Northern Virginia using local funds have grown by 41 percent while state aid grew by only 15 percent.
- Northern Virginia's governments have formally committed to WMATA to provide another \$252 million through 2010 and \$259 million from 2011 through 2024 for rail cars and other critical capital needs identified in the *Metro Matters* campaign. We need our state and federal partners to do their share.
- The additional cost to Northern Virginia's jurisdictions for Metro Matters is up to \$73.5 million more through 2025 for borrowing compared to a pay-as-you-go approach that could be possible with a dedicated source of funding.



ACCORDING to VTRANS 2025 and our own regional studies, Northern Virginia needs up to a billion dollars annually of additional funding for transit just to barely maintain current transit services in the future.

● ● ●

WHAT CTB CAN DO TO HELP?



With these enormous unfunded needs, CTB should be an advocate with the Governor, General Assembly and public for new sources of state revenue for public transit.

First work for a much bigger pie, while carefully slicing the inadequate one that is available now.

● ● ● | WHAT CTB CAN DO TO HELP?

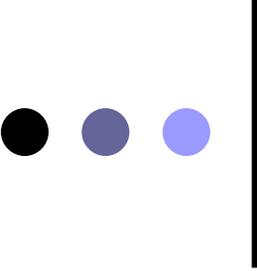


- **Recognize that transit is a sound investment** and work with NVTC, PRTC and NVTA to fund this region's top priority transit projects:
 - **Rolling stock (Metrorail cars, VRE bi-level cars and locomotives, clean fuel buses)**
 - Parking
 - Station improvements
 - Service enhancements

WHAT CTB CAN DO TO HELP?



- Continue to use discretionary federal funding to help meet Northern Virginia's transit needs (e.g. over \$6 million annually for VRE access fees for freight railroads and Amtrak).
- Honor commitments of VTA 2000 and fund the remaining \$18 million for WMATA Metrorail cars.
- Provide funding and support for NVTC to implement technology enhancements that improve the experience of commuters and attract new transit customers.



FOLLOW UP INFORMATION

- NVTC's key word searchable web-site is very useful for the public in documenting transit performance and the funding crisis.
 - See www.thinkoutsidethecar.org.
- Selected NVTC products supporting this statement.
 - **Annual transit performance update** (*current through FY 2004*).
 - **Transit funding resource guide** (*current through FY 2003 federal and 04 state budgets*).
- **Questions?**

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: WMATA Items

A. Metro Board Digest for March, 2005.

A copy is attached for your information.

B. Research on Railcar Seating Configurations.

As described in the attachments, the WMATA Board has approved the installation of video cameras to study how passengers move around in Metrorail cars. This information will be studied before WMATA experiments with various seating configurations to expand passenger capacity and improve passenger comfort.

C. Financial Performance as of January, 2005.

WMATA's cost recovery was 53 percent for that month, bringing the fiscal year to date percentage to 58.6 versus a budget target of 56.5. Rail recovered 71.5 percent in January and bus recovered 30.6 percent. WMATA's revenue trend suggests a favorable \$8 million variance by the end of the year. Weekday rail ridership was up 5.5 percent from last January and bus ridership was up 10 percent.



(A)



March 17, 2005

MEMORANDUM FOR: Chairman and Members of the Board

SUBJECT: March Board Digest

Metro Prepares for Annual Cherry Blossom Festival Crowds

With the official start of spring just around the corner, the cherry trees poised to bloom in the next few weeks and the anticipated return of tourists to the Washington metropolitan region, Metro is gearing up to carry the larger crowds we tend to see during the spring and summer months. To accommodate the expected large crowds traveling to downtown Washington, D.C., to view the cherry blossoms and attend events associated with the National Cherry Blossom Festival, Metrorail will run more six-car trains throughout most of the system. We even will be prepared to run eight-car trains, if ridership demands warrant the extra service. Metro plans to run the longer trains during weekday off-peak hours (from opening until 8 p.m.) as well as on weekends.

The two-week National Cherry Blossom Festival, which takes place from March 26 to April 10, expects to draw thousands of visitors to the Tidal Basin and National Mall each day. Of special note are the 10-mile run on Sunday, April 3, for which Metrorail will open one hour early at 6 a.m., and the festival parade beginning at 10 a.m. on Saturday, April 9.

As in years past, Metro will work with festival organizers, tourism bureaus, hotels, event venues and other organizations to encourage attendees to take Metrorail and Metrobus. We also plan to remind visitors to take their rail and bus trips during the off-peak hours, and to avoid riding during morning and evening rush hours, if possible. In addition, we plan to issue a news release with riding and safety tips, and again emphasize the message that there is plenty of room to ride Metro during the middle part of the day and on weekends. Metro will closely monitor the system and place personnel strategically where extra staff may be

**Washington
Metropolitan Area
Transit Authority**

600 Fifth Street, NW
Washington, DC 20001
202-960-1234

El Melroan,
Jordan, Squire, Felt, Lutz
Sellen, Pisch-Christoffel,
Felt, Green and
Yelpov Lutz

14 District of Columbia
Maryland and Virginia
Transit Partnership

needed to assist with the expected high volume of infrequent or new customers. In addition, Operations personnel will work closely with the Metro Transit Police Department in case officers are required at stations to assist with crowd flow.

Play Ball! Metro Partners With the Washington Nationals

Metro and Major League Baseball's newest team have joined forces on a series of promotional activities during the Washington Nationals' inaugural baseball season. The Washington Nationals will play 81 games at RFK Stadium this year, beginning April 3 with an afternoon exhibition game. The first regular season home game is April 14. Promotional materials will encourage baseball fans to take Metrorail's Blue and Orange lines to Stadium Armory station or use one of several Metrobus routes that stop near the stadium. From April 3 through October 1, Metro will receive extensive exposure through direct mail, print media, radio and Web site promotional efforts by the Washington Nationals. In addition, Metro plans to include a link to the Nationals' Web site on our MetroOpensDoors.com site, sell SmarTrip cards at RFK Stadium on game days, and hang banners in key locations at Stadium Armory station directing customers to RFK Stadium. Throughout the season, Metro intends to work with the Nationals on further joint promotional opportunities.

Metro 2005 Student Poster Contest Underway

Metro sent more than 1,000 Metro 2005 Student Poster Contest booklets to teachers at area public, private, and parochial schools in the metropolitan area. All students in grades K through 12, even children of Metro employees and those who are home-schooled, can participate in this perennially popular contest. The deadline for students to send in their entries is Friday, April 22 at 6 p.m.

This year's theme is "Take Pride in Your Ride." In a cover letter accompanying the booklets to school principals and art teachers, teachers are asked to ask their students to think about how Metro riders, especially students, can help Metro remain one of the cleanest transit systems in the nation. Metro is looking forward to seeing the imaginative illustrations that area-students create.

The best posters among the entries received will win 1st, 2nd, and 3rd place prizes in the District of Columbia, Maryland, and Virginia. One grand prize will be awarded in each of the following categories: primary, elementary, junior, and senior high school divisions. Judging will take place in late April. The winners will be announced on Friday, May 13, at Metro headquarters during a ceremony for the students, their parents, teachers and principals. Winning posters will be exhibited at Metro Center in the fall.

Upcoming Events

March 18

Greater Washington Board of Trade Policy Series with the Hon. Tom Davis (R-VA), U.S. House of Representatives. Congressman Davis will share his thoughts on issues important to Northern Virginia and the District of Columbia, including Metro funding, and rail to Tysons and Dulles; Hilton Arlington, 950 North Stafford Street; 8:30 a.m.

MTPD Class #66 graduation; Metro headquarters, Room 5D-02; 10 a.m.

Metro LunchTalk Online, chat session at metroopensdoors.com., noon

March 30

Public hearing on the proposed West Ox Bus Garage use agreement in Fairfax County; Fairfax County Government Center, 12000 Government Center Parkway; 7 p.m.; an open house at 6 p.m. precedes the hearing.

April 1

Metro LunchTalk Online, chat session at metroopensdoors.com., noon

April 3

Cherry Blossom 10-Mile Race, 8 a.m., West Potomac Park; Metrorail will open one hour early at 6 a.m.

April 7

DC Council FY06 Budget hearing; Wilson Building, Room 500; 4 p.m.

April 12

Metro Town Hall Meeting and Open House; George Mason High School cafeteria, 7124 Leesburg Pike, Falls Church; Open House begins at 6 p.m.; Town Hall Meeting begins at 7 p.m.

Chairman and Members of the Board
Page 4

April 15

Metro LunchTalk Online, chat session at metroopensdoors.com., noon

April 19

Federal City Council Annual Meeting; Ritz Carlton, 1150 22nd Street, NW

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



Richard A. White

General Manager and Chief Executive Officer

(B)

Presented and Adopted:

SUBJECT: Approval of Phase I of Railcar Capacity Concepts Pilot Program

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

WHEREAS, On January 6, 2005, the Planning and Development Committee authorized staff to develop a pilot program for increasing railcar capacity; and

WHEREAS, Staff developed a two-phase pilot program whereby under Phase I cameras will be purchased and installed in sixteen (16) railcars (3000 Series) to provide a baseline for a comparison when the reconfiguration of the 16 cars (Phase II) is implemented; and

WHEREAS, The funds necessary for Phase I (\$260,000) have been already allocated under the Railcar Enhancement Program contained in the Capital Improvement Program; now, therefore be it

RESOLVED, That the Board hereby approves the implementation of Phase I of the Railcar Capacity Concept Pilot Program; and be it further

RESOLVED, That the Board directs Staff to report back to the Board in November 2005, regarding the results of the study and to discuss the implementation of Phase II of the Pilot Program; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

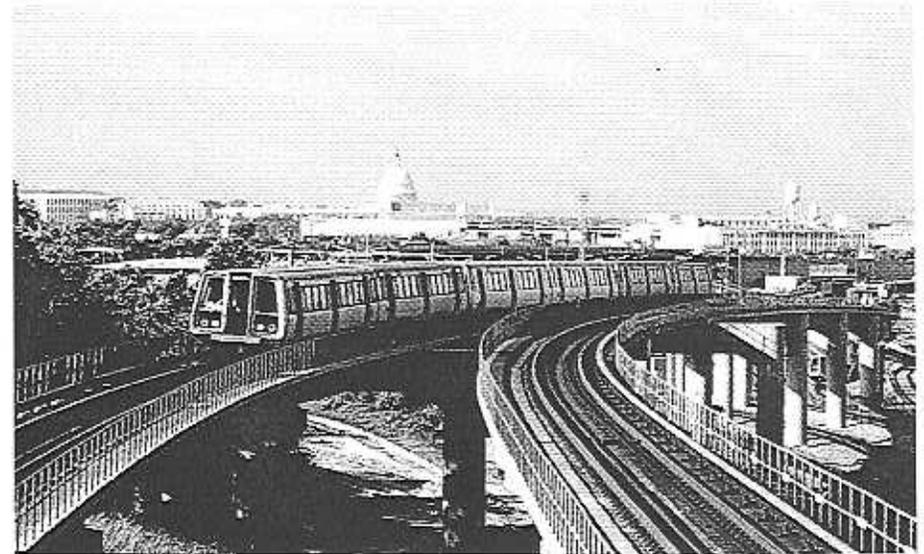


Carol B. O'Keeffe
Acting General Counsel



Washington Metropolitan Area Transit Authority

***Railcar Capacity
Concepts
Pilot Program***



Presented to:
Planning and Development Committee

Department of Operations/Railcar Engineering
March 3, 2005



Purpose

- To obtain Board approval to proceed with the proposed pilot program and to determine feasible approaches to increase railcar capacity by removing seats.



Background

- In response to a Board request to explore concepts to increase railcar capacity, staff presented concepts to the Board on January 6, 2005.
- The Planning and Development Committee authorized staff to develop a pilot program and discuss in 60 days.
- The analysis revealed that for every two seats removed passenger capacity is increased from two sitting to three standing.
- Passenger capacity calculations used a 3.0 ft² criteria for standee space which follows acceptable guidelines for providing a balance of capacity, practicality and comfort.

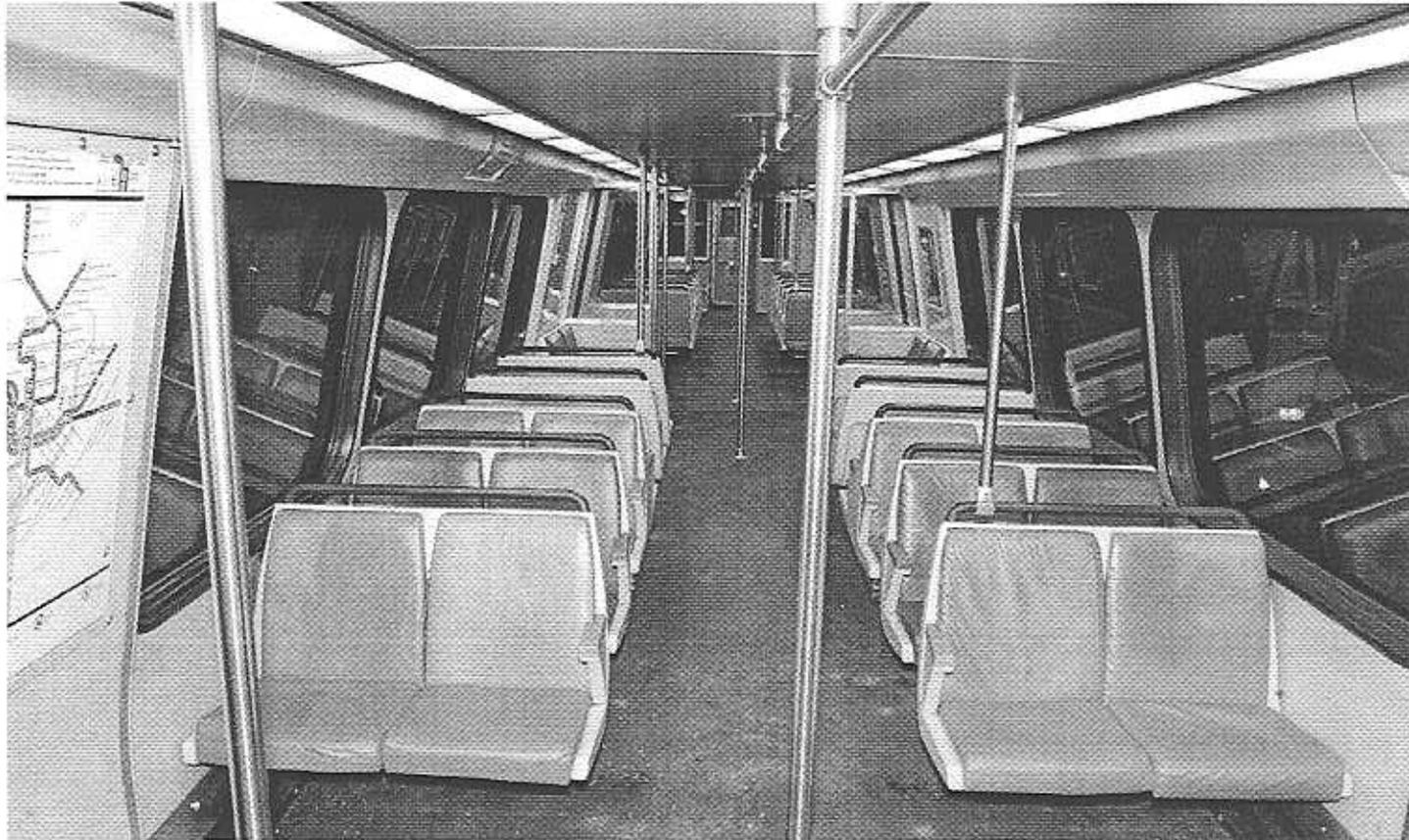


Proposed Pilot Program

- The pilot program will consist of two concepts and will use sixteen 3000-series cars -- a six-car train for each concept plus two pairs as spares. Each train will operate on a rotational basis on the Red, Orange, Green lines.
- The pilot program will be conducted in two phases:
 - Phase 1: install on-board cameras to record data to establish the baseline; recording will occur every Wednesday for at least three months.
 - Phase 2: remove seats, install new handholds and continue recording to ensure that an accurate and meaningful before/after study can be concluded. Public input will be gathered through intercept surveys with passengers.
 - Ad Hoc Passenger committee will be formed to evaluate pilot program and make recommendations.
- ROCS will be used to monitor dwell times and the reliability of the pilot trains using the new computer-based ROCS graph capability.
- Estimated cost \$750K:
 - Phase 1: \$160K to purchase and install cameras; \$100K to analyze baseline data and document findings.
 - Phase 2: \$400K to remove seats, install handholds, strengthen door pockets and modify floor heaters. \$50K to conduct customer research. Consider student project with local university(s) to analyze the data (\$40K)



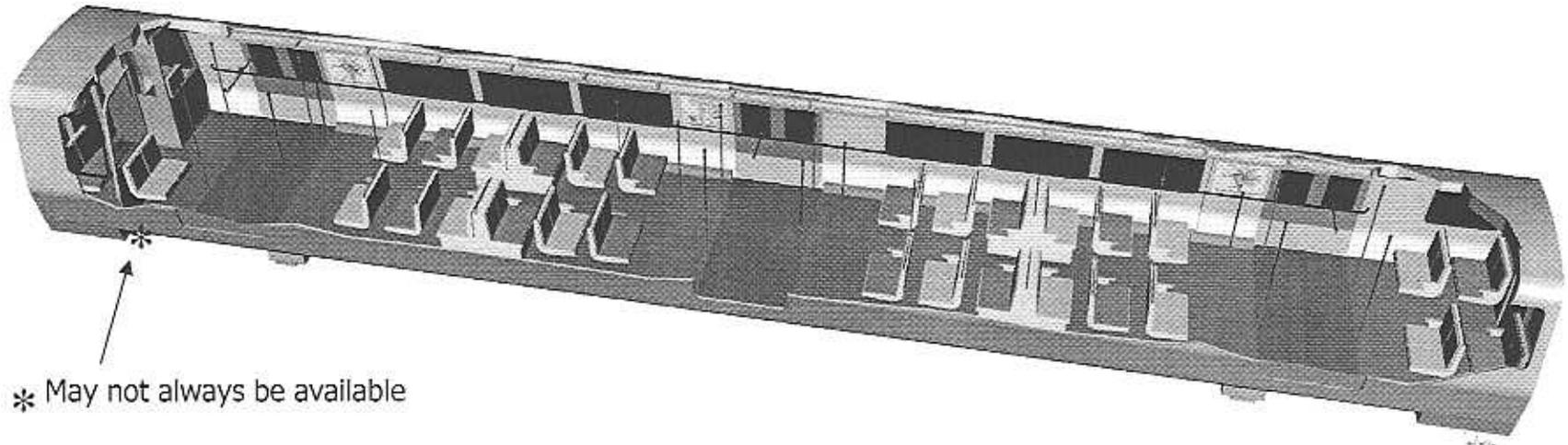
Existing Configuration



- 64 Seats
- Total Capacity: 182 passengers @ 3.0ft² per passenger
- Windscreens at most doorways
- 34 inch aisle width



Pilot Program: Concept I

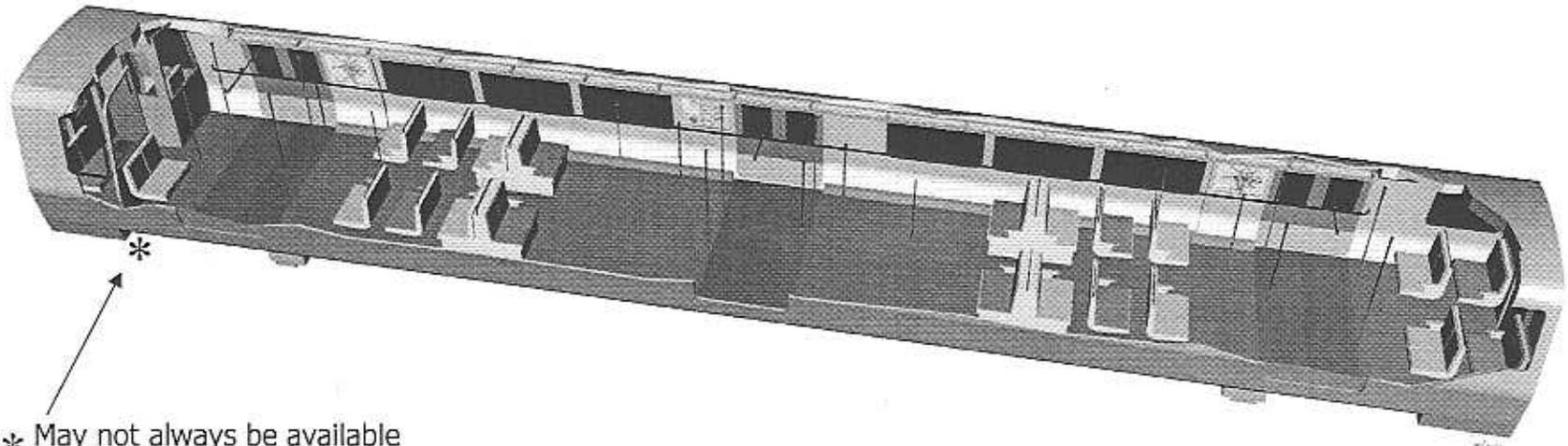


* May not always be available

- Remove 8 seats; priority seating (8). Install handholds.
- Expected increase in passenger capacity +4
- Relocate priority seating sign to first row of transverse seats.
- Number of Seats: 56
- Total Capacity: 186 passengers @ 3.0ft² per passenger
- 34 inch aisle width



Pilot Program: Concept II



- Remove 24 seats; priority seating (8); center transverse seats (16). Install handholds.
- Expected increase in passenger capacity +12.
- Relocate priority seating sign to first row of transverse seats.
- Number of Seats: 40
- Total Capacity: 194 passengers @ 3.0ft² per passenger
- 34 inch aisle width



Next Steps

- Commence Phase 1 data collection June 2005.
- Complete Phase 1 data collection/analysis and present findings to the Board November 2005.
- Commence Phase 2 upon Board approval.
- Complete Phase 2 data collection/analysis and present findings to the Board September 2006.



Recommendations

- Planning and Development Committee approve phase 1 of pilot program.
- Staff report back to Committee with baseline information and analysis and request approval to proceed with Phase 2.
- Funding for this project is provided within the IRP Railcar Enhancement Program (\$1M) approved as part of the 2004 Capital Improvement Program.

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: Regional Transportation Items

A. Federal Subsidies to Passenger Transportation.

The Bureau of Transportation Statistics of the U.S. Department of Transportation has published a report dated December, 2004. It compares federal subsidies to various modes and concludes that public transit received the greatest amount of net federal subsidy from 1990 (\$5.09 billion annually) to 2002 (\$7.31 billion annually). On a per thousand passenger-mile basis, transit was second behind Amtrak. Highway passenger users actually paid more to the federal government in user fees than the federal government paid out for that purpose.

The results by mode for FY 1990 and FY 2002 are:

	<u>1990</u>	<u>2002</u>
<u>Highway</u>		
Total	-\$3.5 billion	-\$3.5 billion
/1000 pax-miles	\$0	\$0
<u>Transit</u>		
Total	\$5 billion	\$7.5 billion
/1000 pax-miles	\$130	\$150
<u>Rail</u>		
Total	\$1.0 billion	\$1.25 billion
/1000 pax-miles	\$130	\$200



<u>Air</u>	<u>1990</u>	<u>2002</u>
Total	\$3.5 billion	\$3.8 billion
/1000 pax-miles	\$5	\$0

Unfortunately those conclusions are derived only with very questionable assumptions, many of which are recognized in the report itself. Among the assumptions on which the results depend:

- 1) The federal government participates in a funding and revenue-raising partnership and its share varies for each mode in each year. For example, federal funding for highways provided about 20.6% of the total for highways in 1990. The federal government derived about 89% of its expenditures in that year from revenues it labeled user charges (e.g. gas taxes). States paid about 52.3% of highway costs in 1990 with about 77% from user charges. Local governments paid 27.2% with about 6% from user fees in 1990. By 2002 these shares remained roughly the same. Thus, for highways, the federal government derives a much greater share of its expenditures from user fees than the other levels of government. To suggest, based only on the federal perspective, that highways are unsubsidized is inaccurate.

For transit, one cent of the federal gas tax is dedicated to a Mass Transit Fund. It is likely that this revenue is considered as a highway user fee but the proceeds are counted as federal transit expenditures. A different approach would credit the revenues also to transit to reflect the transit benefits to highway users (freeing space on the congested highways).

A related allocation issue is how to treat federal grants to states for highways that can be flexed to transit. It is not clear that the amounts that are flexed to transit are counted as transit expenditures, which may offset the above concerns to an unknown extent.

Finally, the portion of highway revenues and expenditures to be attributed to passengers versus freight must be calculated. A complex allocation document is cited in the report but it cannot be readily determined whether this allocation introduces any bias among the modes.

- 2) The use of each mode is expressed in thousands of passenger miles. Transit use in general is used for short-distance trips and is at a disadvantage when passenger-miles are used for comparisons. Airlines are just the opposite.

- 3) The definition of modes is suspect, as school buses are lumped with transit.
- 4) The tallies of expenditures/subsidies for each mode appear to be inconsistent, as tax credits are considered federal expenditures for Amtrak but oil-related subsidies (benefiting fuel intensive modes), accelerated depreciation and other tax benefits for auto manufacturers and users aren't included. Extensive airline security costs, paid largely by the federal government and financed by user fees, are not fully reflected either.
- 5) External benefits and costs of each mode are not considered. For transit, air quality, energy savings, congestion relief, economic development and job access are all arguably benefits of transit that can generate measurable returns. The federal government itself has a published methodology for computing the costs and benefits of transit that U.S. DOT uses in frequent reports to Congress. Using this methodology, transit produces net benefits of \$6.44 for mobility; \$9.82 for location efficiency and \$3.07 for congestion relief for each trip (as of 1995) provided at a cost of about \$7.10.

B. Traffic Congestion and Reliability.

Cambridge Systematics has prepared a report for the Federal Highway Administration that summarizes recent trends in congestion and highlights the role of unreliable travel times. [See www.ops.fhwa.dot.gov/.] Nationwide, the average peak period trip as of 2001 takes 40% longer than the same trip in the middle of the day, versus 13% longer in 1982. Two-thirds of peak-period travel was congested in 2001 versus a third in 1982.

Research shows that commuters value the variable component of their travel time at up to six times as much as their average travel time. "Just in time" shipping of freight also places a premium on reliability. Congested highways experience less reliable travel times.

The I-495 intersection with I-95 at the Springfield Interchange is ranked as the 15th worst in the U.S. with 15,035,000 annual person hours of delay.

C. Performance-Based Measures in Transit Fund Allocation.

This Transportation Research Board TCRP Synthesis 56 report was released in late 2004 and is available in its entirety at http://trb.org/news/blurb_detail.asp?id=4552. The research was performed by Cambridge Systematics and examined changes since the last such report in 1994. Among the findings of particular interest to NVTC are:

- 1) Processes for allocating funds to transit systems throughout the U.S. appear to be highly stable with little change in the use of allocation factors;
- 2) Where performance measures are used in transit fund allocation, conflict can occur with the goal of stable and reliable funding sources, and often the quality of the data is challenged;
- 3) The use of internal performance measures to guide management often occurs independently of the allocation of funds from outside agencies;
- 4) Transit performance measures for internal use are being broadened to include goals and objectives extending beyond internal economic efficiency (e.g. air-quality, mobility, economic growth); and
- 5) Only four states use performance measures to allocate transit funds (Indiana, Iowa, North Carolina, Ohio).

The information in the report is based on surveys sent to all 50 state DOT's, 18 MPO's and 21 transit agencies. From time to time in Virginia various advocates have sought to alter the current state transit assistance program by substituting different allocation factors ostensibly based on "performance," but NVTC has opposed those efforts. That is because the usual effect is to produce the counter-intuitive result that funds are shifted away from Northern Virginia in which transit clearly plays the most important role.

The report lists the most commonly used internal performance measures as follows:

Cost Efficiency:	cost/mile cost/hour cost/vehicle ridership/expense
Cost Effectiveness:	cost/pax. trip revenue/pax. trip ridership/expense
Service Effectiveness:	pax. trips/mile pax. trips/hour pax. trips/capita
Vehicle Efficiency:	miles/vehicle

Quality of Service:	average speed vehicle miles between road calls vehicle miles between accidents
Labor Productivity:	pax. trips/employee vehicle trips/employee
Coverage:	vehicle miles/capita vehicle miles/service

Finally, the bibliography cites TCRP Report 88: A Guidebook for Developing a Transit Performance-Measurement System published in 2003 and written by Kittleson & Associates (the firm that has been retained by NVTC to do similar work for NVTA's 2030 Transportation Plan Update).

D. Fairfax County Transportation Summit.

On March 11, 2005 the Fairfax County Board of Supervisors convened a transportation summit, chaired by NVTC Commissioner Elaine McConnell. Among the speakers was Alan Pisarski, who previously addressed the joint NVTC/PRTC commission meeting in November, 2004. Mr. Pisarski again made excellent use of census data to illustrate his views on important aspects of transportation policy.

Among his observations were:

- Since the economic power of this region depends on its ability to provide job access, we shouldn't accept as a goal "making things worse more slowly," especially since rising incomes boost the value of time and make more stringent the standards used to judge performance;
- Another way of recognizing the importance of good transportation is to realize that the "cure" for an area's traffic congestion is massive unemployment;
- Fairfax County is among the top six U.S. metropolitan areas in transit mode share and in the top four in HOV use;
- Applying measures of congestion, Fairfax County is well below the national average of percent of trips to work of less than 20 minutes (28% versus about 50% nationwide) and the county has 11.4% of its commuting trips at greater than 60 minutes;

- Passenger commuting, at 25%, is a declining share of total trips so that freight and non-work trips must be an important part of transportation policy;
- Trip making is a positive function of income, as is trip length, amount spent on transportation, mode choice (auto) and value of time; and
- Without foreign immigrants, Fairfax County's population would have declined in the 1990's and immigrants' use of public transit declines with time in the U.S.

Among the recommendations from the working groups were themes very familiar to NVTC commissioners:

- There is a need for an informed and vocal public;
- Public transit needs to make sure the system works for customers (pedestrian and bus access, parking, enough railcars);
- Public transit should emphasize its quality of life benefits.

E. Healthy Returns: The Economic Impact of Public Investment in Surface Transportation.

The American Public Transportation Association has released this March, 2005 report by Robert J. Shapiro and Kevin A. Hassett. These researchers conclude that surface transportation produces \$4 in direct benefits for each \$1 in direct costs. U.S. businesses derive almost \$315 billion annually in benefits through lower costs and higher productivity. U.S. individuals derive almost \$474 billion in benefits from time saved commuting to work and additional income from working farther from home. The public investment costs total \$185 billion annually, for net benefits of \$603 billion annually. Their estimate does not include the benefits of access to schools, medical facilities and

other non-work destinations. It also does not include benefits of enhanced competition in global markets.

Looking specifically at public transit, the authors estimate as of 2003:

- Total investment: \$13.2 billion
- Net capital stock: \$363 billion (18.5% of total surface transportation)

- Economic benefits to businesses: \$58.1 billion (18.5% of total)
- Benefits to commuters: \$22.6 billion (4.8% of total)
- Combined benefits: \$80.7 billion (10.2% of total)
- Spending by all government: \$41.3 billion (22.3% of total)
- Ratio of transit benefits to costs: 2

The authors also estimate the shares of financial support for public transit nationwide as of 2003:

- Federal: 16.7%
- State: 20.1%
- Local: 34.9%
- Fares: 28.3%



U.S. Department
of Transportation



Bureau of
Transportation Statistics

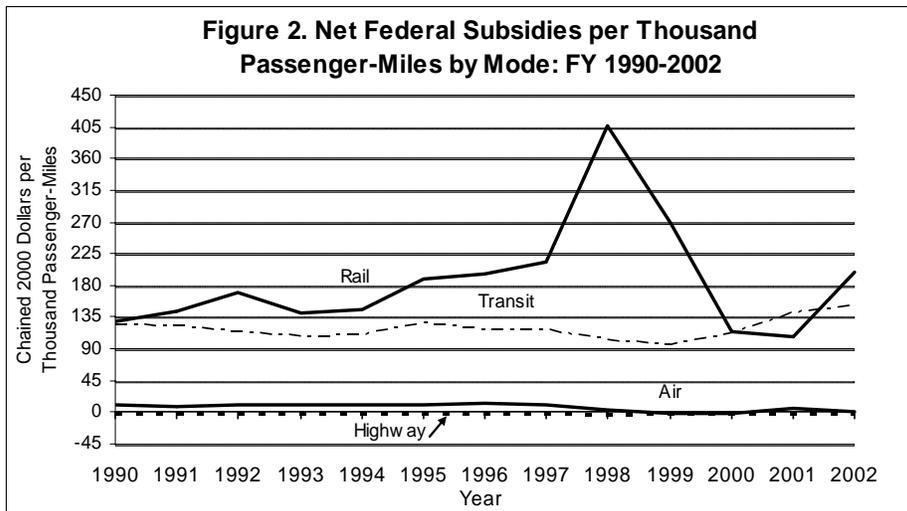
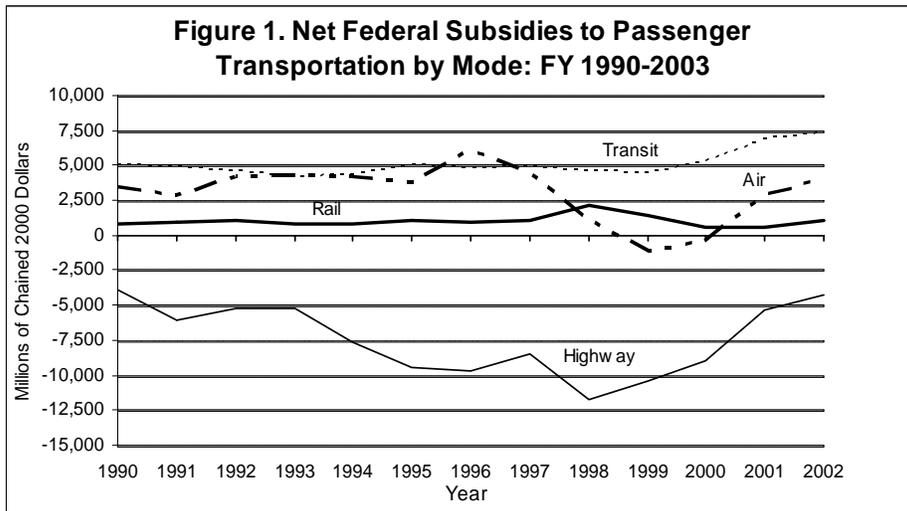
Federal Subsidies to Passenger Transportation

December 2004

Federal Subsidies to Passenger Transportation

Executive Summary

Recent work in the private sector and current policy debates have refocused attention on Federal subsidies to passenger transportation modes. To provide the Department of Transportation with an independent analysis of this issue, BTS developed data on federal transportation revenues, expenditures, and net subsidies, by mode. Subsidy, for the purpose of this analysis, represents a simple accounting calculation of the net flow of funds to or from the federal government for individual transportation modes. The excess of expenditures over revenues is the net subsidy. To show the amount of subsidy relative to the level of use of transportation infrastructure, we normalized the data by dividing the absolute net subsidy values by passenger-miles.



Highways

- Users of the highway passenger transportation system paid significantly greater amounts of money to the federal government than their allocated costs in 1994-2000. This was a result of the increase in the deficit reduction motor fuel tax rates

between October 1993 and September 1997, and the increase in Highway Trust Fund fuel tax rates starting in October 1997.

- School and transit buses received positive net federal subsidies over the 1990-2002 period, but autos, motorcycles, pickups and vans, and intercity buses paid more than their allocated cost to the federal government.
- On average, highway users paid \$1.91 per thousand passenger-miles to the federal government over their highway allocated cost during 1990-2002 (Figure 2).

Passenger Rail

- The net federal subsidy to passenger railroads was the third largest, except for the years 1998-2000 (Figure 1), when it was second. The Taxpayer Relief Act of 1997 provided Amtrak with a tax credit in the amount of \$2.18 billion in current dollars that caused the net federal subsidy to increase dramatically in 1998 and 1999.
- Passenger rail received the largest subsidy per thousand passenger-miles, averaging \$186.35 per thousand passenger-miles during 1990-2002 (Figure 2).

Transit

- Between 1990 and 2002, transit received the largest amount of net federal subsidy, increasing from \$5.09 billion to \$7.31 billion (Figure 1), an increase of 3% per year. Next to passenger rail, transit received the next highest net federal subsidy per thousand passenger-miles for the period, averaging \$118.26 in year 2000 chained dollars (Figure 2).

Air

- After transit, air transportation received the second largest net federal subsidy, except for the period from 1998 to 2000 (Figure 1), when rail was second. Subsidies declined in 1998-2000 as a result of the increase in federal receipts from aviation users associated with the Taxpayer Relief Act of 1997, which increased existing aviation excise tax rates and introduced new taxes as of October 1, 1997.
- Net federal subsidy per thousand passenger-miles for air increased between 1990 and 1996 and then declined from 1997 to 2000, before rising again in 2001 and 2002 (Figure 2). The decline during 1997-2000 was caused by the increase in federal receipts from aviation users as a result of the increase in the existing excise tax rates and the introduction of new taxes in 1997, which preceded increases in expenditures.

I. Introduction

Recent work in the private sector and current policy debates have refocused attention on Federal subsidies to passenger transportation modes. To provide the Department of Transportation with an independent analysis of this issue, BTS developed data on federal transportation revenues, expenditures, and net subsidies, by mode. We have also included discussions of cost allocation formulas with respect to federal trust funds, and of normalization metrics, both of which are important issues for such calculations. In addition we have discussed the role of social costs and benefits analysis of modal subsidies.

Calculating Subsidies – What’s Included

Subsidy, for the purpose of this analysis, represents a simple accounting calculation of the net flow of funds to or from the federal government for individual transportation modes. We calculate federal government transportation expenditures for each mode, including direct payments to carriers (both private companies and public agencies) and government expenditures on supporting infrastructure, minus revenues the federal government collects from that mode. These revenues include fuel taxes, fees, and other payments to the federal government specific to transportation, paid by companies, public agencies, or individual transportation system users. The fuel tax revenues dedicated to mass transit, to the extent they derive from non-transit vehicles, are considered highway revenues¹. We do not include such items as corporate income taxes paid by transportation companies to support general government functioning, because such taxes are paid by all companies. The excess of expenditures over revenues is the net subsidy.

Allocation Formulas for Infrastructure Expenditures

Many federal government transportation expenditures are not direct payments to transportation carriers, but instead involve funding repairs, improvements, and expansions of infrastructure shared by multiple modes. These expenditures are allocated among the modes sharing the infrastructure in question. Section IV discusses the allocation formulas used and issues surrounding their use.

Normalization Measures

While net subsidy is of interest to policymakers and others, additional insight may be gained by normalizing the subsidy, dividing it by an indicator of the size of the passenger transportation activity being subsidized (for example per passenger-mile). This makes it easier to directly compare levels of subsidy among modes that vary dramatically in their extent and utilization. The issues involved with different normalization measures such as passengers and passenger-miles are discussed in Section V.

Federal vs. State and Local

¹These funds represent highway user fuel taxes that are transferred to the Mass Transit Account by Congressional mandate. Though originating with highway users, they are dedicated to supporting mass transit for public policy reasons. If they were considered mass transit revenues, a different set of results would be generated.

The current analysis reflects federal revenue and expenditure data only. An analysis including state and local revenue and expenditure data may show different results and would raise different issues of revenue and expenditure definition.

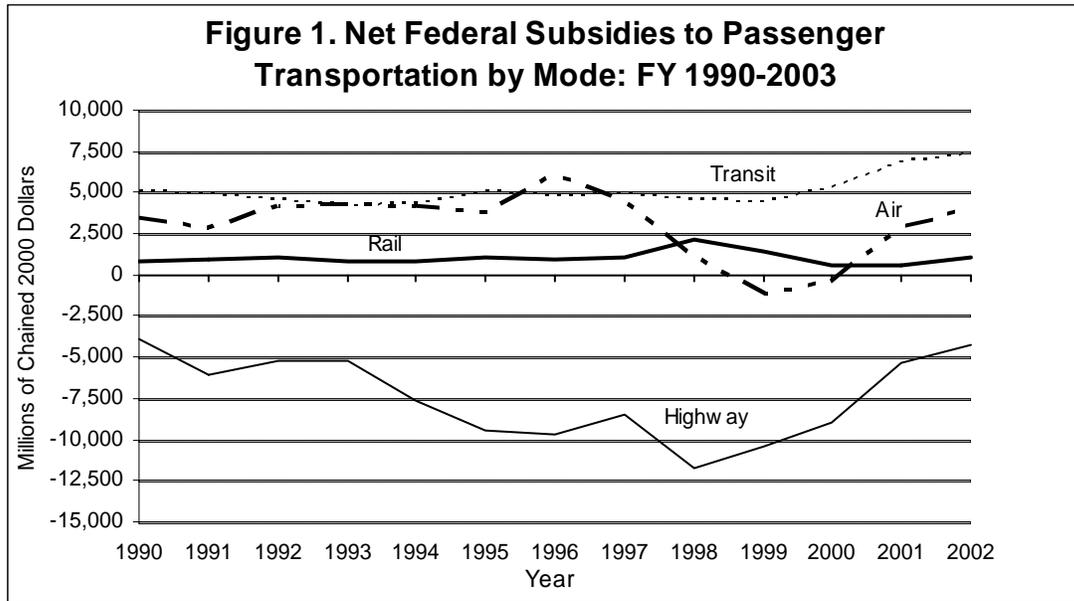
Social Costs and Benefits

The result of the above calculations is a net federal subsidy (reflecting allocations of common infrastructure among modes) per unit (such as per passenger-mile). While this is useful information, it incorporates only the amount of cash subsidies – it does not reflect other aspects of full social costs and benefits, such as externalities, for example environmental pollution and excessive energy use. The issues involved in full social cost calculation are considered in Section VI.

II. Federal Subsidies to Passenger Transportation

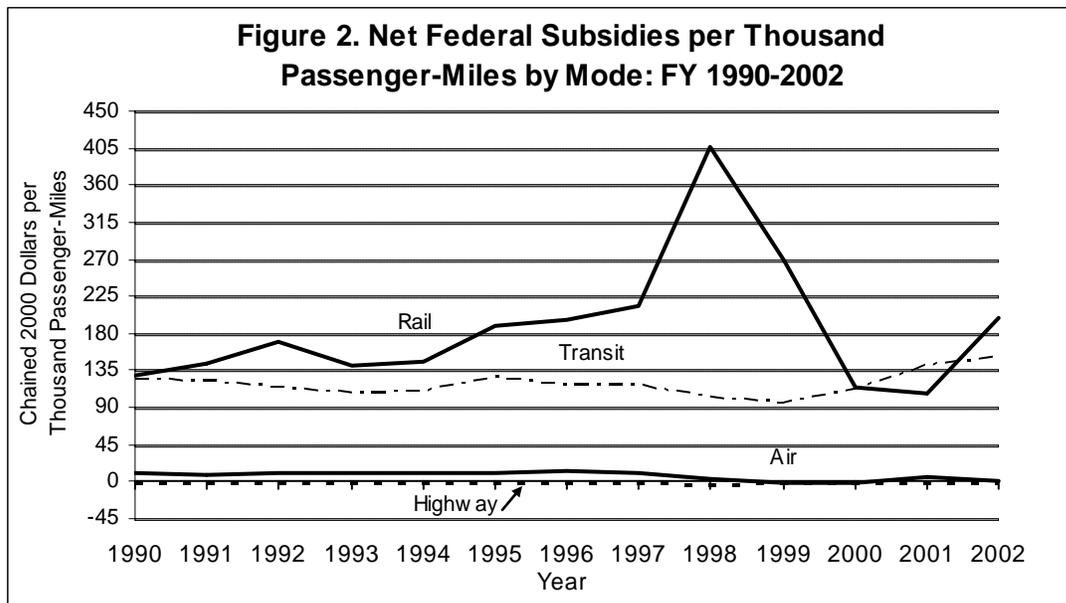
The federal government spends billions of dollars every year on the passenger transportation system. Net federal subsidies (spending minus revenues) vary across different modes of transportation.

Net Federal subsidies have varied over time as well, as shown in Figure 1.



Sources: See Table 2.

The pattern of Net Federal Subsidies changes when we look at subsidies per Thousand Passenger-Miles, as shown in Figure 2.



Sources: See Table 4.

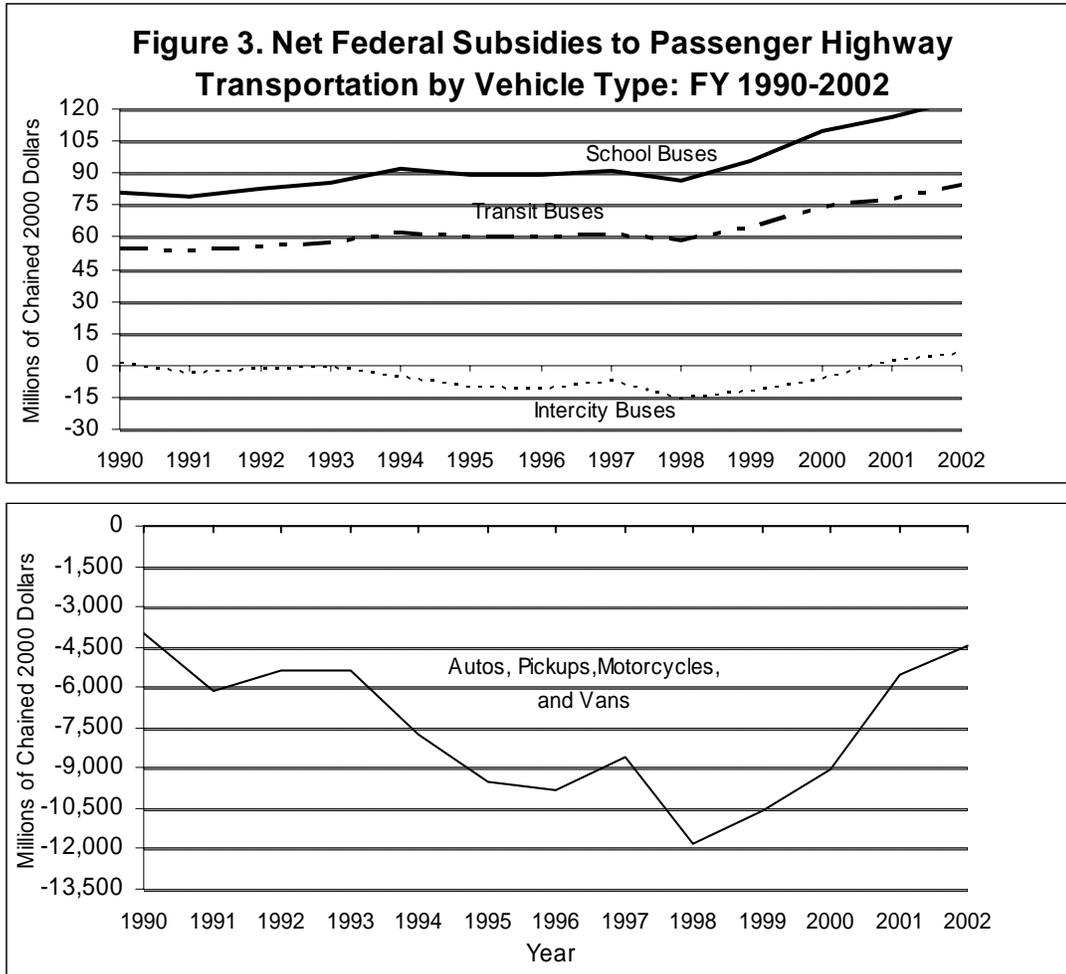
Highways

- The net federal subsidy to highway passenger transportation shows negative values for the entire period, indicating excess user charge payments (e.g., fuel taxes) by highway users over their allocated cost (Figure 1)². Users of the highway passenger transportation system paid significantly greater amounts of money to the federal government than their allocated costs in 1994-2000. This was a result of the increase in the deficit reduction motor fuel tax rates between October 1993 and September 1997, and the increase in Highway Trust Fund fuel tax rates starting in October 1997³.
- In discussing highways, it should be borne in mind that the Highway Trust Fund is governed by the Byrd amendment, which mandates a long term zero balance in the fund (i.e. that any unfunded authorizations at the end of a fiscal year must be less than the revenues anticipated to be earned in the following 24 months). This means that, apart from the funds transferred from the Highway Trust Fund to mass transit, any positive or negative subsidies for the highway mode should be short term, primarily reflecting fluctuations in revenue patterns to which expenditures adjust only after a time lag⁴.
- Not all users of the highway passenger transportation system have had negative federal subsidies during the period under consideration. School and transit buses received positive net federal subsidies over the 1990-2002 period, but autos, motorcycles, pickups and vans, and intercity buses paid more than their allocated cost (in the form of user charges) to the federal government (Figure 3).

² Tables at the end of this report provide detailed subsidy data.

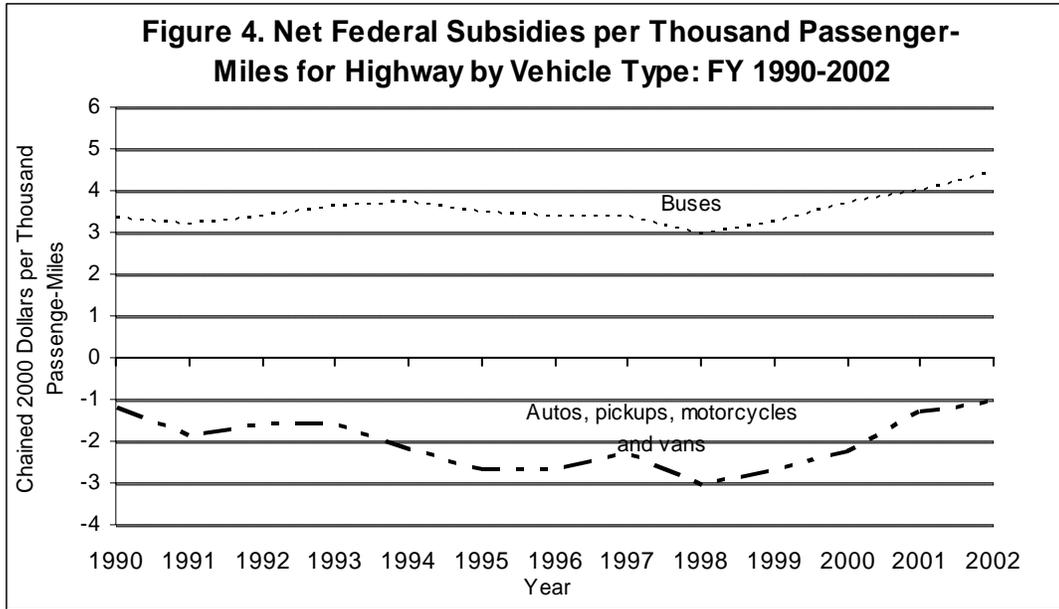
³ Congressional Research Service (CRS), "Transportation Fuel Taxes, Legislative Issues, and the Transportation Equity Act," CRS Report for Congress, June 17, 1998.; and U.S. DOT, Federal Highway Administration (FHWA) "Highway Statistics 2002," Table FE-21B, available at <http://www.fhwa.dot.gov/policy/ohpi/hss/hsspubs.htm>, as of August 2004.

⁴ Since the current study looks only at passenger revenues and expenditures, it is possible that it could show a positive or negative subsidy for passenger users of highways, even while the overall highway trust fund cash flows were in balance. This would depend on the allocations among the freight and passenger users of the highway system.



Sources: See Table 2.

- On average, highway users paid \$1.91 per thousand passenger-miles to the federal government over their highway allocated cost during 1990-2002 (Figure 2). While net federal subsidy per thousand passenger-miles for buses (including school, transit, and intercity buses) has been positive during 1990-2002, it has been negative for autos, pickups, and vans (Figure 4). Autos, pickups, and vans paid on average about \$2.03 per thousand passenger-miles more each year than their allocated cost.



Sources: See Table 4.

Passenger Rail

- The net federal subsidy to passenger railroads was the third largest, except for the years 1998-2000 (Figure 1), when it was second. The Taxpayer Relief Act of 1997 provided Amtrak with a tax credit in the amount of \$2.18 billion in current dollars that caused the net federal subsidy to increase dramatically in 1998 and 1999⁵.
- On average, passenger rail received the largest subsidy per thousand passenger-miles, averaging \$186.35 (in year 2000 chained dollars) per thousand passenger-miles during 1990-2002 (Figure 2).

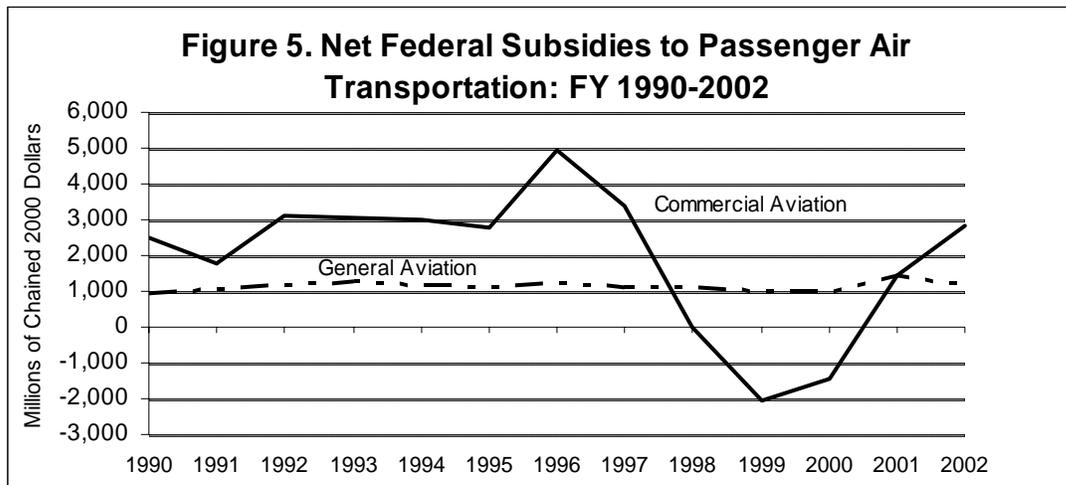
Transit

- Between 1990 and 2002, transit received the largest amount of net federal subsidy, increasing from \$5.09 billion to \$7.31 billion in chained 2000 dollars (Figure 1), an increase of 3% per year.
- On a per thousand passenger-miles basis, transit received the second highest net federal subsidy, second to passenger rail, averaging \$118.26 in year 2000 chained dollars (Figure 2).

⁵ AMTRAK, "1999 Annual Report," Washington, DC, Pages 32 and 42.

Air

- After transit, air transportation received the next largest net federal subsidy, except for the period from 1998 to 2000 (Figure 1). The amount of net subsidy to air transportation was greater in 1996 and 1997 than in any other year because of an interruption in tax collections from aviation users. Tax collections were interrupted from January to July 1996 and from January to March 1997 due to delays in reenacting the authority of the FAA to collect aviation taxes⁶. The FAA estimated that about \$5.6 billion in tax revenue was lost due to the lapse in tax collections in these years. Net federal subsidies declined in 1998-2000 as a result of the increase in federal receipts from aviation users. The higher federal receipts from aviation users in those years were due to the Taxpayer Relief Act of 1997, which increased existing aviation excise tax rates and introduced new taxes as of October 1, 1997⁷.
- A large proportion of the federal subsidy to passenger air transportation was directed to the commercial aviation system in most of the years of the analysis period (Figure 5). However, subsidies for general aviation exceeded those for commercial aviation during the three-year period from 1998 to 2000 when increased excise taxes on commercial aviation took effect.



Sources: See Table 2.

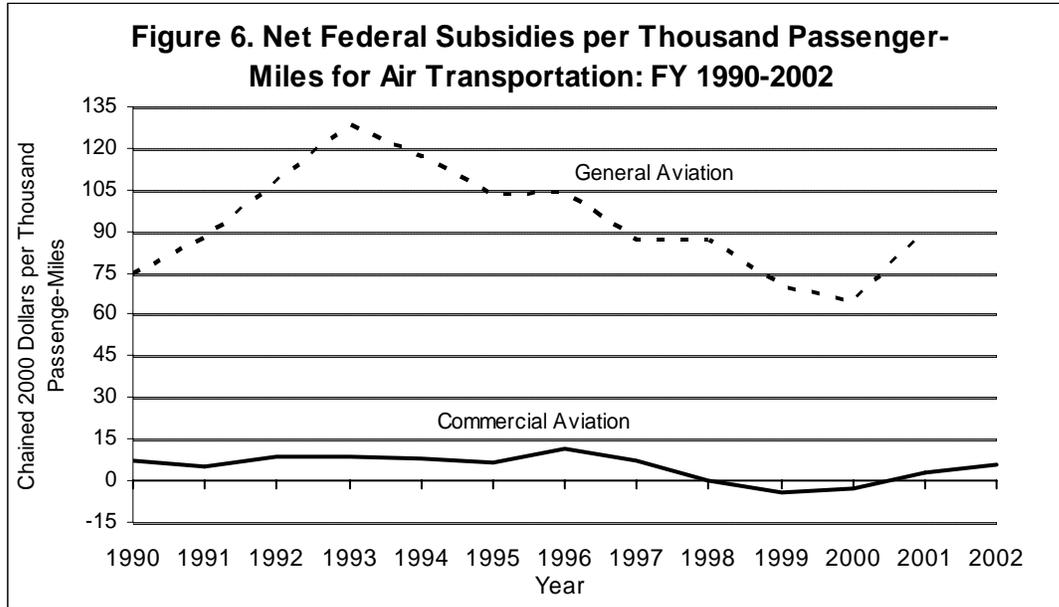
- Net federal subsidy per thousand passenger-miles for air increased between 1990 and 1996 and then declined from 1997 to 2000, before rising again in 2001 and 2002 (Figure 2). As indicated above, the decline during 1997-2000 was caused by the increase in federal receipts from aviation users as a result of the increase in the

⁶U.S. DOT, Federal Aviation Administration (FAA) “Budget in Brief – Fiscal Year 1997,” Washington, DC, Page 5; and “Budget in Brief – Fiscal Year 1998,” Washington, DC, Page 5.

⁷U.S. DOT, Federal Aviation Administration (FAA) “Budget in Brief – Fiscal Year 1999,” Washington, DC, Page 4

existing excise tax rates and the introduction of new taxes in 1997, which preceded increases in expenditures.

- The federal government provided more subsidies to the general aviation system per thousand passenger-miles than for commercial aviation for the entire period 1990-2002 (Figure 6). Federal subsidy per thousand passenger-miles for general aviation grew rapidly between 1990 and 1993 and then fell between 1994 and 2000, before rising afterwards.



Sources: See Table 4.

III. Definition and Coverage

Federal subsidy can be broadly defined as any financial assistance provided to particular transportation modes, transportation activities, or specific groups of transportation infrastructure users. This definition includes both direct monetary transfers as well as indirect subsidies⁸. In this report, net federal subsidies are estimated as the difference between federal outlays for passenger transportation and receipts collected from users of the passenger transportation system. Thus, the value of net federal subsidies can be either positive or negative. Negative numbers show user fee payments to the federal government in excess of allocated cost. Detailed data on federal subsidies such as service-specific or vehicle-type-specific estimates are calculated using allocation formulas that estimate the cost responsibilities and revenue contributions of specific services or types of vehicles. It should be noted that not all types of federal subsidies will be captured using this method. Some of the indirect subsidies, such as federal tax exemptions, favorable tax treatment, or favorable laws and regulations that can create money transfers through market mechanisms, are not covered. Tax credits for Amtrak under the Taxpayer Relief Act of 1997, which were specifically designed for that transportation company, have been included.

The estimates in this report include net federal subsidies to passenger transportation for highway, air, transit, and intercity railroad transportation. Subsidies to passenger transportation by state and local government are not included. The data for highway are further subdivided into net federal subsidies to autos, motorcycles, pickups and vans; school buses; transit buses; and intercity buses. Subsidies to air transportation are also presented separately for commercial air carriers and general aviation. All data are compiled in current and chained 2000 dollars⁹. The more heavily traveled modes will tend to have larger subsidies. Thus, to show the amount of subsidy relative to the level of use of transportation infrastructure, we normalized the data by dividing the absolute net subsidy values by passenger-miles.

⁸Indirect subsidies include the provision of transportation infrastructure to users at less than its full cost, federal tax exemptions, tax credits, preferential tax treatments, and provision of favorable laws and regulations that create transfers through market mechanisms.

⁹The chained 2000 dollar values are computed by deflating the current net subsidy values by the GDP deflator for federal non-defense expenditures, which is obtained from the National Income and Product Account tables of the Bureau of Economic Analysis.

IV. Allocation Formulas

Because there are several forms of transportation of highway and air transportation, federal revenues and expenditures for the highway and air transportation systems are allocated to the various forms of transportation that share them. The allocation formulas for air and highway revenues and expenditures, especially the allocation of highway trust fund expenditures, are important to this subsidy analysis. While the cost studies these formulas were based on relating trust fund revenues and expenditures to major classes of system users, these classes do not necessarily correspond to different forms of transportation. The vehicle classes for example include numerous classes of trucks, all of which were considered one form of transportation and, being freight, were excluded from this analysis. In the 1997 Federal Highway Cost Allocation Study, there are 3 non-commercial passenger vehicle categories, autos, motorcycles, and other light vehicles, all of which we aggregated into the highway passenger vehicle form of transportation¹⁰. By contrast, the bus category, which is one vehicle category in the Allocation Study spans multiple forms of transportation. In the Allocation Study this category includes school buses, transit buses, and intercity buses. We use these same subcategories to allocate revenues and expenditures. We used bus registration and usage data to break the category into those subcategories, as the FHWA Allocation Study did not itself break down the bus category by subcategory.

A potential obstacle in using cost allocation estimates for calculating subsidies is the need to account for expenditures used in building and maintaining restricted use facilities, such as HOV lanes or exclusive bus lanes, whose cost should be assigned to the particular modes that are allowed to use them. These expenditures frequently are part of larger construction and maintenance projects, and are difficult to isolate. This study does not separately allocate the use of such pieces of infrastructure to multiple forms of transportation (e.g. buses and high-occupancy vehicles) because data on how many of each type of vehicle use such facilities are not available. Instead we allocated expenditures on these facilities using the general formulas for highway infrastructure.

A similar problem arises when looking at intermodal connections. For example, should part of the cost of an access road to an airport or a light-rail system stopping at the airport be allocated to the air passenger mode? These are issues that are not included in this analysis, but should be considered for future work in this area. In this study, costs for a highway or transit line leading to an airport are attributed to the highway and transit modes, respectively.

We have been able to make some minor changes and improvements to the current allocation estimates to refine the cost allocations for transit and intercity buses, using Vehicle Miles Traveled to break down vehicle types into ones relevant to our modal analysis.

¹⁰Federal Highway Administration, 1997 Federal Highway Cost Allocation Study, August 1977.

We have also applied the FHWA allocation formulas to non-FHWA funded highways (Forest Service funded highways, for example.) While allocation formulas specific to these highways would be preferable, they have not been developed and would make a minor impact on the overall highway allocation.

The issue of allocation of air revenues and expenditures is less complicated. Costs and revenues are allocated among passenger and freight infrastructure and services (similar to the division between highway passenger vehicles and freight trucks) and general aviation. The detailed summaries of the airport and airway trust fund cash flow accounts do not separate out freight versus passenger revenue or expenditures. However, cost allocation studies were conducted in the past, the latest one completed in 1995. That study allocates Federal Aviation Administration costs into six commercial user categories, three general aviation categories, and two other public user categories¹¹. The user categories are detailed enough to distinguish between passenger and freight services. The cost allocation estimates, converted to percentages, can be used to allocate aviation expenditures among commercial air passenger, commercial air freight, and general aviation users.

We have not used an allocation formula for railroads, because rail infrastructure is in most cases privately owned, and rail carriers make explicit payments to the owner of the rail infrastructure for the use of the infrastructure. Passenger railroads such as Amtrak pay for their use of freight railroad infrastructure, and freight railroads pay for their use of Amtrak infrastructure in the Northeast Corridor. We have assumed that these payments adequately reflect the value of the infrastructure usage.

¹¹GRA Incorporated, A Cost Allocation Study of FAA's 1995 Costs, FAA Office of Aviation Policy and Plans, U.S. Federal Aviation Administration, March 1997.

V. Normalization Metrics

While total net subsidy may be of interest to policymakers, additional insight may be gained by normalizing the subsidy; that is, by dividing it by an indicator of the magnitude of the transportation activity being subsidized. This makes it easier to compare subsidies directly among modes that vary dramatically in their extent and utilization.

Normalization may be accomplished in several ways depending on the intended use.

1. Passenger-Miles

Passenger-miles are the most basic measure of passenger transportation mode usage. They take into account both the number of passengers using a mode and the number of miles each passenger travels on the mode. It is likely that most forms of user benefits, and even many non-user benefits, are proportionate to mileage, and thus it can be used as a proxy for total benefits. It is comparable across modes.

However it is still an imperfect proxy because across transportation markets there are generally diminishing returns to trip length – i.e. that revenues per mile are lower for longer distance trips, other things being equal. This would suggest that the same would hold for the benefits of a transportation mode relevant to evaluating a subsidy for that mode. Comparing modes that have dramatically different average trip lengths, subsidy per passenger-mile may overstate the subsidy for modes with short trip lengths and understate subsidy for modes with long trip lengths. Differences in circuitry among modes will also impact results, since measured trip length will differ among modes for the same origin-destination pair.

There are also problems with the availability of data for passenger-miles for some modes.

2. Passengers

The number of passengers can serve as a proxy for passenger-miles in cases where the number of miles per passenger (or per trip) are roughly similar for different passengers. The data are also generally more readily available. Because this measure does not reflect mileage, however, it does not distinguish between a short distance trip of little traveler value, with few social costs, and a long distance trip of larger traveler value and larger social costs. While subsidy per passenger-mile *overstates* the subsidy for modes with short trip lengths, subsidy per passenger *understates* the subsidy for such modes. The other major problem with this measure is that for some modes, like transit, only unlinked trips are generally available. Data on unlinked trips treat each leg of the trip as a separate trip, so that a single round trip may be represented in the data by four or five unlinked trips. This may overstate ridership for such modes.

3. Seat Miles

Seat miles do not measure actual transportation usage, but instead measure transportation availability. The argument for this approach is that government subsidies to carriers essentially purchase availability, and the utilization of that availability is determined by private carrier pricing and other market conditions beyond the government's control. While this measure cannot be used now, due to data limitations among the modes, it could be a helpful additional metric when the data become available. It would still be limited as a basis for broad comparisons, since most government expenditures on transportation do not go to carriers, but to infrastructure, and it's not clear what meaning subsidy per seat mile would have for personal vehicles, for example.

4. Route Miles

Another way of looking at subsidies could be relative to route miles. Some subsidies are used to add incremental infrastructure, and arguably what is being purchased in that instance is not so much usage as access, and access is measured by the extent of routes over which service is available. There are inherent limitations to this approach, especially for modes like air and bus where competing companies run parallel routes on the same infrastructure (i.e., do two companies on a route count as one route or two.) Vehicle miles could represent another approach to measuring access.

5. Hours

All of the mileage-based metrics assume that transportation between two points is the goal of the activity. Some forms of transportation, such as general aviation and boating, are heavily used for recreational purposes, where the objective is to enjoy the transportation activity and then return to the starting point. In these cases, passenger hours might be more suitable for normalization than mileage-based metrics.

6. Conclusion

While passenger-miles are used in this analysis, future work could explore the implications and data issues of using passengers, seat-miles, and other measures. This study uses passenger-miles because of their numerous strengths, as indicated above.

VI. Full Social Costs and Benefits

The major reason that some modes of transportation are subsidized is that they are perceived as providing social benefits in addition to the benefits provided to passengers using these modes. These benefits can take several forms.

First, some modes of transportation can impose social costs on society as a whole, such as environmental pollution and excessive energy use. Modes which produce less pollution or use less energy may produce social benefits by diverting traffic from more polluting, less energy-efficient modes. The impact of different modes on metropolitan development patterns is also an issue.

Second, as certain modes become congested, it may be less costly to expand capacity in less-congested modes than it is to expand capacity in the modes that are already congested. Subsidies to passengers in less-congested modes can provide benefits to passengers in more-congested modes by reducing the traffic congestion they face.

Third, subsidies may produce more economically efficient use of a transportation mode. Economic theory argues that the economically efficient price, which maximizes consumer welfare, is the price that just covers the marginal costs of transportation usage. If a transportation mode has high fixed costs, but low variable costs of operation, charging a fare that covers all of the fixed costs may discourage usage to the point that the infrastructure is underused and consumer benefits are reduced.

In addition to helping to understand the rationale for subsidies, social costs and benefits may provide a better way of normalizing the magnitude of subsidies. A strong case can be made that comparing the magnitude of the subsidies to the magnitude of net social benefits, by mode, provides a better view of the relative subsidy than does normalizing by a physical measure such as passengers or passenger-miles.

We have not included analysis of the social costs and benefits of different transportation modes because of the difficulty of providing a value of these costs and benefits.

VII. Tables

Table 1. Net Federal Subsidies to Passenger Transportation by Mode: FY 1990-2003

(Millions of Current Dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
All Modes, total	4,113	2,122	3,740	3,485	1,531	499	2,132	1,900	-3,628	-5,480	-3,392	5,205	8,621	N/A
Highway	-2,906	-4,775	-4,184	-4,394	-6,558	-8,391	-8,798	-7,866	-11,022	-10,085	-8,909	-5,398	-4,459	N/A
Autos, Pickups & Vans	-3,010	-4,877	-4,294	-4,513	-6,686	-8,515	-8,925	-8,000	-11,144	-10,229	-9,086	-5,598	-4,684	N/A
School Buses	61	63	66	72	79	79	82	84	82	93	109	118	131	N/A
Transit Buses	41	42	45	48	54	54	55	57	55	63	74	80	89	N/A
Intercity Buses	1	-3	-1	-1	-5	-9	-10	-8	-15	-12	-7	2	6	N/A
Air	2,605	2,262	3,420	3,633	3,578	3,478	5,648	4,159	1,056	-1,049	-446	2,953	4,235	N/A
Commercial Aviation	1,876	1,426	2,486	2,566	2,585	2,479	4,510	3,143	-17	-2,009	-1,433	1,500	2,979	N/A
General Aviation	729	836	935	1,067	993	999	1,139	1,016	1,074	960	987	1,454	1,257	N/A
Transit	3,832	3,917	3,675	3,517	3,770	4,474	4,375	4,583	4,302	4,265	5,334	7,048	7,695	4,922
Railroad	582	717	829	730	741	938	907	1,024	2,036	1,389	629	602	1,150	1,051

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Table 2. Net Federal Subsidies to Passenger Transportation by Mode: FY 1990-2003

(Millions of Chained 2000 Dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
All Modes, total	5,465	2,682	4,651	4,162	1,773	558	2,338	2,039	-3,849	-5,657	-3,392	5,108	8,195	N/A
Highway	-3,862	-6,036	-5,204	-5,248	-7,592	-9,391	-9,645	-8,441	-11,693	-10,410	-8,909	-5,297	-4,238	N/A
Autos, Pickups & Vans	-3,999	-6,165	-5,340	-5,390	-7,740	-9,530	-9,784	-8,584	-11,822	-10,558	-9,086	-5,494	-4,452	N/A
School Buses	81	79	83	85	92	89	89	91	87	96	109	116	125	N/A
Transit Buses	55	54	56	58	62	60	60	61	59	65	74	78	84	N/A
Intercity Buses	1	-4	-2	-2	-6	-10	-11	-8	-16	-12	-7	2	5	N/A
Air	3,462	2,860	4,253	4,338	4,143	3,893	6,192	4,463	1,120	-1,083	-446	2,898	4,026	N/A
Commercial Aviation	2,493	1,803	3,091	3,065	2,993	2,774	4,944	3,373	-19	-2,073	-1,433	1,472	2,831	N/A
General Aviation	969	1,057	1,162	1,274	1,150	1,119	1,248	1,090	1,139	991	987	1,427	1,194	N/A
Transit	5,091	4,952	4,570	4,200	4,364	5,007	4,796	4,918	4,564	4,402	5,334	6,917	7,314	4,572
Railroad	774	906	1,031	872	858	1,049	994	1,099	2,160	1,434	629	591	1,093	976

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Table 3. Net Federal Subsidies per Thousand Passenger-Miles by Mode: FY 1990-2002

(Dollars per Thousand Passenger-Miles)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
All Modes, total	1.08	0.55	0.95	0.87	0.37	0.12	0.50	0.43	-0.80	-1.18	-0.71	1.05	1.72
Highway	-0.85	-1.38	-1.18	-1.22	-1.79	-2.27	-2.32	-2.02	-2.75	-2.46	-2.13	-1.23	-1.00
Autos, Pickups & Vans	-1.31	-2.20	-1.93	-2.03	-2.96	-3.71	-3.80	-3.33	-4.50	-4.08	-3.55	-2.18	-1.79
Buses	2.51	2.51	2.73	3.01	3.23	3.11	3.06	3.17	2.77	3.14	3.70	4.08	4.66
Air	7.26	6.46	9.36	9.76	8.99	8.39	12.65	8.98	2.22	-2.09	-0.84	5.88	N/A
Commercial Aviation	5.42	4.22	7.01	7.08	6.66	6.14	10.38	6.97	-0.04	-4.11	-2.78	3.08	6.18
General Aviation	56.09	69.09	86.53	107.73	101.36	92.54	94.90	81.30	81.95	68.07	64.93	91.42	N/A
Transit	93.13	96.24	91.32	89.29	95.23	112.39	105.73	108.25	97.49	93.01	111.90	143.63	159.24
Railroad	96.17	114.25	136.14	117.72	125.22	169.07	179.62	198.19	383.82	260.57	114.36	108.25	210.31

KEY: N/A = Data not available

NOTES: Net federal subsidy is estimated as federal outlays minus federal receipts from transportation taxes and user fees. Actual outlays and receipts are used in the calculation. Negative numbers show user charge payments to the federal government in excess of cost responsibility.

The Taxpayer Relief Act of 1997 allowed motor fuel taxpayers to delay until October 5, 1998, the payment of fuel taxes that otherwise would be due in August and September of 1998. This provision effectively shifted about \$6 billion in Highway Trust Fund receipts from 1998 to 1999. We have included these funds in FY 1998, when they were actually paid by highway users.

Buses are not broken down into different types, because there is no passenger mile data by type of bus.

There is some double counting of bus passenger-miles in the highway and transit modes. However, no adjustments are made since data are not available to reliably estimate the magnitude of the double counting.

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Table 4. Net Federal Subsidies per Thousand Passenger-Miles by Mode: FY 1990-2002

(Chained 2000 Dollars per Thousand Passenger-Miles)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
All Modes, total	1.43	0.70	1.18	1.03	0.43	0.13	0.55	0.46	-0.85	-1.22	-0.71	1.03	1.63
Highway	-1.13	-1.75	-1.47	-1.45	-2.07	-2.55	-2.55	-2.17	-2.92	-2.54	-2.13	-1.20	-0.95
Autos, Pickups & Vans	-1.21	-1.85	-1.56	-1.55	-2.19	-2.68	-2.68	-2.29	-3.07	-2.68	-2.26	-1.29	-1.03
Buses	3.34	3.17	3.39	3.60	3.74	3.48	3.36	3.40	2.93	3.25	3.70	4.00	4.43
Air	9.65	8.17	11.63	11.66	10.40	9.39	13.86	9.64	2.35	-2.15	-0.84	5.77	N/A
Commercial Aviation	7.21	5.33	8.71	8.46	7.70	6.87	11.37	7.48	-0.04	-4.25	-2.78	3.03	5.87
General Aviation	74.53	87.34	107.61	128.67	117.35	103.57	104.04	87.24	86.93	70.26	64.93	89.72	N/A
Transit	123.74	121.67	113.56	106.64	110.25	125.78	115.91	116.15	103.42	96.00	111.90	140.95	151.36
Railroad	127.78	144.44	169.30	140.60	144.97	189.22	196.91	212.67	407.16	268.96	114.36	106.23	199.90

KEY: N/A = Data not available

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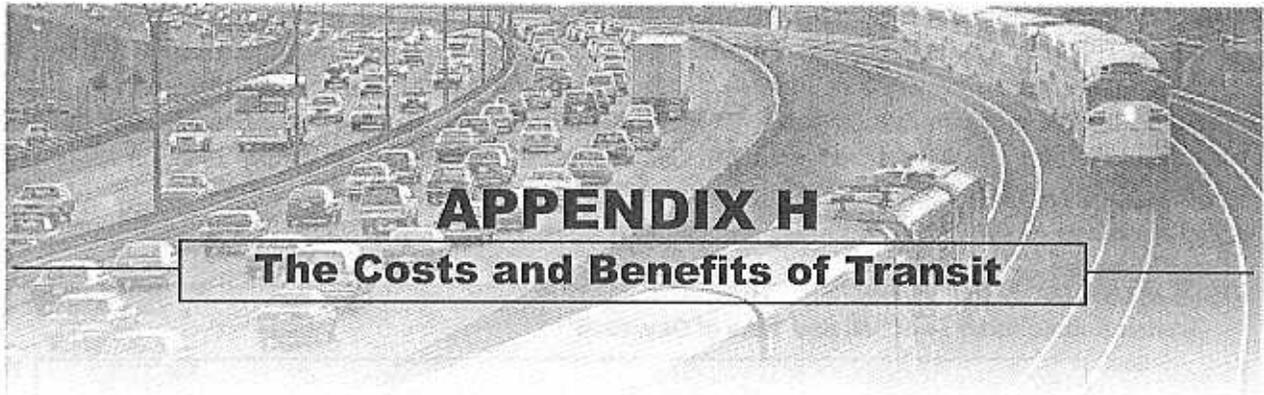
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APPENDIX H

The Costs and Benefits of Transit

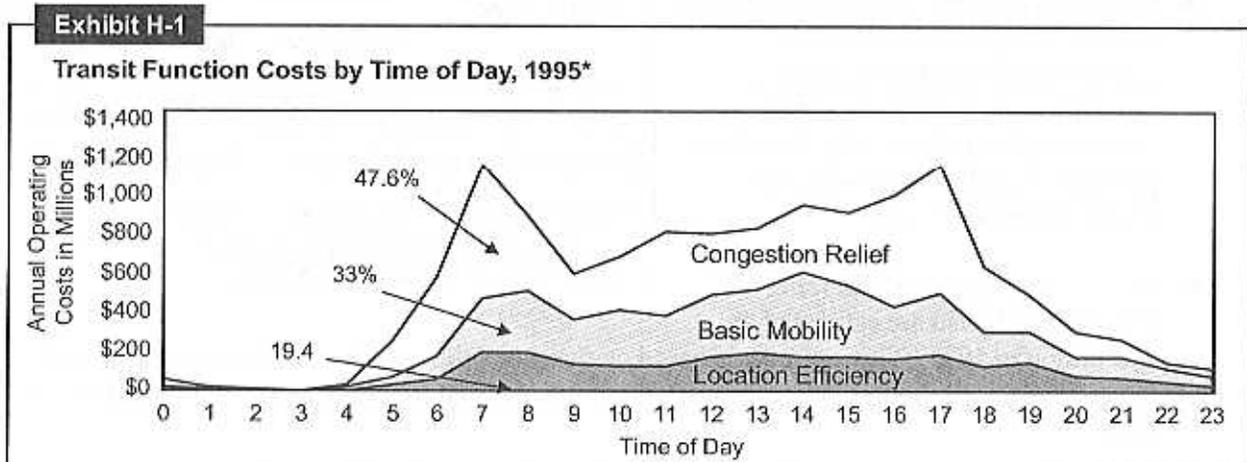
The three public policy functions served by mass transit in the United States are described in Chapter 2. These functions are: *basic mobility*, providing mobility services to the poor and elderly; *congestion relief*, helping to alleviate automobile congestion on crowded urban expressways and arterials; and *location efficiency*, enabling urban residents to live in high density, mixed use developments without dependency upon auto transportation.

Operating Costs by Policy Function

The cost of a particular transit trip depends on a number of variables. The most important factors include:

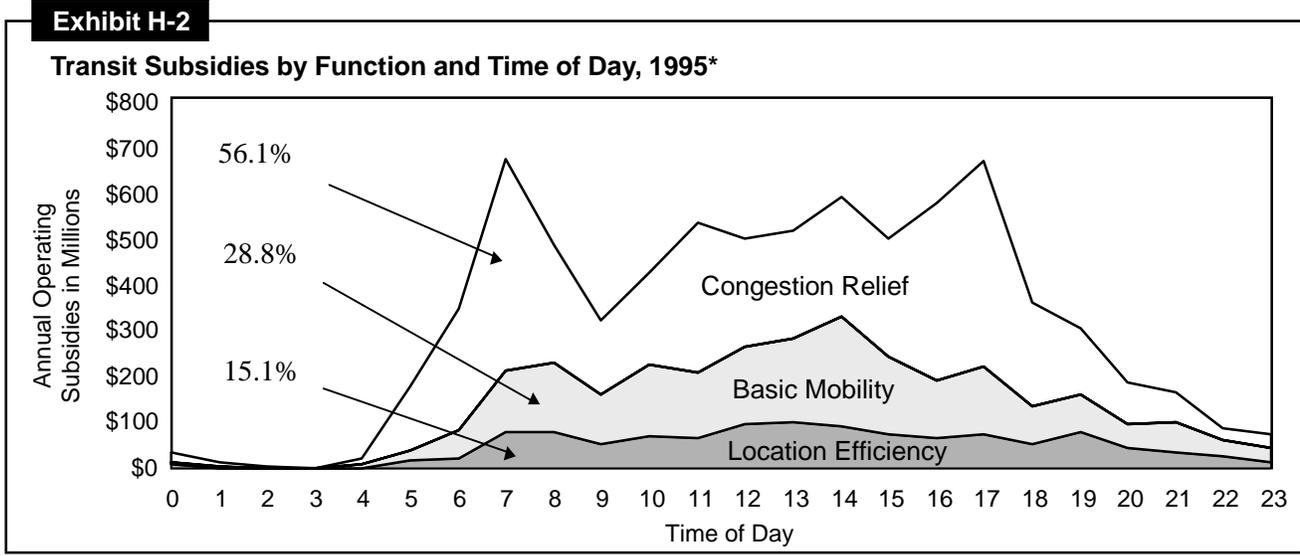
- 1) Time of day (peak or off-peak)
- 2) Vehicle type (bus or rail)
- 3) Trip distance.

Exhibits 2-16 and 2-17 show how the trips under each of the three policy functions vary across each of these factors. This variation can be combined with estimates of the contribution of each of the three cost factors to allocate transit operating costs by policy function. Exhibit H-1 illustrates the relative contribution of each of the three market niches to transit costs by time of day in 1995. Transit services for the 34.7 percent of trips filling congestion relief roles (those made by above-poverty households with cars) account for 47.6 percent of costs. The basic mobility trips (40.1 percent) incur 33.0 percent of operating costs, while the like figure for the 25.3 percent of trips made for location efficiency is 19.4 percent. This cost pattern reflects the emphasis that most transit systems place on providing a means for commuters to circumvent congested highways.



*Approximately 21 percent of costs are not classified in this chart.

Exhibit H-2 shows the costs by transit policy function remaining after the subtraction of fare revenues. This procedure provides an estimate of the subsidies that local, State, and Federal taxpayers provided to local transit operations in 1995. The greatest subsidies are incurred for congestion relief, where 56.1 percent of public subsidies were incurred in 1995. The 40.1 percent of basic mobility trips accounted for only 28.8 percent of public subsidies. Similarly, 25.3 percent of location efficiency trips incurred 15.1 percent of public subsidies.



*Approximately 21 percent of costs are not classified in this chart.

Benefits by Policy Function

The benefits of transit can also be classified by policy function. Exhibit H-3 arrays transit’s benefits across the three market niches. These benefits and the methodology used to derive them can be summarized as follows:

- The benefits of basic mobility are estimated at \$23 billion in 1995. These benefits are calculated using econometric consumer surplus analysis, and represent the difference between transit riders’ willingness to pay for trips and the amount they actually do pay. This amount is unlikely to change significantly from year to year.
- Location efficiency was estimated to be worth \$20 billion in 1995. This calculation is based on hedonic measurements of property values relative to proximity to transit services, presumed to reflect inter alia auto ownership cost savings.
- The benefits of congestion relief provided by transit are estimated at \$15 billion in 1995. This estimate is based on the travel time savings from using transit and the cross price elasticities between auto travel on congested freeways and nearby rapid transit lines.

Exhibit H-3

Transit’s Estimated Benefits by Market Niche, 1995		
	Aggregate Benefits	Measurement Used*
Basic Mobility	\$23 billion	Consumer Surplus
Location Efficiency	\$20 billion	Property Values
Congestion Relief	\$15 billion	Travel Time

* 1993 Estimates (FTA 1996 Report: An Update)
 Source: FTA analysis of 1995 NPTS Database.

These measurements are imprecise, representing an aggregation of benefits across a variety of circumstances. However, the scale and relative benefit amounts among transit's market niches are consistent with economic theory and with the willingness of local taxpayers to persistently support transit in serving these niches as worthwhile public policy functions.

Exhibit H-4 summarizes the per-trip costs, subsidies, and benefits of transit, according to the public policy functions described earlier. With a per-trip benefit of \$11.66, location efficiency transit services appear to generate the greatest return for the lowest subsidy (\$0.85). The total net benefit of location efficiency in 1995 was \$9.82 per passenger. Congestion relief generated the least net benefit, \$3.07. Basic mobility produced a per-trip benefit in the intermediate range of \$6.44.

Exhibit H-4

Per-Trip Summary of Transit's Economic Performance, 1995

	Cost	Subsidy	Benefit	Net Benefit
Basic Mobility	\$ 1.96	\$ 1.01	\$ 8.40	\$ 6.44
Location Efficiency	\$ 1.85	\$ 0.85	\$11.66	\$ 9.82
Congestion Relief	\$ 3.29	\$ 2.29	\$ 6.37	\$ 3.07

Source: FTA analysis of 1995 NPTS Database.

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**final
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date

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Executive Summary

The *Traffic Congestion and Reliability: Linking Solutions to Problems Report* provides a snapshot of congestion in the United States by summarizing recent trends in congestion, highlighting the role of unreliable travel times in the effects of congestion, and describing efforts to curb congestion. In particular, the *Report* develops a framework for understanding the various sources of congestion, the ways to address congestion by targeting these sources, and performance measures for monitoring trends in congestion.

Much of the *Report* is devoted to measuring recent trends in congestion. One of the key principles that the Federal Highway Administration (FHWA) has promoted is that the metrics used to track congestion should be based on the *travel time experienced by users of the highway system*. While the transportation profession has used many other types of metrics to measure congestion (such as “level of service”), travel time is a more direct measure of how congestion affects users. Travel time is understood by a wide variety of audiences – both technical and nontechnical – as a way to describe the performance of the highway system. All of the congestion metrics used in the *Report* are based on this concept.

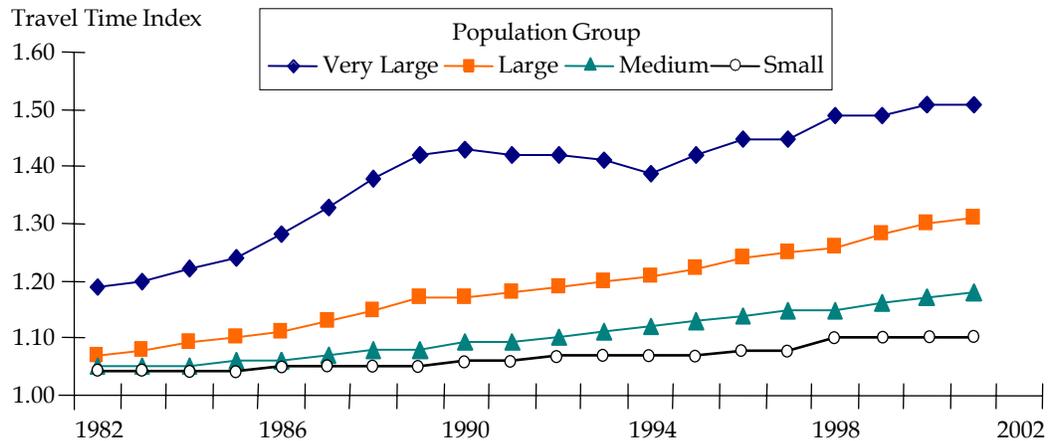
The different aspects of congestion are discussed using a variety of data sources, with perhaps the newest aspect being the role of reliability in the congestion problem. The variation in travel times is now understood as a separate component of public and business sector frustration with congestion problems. Average travel times have increased and the *Report* discusses ways to reduce them. But the day-to-day variations in travel conditions pose their own challenges and the problem requires a different set of solution strategies.

TRENDS IN NATIONAL CONGESTION

Is congestion getting worse? Yes. There are several statistics that point to worsening congestion levels. Congestion extends to more time of the day, more roads, affects more of the travel, and creates more extra travel time than in the past. And congestion levels have risen in cities of all sizes since 1982, indicating that even the smaller areas are not able to keep pace with rising demand.

Figure ES.1 illustrates trends for 75 major urban areas tracked in the Texas Transportation Institute’s Annual Mobility Report.¹ Congestion levels have risen to levels experienced by the next largest population group every 10 years – in 2001, cities between 500,000 and one million people experienced the congestion of cities between one and three million in 1992.

Figure ES.1 Peak-Period Congestion (Travel Time Index) Trends by U.S. Population Group



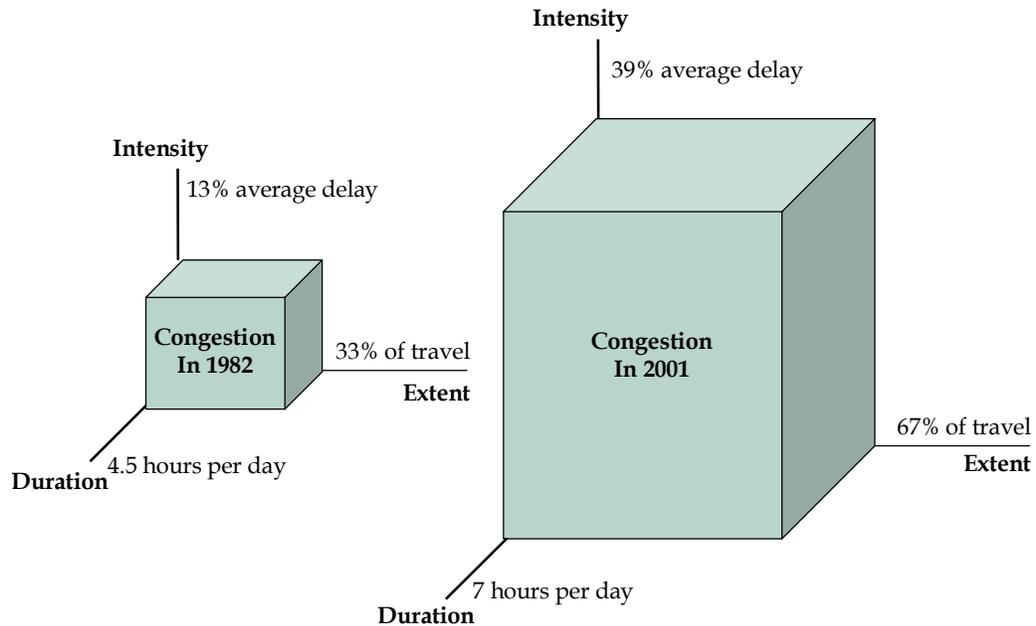
Source: Reference (1). The Travel Time Index is a measure of the total amount of congestion. It is the ratio of the weekday peak-period travel time to the travel time under ideal conditions. A Travel Time Index value of 1.3 indicates that peak-period travel takes 30 percent longer than under ideal conditions. Population groups are: Very Large (greater than three million); Large (one to three million); Medium (500 thousand to one million); and Small (less than 500 thousand).

Congestion has clearly grown. Congestion used to mean it took longer to get to/from work in the “rush hour.” But congestion now affects more trips, more hours of the day and more of the transportation system. Figure ES.2 shows the growth in several key dimensions of the congestion problem in cities of more than one million persons.

¹ Schrank, D. and Lomax, T., 2003 *Annual Urban Mobility Report*, Texas Transportation Institute. This methodology measures congestion conditions on individual highway segments using roadway-based data. Alternate ways of measuring congestion exist, such as monitoring the travel times of entire trips with household surveys. One such survey, the National Household Travel Survey (NHTS) has been conducted periodically since 1969. Recent data from the NHTS suggest that commute times have not increased as fast compared to roadway-based congestion data, such as is used by the *Urban Mobility Report*. This may be due to people changing their residential and employment locations. The net result is that for individual travelers, congestion is probably not getting as worse as fast – highway segments may be more congested but the ability to move around the metropolitan landscape provides a “cushion” for some individuals.

- The average weekday peak-period trip takes almost 40 percent longer than the same trip in the middle of the day, compared to 13 percent longer in 1982.
- Sixty-seven percent of the peak-period travel is congested compared to 33 percent in 1982. Travelers in 75 urban areas spent 3.5 billion hours stuck in traffic in 2001, up from 0.72 billion in 1982.

Figure ES.2 Weekday Peak-Period Congestion Has Grown in Several Ways in the Past 20 Years in Our Largest Cities



Source: Analysis of data used in *2003 Annual Urban Mobility Report*, Texas Transportation Institute.

- Fifty-nine percent of the major road system is congested during peak hours compared to 34 percent in 1982.
- The number of hours of the day when weekday travelers might encounter congestion has grown from 4.5 hours to 7 hours.

These are just the average conditions. Many cities have a few places where any daylight hour might see “stop-and-go” traffic. Weekend traffic delays have become a problem in recreational areas, near major shopping centers or sports arenas, and on some constrained roadways (for example, bridges).

Travel time reliability is also a growing problem. The variation in travel time from day to day is a significant characteristic of the congestion problem (Figure ES.3). The extra travel time and amount of the day and system affected by travel delays is not the same every day. It affects not only commute trips, but any trip during the peak travel periods, and is a significant concern of large and small businesses in all parts of the economy. Very detailed data from some urban freeways allow agencies to identify the extra travel time that must be budgeted - or buffer time - above the average travel time. The time that

shippers, carriers, business travelers, commuters, and households have to plan for is a real consequence of congestion.

As an example of how travel time reliability affects highway users, consider the following (Figure ES.3).

Figure ES.3 Travel Time Reliability Illustration

1982 Average



In 1982, if your commute was 20 minutes at midday, it took 23 minutes in the peak and you would spend an extra 15 hours on the road each year.

2001 Average



By 2001, that 20 minute off-peak trip took 28 minutes in the peak.

2001 Planning



And if you have an important meeting, the reliability problems mean that you should allow 40 minutes for the same trip.

Source: Reference (1).

- **1982** - If your midday trip took 20 minutes, it would take you 23 minutes in the peak. Although no reliability statistics exist from that long ago, analysis of recent data suggest that you would have had to add an additional nine minutes to that trip to guarantee on-time arrival at your destination; a total of 32 minutes would be planned for that trip.
- **2001** - By 2001, that 20-minute free-flow trip took 28 minutes.
- **2001 (Planning Time)** - And if on-time arrival was important you should allow 40 minutes for that trip.

The future holds more of the same. Population and employment growth in America's large cities are expected to continue rising by around two percent each year, resulting in longer periods of congestion on more of the transportation system. Forecasts of population and economic activity - strong determinants of transportation activity - along with forecasts of system-level transportation activity indicate that compared to year 2000²:

- By 2025, the U.S. population will grow by 26 percent;
- By 2025, the Gross National Product will double;

² Sources: (1) U.S. Department of Transportation, Bureau of Transportation Statistics, <http://www.eia.doe.gov> and (2) FHWA Freight Analysis Framework, http://www.ops.fhwa.dot.gov/freight/freight_news/FAF/talkingfreight_faf.htm.

- By 2025, passenger-miles (all modes, including highway, air, and transit) will grow by 72 percent; and
- By 2020, intercity truck tonnage will grow by 75 percent.

THE SOURCES OF CONGESTION AND UNRELIABLE TRAVEL

Congestion is a lot more complex than simply “too many vehicles trying to use the road at the same time,” although that is certainly a major part of the problem. Congestion results from the interaction of many different factors – or sources of congestion. Congestion has several root causes that can be broken down into two main categories:

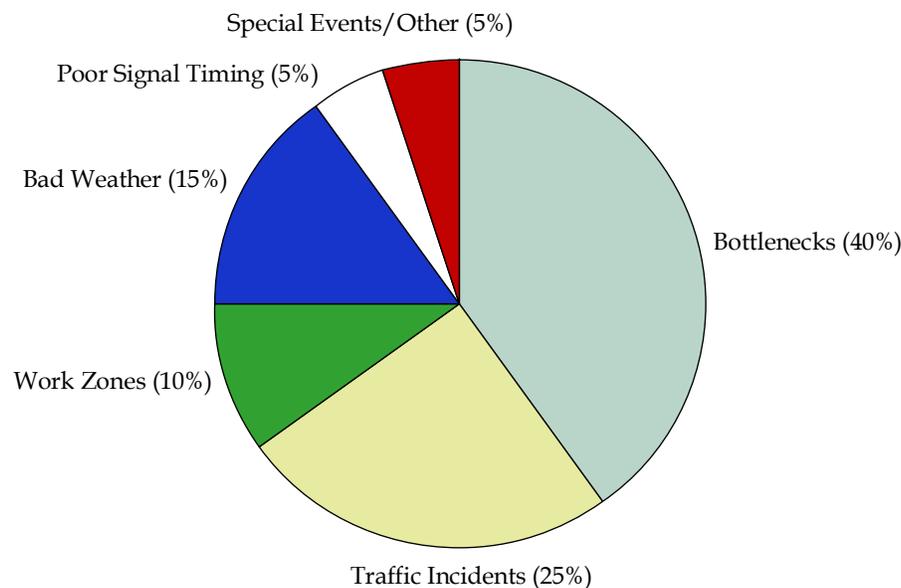
1. **Too much traffic for the available physical capacity to handle** – Just like a pipe carrying water supply or the electrical grid, there are only so many vehicles that can be moved on a roadway for a given time or so many transit patrons that can be accommodated in a given number of buses or trains. Transportation engineers refer to this as the physical capacity of the highway system. *Physical bottlenecks are locations where the physical capacity is restricted, with flows from upstream sections (with higher capacities) being funneled into smaller downstream segments.* This is roughly the same as a storm pipe that can carry only so much water – during heavy rains the excess water floods the streets and houses behind the pipe. However, the situation is even worse for traffic. Once traffic flow breaks down to stop-and-go conditions, capacity is actually reduced – fewer cars can get through the bottleneck because of the extra turbulence. Bottlenecks can be very specific chokepoints in the system, such as a poorly functioning freeway-to-freeway interchange, or an entire highway corridor where a “system” of bottlenecks exists, such as a closely spaced series of interchanges with local streets. Physical capacity can be reduced by the addition of “intentional” bottlenecks, such as traffic signals and toll booths. Bottlenecks can also exist on long upgrades and can be created by “surges” in traffic, as experienced around resort areas.
2. **Traffic-influencing events** – In addition to the physical capacity, external events can have a major effect on traffic flow. These include traffic incidents such as crashes and vehicle breakdowns; work zones; bad weather; special events; and poorly timed traffic signals. When these events occur, their main impact is to “steal” physical capacity from the roadway. Events also may cause changes in traffic demand by causing travelers to rethink their trips (e.g., snow and other types of severe weather).

The level of congestion on a roadway is determined by the interaction of physical capacity with events that are taking place at a given time. For example, the effect of a traffic incident depends on how much physical capacity is present. Consider a traffic crash that blocks a single lane on a freeway. That incident has a much

greater impact on traffic flow if only two normal lanes of travel are present than if three lanes are present. *Therefore, strategies that improve the physical capacity of bottlenecks also lessen the impacts of roadway events such as traffic incidents, weather, and work zones.*

Only recently has the transportation profession started to think of congestion in these terms. Yet it is critical to do so because strategies must be tailored to address each of the sources of congestion, and they can vary significantly from one highway to another. Nationally, a composite estimate of how much each of these sources contribute to total congestion is depicted in Figure ES.4.³

Figure ES.4 The Sources of Congestion
National Summary



What Causes Travel Times to be Unreliable? *The interaction of all the sources of congestion produce unreliable travel times.* Travel time reliability can be defined in terms of how travel times vary over time (e.g., hour-to-hour, day-to-day). The event-related sources (e.g., traffic incidents, weather, and work zones) that contribute to total congestion also conspire to produce unreliable travel times, since events and demand volumes vary day to day. The problem is worse when events are added on top of existing capacity-related congestion. When traffic flow has already broken down to stop-and-go conditions, any additional disturbance causes a large increase in congestion.

What Are the Benefits of Making Travel Times More Reliable? If it is possible to reduce the impact of these events on travel, a double benefit is realized: not

³ <http://www.ops.fhwa.dot.gov/aboutus/opstory.htm>; these estimates are a composite of many past and ongoing congestion research studies and are rough approximations.

only are conditions made more “reliable” (that is, less variable), but overall delay is reduced as well. This is because extreme events, especially in combination, lead to high congestion. Making improvements in both the congestion level and reliability is significant for a number of reasons:

- Reducing total congestion saves time and fuel, and leads to decreased vehicle emissions;
- Reducing congestion at international border crossings leads to lower transportation costs and benefits the national economy as a whole. Further, reducing congestion on U.S. highways for freight moving between Canada and Mexico fosters international trade. In essence, *congestion on U.S. highways can be thought of as an international problem as well as a national one*;
- Improving reliability leads to more predictable and consistent travel, something that all travelers seek: they do not have to budget as much extra time in order to arrive on time at their destinations. This is particularly important for truckers and shippers because many activities (e.g., manufacturing, sales) are now closely timed to the arrival of shipments. Many types of personal travel – such as getting to business appointments and child care pickup on time – are also sensitive to unreliable travel times; and
- Treating three major components of unreliable travel – traffic incidents, bad weather, and work zones – also leads to safer highways. By reducing the duration of these events, we are reducing how long travelers are exposed to less safe conditions.

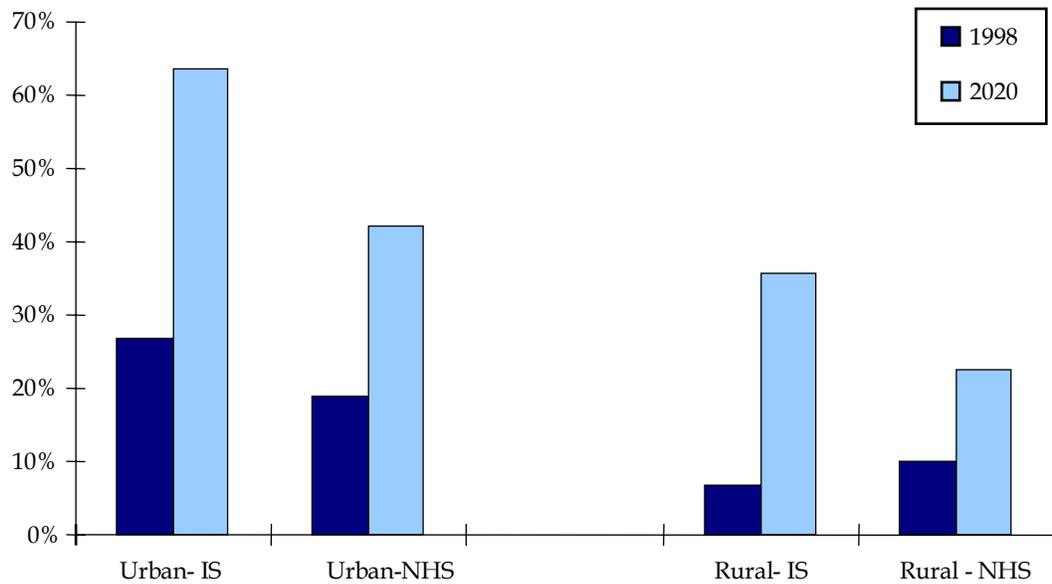
What Value Does Providing Reliable Travel Times Have? Commuters as well as freight carriers and shippers are all concerned with travel time reliability. Variations in travel time can be highly frustrating and are valued highly by both groups. Previous research⁴ indicates that commuters value the variable component of their travel time between one and six times as much as average travel time. Adoption of just-in-time (JIT) manufacturing processes has made a reliable travel time almost as important as an uncongested trip. Significant variations in travel time will decrease the benefits that come from lower inventory space and the use of efficient transportation networks as “the new warehouse.” *Therefore, in both the passenger and freight realms, evidence suggests that travel time reliability is valued at a significant “premium” by users.*

What is Freight’s Role in Congestion? Demand for freight transportation in the United States, which is expected to grow substantially over the next 15 years (Figure ES.5), is a major contributing factor to congestion. The expected growth

⁴ Cohen, Harry, and Southworth, Frank, *On the Measurement and Valuation of Travel Time Variability Due to Incidents on Freeways*, *Journal of Transportation Statistics*, Volume 2, Number 2, December 1999, http://www.bts.gov/jts/V2N2/vol2_n2_toc.html.

in truck travel is being driven by economic and population growth. The most striking growth is expected to be on rural Interstate highways, indicating the potential for congestion to spread outside of metropolitan areas. Since 1992, traffic has grown substantially on rural highways and at a faster pace than on metropolitan highways. National data shows that between 1992 and 2002, traffic on rural Interstates increased 36 percent compared with an increase of 25 percent on urban Interstates. Further analysis shows that traffic volume per lane (a measure of traffic density) increased by 35 percent on rural Interstates compared with 21 percent on urban Interstates.

Figure ES.5 Percentage of Highway Segments with over 10,000 Trucks Per Day
Comparison of 1998 to 2020



Source: Analysis of data from FHWA's Freight Analysis Framework.

What Are the Costs of Congestion? Congestion has real costs for all travelers, including truckers (both long-haul and local pickup and delivery), household and business service providers (such as plumbers, computer technicians, police, and ambulance services), and personal travel (such as commuters, vacationers, and shoppers). Congestion causes more fuel to be used and more emissions to be produced. The extra time spent in congestion causes service providers to make fewer calls per day, leading to higher prices for consumers; this is particularly important for emergency medical, fire, and police services which may be unnecessarily delayed from attending to medical, crime, and disaster situations. Companies with production schedules timed to take advantage of trucks delivering components to an assembly line as they are needed must instead plan for items to arrive early. This consumes space and inventory, expending resources that could otherwise be spent on productive activity. For personal travelers,

congestion “steals” time that could be put to better use in the workplace or for social or recreational purposes.

The congestion costs to freight interests are significant. Freight transportation has gone through many changes over the past 20 years as it has adapted to changes in business practices. Within this new operating environment, freight operations and productivity have been optimized to work closely with other aspects of business activity. Deregulation has resulted in excess capacity being eliminated from the highway and rail freight systems. Intermodal services and facilities have revolutionized international trade. Ports and airports have seen services and demand grow rapidly. Freight services are now more efficient and in many cases lower in cost (in constant dollars) than in previous decades. But the elimination of excess capacity has resulted in systems with less redundancy and less ability to withstand shocks or disruptions. Congestion is growing on many key freight segments of the transportation system, and congestion can drastically reduce the productivity of the overall freight network. The delay caused by congestion could vastly increase the costs of those freight movements that are today managed to exacting schedules.

Time is literally money for shippers and trucking interests. A direct linkage exists between transportation investment, travel conditions (congestion and reliability) and economic productivity. For trucking, two key trends identified above will have a substantial impact on the total cost of moving freight:

1. As congestion spreads into the midday period, which is the peak travel period for trucks, more direct costs will be incurred; and
2. Reliability - For trucks, the ability to hit delivery windows predictably will decrease and will add even more costs as firms struggle to optimize delivery schedules. This is especially a problem for truckers who must meet “just-in-time” delivery schedules set by shippers, manufacturers, and retailers.

All of this adds up to a staggering amount of costs imposed on travelers by congestion. The Texas Transportation Institute estimates that in 75 of the largest U.S. cities in 2001, \$69.5 billion dollars are wasted in time and fuel costs.⁵ (The costs are a composite of automobile and truck travel costs in urban areas.) The time value costs for trucks are conservative - they include only the cost of truck operating time, primarily the cost of drivers’ wages and equipment. The value of the cargo and the response of firms to transportation costs is not included, yet recent work suggests these costs can be significant. These costs include:

⁵ Schrank, D. and Lomax, T., 2003 Annual Urban Mobility Report, Texas Transportation Institute.

- **Foregone Investment Opportunities** – Higher transportation costs due to congestion reduce a firm’s ability to invest in making more products, improve product quality, and introduce new products; and
- **Decreases in Regional Employment or Decreases in the Rate of Growth of Regional Income** – Higher transportation costs are passed onto other sectors of the economy and hinder general economic efficiency.⁶

WHAT CAN WE DO ABOUT TRAFFIC CONGESTION?

Transportation engineers and planners have developed a variety of strategies to deal with congestion – a toolbox for managing congestion. The strategies can be grouped as follows:

1. Adding more capacity for highway, transit and railroads;
2. Operating existing capacity more efficiently; and
3. Encouraging travelers to use the system in less congestion-producing ways.

Each of these congestion reducing strategies has a role in major cities. More accurately, they all have a role in some locations and corridors within major cities. Implementing the strategies involves consideration of the size and type of problem, funding, and public approval, environmental and social consequences. The decisions resulting from all these factors will be different, diverse and reflect local, state, and national priorities. When used in combination, however, the strategies can have a powerful impact on congestion growth. Also, when applying these strategies, agencies *need to think and act regionally about solutions to congestion problems*. In fact, FHWA is promoting the concept of regional partnerships as a means to implementing effective operations. These partnerships provide a platform for interagency coordination and joint delivery of operations-based services.

Specifically, each of the three major categories of congestion management strategies entails the following:

1. **Adding More Capacity – Increasing the Number and Size of Highways and Providing More Transit and Freight Rail Service.** Adding more lanes to existing highways and building new ones has been the traditional response to congestion. In some metropolitan areas, however, it has become difficult to undertake major highway expansions because of funding constraints, increased right-of-way and construction costs, social effects and environmental constraints and opposition from local and national groups. However, it is clear that adding new physical capacity to highways, transit systems, and

⁶ ICF Consulting, HLB Decision Economics, and Louis Berger Group, *Freight Benefit/Cost Study: Capturing the Full Benefits of Freight Transportation Improvements: A Non-Technical Review of Linkages and the Benefit/Cost Analysis Framework*, May 11, 2001.

railroads is an important strategy for alleviating congestion. This often means that highway designers must find creative ways to incorporate new designs that accommodate all stakeholders' concerns. Since the worst highway bottlenecks tend to be major freeway interchanges, advanced design treatments that spread out turning movements and remove traffic volumes from key merge areas have been developed, often by using multilevel structures that minimize the footprint of the improvement on the surrounding landscape.

Key Strategies to Address Congestion

- Adding travel lanes on major freeways and streets (including truck climbing lanes on grades);
- Adding capacity to the transit system (buses, urban rail or commuter rail systems);
- Closing gaps in the street network;
- Removing bottlenecks;
- Overpasses or underpasses at congested intersections;
- High-occupancy vehicle (HOV) lanes; and
- Increasing intercity freight rail capacity to reduce truck use of highways.

2. **Operating Existing Capacity More Efficiently - Getting More Out of What We Have.** In recent years, transportation agencies have embraced strategies that deal with the *operation* of existing highways, transit systems, and freight services, rather than just building new infrastructure. Collectively referred to as Intelligent Transportation Systems (ITS), real-time control of transportation operations involves making changes from minute to minute and take many forms. In addition to ITS, other Transportation System Management and Operations (TSM&O) strategies that improve the efficiency of the existing road system include minor widening projects, changing the operating methods or the policies that govern the use of the roadway, and monitoring transit vehicles in real-time. There are numerous operations-based congestion mitigation strategies that are enhanced by the use of advanced technologies or ITS.

Key Strategies to Address Congestion

- Metering traffic onto freeways;
- Optimizing the timing of traffic signals;
- Faster and anticipatory responses to traffic incidents;
- Providing travelers with information on travel conditions as well as alternative routes and modes;
- Improved management of work zones;

- Identifying weather and road surface problems and rapidly targeting responses;
 - Providing real-time information on transit schedules and arrivals;
 - Monitoring the security of transit patrons, stations, and vehicles;
 - Anticipating and addressing special events that cause surges in traffic;
 - Better freight management, especially reducing delays at border crossings;
 - Reversible commuter lanes;
 - Movable median barriers to add capacity during peak periods;
 - Restricting turns at key intersections;
 - Geometric improvements to roads and intersections;
 - Converting streets to one-way operations; and
 - Access management.
3. **Encouraging Travel and Land Use Patterns that Use the System in Less Congestion Producing Ways - Travel Demand Management (TDM), Non-Automotive Travel Modes, and Land Use Management.** Another key approach to the problem of congestion involves managing the demand for highway travel. These strategies include providing a variety of options that result in more people traveling in fewer vehicles, trips made during less congested times, or trips not made (at least in a physical sense). A major barrier to the success of demand management strategies is that they may require changes in traditional decisions about where, when and how to travel, live and work. Flexible scheduling, for example, is not possible for a large number of American shift schedule workers. Still, when considered as part of an overall program of transportation investments, demand management and non-automotive modes of travel can contribute substantially to a metropolitan area's transportation system.

The historical cycle of suburban growth has led to an ever increasing demand for travel. Suburban growth was originally fueled by downtown workers who moved from city centers to the urban fringe to take advantage of lower land prices and greater social amenities. In the past 20 years, businesses also have moved to the suburbs to be closer to their employees. This in turn allows workers to live even further away from city centers, thereby perpetuating suburban expansion. Strategies that attempt to manage and direct urban growth to influence these processes have been used in several metropolitan areas. The main problem with many of these strategies is that they can be contrary to market trends, burdening consumers with extra costs and dampening economic efficiency, at least in the short term. Unless a truly regional approach is followed - with cooperation of all jurisdictions within the region - and the policies are considered as part of a package of

development options, sprawl may simply be attracted into areas not conforming to growth policies.

Key Strategies to Address Congestion

- Programs that encourage transit use and ridesharing;
- Curbside and parking management;
- Flexible work hours;
- Telecommuting programs;
- Bikeways and other strategies that promote non-motorized travel;
- Pricing fees for the use of travel lanes by the number of persons in the vehicle and the time of day;
- Pricing fees for parking spaces by the number of persons in the vehicle, the time of day or location;
- Land use controls or zoning;
- Growth management restrictions such as urban growth boundaries;
- Development policies that support transit-oriented designs for homes, jobsites, and shops; and
- Incentives for high-density development, such as tax incentives.

NEXT STEPS

Is Success Possible Against Congestion? Yes, but past successes tends to be localized. Multiple and systematic strategies for addressing congestion are required, given that demand is increasing on an already stressed highway and transit system. All of the strategies covered in this *Report* have been successfully implemented – the key to future progress is deploying and using them in a more comprehensive and aggressive manner. It also requires cooperation between transportation agencies, businesses, elected officials, and the public. Since we are all affected by congestion, it is important that we all work together to address the congestion problem. Here are some ways that transportation agencies, businesses, elected officials, and the public can collaborate to mitigate congestion.

1. **Take Ownership** – The first step is for all parties to recognize they have a stake in the congestion problem. Public agencies are in the business of serving customers the same way that any private firm is – except that the customers (the public and businesses) are buying efficient and safe travel. The public, elected officials, and businesses are more than just consumers – they are shareholders too. These consumers also should examine their own decisions and policies to identify changes that can improve their quality of life while recognizing that the agencies cannot solve the problem by themselves. The ongoing transportation planning process, which has been successfully used in major metropolitan areas for the past 40 years to address

transportation problems, provides an excellent framework for promoting ownership of congestion problems. A major part of the transportation planning process is establishing a Vision that outlines what the future transportation system should look like. The Vision leads to more specific statements of desired actions to achieve these states or characteristics. The Vision is also an opportunity to educate all stakeholders on the nature of congestion in your area and the importance of mitigating it.

2. **Identify the Congestion Problems and Opportunities** - Both technical analyses and anecdotal information from the public are useful in identifying where the major congestion problems are, where they will be, and what causes them. The existing transportation planning process in metropolitan areas can be tapped as a resource for this purpose. Thoroughly analyze and provide realistic assessments on what can reasonably be done in each case, and what the expected improvements might be. FHWA supports a wealth of information on expected improvements from operational strategies, such as the ITS Benefits and Cost Database.⁷ The process should include considerations of:
 - **Strategies** - What types of treatments should be considered?
 - **Coverage** - How much area does the treatment cover?
 - **Density** - How well is congestion treated?
 - **Congestion Target** - What aspect of congestion is treated?
 - **Effect** - What is the delay reduction effect? Are there secondary effects, such as on safety? What are the spillover effects on other facilities and neighborhoods?
3. **Develop Plans, Programs, Policies, and Projects** - Congestion solutions can take a variety of forms. Think broadly - no single tool will be highly effective against the congestion problem. But when used in combination - and tailored to specific circumstances - packages of congestion mitigation strategies can be successful. The strategies should include action elements - things we can accomplish in a short timeframe and at low cost. But longer-term actions also should be developed - consider all types of strategies including adding new highway and rail capacity, improved operations, and better land use planning. Recognize that many transportation and community plans already exist and should be tapped as mechanisms for carrying out the Vision. In fact, acting on a list of "things we can do now" should help galvanize support for congestion mitigation over the long term.
4. **Plan, Manage, and Operate the Transportation System Proactively and Regionally.** Focus on addressing system reliability by targeting capital and

⁷ http://www.mitrotek.org/its/benecost/BC_Update_2003/index.html.

operations strategies to specific conditions. Anticipate problems and take corrective actions early. Also, regional and multimodal cooperation is key to the success of deploying effective operations – many different agencies have a stake in the congestion problem. Therefore, a broad perspective should be taken in applying capital and operations strategies – avoid a narrow, facility-oriented view.

5. **Use Performance Measures to Track Progress** – One of the main actions that transportation agencies can contribute is the tracking of congestion trends and the effect of improvements over time. Trends provide a basis for determining how well your actions are working and can identify changes in the underlying congestion problem (e.g., traffic crashes may become more important in your area). Use of performance measures also brings an element of **accountability** to the process – what we are really getting for our investments – just as businesses do.

DETAILED DEFINITIONS

Travel Time Index (TTI) is a comparison between the travel conditions in the peak period to free-flow conditions. It uses the units of travel rate (the inverse of speed) due to the ease of mathematical calculation and availability of data elements in both traffic surveillance and roadway inventory databases. The equation below presents the calculation of the travel time index for areawide applications.

$$\text{Travel Time Index} = \frac{\left(\frac{\text{Freeway Travel Rate}}{\text{Freeway Free-flow Rate}} \times \text{Freeway Peak Period VMT} \right) + \left(\frac{\text{Principal Arterial Street Travel Rate}}{\text{Principal Arterial Street Free-flow Rate}} \times \text{Principal Arterial Street Peak Period VMT} \right)}{\left(\text{Freeway Peak Period VMT} + \text{Principal Arterial Street Peak Period VMT} \right)}$$

The index can be applied to various system elements with different free-flow speeds. The travel time index compares measured travel rates to free-flow conditions for any combination of freeways and streets. Index values can be related to the general public as an indicator of the length of extra time spent in the transportation system during a trip.

The **Buffer Time Index (BTI)** expresses the amount of extra “buffer” time needed to be on-time 95 percent of the time (late one day per month). Indexing the measure provides a time and distance neutral measure, but the actual minute values could be used by an individual traveler for a particular trip length. The index is calculated for each road segment and a weighted average is calculated using vehicle-miles of travel as the weighting factor.

$$\text{Buffer Time Index} = \frac{\text{Weighted Average of All Sections (Using VMT)}}{\left[\frac{\text{95th Percentile Travel Rate (in minutes per mile)} - \text{Average Travel Rate (in minutes per mile)}}{\text{Average Travel Rate (in minutes per mile)}} \times 100\% \right]}$$

The **Planning Time Index (PTI)** is simply the 95th percentile travel time index. It is used as a supplemental measure for reliability. Because reliability is related to the distribution of travel rates, the 95th percentile indicates an excessively high travel rate, one that only five percent of all travel rates exceed for the time period under consideration.

Delay is the amount of extra time spent in congestion compared to the time it would take under ideal or free-flow conditions. For example, if a trip takes 10 minutes under ideal conditions, and during the peak it takes 15 minutes, the total amount of delay is five minutes.

To Access the Full Report on Traffic Congestion and Reliability - To gain access to the full report and detailed appendices, go to the FHWA Office of Operations web site at: <http://www.ops.fhwa.dot.gov/>.

TCRP

SYNTHESIS 56

TRANSIT
COOPERATIVE
RESEARCH
PROGRAM

Performance-Based Measures in Transit Fund Allocation

A Synthesis of Transit Practice

TRANSPORTATION RESEARCH BOARD
OF THE NATIONAL ACADEMIES

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PERFORMANCE-BASED MEASURES IN TRANSIT FUND ALLOCATION

SUMMARY This synthesis explores current perspectives, practices, and experiences in the use of performance measures for the allocation of financial assistance to local transit systems. A similar examination was undertaken and reported in *TCRP Synthesis of Transit Practice 6: The Role of Performance-Based Measures in Allocating Funding for Transit Operations*, published in 1994. The current project has been designed and carried out to update and expand on the earlier findings.

A key issue in the examination of performance measures in funding allocation is the definition of transit performance and the specification of transit performance measures. As suggested in the 1994 synthesis, performance measurement can be viewed as “the assessment of an organization’s output as a product of the management of its internal resources (dollars, people, vehicles, facilities) and the environment in which it operates” (*TCRP Synthesis of Transit Practice 6*, p. 1). This definition generally implies ratios of outputs to resource inputs that measure economic efficiency, operating effectiveness, or agency productivity.

Despite the clarity of this definition, there remain a number of parallel operational definitions and perspectives on what constitutes “performance” in the design and delivery of public transportation services. Progress toward goal achievement provides one alternative perspective. Although efficient and effective operation is a goal for virtually all transit systems, other goals are also specified, and they are often defined in simple, single dimensions; for example, ridership, market share, service coverage, budget adherence, and extent of local or user financial contribution. However, because they do not reference the resource commitment associated with whatever level of output is achieved, they may not be considered true measures of internal performance in terms of the foregoing definition. They are, nonetheless, widely used to gauge system or agency success in both public and political arenas.

Judgments about performance are also clouded because many typical agency and community goals for transit are contradictory. For example, expanding coverage may increase ridership but necessitate increased expenditures, whereas budget adherence may require reductions in service coverage and frequency, reducing ridership, and so forth. Performance is to a large degree a function of locally established goals and objectives and the desired balance between them, whether stated or implied.

Further obscuring the picture are the impacts of policy and regulation on the ability of a transit agency to “perform.” The restrictions on federally supported transit systems serving charter and school-related markets limit revenue raising, thereby constraining resources, budgets, and service levels, and restricting access to important segments of the travel market. Requirements to serve elderly and disabled populations by using comparable services parallel to fixed-route services, a long-standing federal policy, dramatically raise costs and

the subsidy per trip in such markets. When looked at systemwide, these effects may diminish apparent agency performance measured in traditional ways.

As a result, the definition of performance in the design and delivery of public transportation services, as a practical matter, must be sensitive to goals and expectations that extend beyond internal resource management and internal efficiencies in service delivery. The definition must account for the effects of a wide array of local, state, and federal policy goals.

For these reasons, the current study has not only inquired about the use of traditional performance measures in funding allocation (ratio measures of efficiency, effectiveness, and productivity), but also about the use of other factors, typically performance-related external factors and service area characteristics (single data elements that may measure aspects of goal achievement and related community impacts).

Distinct questionnaires were directed to three different audiences, all 50 state departments of transportation (DOTs), 18 metropolitan planning agencies (MPOs), and 21 transit agencies, to reveal the extent to which performance measures and other factors are being used today to allocate transit funds or guide transit investment and expenditures.

Two hypotheses were informally established and tested in the synthesis process. The first was a test of the overall findings of the previously mentioned 1994 synthesis project—that only limited use is made of traditional internal transit performance measures to allocate funds to transit agencies. The second was a counter-balancing hypothesis that performance-based management using traditional internal measures of efficiency, effectiveness, and productivity is extensive throughout the transit industry although these same measures are not directly linked to allocating funds.

In addition to the three-part surveying effort, interviews were conducted with four states (Indiana, North Carolina, Ohio, and Pennsylvania) that are or have been leaders in the use of traditional performance measures for fund allocation. The purpose was to explore in detail current approaches to the use of performance measures in funding allocation, the use of other factors in the allocation of transit funds, the barriers or issues involved in doing so, and the changes that have been made in recent years in the use of transit performance measures and other factors in fund allocation.

Based on the limited sample of survey responses, case studies, and a review of recent literature, a number of general findings and conclusions can be drawn.

- Transit system performance continues to be of considerable importance when viewed across the full spectrum of processes, activities, and organizations involved in the design, funding, operation, and oversight of transit services.
- The allocation of funds for transit takes place at several levels and a differing mix of performance measures and other allocation factors is in evidence at each level.
- Management and oversight of transit performance and the allocation of funds to transit systems are being pursued increasingly as independent activities.
- Transit system performance measurement is broadening to include progress against goals and objectives that extend beyond efficiency in the use of available resources.
- There has been no apparent increase in the use of traditional internal measures of performance in fund allocation at either the state or regional level since the 1994 synthesis survey and report.
- There are a wide array of perspectives and approaches to achieving “equity” in fund allocation.

- There appears to be a high level of stability and limited impetus for change in fund allocation processes and the measures and factors currently in place.
- The use of traditional performance measures in fund allocation can conflict with the desire for stable and reliable funding needed to sustain basic levels of service.
- Data quality and consistency, varied goals, and outside forces and influences were among the points that survey respondents mentioned.
- There appears to be a lack of clarity outside the transit industry in differentiating traditional internal measures of performance (ratio measures of inputs and outputs measuring efficiency, effectiveness, and organizational productivity) from other factors measuring agency or community goal achievement.

**Healthy Returns:
The Economic Impact of Public
Investment in Surface
Transportation**

Robert J. Shapiro and Kevin A. Hassett

“The prosperity, wealth and free movement that Americans enjoy today could not exist without decades of public investments in highways, roads, and bus and rail systems.”

March 2005

Healthy Returns: The Economic Impact of Public Investment in Surface Transportation

Robert J. Shapiro and Kevin A. Hassett

Executive Summary

America's highways, roads and public transportation systems contribute to virtually everything of value in our economy and lives – from linking businesses to their suppliers and customers, to bringing jobs, education, health care, recreation and government services within every American's reach. Economists have explored the economic impact of public investment for over two decades and consistently found that surface transportation systems increase economic output, reduce prices, and raise incomes and profits. Investing in this extensive network has produced enormous economic returns for virtually every person and business in the United States.

Healthy Returns measures those benefits and the costs required to achieve them. Dr. Robert Shapiro and Dr. Kevin Hassett use state-of-the-art economic analysis to determine the current return to U.S. businesses from the nation's investments in highways, roads and public transit, and the economic value of these systems to America's commuters. They compare these benefits to the costs borne by taxpayers, drivers and transit passengers to build, operate and maintain these systems, and conclude that America's surface transportation network produces over \$4 in direct benefits for each \$1 in direct costs. The report also explores some of the more indirect benefits of surface transportation, including their role supporting America's global competitiveness.

The major findings of *Healthy Returns*:

- U.S. companies and individuals derive over \$788 billion a year in **direct economic benefits** from using highways and public transportation to conduct business and commute for work.
 - *U.S. businesses derive \$314.7 billion a year in economic benefits from their use of surface transportation system, mainly through lower costs and higher productivity.*
 - *American as individuals derive \$473.7 billion in direct economic benefits from their use of highways and public transit, in the time they save commuting to work and the additional income they can earn by working farther from home.*
 - *Increased investment in highways and public transportation systems would increase the benefits derived by both businesses and individuals.*
- By contrast, the **direct economic costs** to Americans of building, operating and maintaining highways, roads and public transit systems total \$185.1 billion a year in taxes and other fees.
- All told, spending on America's surface transportation network generates more than **\$603 billion a year in net economic benefits**.
- This \$603 billion estimate substantially *understates* the full net benefits. For example, the estimate relies on a conservative rate of return for public infrastructure and does not include the value of surface transportation in facilitating people's access to schools, medical facilities and other non-work-related destinations. The estimate also may not capture all of the ways in which highways and public transit support economic growth and help U.S. workers and companies compete in global markets.

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Rick Taube
DATE: April 1, 2005
SUBJECT: Update on NVTC Correspondence

A. Corridor Traffic Counting to Determine Mode Shares.

A copy of NVTC's letter to VDOT's Northern Virginia District Administrator Morrison and DRPT's Director Rae is attached for your information. We have learned that \$67,000 is included in TPB's draft FY 2006 workprogram for this pilot project.

Also attached is a presentation of data from the most recent TPB traffic count of Northern Virginia's HOV lanes. It illustrates some of the shortcomings of the current counting process with respect to NVTC's primary interest—determining statistically significant mode shares by corridor. For example, number of buses is recorded but not bus passengers or rail passengers.

B. Concern for CMAQ/RSTP Rescissions.

A copy of the commission's letter to Secretaries Clement and Marshall is attached.

C. HOV Concerns.

A copy of NVTC's letter VDOT Commissioner Shucet is attached.

D. E-Mail Exchange on VRE Ridership.

Copies of several e-mails are attached that show an exchange of views about the effectiveness of VRE and rail transit. NVTC was mentioned in the initial e-mail.

E. Close to Home Submission

Chairman Ferguson has submitted the attached letter to the Washington Post for publication.



F. NVTC Senior Mobility Study

A copy of an informative Washington Post article about the study is attached.

AGENDA ITEM #10A

Corridor Traffic Counting



-April 7, 2005-



Background:

- Each year VDOT uses federal technical assistance funds to employ TPB to perform traffic counts on HOV lanes (I-267, I-66 and I-395/95). This is part of a cycle of TPB counting that includes a Beltway screenline and a Core screenline.

- These counts show the outstanding capacity-enhancing qualities of HOV lanes.

- VDOT's HOV counts are not designed to show the exact contributions of public transit:
 - Bus ridership is assumed based on 1999 load factors.
 - No Metrorail ridership is included.



2004 VDOT Counts

-  Counts occur on highway facilities containing HOV lanes.
-  Counts are at screenlines.
-  Data reported in 15-minute increments.



2004 VDOT Counts

-  Separately for HOV and non-HOV lanes.
-  Separate tallies for 1-, 2- and 3+ auto occupants, vanpools, motorcycles, transit buses, other buses, trucks.
-  List vehicles and passengers (but no passengers for bus and no consideration of Metrorail or VRE).



Capacity:

HOV lanes in Northern Virginia carry up to three times as many people as conventional lanes per lane per peak hour inbound during each morning restricted period:

- **I-395 N. of Glebe** **3.0**
- **I-95 N. of Newington** **2.9**
- **I-66 E. of I-495** **N.A (No conventional lanes)**
- **I-66 W. of I-495** **1.2**
- **I-267 W. of Rt. 7** **1.7**

Figure 10

Person Carrying Capacity Comparison for HOV and Conventional Lanes, FALL 2004

HOV Facility	Persons	Direction	Restricted Hours	A.M. HOV Lane Person Movement*	A.M. Conventional Lane Person Movement	A.M. Persons Per HOV Lane, Per Peak Hour*	A.M. Persons Per Conventional Lane, Per Peak Hour
<u>I-395</u> North of Glebe Road	HOV-3	Northbound	6:00 A.M. - 9:00 A.M.	34,600 (2 LANES)	23,400 (4 LANES)	6,500	2,200
<u>I-95</u> North of Newington	HOV-3	Northbound	6:00 A.M. - 9:00 A.M.	22,700 (2 LANES)	18,000 (3 LANES)	5,800	2,000
<u>I-66 - Inside Beltway</u> East of I-495; Road only for HOV use	HOV-2	Eastbound	6:30 A.M. - 9:00 A.M.	18,400 (2 LANES)	N/A	3,900	N/A
<u>I-66- Outside Beltway</u> West of I-495	HOV-2	Eastbound	5:30 A.M. - 9:30 A.M.	10,000 (1 LANE)	18,200 (3 LANES)	2,100	1,800
<u>I-267- Dulles Toll Road</u> West of Rt. 7	HOV-2	Southbound	6:30 A.M. - 9:00 A.M.	6,600 (1LANE)	12,800 (3 LANES)	3,000	1,800

Source: VDOT Fall 2004 Counting Program.

Includes automobiles, vanpools, motorcycles, and buses during the restricted period. Also includes violators. Bus counts are based on factors calculated from latest ridership data provided for the 1999 Performance of Regional High Occupancy Vehicles Facilities in the Washington Region.



Growth of HOV/SOV Traffic:

 I-95/395 showed sharp growth in the ratio of HOV to conventional lanes in persons per lane per peak hour.

	<u>1999</u>			<u>2004</u>		
	<u>HOV</u>	<u>Conventional</u>	<u>Ratio</u>	<u>HOV</u>	<u>Conventional</u>	<u>Ratio</u>
N. of Glebe	5,200	2,300	2.3	6,500	2,200	3.0
N. of Newington	4,150	2,833	1.5	5,800	2,000	2.9

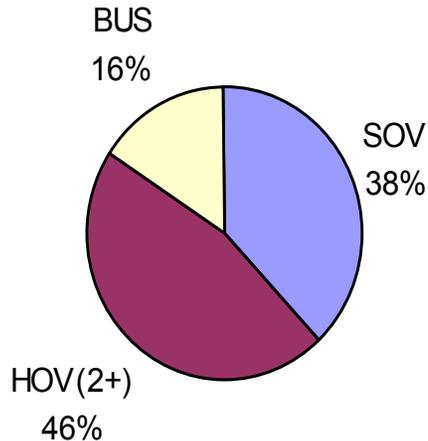
 I-66 and I-267 were relatively unchanged.



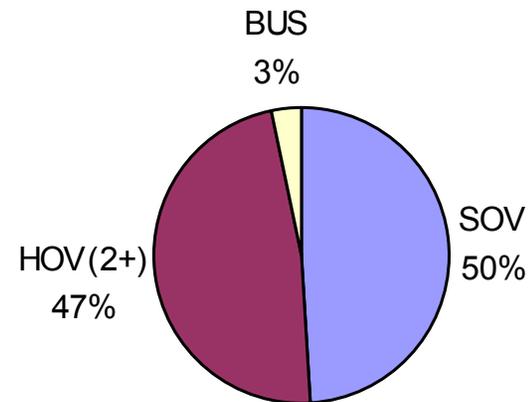
Facility Mode Shares:

Using 1999 transit ridership factors and excluding Metrorail, for inbound traffic during each morning restricted period on combined HOV and conventional lanes at screenlines:

I-395 North of Glebe Road
6:00 AM - 9:00 AM



I-95 North of Newington
6:00 AM - 9:00 AM



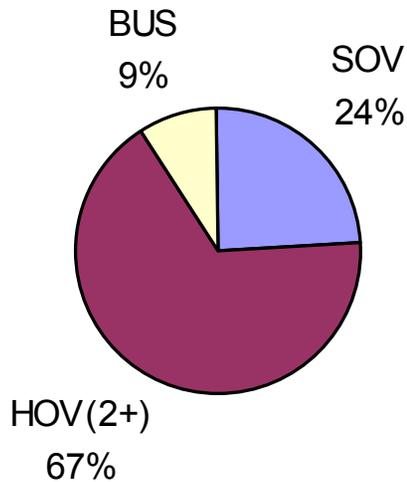


Facility Mode Shares:

I-66 - Inside Beltway

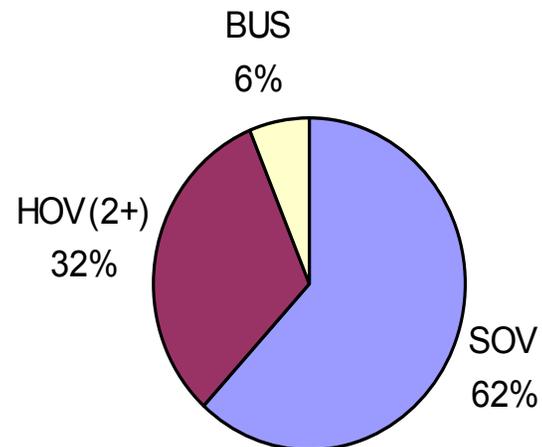
(Sycamore/Fairfax Drive; Road only for HOV use)

6:30 AM - 9:00 AM



I-66 - Outside Beltway (VA 243/I-495)

5:30 AM - 9:30 AM

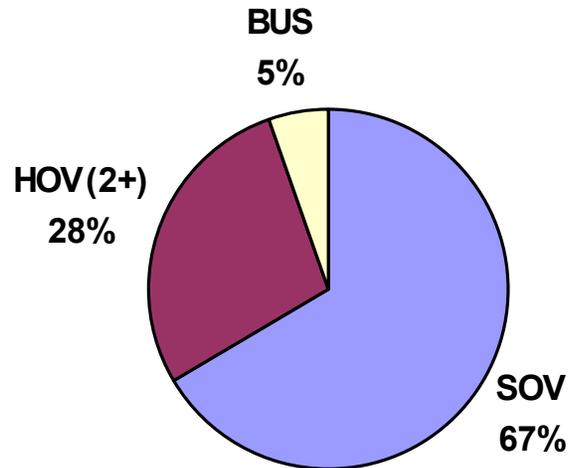




Facility Mode Shares:

I-267 - Dulles Toll Road (West of Rt. 7)

6:30 AM - 9:00 AM

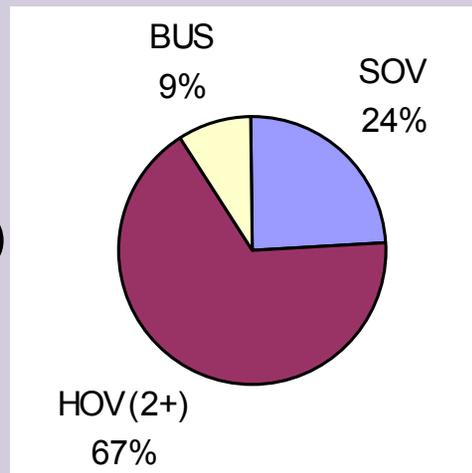


Corridor Mode Shares:

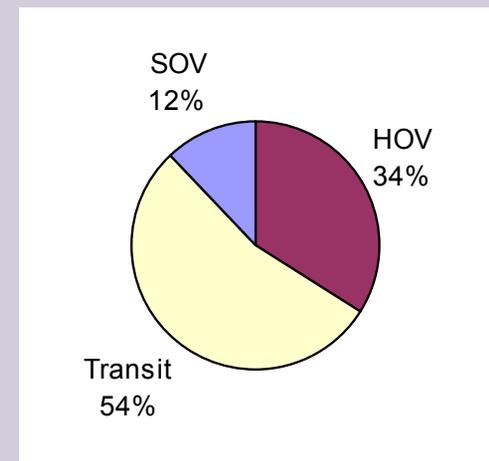
- Omitting Metrorail from I-66 drastically changes mode shares.
- Estimating Metrorail ridership for Fall, 2004, the I-66 shares would change:

I-66 Inside of Beltway
(Sycamore/Fairfax Dr.)

No Metrorail



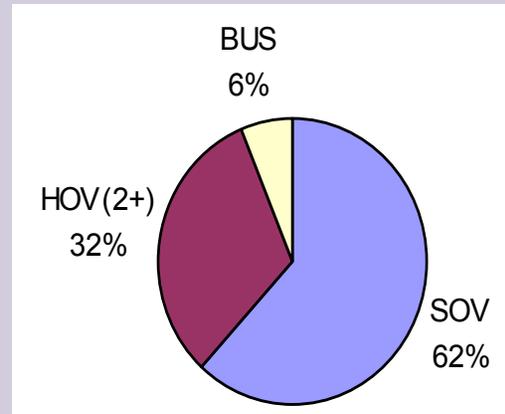
Includes Metrorail



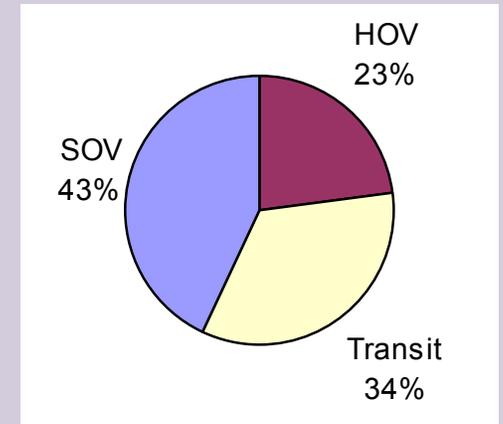


Corridor Mode Shares:

No Metrorail



Includes Metrorail



I-66 Outside of Beltway
(VA 243/I-495)



NVTC's Pilot Traffic Counting Program:

-  When fully implemented not only will HOV mainlines be counted as they are now, but current bus and rail ridership will be included as well as counts on parallel highways.
-  This will provide statistically significant mode share estimates in corridors.



NVTC

Northern Virginia Transportation Commission

March 3, 2005

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**Virginia Department of Rail
and Public Transportation**

Karen Rae

Virginia General Assembly

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Sen. Mary Margaret Whipple

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Del. Timothy D. Hugo

Del. Gary A. Reese

Executive Director

Richard K. Taube

Dennis C. Morrison
Administrator
Northern Virginia District
VDOT
14685 Avion Parkway
Chantilly, VA 20151-1104

Karen Rae
Director
DRPT
1313 E. Main Street
Suite 300, P.O. Box 590
Richmond, VA 23218-0590

Dear Administrator Morrison and Director Rae:

At its March 3, 2005 meeting, the Northern Virginia Transportation Commission considered a draft workprogram and budget to initiate a pilot traffic counting program in Northern Virginia that would enable statistically significant mode share measures in our major commuting corridors. Surprisingly, none of the ongoing counting programs provide such essential data, which would allow planners and policy makers to measure the performance of past transportation investments and help guide future allocations of scarce resources.

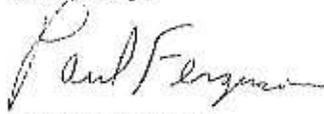
NVTC is asking that funds be provided to the Transportation Planning Board of the National Capital Area to conduct a count in Fall, 2005 in conjunction with the scheduled HOV performance monitoring done by TPB for VDOT. According to TPB, it would require \$250,000 to perform such an augmented count. We understand that VDOT and DRPT receive federal technical assistance and planning funds that could be made available for this project, if you were to choose to do so.

We also understand that the full \$250,000 may not be available for Fall, 2005. For that reason, the attachment describes several options for a reduced level of effort that could serve as a pilot project if funded at levels of \$125,000 or even \$62,500. If the pilot project were to be successful, we could examine the several other sources listed in the attachment to continue a full counting program.

We respectfully request your consideration of this important regional program as you make your final determination soon of the uses of your available resources at TPB for FY 2006.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Paul Ferguson".

Paul Ferguson
Chairman

cc: David F. Snyder, NVTA Chairman
Robert McDonald, VDOT
Valerie Pardo, VDOT
Robert Griffiths, TPB
Gerald Miller, TPB



(B)

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Executive Director
Richard K. Taube

March 4, 2005

Philip A. Shucet
Commissioner
Virginia Department of Transportation
1401 E. Broad Street
Richmond, VA 23219

Dear Mr. Shucet:

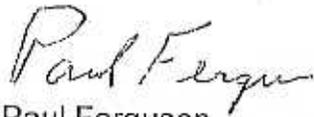
At its meeting of March 3, 2005, the Northern Virginia Transportation Commission considered material developed by the Surface Transportation Policy Project (STPP) and others that displays federal transportation funds available to meet rescission requirements imposed by the Federal Highway Administration (FHWA). An issue affecting most states, including Virginia, is the disproportionate amount of unobligated funds in programs most heavily relied upon for transit projects, such as Congestion Mitigation and Air Quality. It is feared that these programs that are "under obligated" will be "over rescinded."

From the STPP material it appears that CMAQ and Regional STP funds in Virginia comprise 3.8 percent and 21.1 percent of unobligated funds, respectively, from which the commonwealth must meet the \$31.2 million rescission this year. This occurs because CMAQ and RSTP funds have not been obligated as fast as the funds are allocated, leaving disproportionate amounts of unobligated funds in these categories.

Because both of these federal programs are vital to public transit and because Northern Virginia benefits substantially as a region from public transit funding, NVTC wishes to alert you to this concern as the source of funds to be rescinded is determined. We understand that rescissions of similar magnitude will be required for the next several years.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Paul Ferguson".

Paul Ferguson
Chairman

cc: Governor Mark Warner
Commonwealth Transportation Board Members

2/9/2005

STPP Analysis
 FY2004 Apportionments, Obligations and Unobligated Balances

STATE	FY 2004 Apportionments (000)	FY 2004 Obligations (000)	FY 2004 Unobligated Balances (000)	FY 2004 Total (000)	FY 2004 %	FY 2004 Total (000)	FY 2004 %
VIRGINIA (51)							
PROGRAM FUND							
Bridge: TOTAL	5,021,823	114,215	147,158	22.0%	132,692	19.0%	
Bridge - 65% On System	3,264,185	74,240	136,217	20.3%	15,290	2.2%	
Bridge - 15% Off System	753,274	17,132	7,497	1.1%	71,136	10.2%	
Bridge - 20 % On/Off System, Special	1,004,365	22,843	3,443	0.5%	46,265	6.6%	
CMAQ	2,075,322	43,004	16,264	2.4%	66,689	9.5%	
IM	5,866,324	174,884	109,971	16.4%	26,796	3.8%	
Minimum Guarantee: TOTAL	2,800,000	77,741	30,254	4.5%	36,863	5.3%	
MG - Subject to Limitation	161,000	4,470	2,991	0.4%	2,503	0.4%	
MG - Special Limitation	2,000,000	55,530	14,214	2.1%	30,230	4.3%	
MG - Exempt	639,000	17,742	13,049	1.9%	4,130	0.6%	
NHS	7,237,431	171,154	128,569	19.2%	24,181	3.5%	
STP: TOTAL	8,512,069	229,600	194,389	29.0%	252,301	36.1%	
STP - Transportation Enhancements	859,142	23,670	37,668	5.6%	10,618	1.5%	
STP - safety	859,142	23,670	8,601	1.3%	57,591	8.2%	
STP - Any Area (State Flex)	2,575,434	63,909	63,352	9.5%	18,435	2.6%	
STP - Urbanized >200k	2,280,829	66,921	21,364	3.2%	147,276	21.1%	
STP - Areas < 200k	1,346,010	37,022	43,780	6.5%	10,587	1.5%	
STP - <5k	591,511	14,407	19,625	2.9%	7,631	1.1%	
TOTAL CORE PROGRAMS	31,512,969	810,579	626,605	95.5%	539,622	77.1%	
All Other Funding Programs	1,451,868	38,272	43,608	6.5%	159,844	22.9%	
TOTAL FEDERAL AID ACCOUNT	32,964,837	848,851	670,213		699,466		
FY 2004 OBLIGATION AUTHORITY							
Formula	25,857,051	618,870	STP		5,862		
Allocated	1,778,191	9,835	CMAQ		4,668		
Special Limitation	2,507,324	56,809	OTHER		13,208		
TOTAL	30,142,546	695,514	TOTAL		24,538		
UNOBLIGATED BALANCE	4,553,423	115,362					

Sources: FHWA: FMS Reports (Obligations and Balances) and Ap
 Note: Because of selectivity of data, not all numbers can added.



NVTC

Northern Virginia Transportation Commission



March 10, 2005

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Executive Director
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Honorable Whittington W. Clement Honorable John. W. Marshall
Secretary of Transportation Secretary of Public Safety
202 N. Ninth St., Room 523 202 N. Ninth St., Room 613
Richmond, VA 23219 Richmond, VA 23219

Dear Secretary Clement and Secretary Marshall:

At its meeting of March 3, 2005, the Northern Virginia Transportation Commission reviewed the findings and recommendations of the HOV Enforcement Task Force that you created. We also carefully examined the February 25, 2005 letter from VDOT Commissioner Shucet to FHWA Division Administrator Fonseca-Martinez on this subject. Further, we examined data on HOV capacity, violations and hybrid vehicle use.

NVTC believes that the increased use of hybrid vehicles is very good for this region, creating cleaner air and fuel savings. Our citizens are doing the right thing by switching to these vehicles and they should not be penalized for their own success. We noted that a recent Washington Post survey of this region's commuters found that 55% of Virginia's respondents favored allowing hybrid vehicles on HOV lanes.

In examining the data included in Commissioner Shucet's letter, we observed that violators comprised more vehicles than hybrids at virtually all times and locations on the HOV lanes. This suggests to us that the top priority must be immediate enforcement while the growth of hybrids is monitored and suggestions for altering hybrid access are evaluated.

As a result of our discussion we wish to share these additional comments:

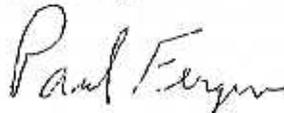
- 1) Since the HOV lanes are already at or near

capacity, the immediate development of a performance monitoring system and remedial plan to address this issue is required, and the elements listed in Commissioner Shucet's letter provide an excellent mix, starting with better enforcement. We do note, however, that given present trends, waiting until this summer to agree on an action plan may be too late.

- 2) Regarding the HOV exemption for hybrid vehicles, we note that the present exemption expires on July 1, 2006 and the Virginia General Assembly did not act during this session to change the exemption, nor did your task force recommend that it do so. Nonetheless, the growth of such vehicles on the HOV lanes is occurring at a startling rate and may require some remedial action, as long as it is not punitive and includes enhanced enforcement of HOV violations.

The Northern Virginia Transportation Commission has been active in monitoring the use of the Shirley Highway HOV lanes from the beginning and serves as an advocate for HOV use in general. Current trends point to even more congestion on the HOV lanes. This is a very serious threat. We are anxious to assist you in whatever way you request in developing an action plan to ensure that our HOV lanes continue to function effectively, without unduly penalizing hybrid drivers.

Sincerely,



Paul Ferguson
Chairman

cc: Philip A. Shucet



Rick Taube

From: Ken Reid [KReid@fdainfo.com]
Sent: Friday, March 04, 2005 12:45 PM
To: dulles alternatives; Preserving American Dream
Cc: Chairman At-Large Catocin District; Blue Ridge District Potomac District Leesburg District Sterling District Dulles District; Sugarland Run District; Broad Run District; jabacon@baconsrebellion.com; spirisse@aol.com; .maio@mediasoft.net; sustainableloudoun@hotmail.com; sustainableloudoun@earthlink.net; cmiller@pecva.org; stewart@smartergrowth.net; jdegive@pecva.org; Mdegarmo@aol.com; gem.bingol@verizon.net; Egorski@pecva.org; Rick Taube; Laura@smartergrowth.net; nicola@smartergrowth.net; tina@smartergrowth.net; llarson@pecva.org; pglending@smartgrowthamerica.org; stennyson@webtv.net; jawamsley@comcast.net; dru@friendsofmd.org; stella@audubonnaturalist.org; thmetcalf@mac.com; mkmayock@yahoo.com; phughes1@cox.net; lepstein@savethebay.cbf.org; coca@pobox.com; Michael_Replogle@edf.org; gpsmith@igc.org; sandersh@erols.com; neal@audubonnaturalist.org; djwilhelm@erols.com; f.a.r.m@erols.com; PTLindstro@aol.com; Perezrodolfo75@aol.com; dwhitaker@mdp.state.md.us; mailbox@solutionsnotsprawl.org; marcx@yahoo.com; muchnick@capaccess.org; jwarrenclarke@aol.com; dchen@smartgrowthamerica.org; htregoning@smartgrowthamerica.org
Subject: VRE starts to cost taxpayers dearly (Free-Lance Star article)

According to the latest data from the Northern Virginia Transportation Commission -- which is supposed to oversee VRE and WMATA costs, but spends more time on pro-transit propaganda -- VRE is only carrying about 14,529 average trips a day. This equates to about 7,500 actual physical passengers.

7,000 is about what four lanes of I-66 heading eastbound can carry in ONE hour. For this, taxpayers in the affected jurisdictions where VRE operates will have to pay \$28 million a year. \$28 million a year could build ONE diamond interchange, thus providing true congestion relief.

If we allow rail into the Dulles Corridor and Loudoun County, Loudoun residents, like those of spotsylvania county, will be asked to fork out money to subsidize the select few and there will be less money for other needs.

--

Thank you.

Ken Reid
 For
 Notollincrease.com
 208 South King Street, Suite 303
 Leesburg, VA 20175
 (703) 779-8777
Kreid@Dullesfreeway.org

VRE needs change, but it doesn't need any more taxpayer dollars

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commute
 shouldn't subsidize the few who do on the VRE.

Date published: 3/4/2005, Fredericksburg Free-Lance Star

STAFFORD COUNTY super- visors were exactly right when they recently rejected the Virginia Railway Express' request for another \$95,000 to subsidize the system's operations next fiscal year.

And Spotsylvania County can hardly be blamed for refusing to support the service. However offensive their beggar-thy-neighbor approach to the service may seem, one can sympathize with their wish to avoid the fiscal flypaper VRE has become to the communities stuck subsidizing it.

As VRE's most recent budget proposal reveals, fares paid by its riders cover only a fraction of its costs, with the rest covered by multimillion-dollar subsidies from federal, state, and local taxpayers--mostly you and me.

For next fiscal year, VRE anticipates fares will cover only \$19.9 million, or 41 percent, of its operating and other current costs, which it estimates will total \$48.3 million. (We're excluding here its \$7.2 million wish list of capital projects.) In other words, VRE and its riders are expecting taxpayers to kick in about \$28.4 million in subsidies so that a tiny fraction--less than 1 percent of the adult population in the service area--can ride to work on the rails instead of by car, van pool, or bus.

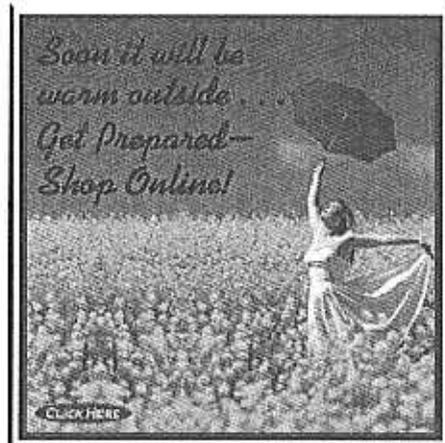
When a passenger from Fredericksburg pays his or her \$7.29 ticket (10-pass) to climb aboard the train, taxpayers kick in another \$10.50 to finance that ride. And because morning riders come back in the evening, each Fredericksburg passenger imposes a daily cost of \$21 on the community, the state, and the nation.

Counting new capital spending plans, VRE's fiscal 2006 budget will require \$35.5 million in subsidies on top of the \$19.9 million it expects from fares in order to operate and grow. Expressed another way, each VRE passenger will require a taxpayer subsidy of \$4,481 per year to keep the system going and growing.

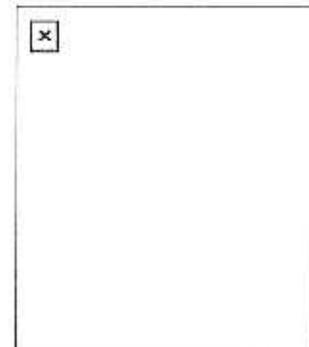
At that annual cost, taxpayers could lease or buy on credit a mid-priced car for every VRE rider, and government would still have millions left over for schools or tax relief.

This is not meant to pick on VRE's management or to suggest they are wasteful of public monies that could otherwise be spent on libraries or other transportation projects. A job is a job, and they are probably doing as well as they can in applying a mid-19th-century technology to 21st-century needs.

But as one might suspect of an obsolete service in a modern world, this antiquarian exercise is exceptionally costly. Rail transit systems around the country, including Amtrak, Washington's Metro, Philadelphia's SEPTA, New York's MTA and San Francisco's BART, to name just a few,



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are awash in a tidal wave of red ink.

Part of VRE's problem is that it is dependent upon one of America's least effective "businesses"--Amtrak--to operate and maintain its daily rail service under a contract costing millions. As other commuter lines discovered, Amtrak is the most expensive operating service around, and several systems have saved millions by dumping Amtrak and hiring private operators to run their trains under contract.

In recent years, both Los Angeles and Boston have dropped Amtrak and contracted out their rail services. And while VRE's management contends it is exploring this option, doing so shouldn't require years of study. If it saves money and improves service, just do it!

And if Amtrak threatens access to Union Station--as has been reported--then it's time for Virginia's congressional delegation to take Amtrak's management aside and explain how this attitude will jeopardize the \$1.2 billion federal bailout that keeps them employed.

While every effort should be taken by VRE's management to hold down costs, the economics of rail transportation are such that even after every efficiency is adopted, VRE's costs and losses will still be high, and its operations will require substantial and escalating taxpayer subsidies. But there is a way out.

For starters, local officials need to put an end to any more talk about expanding the service and adding more trains and stations. More trains mean higher losses and more taxpayer subsidies. If the burden seems heavy today, it will get only worse in the future as the number of riders needing the \$4,481 annual subsidy increases. Indeed, as VRE's budget reveals, merely freezing service and canceling its capital wish list reduces the annual passenger bailout to \$3,558.

Following this service freeze, VRE needs to immediately put the operations out to competitive bid to reduce operating costs. While these cost reductions could be substantial, they will not come anywhere close to allowing the system to reach break-even point, such are the magnitude of VRE's losses.

Whatever operating deficit remains after cost efficiencies are imposed should be covered by fare increases. After VRE is no longer burdened with the goal of increasing ridership and losses, it can afford to raise fares to reflect the premium service provided to the tiny niche of travel connoisseurs in our community.

In comparison to driving, commuter rail allows users to sleep, read, make new friends, play with a laptop, listen to music, watch a DVD, chat on the cell phone, and/or watch the lovely Virginia countryside pass by. These are valuable benefits, and a core of commuters would be happy to pay for them. To this end, as VRE begins to hike fares to better reflect the value (and cost) of these gourmet services, others will find that costs outweigh benefits and seek alternatives.

As ridership declines, VRE will now have the opportunity to make substantial cost savings by canceling some of the train sets now burning dollars to and from Washington.

By raising fares and reducing costs, VRE can quickly reach the break-even point. VRE's management will have the satisfaction of achieving financial independence by limiting service

to a discerning customer base, while the 99 percent-plus of the adults in the area will be free of the onerous burden of subsidizing the few.

RON UTT of Falmouth is a senior research fellow at The Heritage Foundation.

Rick Taube

From: James Wamsley [jwamsley5@comcast.net]
Sent: Monday, March 07, 2005 1:26 PM
To: Ken Reid
Cc: jabacon@baconsrebellion.com; spirisse@aol.com; ". maio@mediasoft.net"; sustainableloudoun@hotmail.com; sustainableloudoun@earthlink.net; cmiller@pecva.org; stewart@smartergrowth.net; jdegive@pecva.org; Mdegarmo@aol.com; gem.bingol@verizon.net; Egorski@pecva.org; Rick Taube; Laura@smartergrowth.net; nicola@smartergrowth.net; tina@smartergrowth.net; llarson@pecva.org; pglending@smartgrowthamerica.org; stennyson@webtv.net; jwamsley@comcast.net; dru@friendsofmd.org; stella@audubonnaturalist.org; thmetcalf@mac.com; mkmayock@yahoo.com; phughes1@cox.net; lepstein@savethebay.cbf.org; coca@pobox.com; Michael_Repogle@edf.org; gpsmith@igc.org; sandersh@erols.com; neal@audubonnaturalist.org; djwilhelm@erols.com; f.a.r.m@erols.com; PTLindstro@aol.com; Perezrodolfo75@aol.com; dwhitaker@mdp.state.md.us; mailbox@solutionsnotsprawl.org; marcx@yahoo.com; muchnick@capaccess.org; jwarrenclarke@aol.com; dchen@smartgrowthamerica.org; htregoning@smartgrowthamerica.org
Subject: Re: VRE starts to cost taxpayers dearly

Thank you for answering my reply. Two points.

The comparison to "Of course, > VRE cuts its service back mid day, unlike Metro, which is sending empty > trains all over the DC area at 10 minute headways even in non rush." from your message is the average daily throughput on a highway in 10 times the peak hour through put. In other words our highways operate at 42% capacity. The three example, your VRE and your METRO and my highway example are false. You should grow beyond this type analysis.

"a freeway lane carries 2,000 cars > per hour, which is what I said, too. Multiply that by 4 and you get > 8,000." is a simplification used where there are no congestion problems. Congested lanes provide less throughput. When you discuss transportation solutions in Northern Virginia you should again grow beyond the "school house" simplifications.

----- Original Message -----

From: "Ken Reid" <Kreid@dullesfreeway.org>
To: "Shirley Tennyson" <stennyson@webtv.net>; <jwamsley5@comcast.net>
Sent: Monday, March 07, 2005 11:42 AM
Subject: Re: VRE starts to cost taxpayers dearly

>
> James Wamsley wrote:
>
> >I have no idea where Ken Reid gets the capacity of I-66 during rush
> >hour. His "7,000 is about what four lanes of I-66 heading
> eastbound
> >can carry in ONE hour." would be an accurate number if demand
> >management like congestion tolling were in place.
> >
> >
> Karen Rae, Your lead mouthpiece for the Virginia congestion
> coalition),
> told the Toll Increase hearings that a freeway lane carries 2,000
> cars
> per hour, which is what I said, too. Multiply that by 4 and you get
> >8,000. Because I-66 is using the shoulders in AM rush hour, it is a
> >four-lane road and thus, carrying about 8,000 cars per hour So, Im

off
> by 1,000. In reality, I-66 could be carrying 2,200 per hour because
> it's at LOS "F" each day. So, i stand by my 7,000 figure. Of
course,
> VRE cuts its service back mid day, unlike Metro, which is sending
empty
> trains all over the DC area at 10 minute headways even in non rush.
>

Rick Taube

From: Dan Wilhelm [djwilhelm@erols.com]
Sent: Tuesday, March 08, 2005 12:11 PM
To: Shirley Tennyson; James Wamsley
Cc: Ken Reid; jabacon@baconsrebellion.com; spirisse@aol.com; .maio@mediasoft.net; sustainableloudoun@hotmail.com; sustainableloudoun@earthlink.net; cmiller@pecva.org; stewart@smartergrowth.net; jdegive@pecva.org; Mdegarmo@aol.com; gem.bingol@verizon.net; Egorski@pecva.org; Rick Taube; Laura@smartergrowth.net; nicola@smartergrowth.net; tina@smartergrowth.net; llarson@pecva.org; pglendening@smartgrowthamerica.org; jawamsley@comcast.net; dru@friendsofmd.org; stella@audubonnaturalist.org; thmetcalf@mac.com; mkmayock@yahoo.com; phughes1@cox.net; lepstein@savethebay.cbf.org; coca@pobox.com; Michael_Replogle@edf.org; gpsmith@igc.org; sandersh@erols.com; neal@audubonnaturalist.org; f.a.r.m@erols.com; PTLindstro@aol.com; Perezrodolfo75@aol.com; dwhitaker@mdp.state.md.us; mailbox@solutionsnotsprawl.org; marcx@yahoo.com; muchnick@capaccess.org; jwarrenclarke@aol.com; dchen@smartgrowthamerica.org; htregoning@smartgrowthamerica.org
Subject: Re: VRE starts to cost taxpayers dearly

Shirley

The number of vehicles a lane can handle during the peak hour is a sliding scale based upon how slow the traffic gets. I have not seen measured results, but the Highway Capacity Manual has some graphs. I would think most of the congestion on our freeways where we have stop and go is far below 1500. When traffic is moving well, the capacity is 2300 or even slightly higher per lane.

Dan Wilhelm

----- Original Message -----

From: "Shirley Tennyson" <stennyson@webtv.net>
To: "James Wamsley" <jwamsley5@comcast.net>
Cc: "Ken Reid" <Kreid@dullesfreeway.org>; <jabacon@baconsrebellion.com>;

<spirisse@aol.com>; ".maio@mediasoft.net" <egorski@pecva.com>; <sustainableloudoun@hotmail.com>; <sustainableloudoun@earthlink.net>; <cmiller@pecva.org>; <stewart@smartergrowth.net>; <jdegive@pecva.org>; <Mdegarmo@aol.com>; <gem.bingol@verizon.net>; <Egorski@pecva.org>; <rick@nvtdc.org>; <Laura@smartergrowth.net>; <nicola@smartergrowth.net>;

<tina@smartergrowth.net>; <llarson@pecva.org>; <pglendening@smartgrowthamerica.org>; <jawamsley@comcast.net>; <dru@friendsofmd.org>; <stella@audubonnaturalist.org>; <thmetcalf@mac.com>; <mkmayock@yahoo.com>; <phughes1@cox.net>; <lepstein@savethebay.cbf.org>;

<coca@pobox.com>; <Michael_Replogle@edf.org>; <gpsmith@igc.org>; <sandersh@erols.com>; <neal@audubonnaturalist.org>; <djwilhelm@erols.com>; <f.a.r.m@erols.com>; <PTLindstro@aol.com>; <Perezrodolfo75@aol.com>; <dwhitaker@mdp.state.md.us>; <mailbox@solutionsnotsprawl.org>; <marcx@yahoo.com>; <muchnick@capaccess.org>; <jwarrenclarke@aol.com>; <dchen@smartgrowthamerica.org>; <htregoning@smartgrowthamerica.org>

Sent: Monday, March 07, 2005 11:16 PM

Subject: Re: VRE starts to cost taxpayers dearly

> No, with level of service "F" which we have, freeway lanes move only

> 1,500 people per peak hour, but on the shoulders of the peak like 6am
> and 9am, they can move 2,000 per lane, absent an accident but
accidents
> happen almost every day
> Metro does not run near-empty trains every ten minutes mid-day.
> The mid-day headway is 12 minutes and has been for years. I sometimes
> catch the 11:11am train out of Vienna. It usually has a few standees
on
> six cars by Court House, but not always. Mid-day has better average
> loads than rush hours because the two directions of travel are better
> balanced. Ken Reid should understand that Metro has a higher load
> factor than the busy New York City subway system. The annual
publication
> of national data required by Congress is the source of this
information.
> E d T e n n y s o n
>

Rick Taube

From: Ken Reid [Kreid@dullesfreeway.org]
Sent: Tuesday, March 08, 2005 12:27 PM
To: Shirley Tennyson
Cc: James Wamsley; Ken Reid; jabacon@baconsrebellion.com; spirisse@aol.com; .maio@mediasoft.net; sustainableloudoun@hotmail.com; sustainableloudoun@earthlink.net; cmiller@pecva.org; stewart@smartergrowth.net; jdegive@pecva.org; Mdegarmo@aol.com; gem.bingol@verizon.net; Egorski@pecva.org; Rick Taube; Laura@smartergrowth.net; nicola@smartergrowth.net; tina@smartergrowth.net; llarson@pecva.org; pglendening@smartgrowthamerica.org; jawamsley@comcast.net; dru@friendsofmd.org; stella@audubonnaturalist.org; thmetcalf@mac.com; mkmayock@yahoo.com; phughes1@cox.net; lepstein@savethebay.cbf.org; coca@pobox.com; Michael_Replogle@edf.org; gpsmith@igc.org; sandersh@erols.com; neal@audubonnaturalist.org; djwilhelm@erols.com; f.a.r.m@erols.com; PTLindstro@aol.com; Perezrodolfo75@aol.com; dwhitaker@mdp.state.md.us; mailbox@solutionsnotsprawl.org; marcx@yahoo.com; muchnick@capaccess.org; jwarrenclarke@aol.com; dchen@smartgrowthamerica.org; hregoning@smartgrowthamerica.org
Subject: Re: VRE starts to cost taxpayers dearly



Kreid.vcf

I dont doubt your figures, Ed. But all i can tell you is that highway lanes carry 2,000 vehicles per hour. That's according to railfan karen

rae and various Highway planners.

You also have to realize that at least with VRE, most passengers are heading EAST in the morning, not WEST, whereas with I-66 and the toll road, it's the opposite because there are so many jobs in both corridors. How many people take VRE westbound to Clifton each day to go

to work? Or even to Fredericks burg?

Also, not everyone travels in a linear fashion. The freeways are NOT just getting people from one location to another. they are servicing travel that is going in all different directions. Jobs, stores and schools are all dispersed.

But with rail, you're locked in. And, to the same extent with buses, but buses can be rerouted based on demand.

Once you get off that train or bus, you're a pedestrian. If your job or

destination is more than a half mile from the station, you wont use transit at all. If the weather is extremely hot or cold -- which is the

case in DC -- youll also drive.

So, the idea that we can build more rail and it will "get people out of their cars" is absurd. Plus, the operating costs of rail are so high, plus the capital costs are so exorbitant, that we are compelled

to come up with market-based solutions --Like HOT lanes.

Lastly, ed, if you're going to use this email address, why dont you change the outgoing name to "Ed " instead of Shirley.

Thank you.

Ken Reid
For
Notollincrease.com
208 South King Street, Suite 303
Leesburg, VA 20175
(703) 779-8777
Kreid@Dullesfreeway.org



NVTC

Northern Virginia Transportation Commission



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Vice Chairman
Hon. Gerald E. Connolly

Secretary/Treasurer
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**Virginia Department of Rail
and Public Transportation**
Karen Rae

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Executive Director
Richard K. Taube

March 11, 2005

Mr. Fred Hiatt
Editorial Page Editor
Washington Post
1150 15th Street NW
Washington, DC 20071

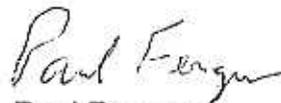
Dear Mr. Hiatt:

Enclosed is a statement submitted for publication by the Northern Virginia Transportation Commission. We believe it would be of interest to your readers as a Sunday "Close to Home" feature.

Although NVTC commissioners voted to send this statement to you, not every commissioner was present and therefore not every commissioner should be associated with support for increased motor fuel taxes for Metro.

Please feel free to contact me with any questions.

Sincerely,


Paul Ferguson
Chairman

WASHINGTON POST: CLOSE TO HOME

THE VIRGINIA HOUSE OF DELEGATES MISSED AN OPPORTUNITY TO SUPPORT METRO

**Paul Ferguson
Chairman
Northern Virginia Transportation Commission**

In its Sunday, February 13, 2005 lead story, the Washington Post reported the startling results of a commuting survey of over a thousand residents of this metropolitan area. While identifying traffic congestion as a very serious threat to their life styles, half of the respondents were willing to pay higher gasoline taxes to complete transportation improvement projects. An even greater 58 percent favored higher taxes to support Metro.

Just 24 hours later, the Virginia General Assembly's House Finance Committee failed to report a bill that had been passed convincingly by the Virginia Senate and would have taken a firm step towards meeting the concerns of commuters in the Post's survey. SB 1099 would have raised the two percent sales tax on gasoline to four percent of the pump price in local Virginia jurisdictions currently supporting Metro. As is true of the current two percent tax, the proceeds would be dedicated to Metro with no chance of diversion. The current two percent tax yields each year about \$20 million to support Metro, plus an additional \$4 million for transit and other transportation projects.

Some Virginia House Finance Committee members asked if salaries for Metro employees are too high? The facts are that Metro salaries are in line with those of other large transit systems nationwide according to information from the National Transit Database.

WMATA (as of FY 2003) is shown to pay \$129 million in annual operator wages for 6.5 million hours of work, for an average wage of less than \$20 per hour. Comparable results are over \$21 for New York City Transit, over \$22 for MBTA in Boston and an average for all systems operating heavy rail systems such as Metrorail throughout the United States of over \$21.

According to the American Public Transportation Association, of the 57 transit agencies that negotiated labor contracts in 2004, Metro's agreement ranked 12th from the bottom. The agreement limited wage increases to 1.5% each year over two years.

The Commonwealth of Virginia tightly controls additional sources of revenue for local governments. However, it does not allow any of the costs of transit wages to be paid from its own transit assistance programs. Further, for

those expenses it does agree to fund, the commonwealth falls short by \$100 million in FY 2005 alone by failing to provide to Northern Virginia the maximum amount allowed by statute. The burden of inadequate transit funding falls squarely on local governments that must rely primarily on property taxes.

Finance Committee members also asked why auto drivers should pay for others to use transit? The answer is that in Northern Virginia alone, over 428,000 trips are taken by transit each workday. In our major commuting corridors during peak hours the percentages of trips made by transit are very significant (over 50 percent on I-66 inside the Beltway, for example). As part of a balanced transportation network, a healthy transit system creates space on the highways at significantly less cost than only building new roads. Living in a clean air non-attainment area, everyone in our region can be healthier as more of us choose transit. Clearly, our roads would be much more crowded without transit.

Committee members also asked why transit users don't pay more? The fact is that Metrorail maximum fares are the second highest in the US. Metrorail recovers among the highest proportion of its operating costs from fares (almost 75 percent). Metrorail fares have grown sharply (a maximum of \$1.00 in 1978 compared to \$3.90 today) and faster than the rate of growth of government subsidies (about 50-cents per passenger in 1978 and 60-cents today). In contrast, Virginia's statewide gas tax hasn't increased since 1986 and the Northern Virginia motor fuels sales tax rate hasn't changed since 1980.

This is the second year in a row that the bill to increase NVTC's gas tax has easily passed the Virginia Senate only to die in this House Committee. Sadly, those many respondents to the Post's survey that favored an aggressive response to traffic congestion and were willing to pay for it will stay stuck in traffic for the foreseeable future. The Virginia General Assembly needs to increase the permanent funding stream for transit in Northern Virginia and allow the region to create its own dedicated, sustainable sources.

For more information please go to www.thinkoutsidethecar.org.

WASHINGTON POST: CLOSE TO HOME

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**Paul Ferguson
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those expenses it does agree to fund, the commonwealth falls short by \$100 million in FY 2005 alone by failing to provide to Northern Virginia the maximum amount allowed by statute. The burden of inadequate transit funding falls squarely on local governments that must rely primarily on property taxes.

Finance Committee members also asked why auto drivers should pay for others to use transit? The answer is that in Northern Virginia alone, over 428,000 trips are taken by transit each workday. In our major commuting corridors during peak hours the percentages of trips made by transit are very significant (over 50 percent on I-66 inside the Beltway, for example). As part of a balanced transportation network, a healthy transit system creates space on the highways at significantly less cost than only building new roads. Living in a clean air non-attainment area, everyone in our region can be healthier as more of us choose transit. Clearly, our roads would be much more crowded without transit.

Committee members also asked why transit users don't pay more? The fact is that Metrorail maximum fares are the second highest in the US. Metrorail recovers among the highest proportion of its operating costs from fares (almost 75 percent). Metrorail fares have grown sharply (a maximum of \$1.00 in 1978 compared to \$3.90 today) and faster than the rate of growth of government subsidies (about 50-cents per passenger in 1978 and 60-cents today). In contrast, Virginia's statewide gas tax hasn't increased since 1986 and the Northern Virginia motor fuels sales tax rate hasn't changed since 1980.

This is the second year in a row that the bill to increase NVTC's gas tax has easily passed the Virginia Senate only to die in this House Committee. Sadly, those many respondents to the Post's survey that favored an aggressive response to traffic congestion and were willing to pay for it will stay stuck in traffic for the foreseeable future. The Virginia General Assembly needs to increase the permanent funding stream for transit in Northern Virginia and allow the region to create its own dedicated, sustainable sources.

For more information please go to www.thinkoutsidethecar.org.

Expanding Curb Service For Seniors

Using Survey, Transit Panel Seeks to Draw Older Riders

By LILA DE TANTILLO
Washington Post Staff Writer

Northern Virginia's seniors don't always operate on the same schedule as the 9-to-5 commuter. They might head to a doctor's appointment midmorning and then to a community center about lunchtime.

Many have opted to stop driving altogether. But they have few other choices, as public transit is geared more toward rush-hour travel and longer trips than those usually taken by senior citizens, experts have said.

Now, the Northern Virginia Transportation Commission, a regional agency that coordinates transportation services, intends to find out how to do more for seniors.

"It's still an issue when people give up the car keys: How do they get around?" said Steve Yaffe, planning manager for PASTRAN, a Fairfax transportation agency that provides door-to-door service for seniors and people with disabilities. "We have to be cognizant of the different levels of disability or ability when we design services. Some are capable of walking to the bus and getting on; others are frail and need assistance."

Next month, 1,630 seniors — residents of Arlington, Fairfax, Loudoun and Prince William counties and the cities of Alexandria, Fairfax and Falls Church — will be surveyed about their transportation needs. In May, at least 60 will be invited to meet in focus groups to discuss existing public transportation services and to consider new ideas, and planners will conduct 20 interviews with seniors who are unable to attend such a meeting. A report is expected at the end of the year.

"We'd like to understand how we could attract them to our system," said Jana Lynott, a senior transportation planner for the commission and the manager of the survey project. She noted that by 2030, the ratio of people 65 and older in Northern Virginia is expected to increase dramatically, from one in 20 residents to one in seven.

Meantime, the percentage of seniors nationwide using public transportation has decreased for several decades. "We want to make sure we don't fall into the trap of the rest of the country," Lynott said.

The study, which will cost \$118,000, will be funded mostly by the Virginia Department of Rail and Public Transportation. An additional \$4,000 will come from the Potomac and Rappahannock Transportation Commission.



PHOTOS BY BOB POPE FOR THE WASHINGTON POST

Betty Stevenson, 78, outside the Prince William nursing home where she works, often takes an OmniliNK bus.



"These buses are a lifesaver," says Stevenson, who began taking public transportation nearly a decade ago.

Betty Stevenson, 78, of Woodbridge learned the advantage of public transportation nearly a decade ago. Three times a week, she takes an OmniliNK bus, which will go as far as three-fourths of a mile out of its way for a passenger. The 16 buses on five routes have an entryway that lowers to about curb height. They also have extendable ramps for those who use walkers or wheelchairs.

"These buses are a lifesaver," said Stevenson, who first began taking OmniliNK to a nursing home to visit her mother. Stevenson also uses the service when she needs to go to a doctor's appointment or Potomac Mills Mall.

"Before, I was taking cabs because I didn't know anything about the buses," Stevenson said.

Although the bus was designed especially for those challenged by the steeper steps of other public transportation vehicles, officials with the Potomac and Rappahannock Transportation Commission, which provides the service, said the low floors have benefited the Prince William ridership. "It made good sense, because it's faster to board and easier to maintain in general," said Eric Marx, director of planning and operations for the agency. "And for people who have some sort of mobility limitation, it's a major plus."

Esther Trask, president of the Loudoun County chapter of the AARP, said that what seniors need most from public transit is flexibility. Older people might not be able to wait outdoors for a vehicle for extended periods of time, or even understand complicated bus schedules, she said.

"The seniors are constantly complaining about the transportation issue and how they can't get around," Trask said. "That's why a lot of older people drive as long as they possibly can, even when they shouldn't be. They're plain stuck."

Jane Hardin, transportation specialist for seniors for the nonprofit Community Transportation Association of America, said public transit is a senior's lifeline. "Transportation is what will connect seniors to medical appointments, to libraries, to life in the community," she said. "Without transportation, people will be stranded in their own homes."



AGENDA ITEM #11

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Adam McGavock and Rick Taube
DATE: April 1, 2005
SUBJECT: FY 2004 Northern Virginia Transit Performance Data

NVTC staff has completed updates of performance information collected from Northern Virginia's nine transit systems. These tables are all available on NVTC's website. As can be seen, on-time performance remains strong and ridership is up on every system except PRTC's OmniLink and Metrobus (which is plagued with some questionable data during the changeover to new fareboxes).



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**Figure 2: Public Transit Systems Operating in Northern Virginia
Operating Statistics and Performance Indicators, FY 2004**

	Fairfax Connector	Potomac and Rappahannock Transportation Commission		Virginia Railway Express (VRE)	Alexandria DASH	City of Fairfax CUE	Arlington Transit (ART)	Loudoun County Transit	Washington Metro Area Transit Authority	
		Omni Ride	Omni Link						Metrobus (Northern Virginia)	Metrorail (Northern Virginia)
Annual Passenger Trips	7,990,825	1,251,316	604,586	3,447,971	3,131,284	985,500	674,806	392,901	19,190,908	87,817,948
Vehicle Miles	7,171,115	2,713,555	658,820	1,984,992	1,355,343	441,430	576,502	907,051	12,896,550*	21,070,916*
Passenger Miles	54,507,027	27,526,818	3,458,232	103,651,104	8,995,299	3,606,808	553,824	13,351,607	57,362,907*	527,998,396*
Fleet Size	170	80	19	69	57	12	27	17	365	63
Average Age of Fleet (years)	5.2	3.5	3.1	22	7.1	3.5	3.7	9	8.5**	
Average Weekday Boardings	28,590	4,907	2,371	13,903	10,684	3,438	2,716	1,642	65,381	294,258
Average Trip Length (miles)	6.82	22.00	5.72	30.06	2.87	3.66	0.82	33.98	2.99**	6.01**
On Time Performance	95%	<i>Not available</i>		87.0%	93.2%	97.0%	98.3%	96.3%	87.8%**	
Operating Costs	\$25,091,872	\$14,117,664		\$35,764,754	\$6,946,999	\$2,230,883	\$2,563,031	\$2,956,992	\$78,252,403	\$145,943,787

Source: Operating Information obtained directly from individual transit systems

* Estimated based on WMATA systemwide data

** WMATA systemwide averages

*** WMATA buses are classified "not on time" if they are early or more than two minutes late.

Figure 3: Fares on Northern Virginia Transit Systems

Rail Systems	Minimum Fare	Maximum Fare	Senior	Disabled	Under 21
VRE	\$2.10	\$8.10	50% discount	50% discount	50% discount
Metrorail Regular Fare	\$1.35	\$3.90	\$.62 - \$1.95	\$.62 - \$1.95	
Metrorail Reduced Fare	\$1.35	\$2.35	\$.62 - \$1.95	\$.62 - \$1.95	

Metrorail regular fares are charged between 5:30 and 9:30am and 3:00 to 7:00pm weekdays. Reduced fares are charged at all other times.

Bus Systems	Base Fare	Student	Senior	Disabled	Metrorail transfer
ART 41	\$1.25		\$0.60	\$0.60	\$0.35
ART 51, 52, 53	\$1.25		\$0.60	\$0.60	\$0.35
ART 61	\$1.25		\$0.60	\$0.60	\$0.35
ART 62	\$1.25		\$0.60	\$0.60	\$0.35
ART 66, 67	FREE				
ART 73, 74, 75	\$1.25		\$0.60	\$0.60	\$0.35
ART 90	\$0.50		\$0.50	\$0.50	\$0.25
Art Lunch Loops	FREE				
Connector 101-204, 301-305, 311, 401-403, 20A-20P	\$1.00		\$0.50	\$0.50	\$0.35
Connector 380	\$2.50		\$0.50	\$0.50	\$2.10
Connector 306	\$1.00		\$0.50	\$0.50	\$0.35
Connector 425, 427, 504-557, 574, 585	\$1.00		\$0.50	\$0.50	\$0.35
Connector 950, 951, 952, 980	\$1.00		\$0.50	\$0.50	\$0.35
Connector 922-929	\$1.00		\$0.50	\$0.50	\$0.35
Connector 989	\$3.00		\$1.00	\$1.00	\$2.10
Connector RIBS 1-4	\$1.00		\$0.50	\$0.50	\$0.35
CUE	\$0.50	\$0.25	\$0.25	\$0.25	
DASH	\$1.00				\$0.25
GEORGE	\$0.50				
LCT 7 to 7 on 7	\$0.50				
LCT Cascades to WFC Metro	\$1.50				
LCT Commuter Zone 1	\$6.00				
LCT Commuter Zone 2	\$1.50				
Metrobus	\$1.25		\$0.60	\$0.60	\$0.25
Metrobus Express Routes	\$3.00		\$1.50	\$1.50	
OMNILink	\$1.00		\$0.50	\$0.50	
OMNIRide	\$5.50		\$2.75	\$2.75	
OMNIRide shuttle to Vienna/WFC/Springfield-Franc. Metrorail Stations	\$2.50		\$1.25	\$1.25	

Figure 5: Northern Virginia Average Weekday and Annual Public Transit Passenger Trips, FY 2003 - 2004

System	Average Weekday Passenger Trips, FY 2003	Average Weekday Passenger Trips, FY 2004	Annual Passenger Trips, FY 2003	Annual Passenger Trips, FY 2004
Metrorail Virginia	282,070	294,258	83,529,741	87,817,948
Metrobus Virginia	71,470	65,381	20,855,658	19,190,908
Fairfax Connector	27,765	28,590	7,595,138	7,990,825
DASH	10,235	10,864	2,986,631	3,131,284
VRE	13,231	14,529	3,179,957	3,645,434
PRTC Omni Ride	4,639	5,185	1,182,996	1,251,316
PRTC Omni Link	2,547	2,450	649,405	604,586
CUE	3,282	3,438	925,000	985,500
Loudoun County Transit	1,152	1,642	281,829	392,901
ART	976	2,640	397,001	674,806
Total	417,367	428,977	121,583,356	125,685,507

**Figure 7: FY2003- 2004 Metrorail Ridership Summary
Average Daily Passenger Trips by Station**

Station	Weekday FY 2003	Saturday FY 2003	Sunday FY 2003	Weekday FY 2004	Saturday FY 2004	Sunday FY 2004
Stations in Alexandria*						
Blue/Yellow Line Stations						
Braddock Road	7,525	2,861	1,753	7,767	3,229	1,967
Van Dorn Street	6,814	2,631	1,572	6,938	3,245	1,908
Eisenhower Avenue	2,946	2,185	1,082	3,276	2,216	1,150
King Street	11,085	5,662	3,598	12,276	6,534	4,188
Total Alexandria:	28,370	13,339	8,005	30,257	15,224	9,214
Stations in Arlington						
Orange Line Stations						
East Falls Church	7,605	3,406	2,125	7,628	3,859	2,294
Ballston	21,829	8,759	5,339	21,883	9,502	5,715
Virginia Square	5,606	1,747	1,096	5,887	2,054	1,257
Clarendon	5,582	2,482	1,480	6,213	3,271	1,903
Courthouse	13,153	5,143	3,177	13,783	5,914	3,675
Rosslyn	28,686	9,326	6,649	30,247	10,930	7,141
Blue/Yellow Line Stations						
Arlington Cemetery	2,396	3,279	3,543	2,541	4,315	3,938
Pentagon	28,976	4,687	3,414	28,950	4,495	2,999
Pentagon City	25,232	20,363	12,151	28,788	21,901	13,170
Crystal City	25,019	7,788	4,847	25,797	8,276	5,292
National Airport	8,472	5,283	8,177	8,925	6,004	8,474
Total Arlington:	172,557	72,263	51,998	180,642	80,520	55,859
Stations in Fairfax County*						
Orange Line Stations						
Vienna	23,977	8,402	5,143	24,475	9,753	5,657
Dunn Loring	9,079	3,359	2,042	9,275	3,749	2,167
West Falls Church	15,936	4,476	2,884	16,405	5,029	2,975
Blue/Yellow Line Stations						
Huntington	15,547	5,175	3,235	15,794	5,703	3,516
Franconia-Springfield	16,603	6,536	3,811	17,410	7,939	4,459
Total Fairfax:	81,143	27,949	17,116	83,359	32,173	18,774
Total Virginia:	282,070	113,551	77,119	294,258	127,918	83,848

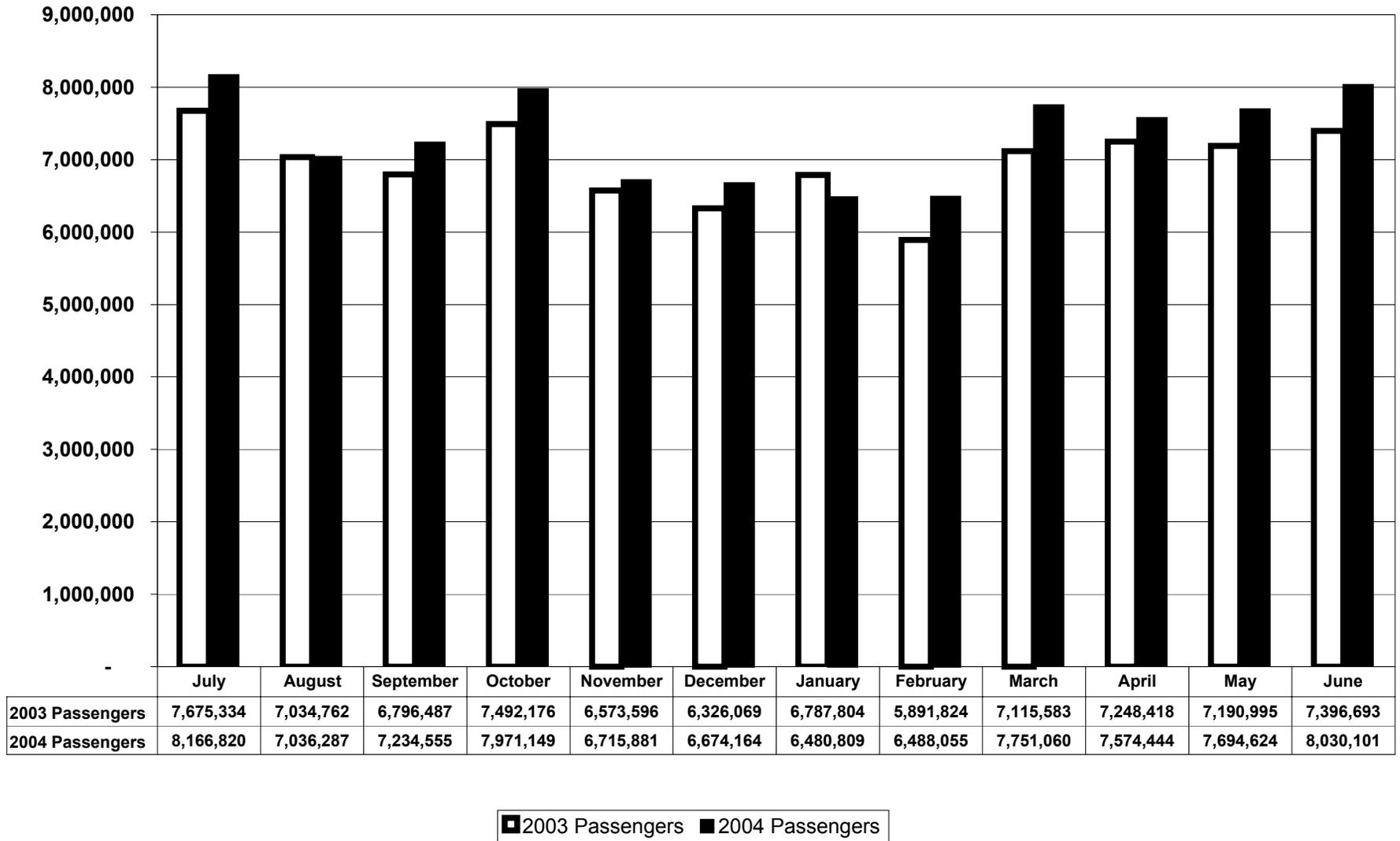
*Van Dorn Street is paid for by Alexandria and Fairfax County on a 50/50 basis

**Figure 8: FY2003- 2004 Metrorail Ridership Summary
Annual Passenger Trips by Station**

Station	Weekday FY 2003	Saturday FY 2003	Sunday FY 2003	Weekday FY 2004	Saturday FY 2004	Sunday FY 2004
Stations in Alexandria*						
Blue/Yellow Line Stations						
Braddock Road	1,963,197	148,875	91,433	2,027,988	167,472	101,703
Van Dorn Street	1,779,532	136,702	81,816	1,812,630	168,347	98,703
Eisenhower Avenue	769,019	114,860	56,315	855,964	114,698	59,620
King Street	2,892,843	295,062	187,113	3,206,219	338,927	216,313
Total Alexandria:	7,404,592	695,499	416,677	7,902,801	789,444	476,339
Stations in Arlington						
Orange Line Stations						
East Falls Church	1,985,284	177,110	110,492	1,992,590	200,196	118,496
Ballston	5,696,130	456,610	277,566	5,712,798	491,995	295,778
Virginia Square	1,461,947	90,830	56,974	1,536,825	106,670	64,924
Clarendon	1,456,830	129,069	77,170	1,621,269	169,308	98,372
Courthouse	3,431,250	267,630	164,867	3,597,625	307,352	189,942
Rosslyn	7,485,725	484,466	342,926	7,898,222	567,123	367,507
Blue/Yellow Line Stations						
Arlington Cemetery	629,450	170,658	181,068	667,904	223,975	201,971
Pentagon	7,561,078	243,562	176,772	7,558,500	233,244	154,513
Pentagon City	6,584,638	1,059,214	633,679	7,520,681	1,137,440	681,860
Crystal City	6,529,399	402,492	250,694	6,735,795	429,620	272,465
National Airport	2,211,008	273,360	426,276	2,332,454	312,771	439,312
Total Arlington:	45,032,736	3,755,001	2,698,484	47,174,662	4,179,695	2,885,139
Stations in Fairfax County*						
Orange Line Stations						
Vienna	6,259,748	437,195	268,637	6,391,752	505,918	292,928
Dunn Loring	2,369,929	174,584	106,334	2,422,419	194,425	112,138
West Falls Church	4,158,740	233,158	150,268	4,284,408	261,304	154,009
Blue/Yellow Line Stations						
Huntington	4,059,033	269,165	168,618	4,124,400	295,845	182,372
Franconia-Springfield	4,334,378	338,212	198,754	4,545,776	411,435	230,738
Total Fairfax:	21,181,827	1,452,314	892,611	21,768,755	1,668,927	972,185
TOTAL VIRGINIA:	73,619,156	5,902,814	4,007,771	76,846,218	6,638,066	4,333,664

*Van Dorn Street is paid for by Alexandria and Fairfax County on a 50/50 basis

Figure 9: Metrorail Monthly Northern Virginia Passenger Trips, FY2003-FY2004



▣ 2003 Passengers ■ 2004 Passengers

Figure 10: Metrorail Annual Northern Virginia Passenger Trips, FY 1996 - 2004

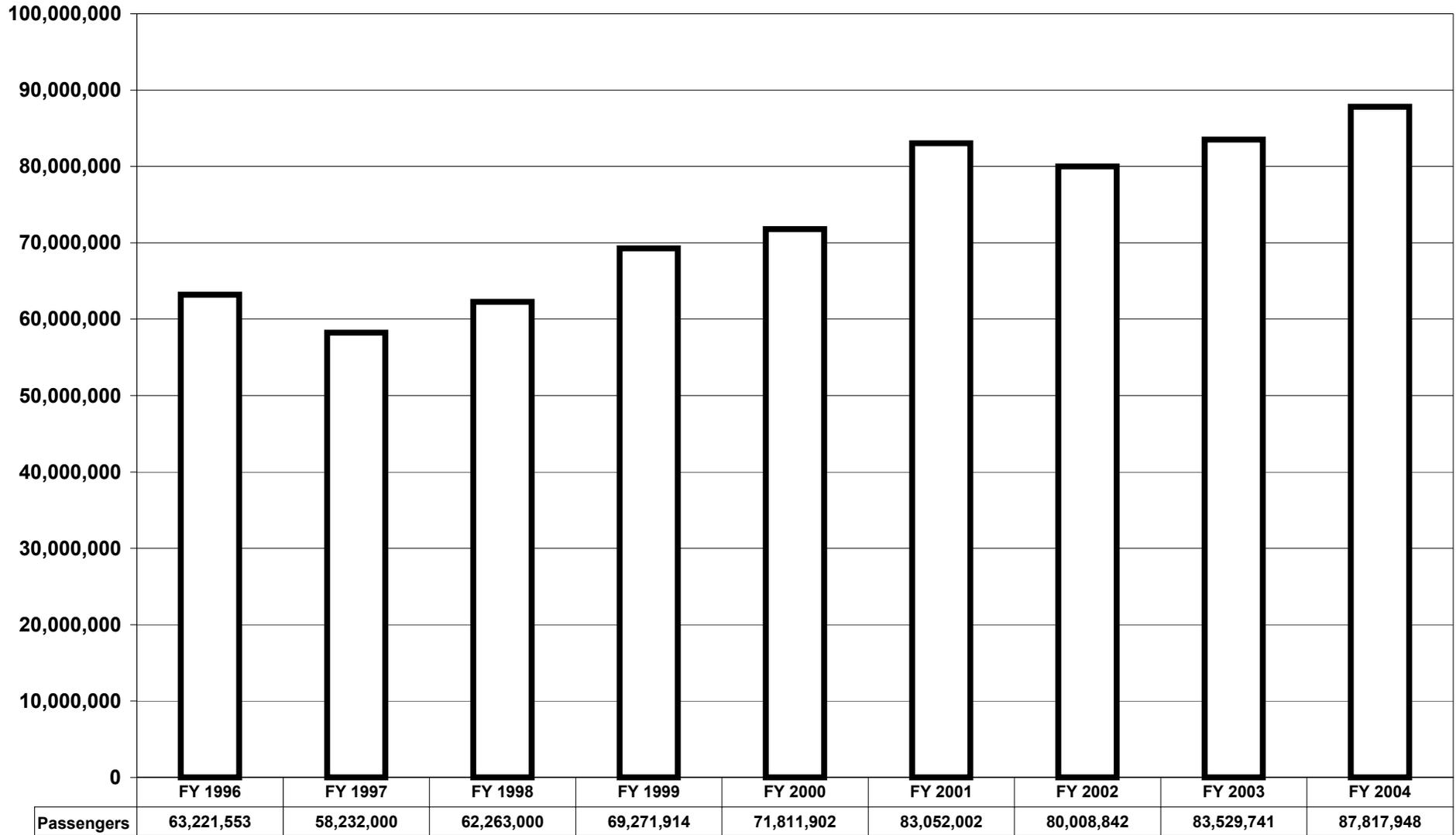
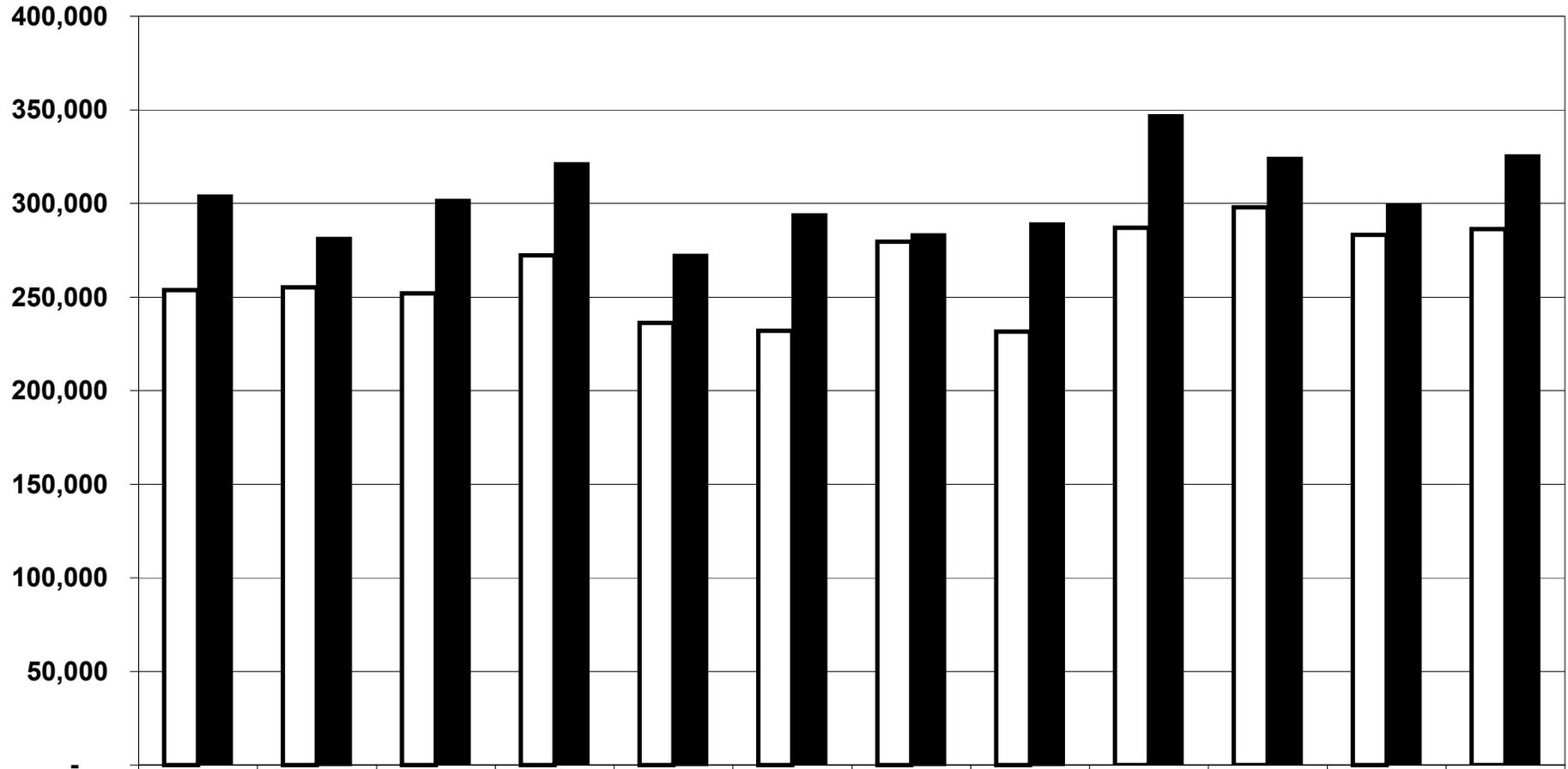


Figure 11: VRE Average Daily and Annual Passenger Trips by Station and Line FY 2004

Fredericksburg Line			
Station	Average Daily Passenger Trips	Average Annual Passenger Trips	
Fredericksburg	973	239,540	
Leeland	608	149,536	
Brook	328	80,465	
Quantico	441	108,769	
Rippon	382	93,945	
Woodbridge	773	190,166	
Lorton	222	54,635	
Franconia	210	52,294	
Alexandria	425	105,450	
Crystal City	1,165	292,114	
L'enfant	1,252	314,158	
Union Station	717	179,393	
TOTAL	7,496	1,860,465	

Manassas Line			
Station	Average Daily Passenger Trips	Average Annual Passenger Trips	
Broad Run	673	165,626	
Manassas	676	167,277	
Manassas Park	624	154,229	
Burke Center	765	189,146	
Rolling Road	393	97,389	
Backlick Road	138	34,056	
Alexandria	228	56,390	
Crystal City	768	189,820	
L'enfant	1,441	355,780	
Union Station	815	201,561	
TOTAL	6,521	1,611,275	

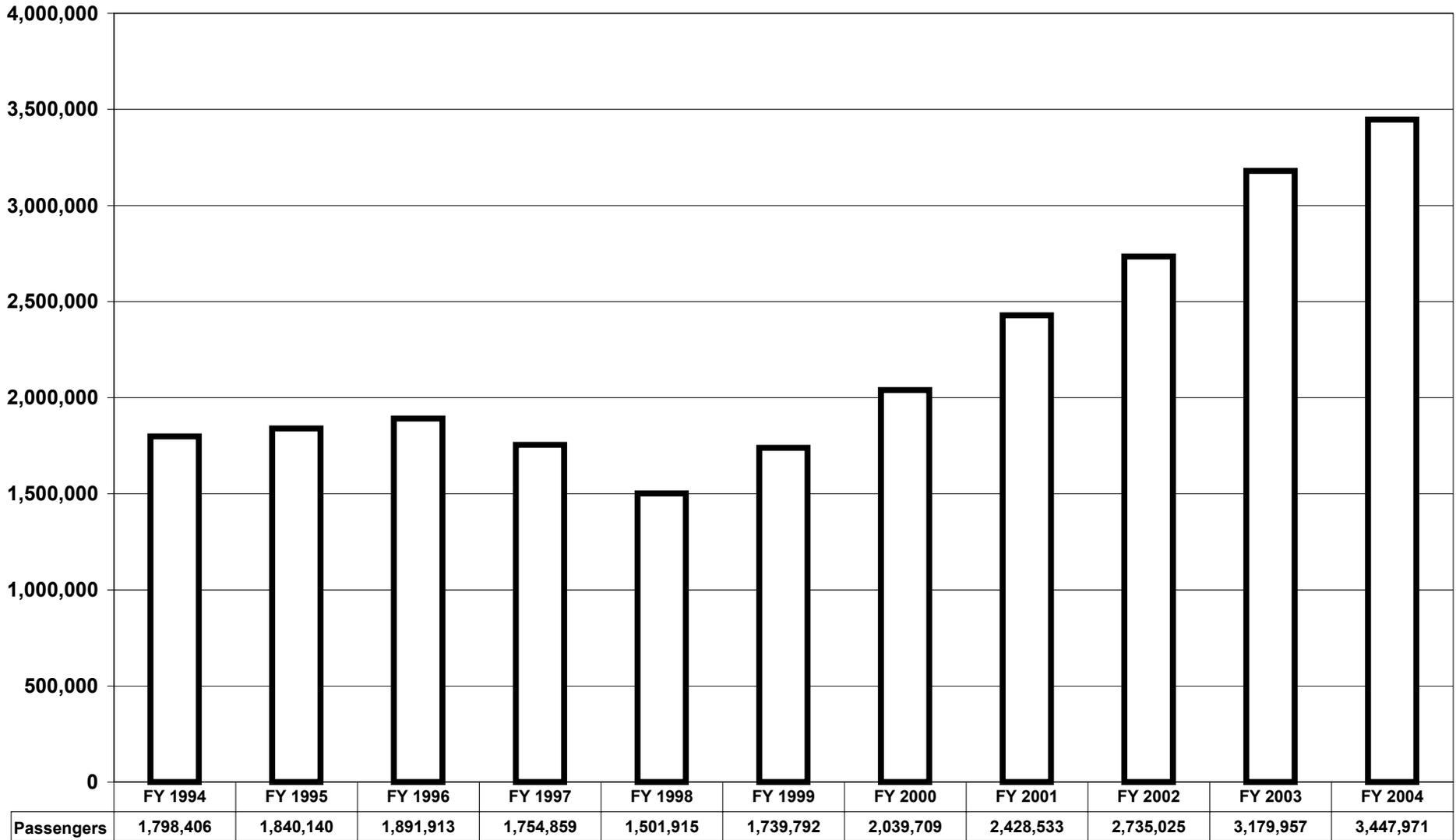
Figure 12: VRE Monthly Passenger Trips, FY 2003 - 2004



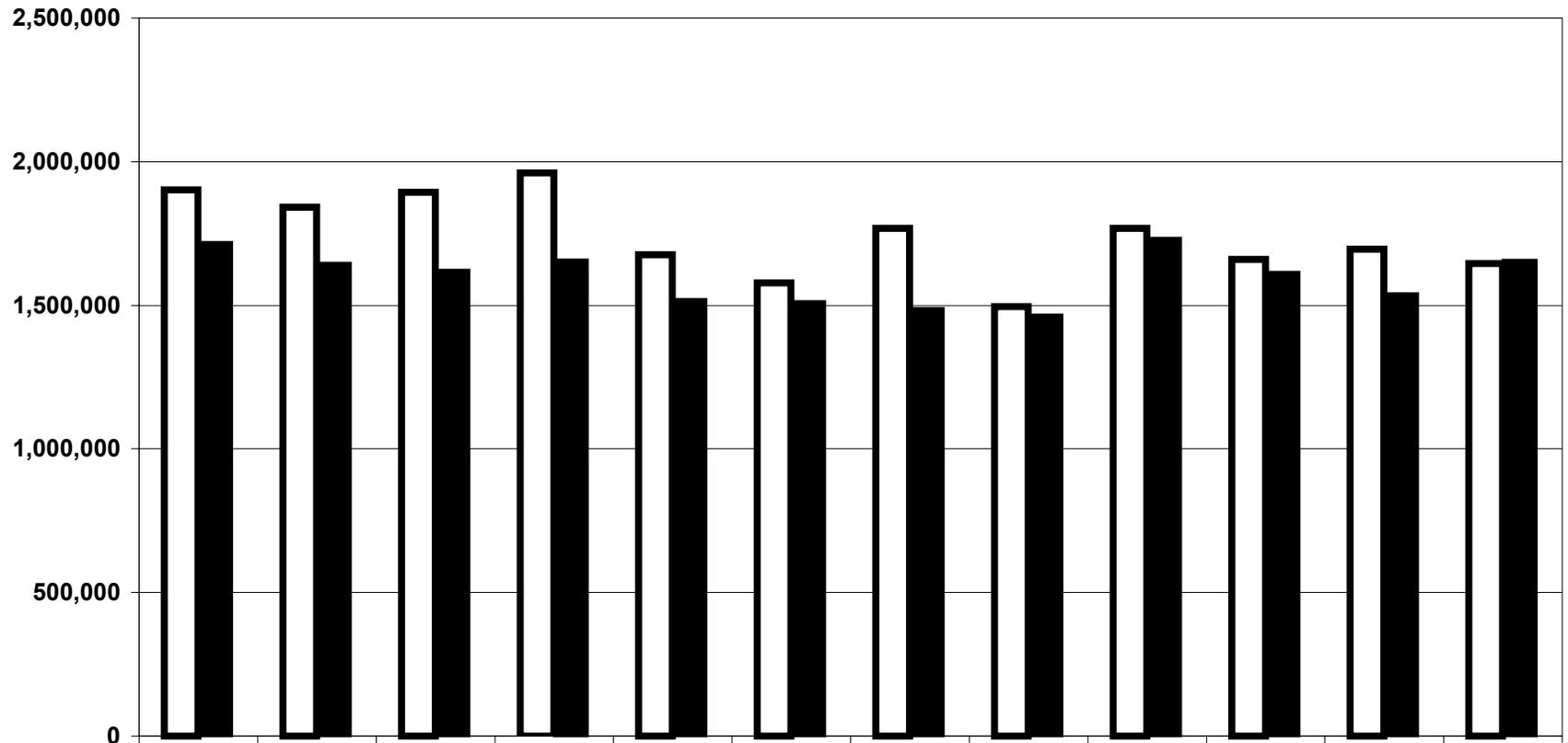
	July	August	September	October	November	December	January	February	March	April	May	June
FY 2003 Passengers	253,680	255,236	251,978	272,313	236,150	232,025	279,590	231,501	286,998	297,914	283,232	286,275
FY 2004 Passengers	304,216	281,568	301,875	321,464	272,579	294,168	283,491	289,332	347,185	324,390	299,500	325,666

□ FY 2003 Passengers ■ FY 2004 Passengers

Figure 13: VRE Annual Passenger Trips, FY 1994 - FY 2004



**Figure 17: Metrobus Northern Virginia Passenger Trips
Monthly Totals, FY2003 - 2004**



	July	August	September	October	November	December	January	February	March	April	May	June
FY 2003 Passengers	1,901,513	1,841,941	1,893,780	1,961,089	1,676,512	1,578,677	1,767,585	1,495,704	1,768,525	1,659,792	1,695,493	1,645,887
FY 2004 Passengers	1,720,452	1,647,670	1,623,058	1,658,600	1,521,296	1,513,487	1,490,355	1,467,116	1,734,175	1,615,634	1,541,286	1,657,779

FY 2003 Passengers

 FY 2004 Passengers

**Figure 18: Metrobus Northern Virginia Annual Passenger Trips,
FY 1996 - FY 2004**

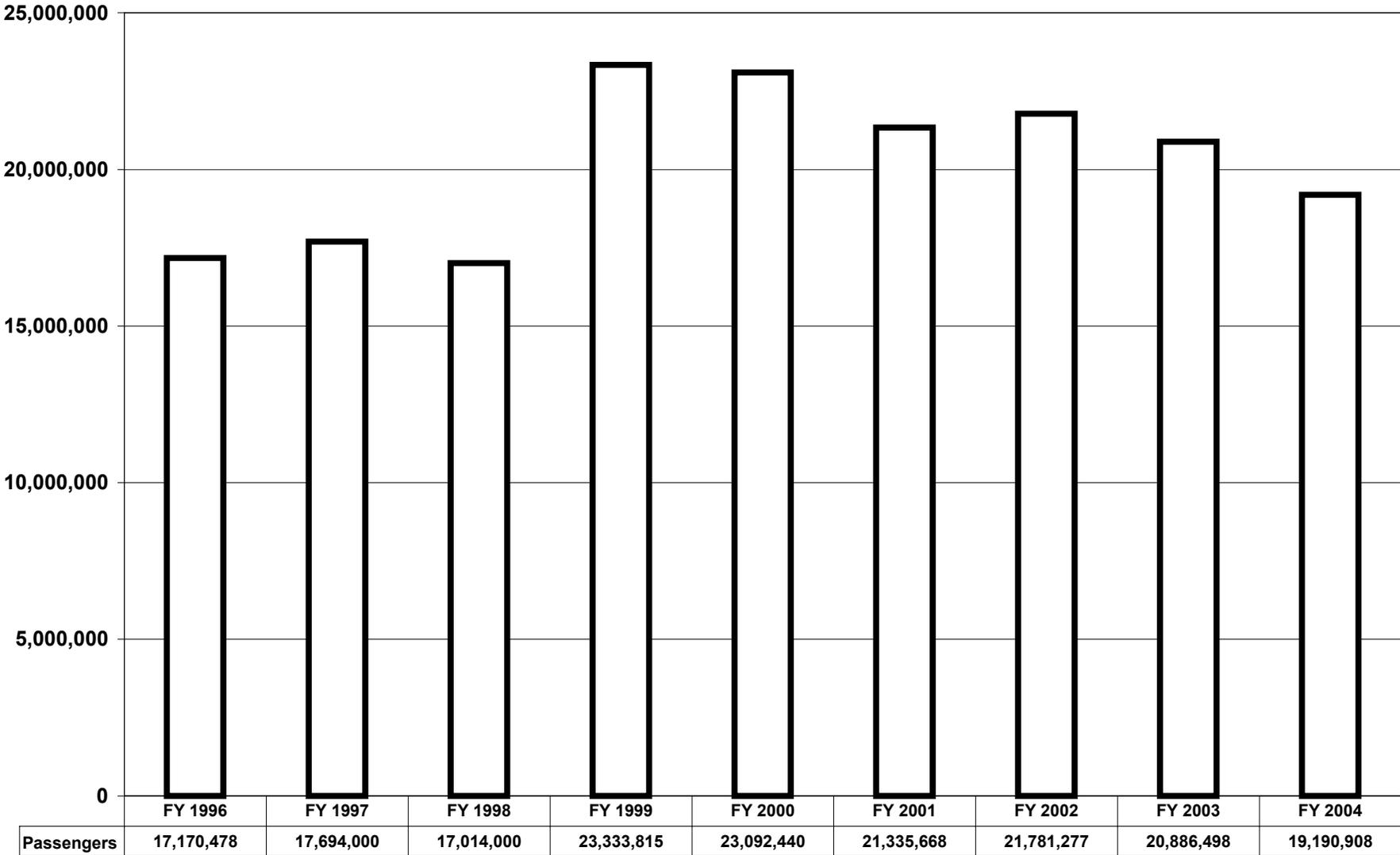
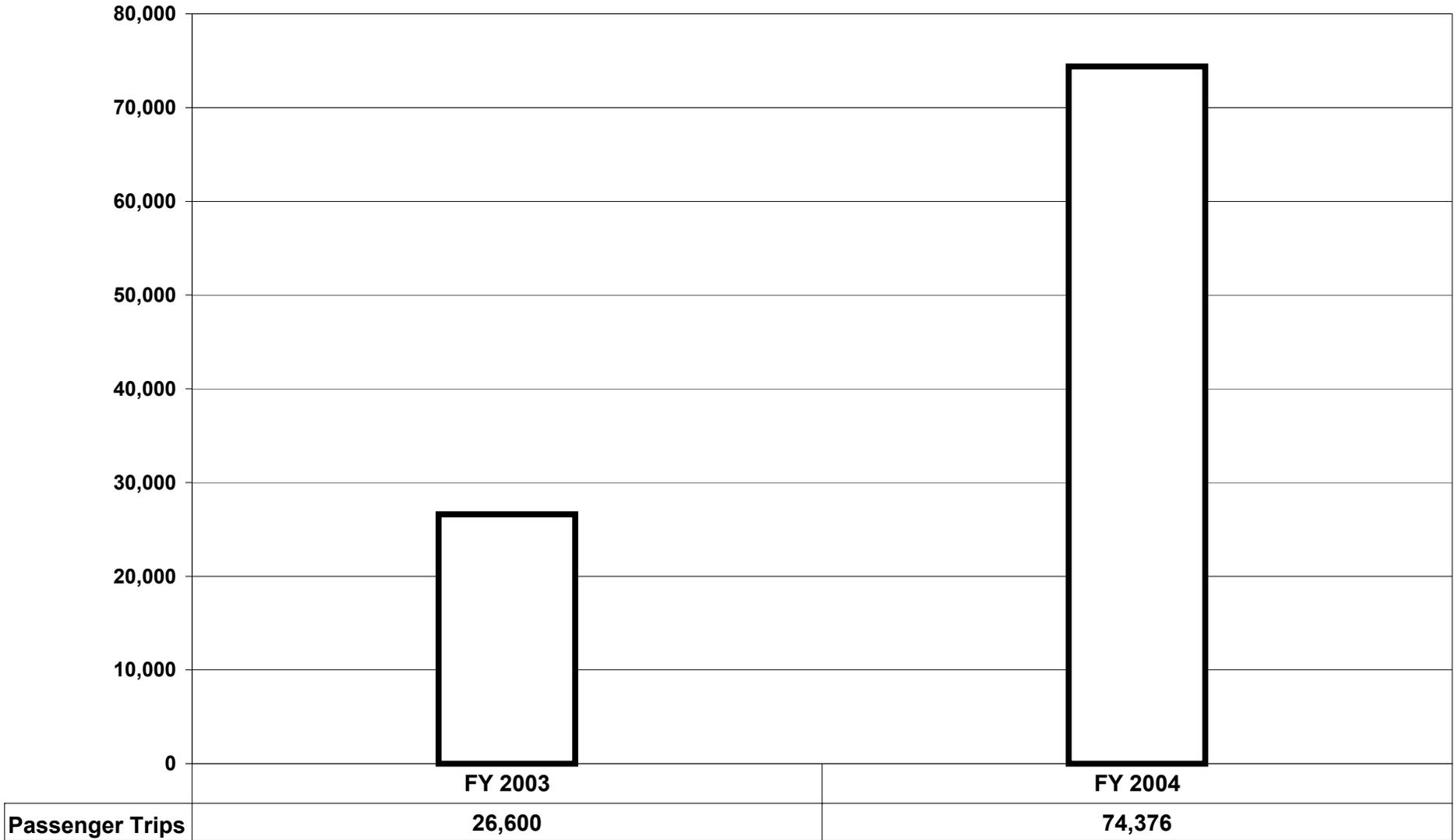


Figure 20: GEORGE Annual Passenger Trips, FY 2004



(note: GEORGE service began in January of 2003, GEORGE ridership included in WMATA ridership figures for Northern Virginia)

Figure 20: ART Annual Passenger Trips, FY 1994 - FY 2004

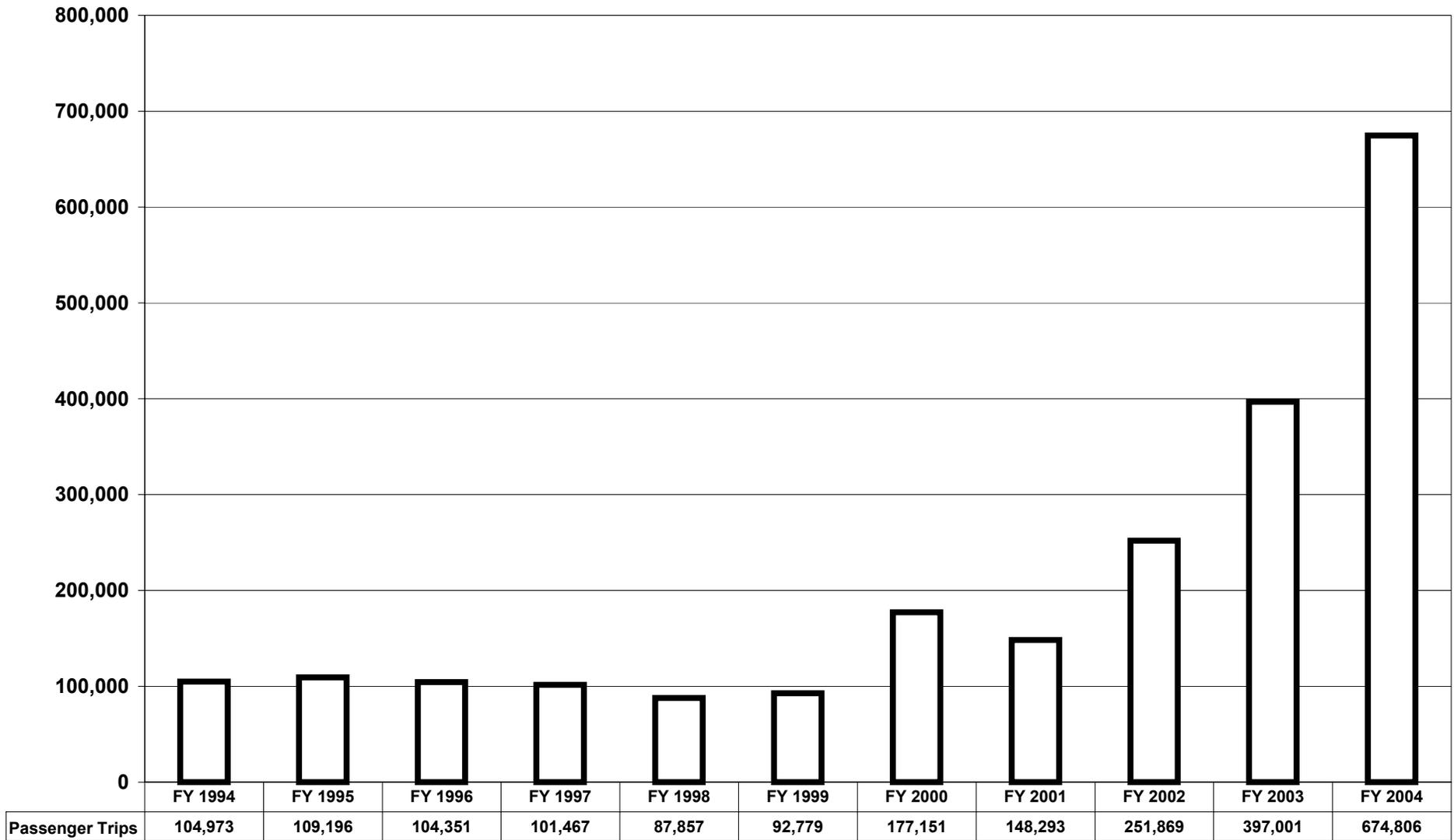


Figure 21: CUE Annual Passenger Trips, FY 1994 - FY 2004

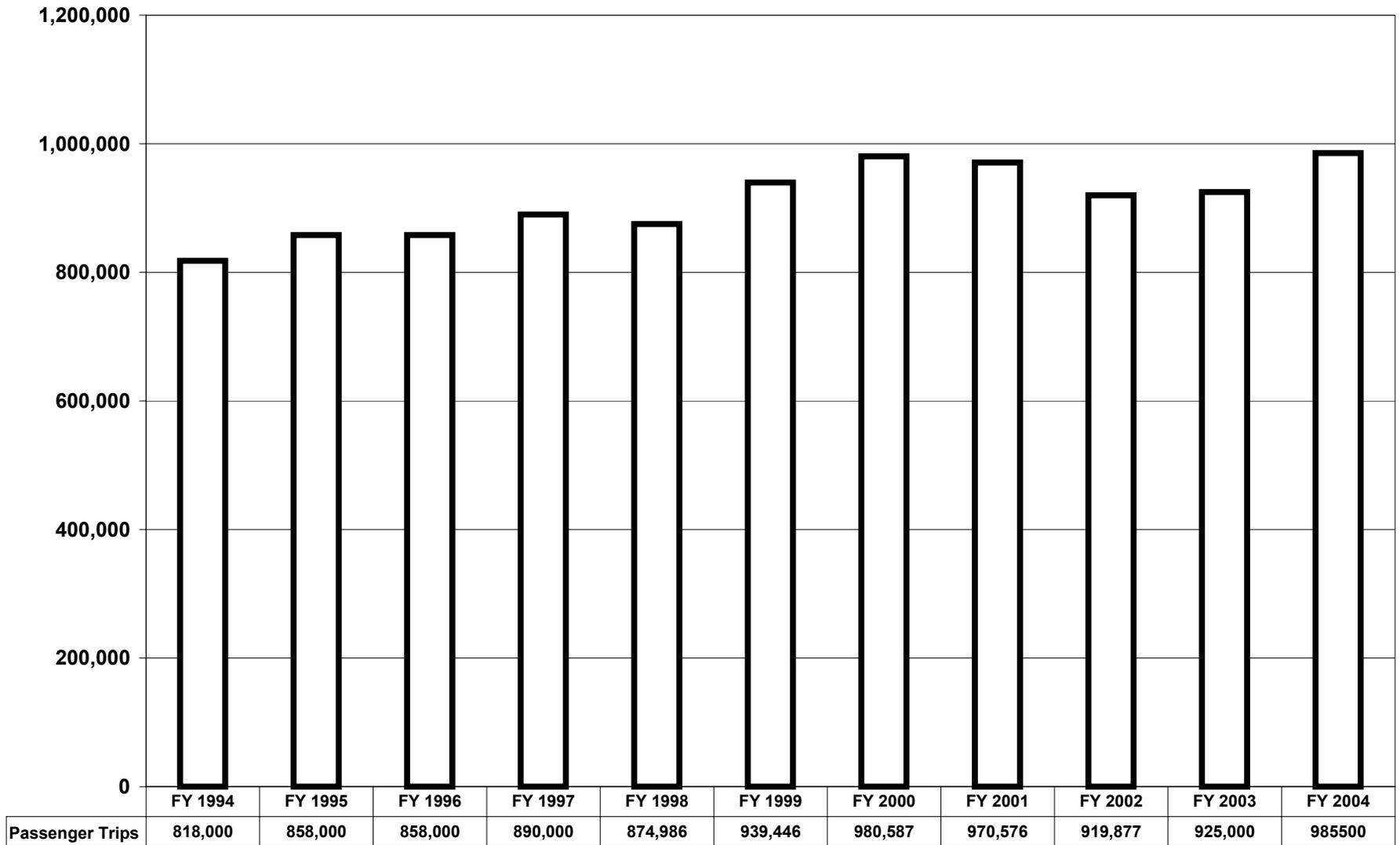


Figure 22: DASH Annual Passenger Trips, FY 1984 - FY 2004

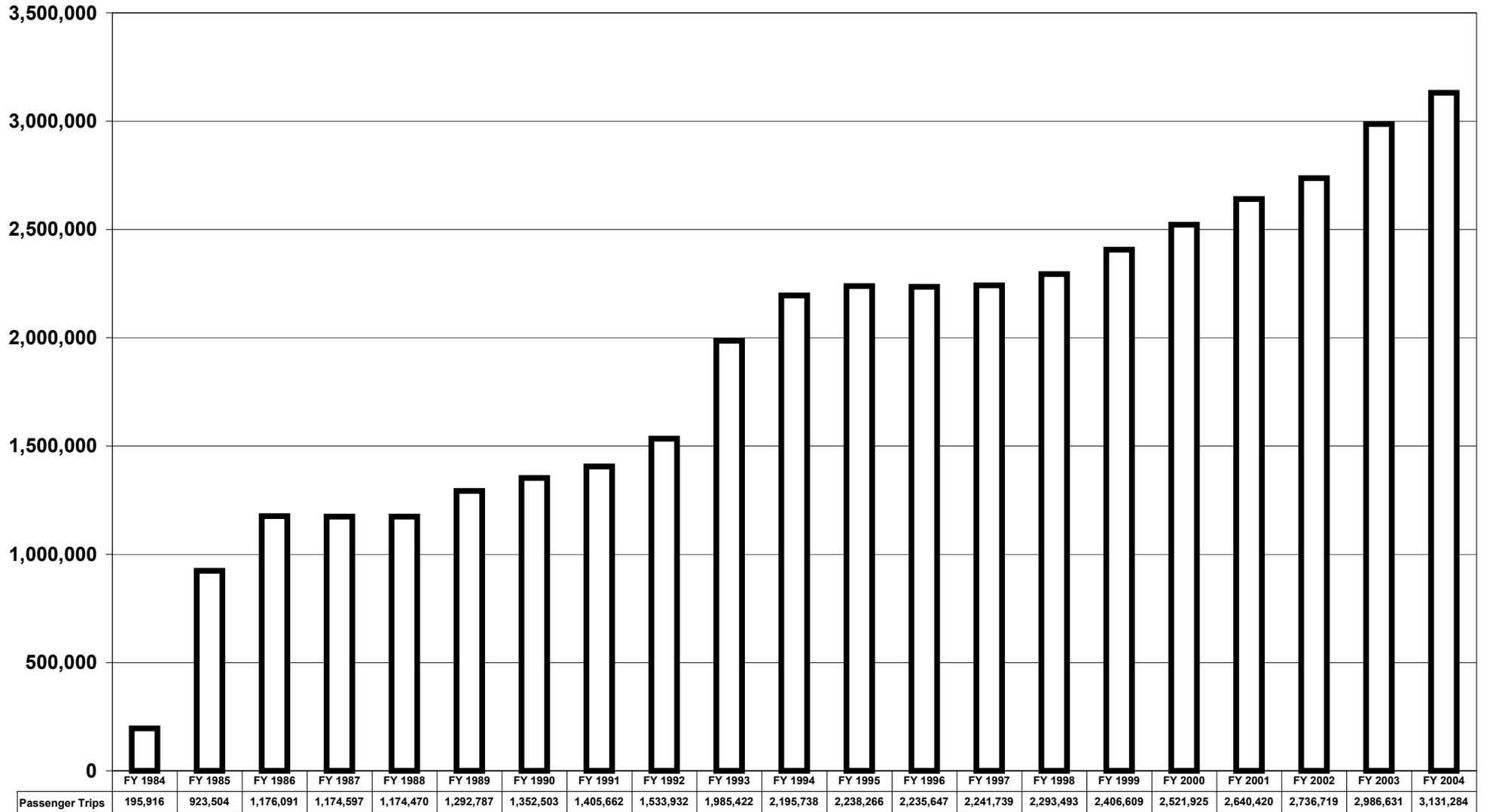
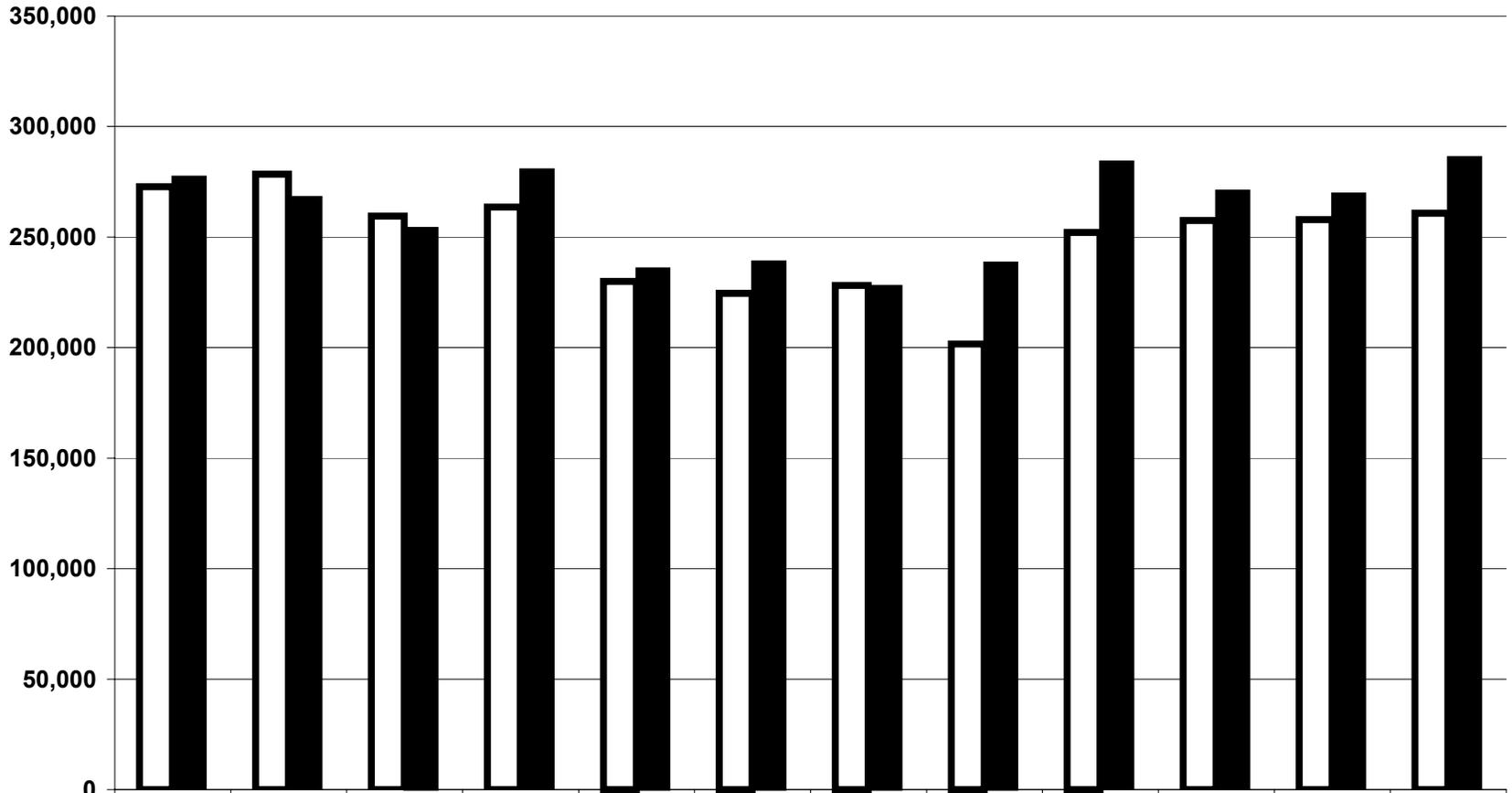


Figure 23: DASH Monthly Passenger Trips, FY 2003 - FY 2004



■ FY 2003 Passengers	272,824	278,506	259,425	263,601	229,962	224,511	228,051	201,585	252,026	257,444	257,861	260,835
■ FY 2004 Passengers	277,212	267,994	254,062	280,522	235,700	238,852	227,821	238,355	284,169	270,943	269,616	286,038

■ FY 2003 Passengers **■** FY 2004 Passengers

Figure 24: Fairfax Connector Annual Passenger Trips, FY 1994 - FY 2004

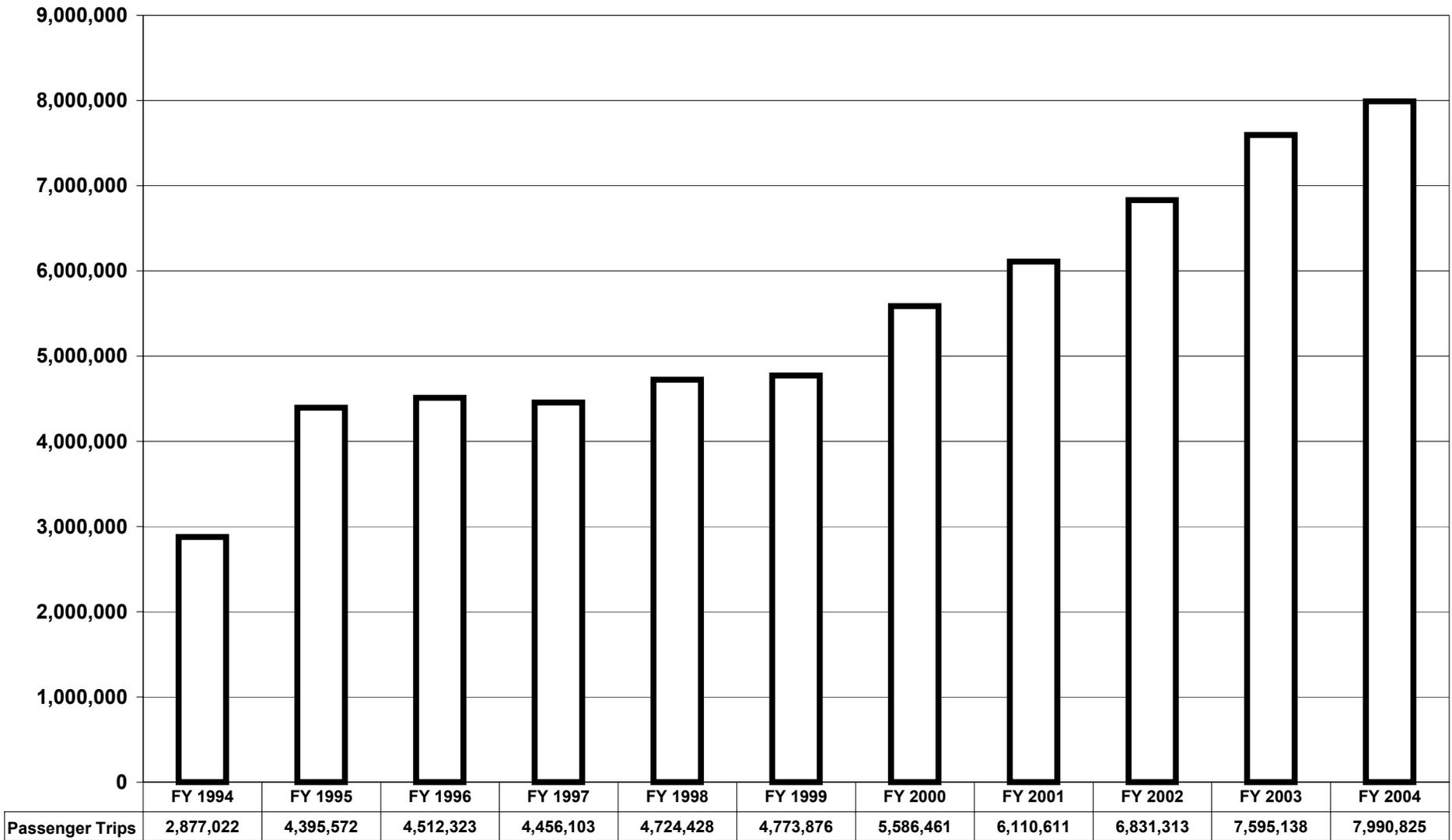


Figure 25: Loudoun County Transit Annual Passenger Trips, FY 1995 - FY 2004

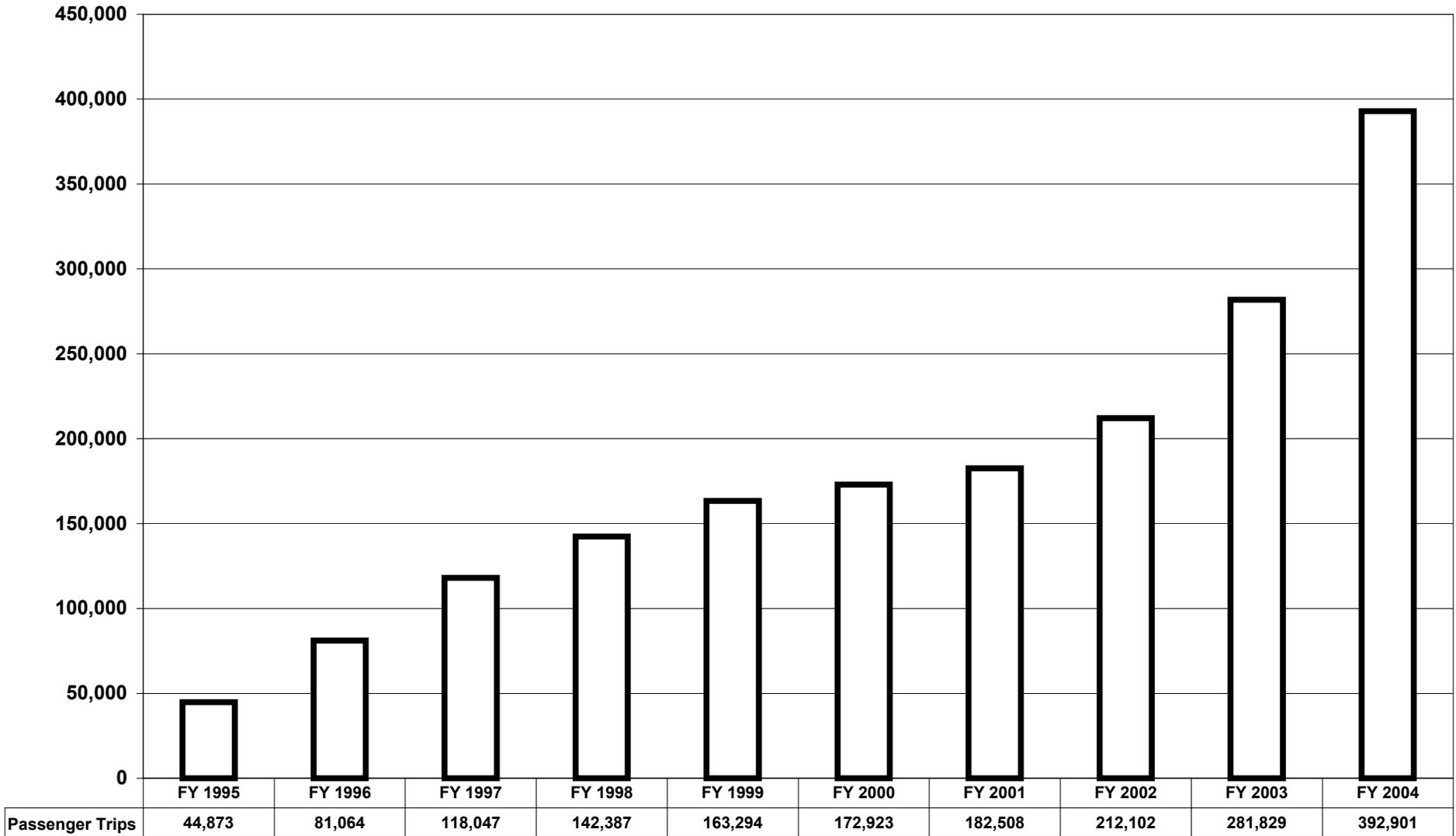


Figure 26: PRTC Omni Ride Annual Passenger Trips, FY 1994 - FY 2004

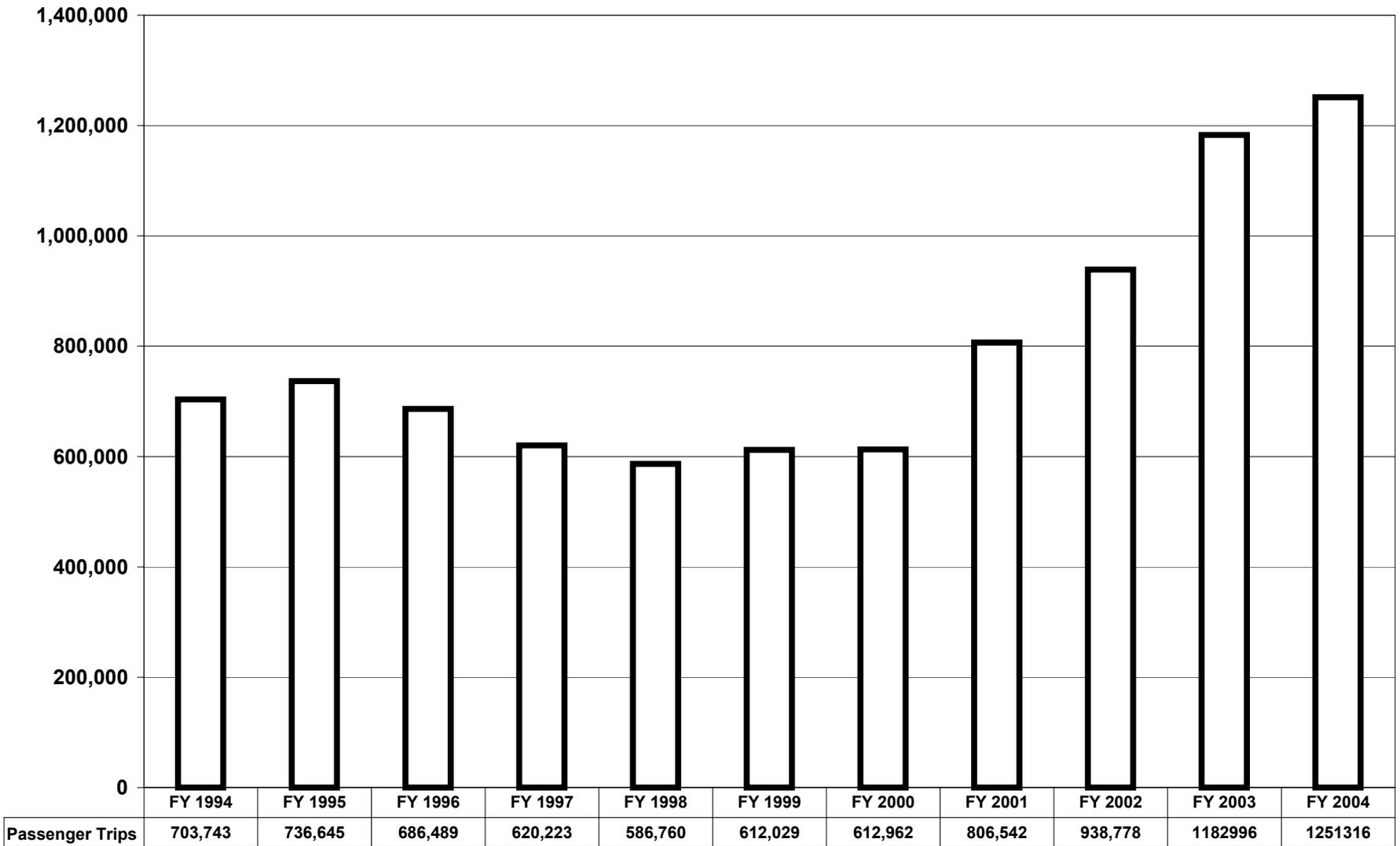
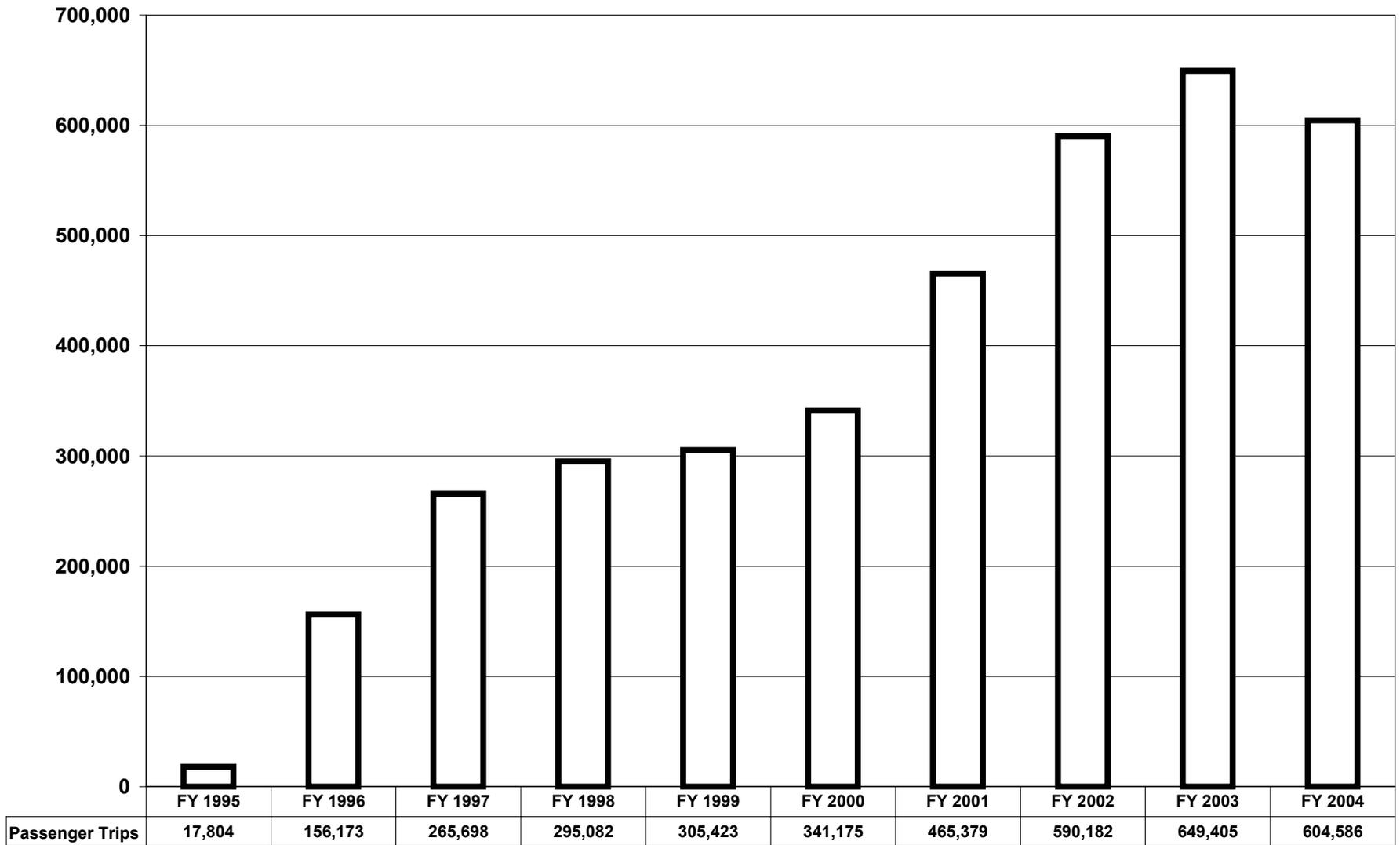


Figure 27: PRTC Omni Link Annual Passenger Trips, FY 1995 - FY 2004



MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Scott Kalkwarf and Rick Taube
DATE: April 1, 2005
SUBJECT: FY 2005 Budgeted Funding Sources for Northern Virginia Transit

The attached table shows funding shares for WMATA, local bus systems and VRE as of FY 2005. On another table the same format is shown for FY 2004, which is slightly revised from the version previously provided and depicts actual revenues and expenses (versus the FY 2005 table that relies on budgeted amounts).

As can be seen in the FY 2005 table, \$468.1 million is budgeted for transit, with state funds providing 20.4 percent, federal funds providing 15.5 percent and local/regional/fares covering the remaining 64 percent.

Examining the FY 2004 table, \$410 million in actual expenses for transit are shown, with very similar percentage shares of 23.5 percent state, 13.4 percent federal and 63.1 percent local/regional/fares.

Detailed notes on the methods used to calculate these shares are also attached. These tables appear each year in NVTC's Handbook. The 2005 version of the Handbook has been posted on NVTC's website at www.thinkoutsidethecar.org.



**Fiscal Year 2005 Northern Virginia Transportation Commission
 Projected Funding Sources for NVTC Jurisdictions' Transit Systems, WMATA and VRE
 (Dollars in millions)
 (See accompanying notes)**

Jurisdiction	WMATA OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
Alexandria	\$ 11.8	\$ 1.9	\$ 9.7	\$ -	\$ 9.7	\$ 7.6	\$ 31.0	38.1%	6.1%	31.3%	24.5%
Arlington	20.4	2.7	17.9	-	17.9	15.0	56.0	36.4%	4.8%	32.0%	26.8%
City of Fairfax	(0.3)	0.9	0.5	-	0.5	0.3	1.4	-21.4%	64.3%	35.7%	21.4%
Fairfax County	28.6	14.3	27.1	-	27.1	23.7	93.7	30.5%	15.3%	28.9%	25.3%
Falls Church	0.2	0.7	0.5	0.1	0.6	0.5	2.0	10.0%	35.0%	30.0%	25.0%
Loudoun County	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Fare & Other Revenue	60.7	20.5	55.7	0.1	55.8	47.1	184.1	33.0%	11.1%	30.3%	25.6%
	151.1	-	-	-	-	-	151.1	100.0%	0.0%	0.0%	0.0%
	\$ 211.8	\$ 20.5	\$ 55.7	\$ 0.1	\$ 55.8	\$ 47.1	\$ 335.2	63.2%	6.1%	16.6%	14.1%

Jurisdiction	LOCAL TRANSIT OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
Alexandria	\$ 4.4	\$ -	\$ 2.6	\$ 0.1	\$ 2.7	\$ -	\$ 7.1	62.0%	0.0%	38.0%	0.0%
Arlington	4.8	-	3.0	-	3.0	-	7.8	61.5%	0.0%	38.5%	0.0%
City of Fairfax	1.4	-	0.9	-	0.9	-	2.3	60.9%	0.0%	39.1%	0.0%
Fairfax County	17.8	-	11.7	7.4	19.1	-	36.9	48.2%	0.0%	51.8%	0.0%
Falls Church	0.3	-	0.1	0.2	0.3	-	0.6	50.0%	0.0%	50.0%	0.0%
Loudoun County	(3.2)	4.9	-	1.7	1.7	1.9	5.3	-60.4%	92.5%	32.1%	35.8%
Fare & Other Revenue	25.5	4.9	18.3	9.4	27.7	1.9	60.0	42.5%	8.2%	46.2%	3.2%
	11.3	-	-	-	-	-	11.3	100.0%	0.0%	0.0%	0.0%
	\$ 36.8	\$ 4.9	\$ 18.3	\$ 9.4	\$ 27.7	\$ 1.9	\$ 71.3	51.6%	6.9%	38.8%	2.7%

Jurisdiction	VRE OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
NVTC/PRTC Jurisdictions	\$ 7.1	\$ -	\$ -	\$ 12.1	\$ 12.1	\$ 23.6	\$ 42.8	16.6%	0.0%	28.3%	55.1%
	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Fare & Other Revenue	7.1	-	-	12.1	12.1	23.6	42.8	16.6%	0.0%	28.3%	55.1%
	18.8	-	-	-	-	-	18.8	100.0%	0.0%	0.0%	0.0%
	\$ 25.9	\$ -	\$ -	\$ 12.1	\$ 12.1	\$ 23.6	\$ 61.6	42.0%	0.0%	19.6%	38.3%

Jurisdiction	TOTAL OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
Alexandria	\$ 16.2	\$ 1.9	\$ 12.3	\$ 0.1	\$ 12.4	\$ 7.6	\$ 38.1	42.5%	5.0%	32.5%	19.9%
Arlington	25.2	2.7	20.9	-	20.9	15.0	63.8	39.5%	4.2%	32.8%	23.5%
City of Fairfax	1.1	0.9	1.4	-	1.4	0.3	3.7	29.7%	24.3%	37.8%	8.1%
Fairfax County	46.4	14.3	38.8	7.4	46.2	23.7	130.6	35.5%	10.9%	35.4%	18.1%
Falls Church	0.5	0.7	0.6	0.3	0.9	0.5	2.6	19.2%	26.9%	34.6%	19.2%
Loudoun County	(3.2)	4.9	-	1.7	1.7	1.9	5.3	-60.4%	92.5%	32.1%	35.8%
NVTC/PRTC Jurisdictions	7.1	-	-	12.1	12.1	23.6	42.8	16.6%	0.0%	28.3%	55.1%
Fare & Other Revenue	93.3	25.4	74.0	21.6	95.6	72.6	286.9	32.5%	8.9%	33.3%	25.3%
	181.2	-	-	-	-	-	181.2	100.0%	0.0%	0.0%	0.0%
	\$ 274.5	\$ 25.4	\$ 74.0	\$ 21.6	\$ 95.6	\$ 72.6	\$ 468.1	58.6%	5.4%	20.4%	15.5%

Notes - Funding Sources for NVTC Jurisdictions' Transit Systems, WMATA and VRE

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

**Fiscal Year 2004 Northern Virginia Transportation Commission
Funding Sources for NVTC Jurisdictions' Transit Systems, WMATA and VRE
(Dollars in millions)
(See accompanying notes)**

Jurisdiction	WMATA OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
Alexandria	\$ 10.0	\$ 1.8	\$ 8.0	\$ 1.1	\$ 9.1	\$ 6.4	\$ 27.3	36.6%	6.6%	33.3%	23.4%
Arlington	17.6	2.1	14.5	2.1	16.6	11.5	47.8	36.8%	4.4%	34.7%	24.1%
City of Fairfax	(0.1)	0.7	0.4	-	0.4	0.2	1.2	-8.3%	58.3%	33.3%	16.7%
Fairfax County	24.9	12.3	25.5	3.3	28.8	19.6	85.6	29.1%	14.4%	33.6%	22.9%
Falls Church	0.1	0.7	0.5	0.1	0.6	0.4	1.8	5.6%	38.9%	33.3%	22.2%
Loudoun County	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Fare & Other Revenue	52.5	17.6	48.9	6.6	55.5	38.1	163.7	32.1%	10.8%	33.9%	23.3%
	133.9	-	-	-	-	-	133.9	100.0%	0.0%	0.0%	0.0%
	\$ 186.4	\$ 17.6	\$ 48.9	\$ 6.6	\$ 55.5	\$ 38.1	\$ 297.6	62.6%	5.9%	18.6%	12.8%

Jurisdiction	LOCAL TRANSIT OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
Alexandria	\$ 3.7	\$ -	\$ 2.3	\$ -	\$ 2.3	\$ -	\$ 6.0	61.7%	0.0%	38.3%	0.0%
Arlington	3.5	-	2.3	0.4	2.7	2.0	8.2	42.7%	0.0%	32.9%	24.4%
City of Fairfax	1.5	-	0.9	0.3	1.2	-	2.7	55.6%	0.0%	44.4%	0.0%
Fairfax County	14.0	-	9.6	7.5	17.1	1.9	33.0	42.4%	0.0%	51.8%	5.8%
Falls Church	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Loudoun County	(3.2)	4.1	-	5.9	5.9	-	6.8	-47.1%	60.3%	86.8%	0.0%
Fare & Other Revenue	19.5	4.1	15.1	14.1	29.2	3.9	56.7	34.4%	7.2%	51.5%	6.9%
	7.6	-	-	-	-	-	7.6	100.0%	0.0%	0.0%	0.0%
	\$ 27.1	\$ 4.1	\$ 15.1	\$ 14.1	\$ 29.2	\$ 3.9	\$ 64.3	42.1%	6.4%	45.4%	6.1%

Jurisdiction	VRE OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
NVTC/PRTC Jurisdictions	\$ 6.4	\$ -	\$ -	\$ 11.7	\$ 11.7	\$ 12.9	\$ 31.0	20.6%	0.0%	37.7%	41.6%
	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Fare & Other Revenue	6.4	-	-	11.7	11.7	12.9	31.0	20.6%	0.0%	37.7%	41.6%
	17.1	-	-	-	-	-	17.1	100.0%	0.0%	0.0%	0.0%
	\$ 23.5	\$ -	\$ -	\$ 11.7	\$ 11.7	\$ 12.9	\$ 48.1	48.9%	0.0%	24.3%	26.8%

Jurisdiction	TOTAL OPERATING AND CAPITAL										
	Local Funds	NVTC Aid		Direct		Federal Aid	Total Funds	% Local Funds	% Regional Funds	% State Funds	% Fed Funds
		Regional Gas Tax	State Aid	State Aid	State Aid						
Alexandria	\$ 13.7	\$ 1.8	\$ 10.3	\$ 1.1	\$ 11.4	\$ 6.4	\$ 33.3	41.1%	5.4%	34.2%	19.2%
Arlington	21.1	2.1	16.8	2.5	19.3	13.5	56.0	37.7%	3.8%	34.5%	24.1%
City of Fairfax	1.4	0.7	1.3	0.3	1.6	0.2	3.9	35.9%	17.9%	41.0%	5.1%
Fairfax County	38.9	12.3	35.1	10.8	45.9	21.5	118.6	32.8%	10.4%	38.7%	18.1%
Falls Church	0.1	0.7	0.5	0.1	0.6	0.4	1.8	5.6%	38.9%	33.3%	22.2%
Loudoun County	(3.2)	4.1	-	5.9	5.9	-	6.8	-47.1%	60.3%	86.8%	0.0%
NVTC/PRTC Jurisdictions	6.4	-	-	11.7	11.7	12.9	31.0	20.6%	0.0%	37.7%	41.6%
Fare & Other Revenue	78.4	21.7	64.0	32.4	96.4	54.9	251.4	31.2%	8.6%	38.3%	21.8%
	158.6	-	-	-	-	-	158.6	100.0%	0.0%	0.0%	0.0%
	\$ 237.0	\$ 21.7	\$ 64.0	\$ 32.4	\$ 96.4	\$ 54.9	\$ 410.0	57.8%	5.3%	23.5%	13.4%

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

- **The schedule shows how the operating and capital needs of the local transit systems, Virginia’s share of WMATA, and the VRE are projected to be funded.**
- State operating and capital assistance is allocated among the jurisdictions using NVTC’s SAM factors in place for each fiscal year.
- State operating assistance is the actual amount contracted for the fiscal year.
- State operating assistance is allocated between WMATA and local systems using the percentage of the WMATA operating subsidies and local system deficits to the total operating requirements.
- State capital assistance for WMATA is the amount projected to be invoiced and collected during the fiscal year. State capital assistance for local needs is the amount contracted for the fiscal year.
- Regional gas tax is the projected Motor Vehicle Fuels Sales tax for the fiscal year. For all jurisdictions except Loudoun County, the revenue is allocated using the gas tax percentages from NVTC’s SAM in place for the fiscal year. For Loudoun County the revenue is recognized by point of sale.
- The regional gas tax for Loudoun County is shown as a source of funds for their local systems, however the revenue may be used for any transportation purposes. For the other jurisdictions, regional gas tax may be used only for WMATA subsidies.
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- Federal aid is assistance budgeted to be received directly by the jurisdictions, WMATA and VRE, and includes federal funds administered by the state.
- WMATA capital and operating expenses are the subsidies actually billed during the fiscal year, plus the jurisdictions’ respective share of federal assistance budgeted by WMATA. Local system deficits are based upon the fiscal year budgeted activities.
- Funding sources and the capital and operating expenses of VRE are those budgeted.

MEMORANDUM

TO: Chairman Ferguson and NVTC Commissioners
FROM: Scott Kalkwarf and Colethia Quarles
DATE: April 1, 2005
SUBJECT: NVTC Financial Reports for February, 2005

The financial reports are attached for your information.

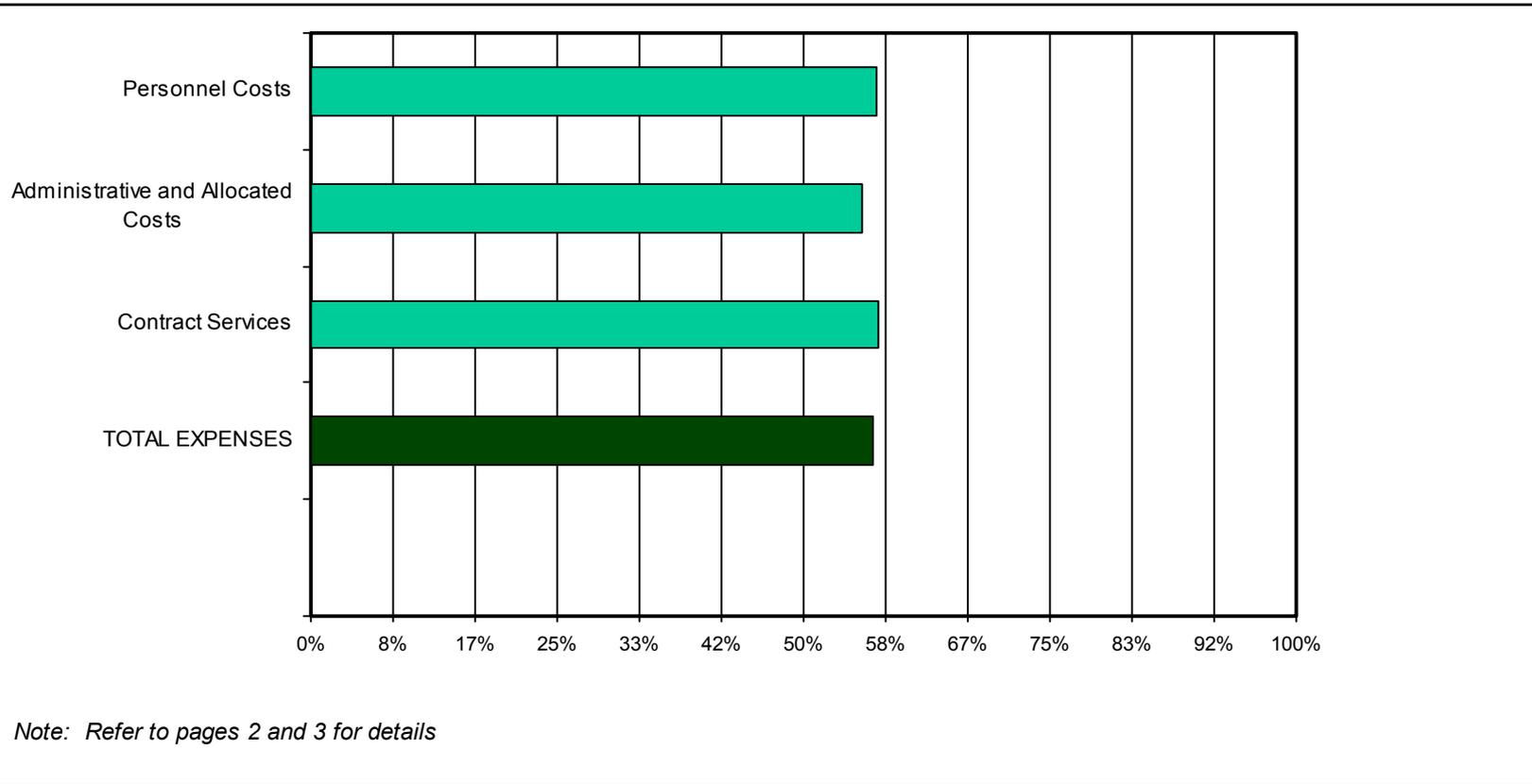


Northern Virginia Transportation Commission

Financial Reports

February, 2005

Percentage of FY 2005 NVTC Administrative Budget Used
February, 2005
(Target 66.67% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
February, 2005

	<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	\$ 45,547.90	\$ 362,251.79	\$ 625,800.00	\$ 263,548.21	42.1%
Temporary Employee Services	-	-	1,000.00	1,000.00	100.0%
Total Personnel Costs	45,547.90	362,251.79	626,800.00	264,548.21	42.2%
<u>Benefits</u>					
Employer's Contributions:					
FICA	3,131.41	24,418.84	44,900.00	20,481.16	45.6%
Group Health Insurance	3,958.44	41,050.28	77,000.00	35,949.72	46.7%
Retirement	3,673.00	30,976.10	52,500.00	21,523.90	41.0%
Workmans & Unemployment Compensation	687.25	3,054.82	2,000.00	(1,054.82)	-52.7%
Life Insurance	273.72	2,086.34	3,300.00	1,213.66	36.8%
Long Term Disability Insurance	231.16	1,816.07	3,450.00	1,633.93	47.4%
Total Benefit Costs	11,954.98	103,402.45	183,150.00	79,747.55	43.5%
<u>Administrative Costs</u>					
Commissioners Per Diem	1,200.00	7,700.00	15,250.00	7,550.00	49.5%
<i>Rents:</i>					
Office Rent	13,026.38	105,083.62	160,000.00	54,916.38	34.3%
Parking	500.00	6,685.00	11,500.00	4,815.00	41.9%
<i>Insurance:</i>					
Public Official Bonds	22.80	2,573.40	3,850.00	1,276.60	33.2%
Liability and Property	-	2,182.00	2,000.00	(182.00)	-9.1%
	22.80	391.40	1,850.00	1,458.60	78.8%
<i>Travel:</i>					
Conference Registration	2,044.07	8,024.99	25,000.00	16,975.01	67.9%
Conference Travel	995.00	995.00	3,000.00	2,005.00	66.8%
Local Meetings & Related Expenses	390.13	427.13	5,500.00	5,072.87	92.2%
Training & Professional Development	658.94	6,507.86	12,000.00	5,492.14	45.8%
	-	95.00	4,500.00	4,405.00	97.9%
<i>Communication:</i>					
Postage	414.12	5,123.69	13,800.00	8,676.31	62.9%
Telephone - LD	16.48	1,802.42	7,000.00	5,197.58	74.3%
Telephone - Local	75.17	546.47	1,800.00	1,253.53	69.6%
	322.47	2,774.80	5,000.00	2,225.20	44.5%
<i>Publications & Supplies</i>					
Office Supplies	739.99	11,721.04	24,500.00	12,778.96	52.2%
Duplication	389.18	2,318.80	5,300.00	2,981.20	56.2%
Public Information	993.12	8,759.94	13,200.00	4,440.06	33.6%
	(642.31)	642.30	6,000.00	5,357.70	89.3%

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
February, 2005

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	1,580.07	7,641.09	23,500.00	15,858.91	67.5%
Furniture and Equipment	-	2,339.75	8,000.00	5,660.25	70.8%
Repairs and Maintenance	-	31.00	1,000.00	969.00	96.9%
Computers	1,580.07	5,270.34	14,500.00	9,229.66	63.7%
<i>Other General and Administrative</i>	295.19	4,298.49	6,300.00	2,129.85	33.8%
Subscriptions	-	31.13	500.00	468.87	93.8%
Memberships	-	1,362.00	1,200.00	(162.00)	-13.5%
Fees and Miscellaneous	295.19	1,664.70	2,300.00	635.30	27.6%
Advertising (Personnel/Procurement)	-	1,112.32	2,300.00	1,187.68	51.6%
40th Anniversary	-	128.34	-	-	0
Total Administrative Costs	<u>19,322.62</u>	<u>152,166.32</u>	<u>272,200.00</u>	<u>120,162.02</u>	<u>44.1%</u>
	<u>Contracting Services</u>				
Auditing	-	9,225.00	14,000.00	4,775.00	34.1%
Consultants - Technical	-	-	1,000.00	1,000.00	100.0%
Legal	-	-	1,000.00	1,000.00	100.0%
Total Contract Services	<u>-</u>	<u>9,225.00</u>	<u>16,000.00</u>	<u>6,775.00</u>	<u>42.3%</u>
 Total Gross G&A Expenses	 <u>\$ 76,825.50</u>	 <u>\$ 627,045.56</u>	 <u>\$ 1,098,150.00</u>	 <u>\$ 471,232.78</u>	 <u>42.9%</u>

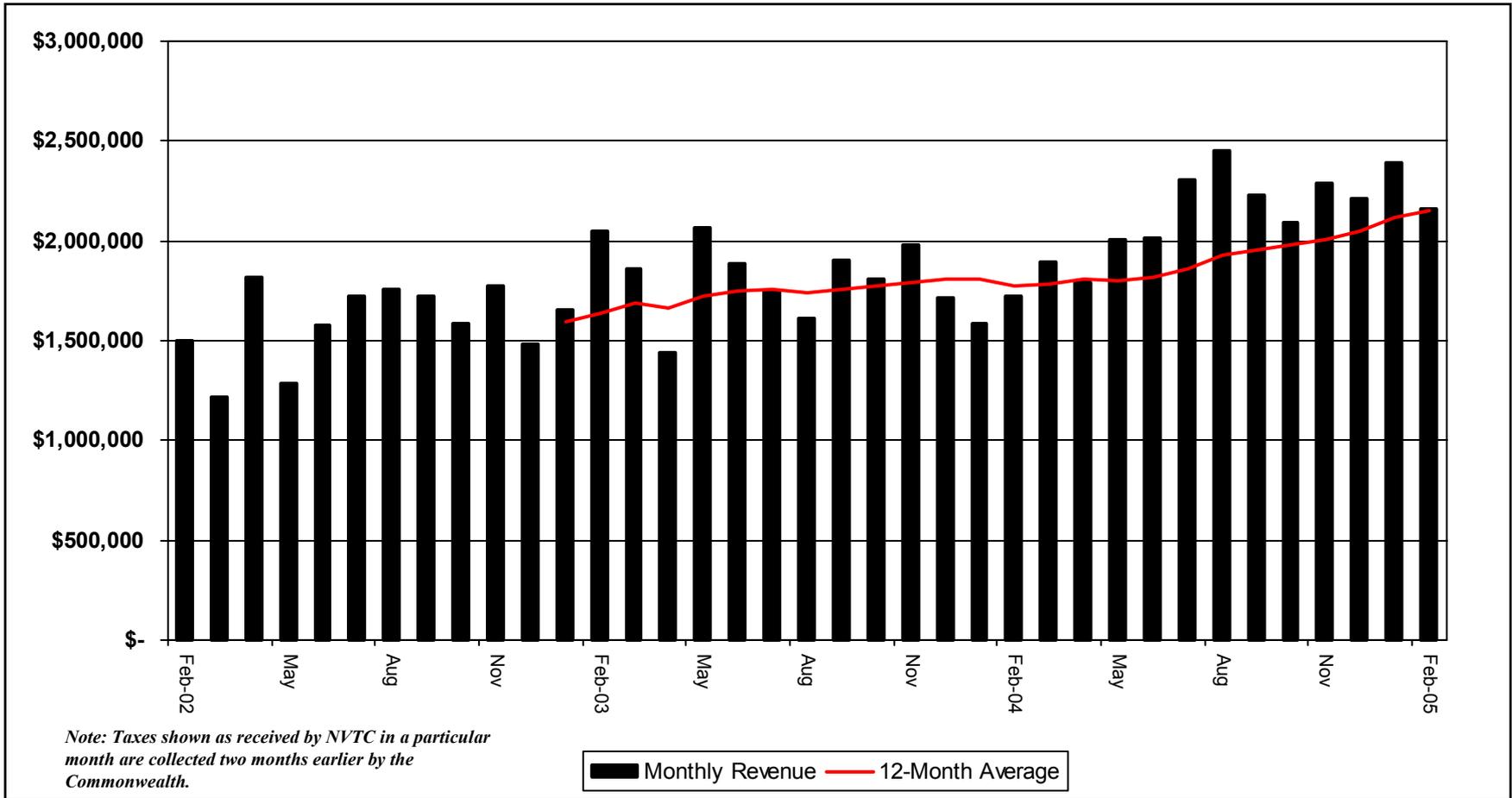
**NVTC
RECEIPTS and DISBURSEMENTS
February, 2005**

<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						
2	PRTC	Expense reimbursement		\$ 642.31		
2	Staff	Expense reimbursement		29.29		
7	DRPT	Capital grant receipt			800.00	
7	DRPT	Capital grant receipt			7,803.00	
11	VRE	Reimbursement for staff support		15,645.95		
11	Dept. of Taxation	Motor vehicle fuels sales tax revenue			2,163,480.53	
17	DRPT	FTM/Admin			4,460,949.00	
17	DRPT	Intern grant receipt			3,680.00	
25	PRTC	Farebox procurement advance		71,059.00		
25	Staff	Expense reimbursement		44.02		
28	Banks	February investment income		249.69	105,691.41	
			<u>-</u>	<u>87,670.26</u>	<u>6,742,403.94</u>	<u>-</u>
DISBURSEMENTS						
1-28	Various	NVTC project and administration	(73,237.85)			
3	City of Fairfax	Other capital			(20,533.47)	
14	City of Fairfax	Other operating			(92,345.81)	
28	City of Fairfax	Other capital			(20,533.47)	
28	George Hoyt	Bus Data consulting	(7,773.23)			
28	Wachovia Bank	February service fees	(62.06)			
			<u>(81,073.14)</u>	<u>-</u>	<u>(133,412.75)</u>	<u>-</u>
TRANSFERS						
4	Transfer	From LGIP to checking	28,000.00		(28,000.00)	
17	Transfer	From LGIP to checking	43,000.00		(43,000.00)	
28	Transfer	From LGIP to checking	7,773.23		(7,773.23)	
			<u>78,773.23</u>	<u>-</u>	<u>(78,773.23)</u>	<u>-</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ (2,299.91)</u>	<u>\$ 87,670.26</u>	<u>\$ 6,530,217.96</u>	<u>\$ -</u>

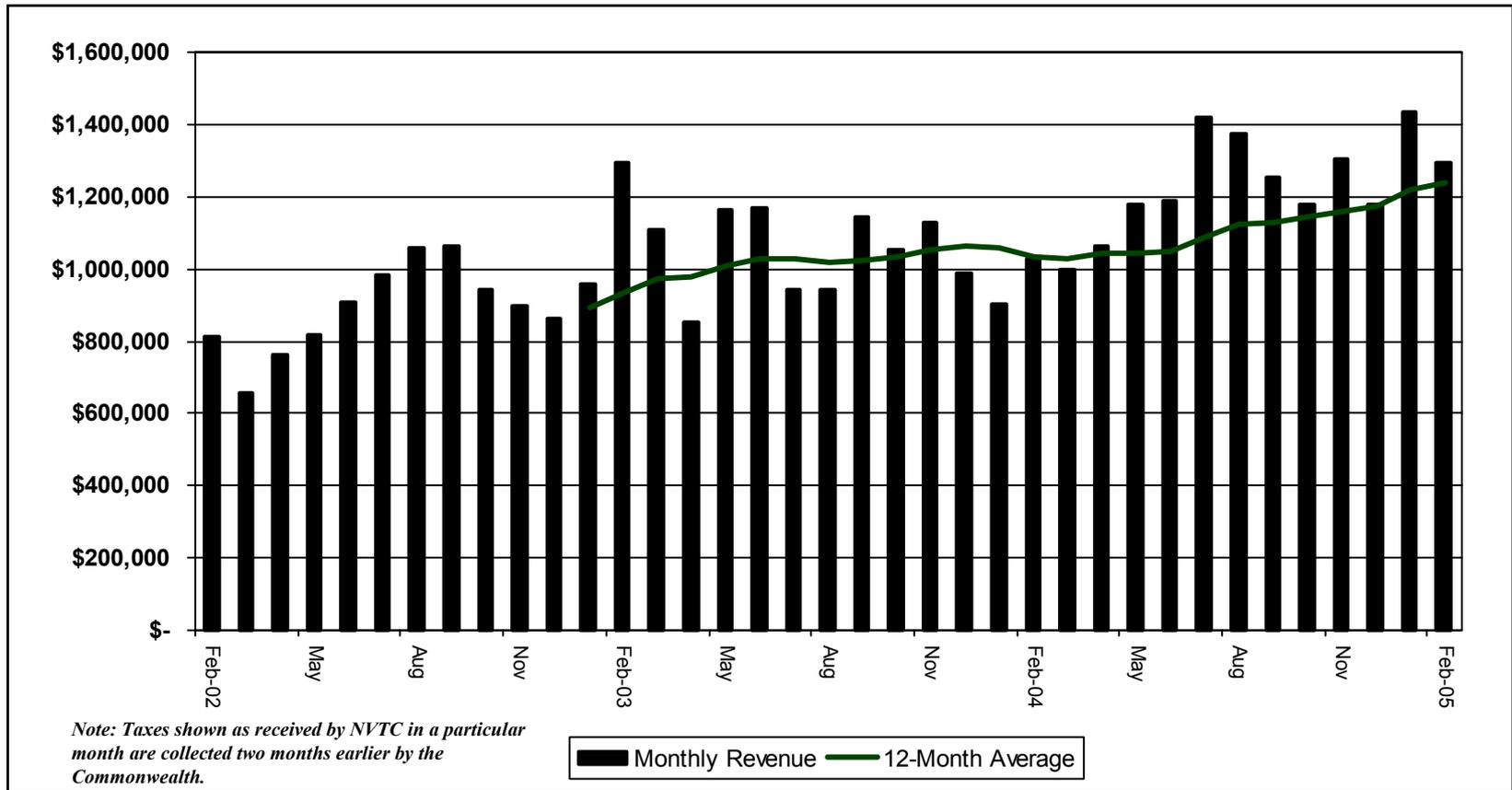
**NVTC
INVESTMENT REPORT
February, 2005**

<u>Type</u>	<u>Rate</u>	<u>Balance 1/31/2005</u>	<u>Increase (Decrease)</u>	<u>Balance 2/28/2005</u>	<u>NVTC G & A</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun County</u>
<u>Cash Deposits</u>							
Wachovia: NVTC Checking	N/A	\$ 6,354.87	\$ (2,299.91)	\$ 4,054.96	\$ 4,054.96	\$ -	\$ -
Wachovia: NVTC Savings	1.81%	170,210.94	87,670.26	257,881.20	257,881.20	-	-
<u>Investments - State Pool</u>							
Nations Bank - LGIP	2.32%	56,030,553.49	6,530,217.96	62,560,771.45	466,400.34	47,728,030.65	14,366,340.46
		<u>\$ 46,380,968.96</u>	<u>\$ 6,615,588.31</u>	<u>\$ 62,822,707.61</u>	<u>\$ 728,336.50</u>	<u>\$ 47,728,030.65</u>	<u>\$ 14,366,340.46</u>

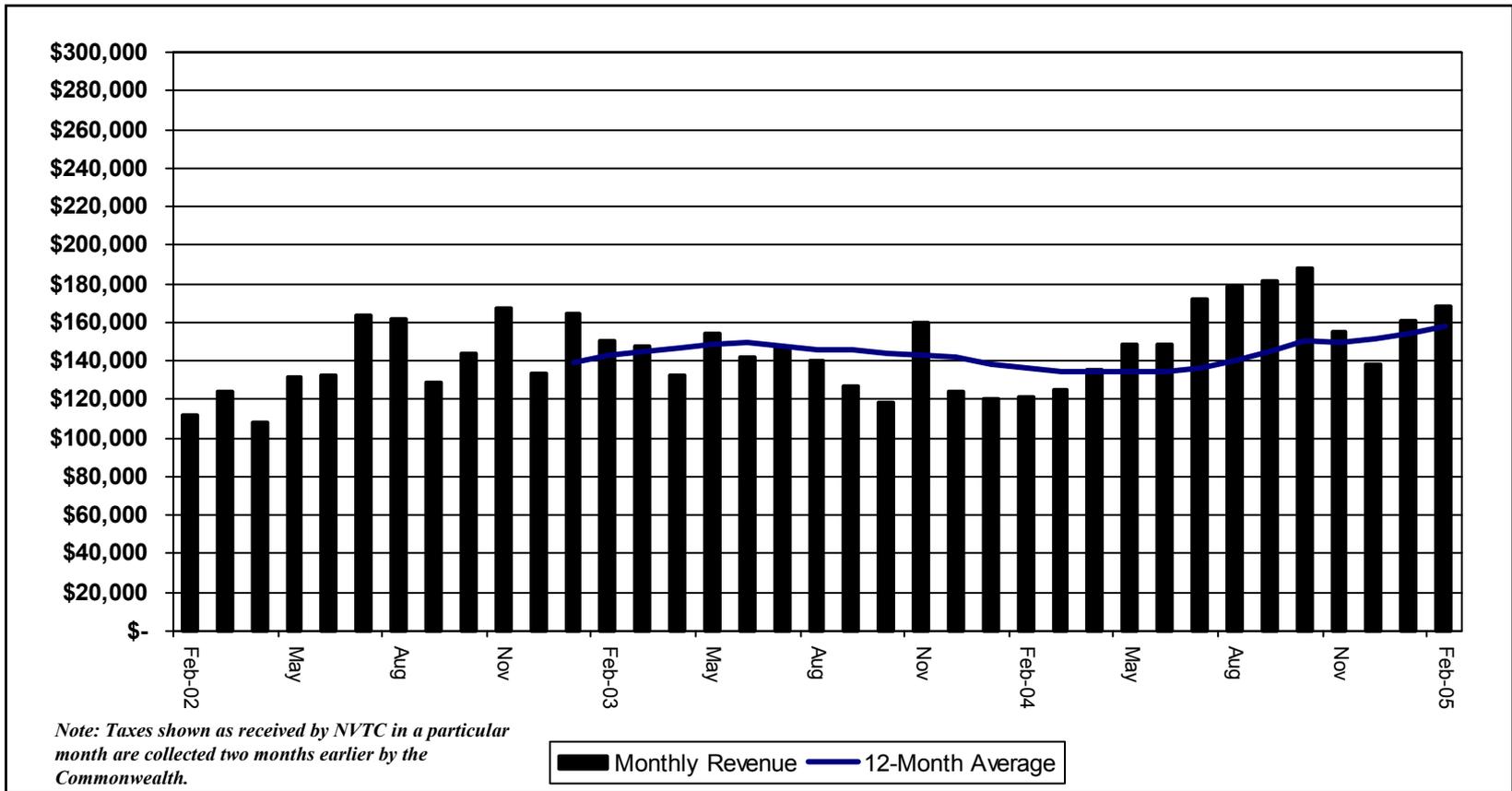
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2002-2005



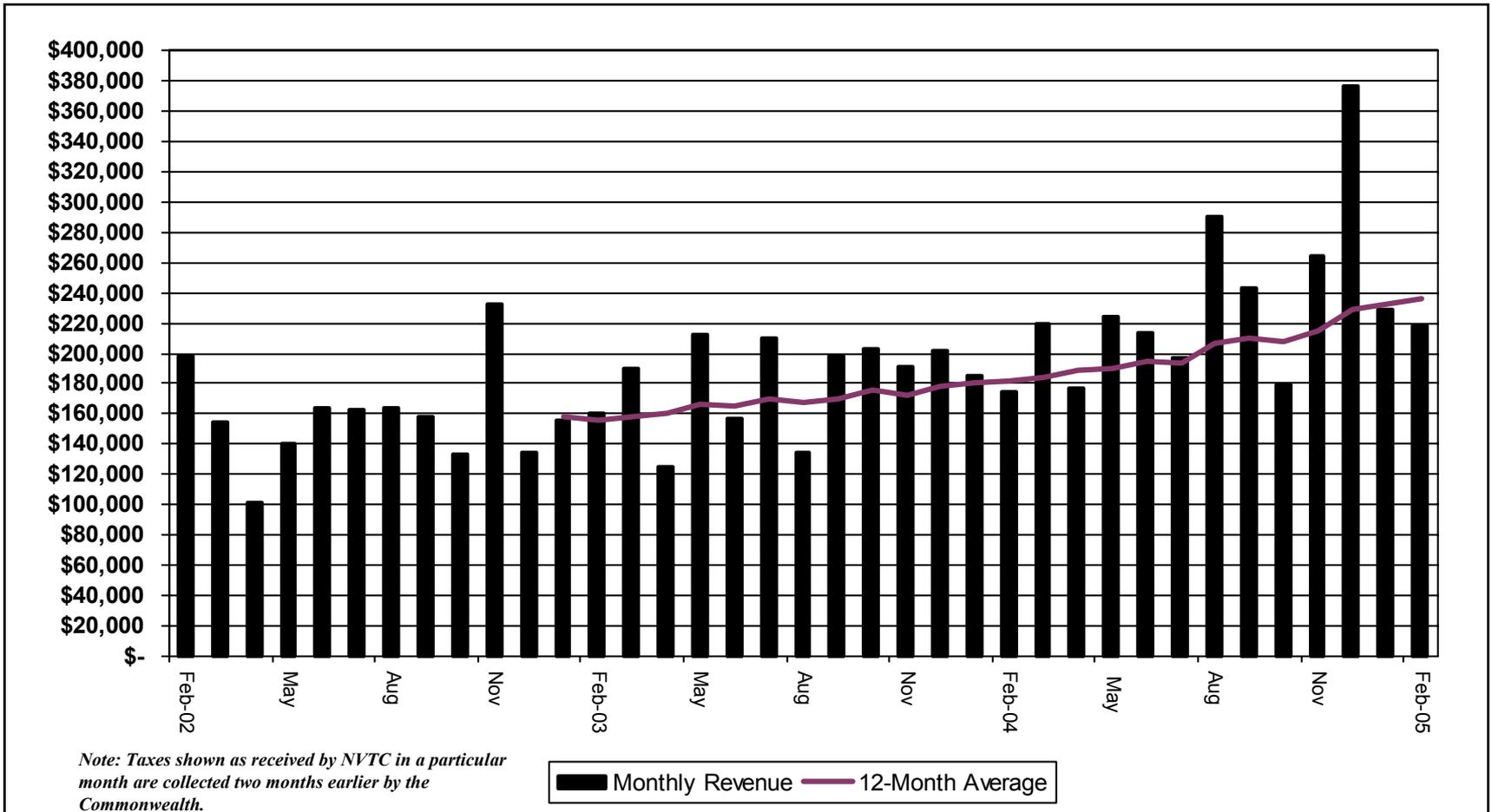
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2002-2005



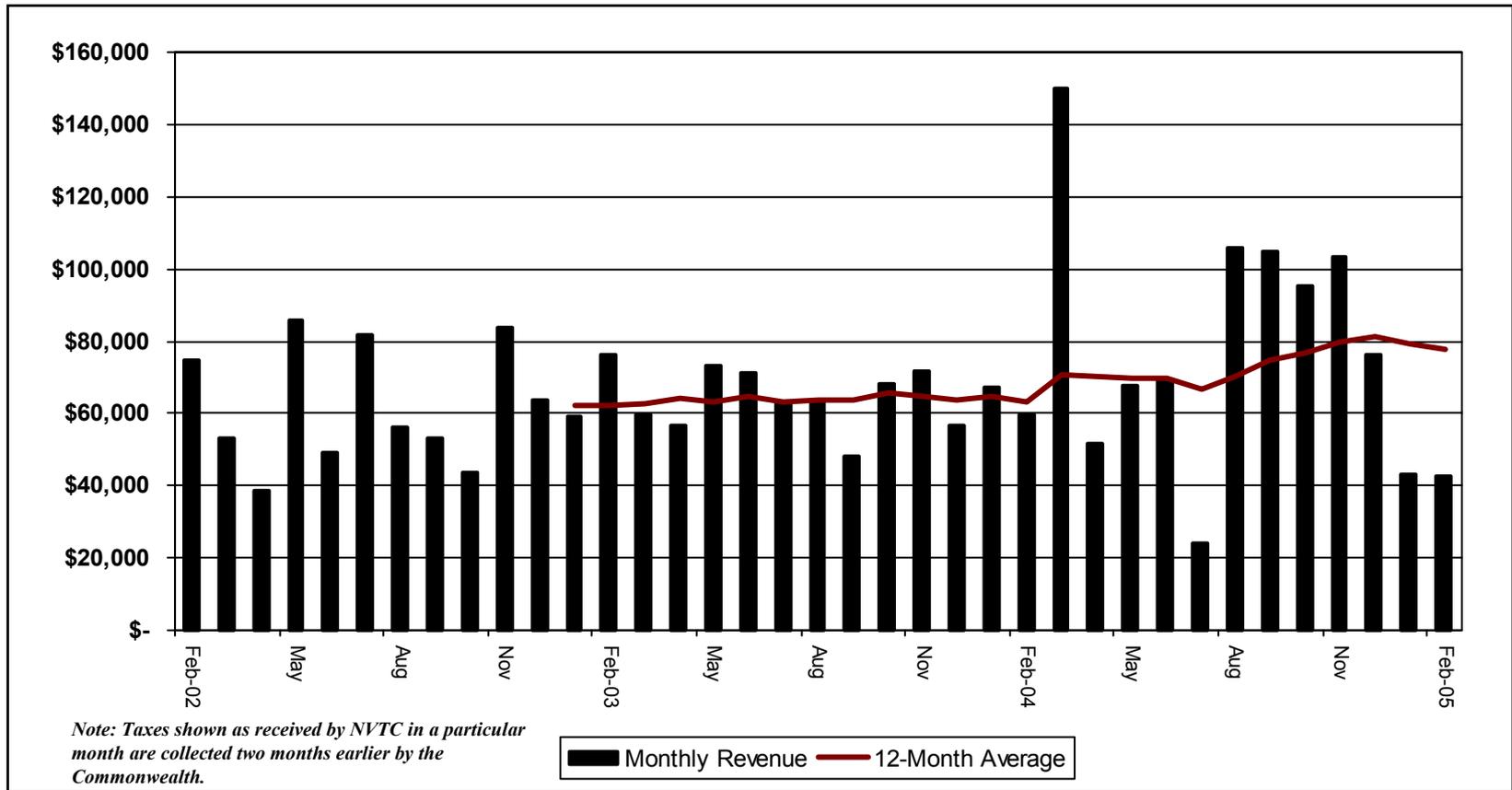
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2002-2005



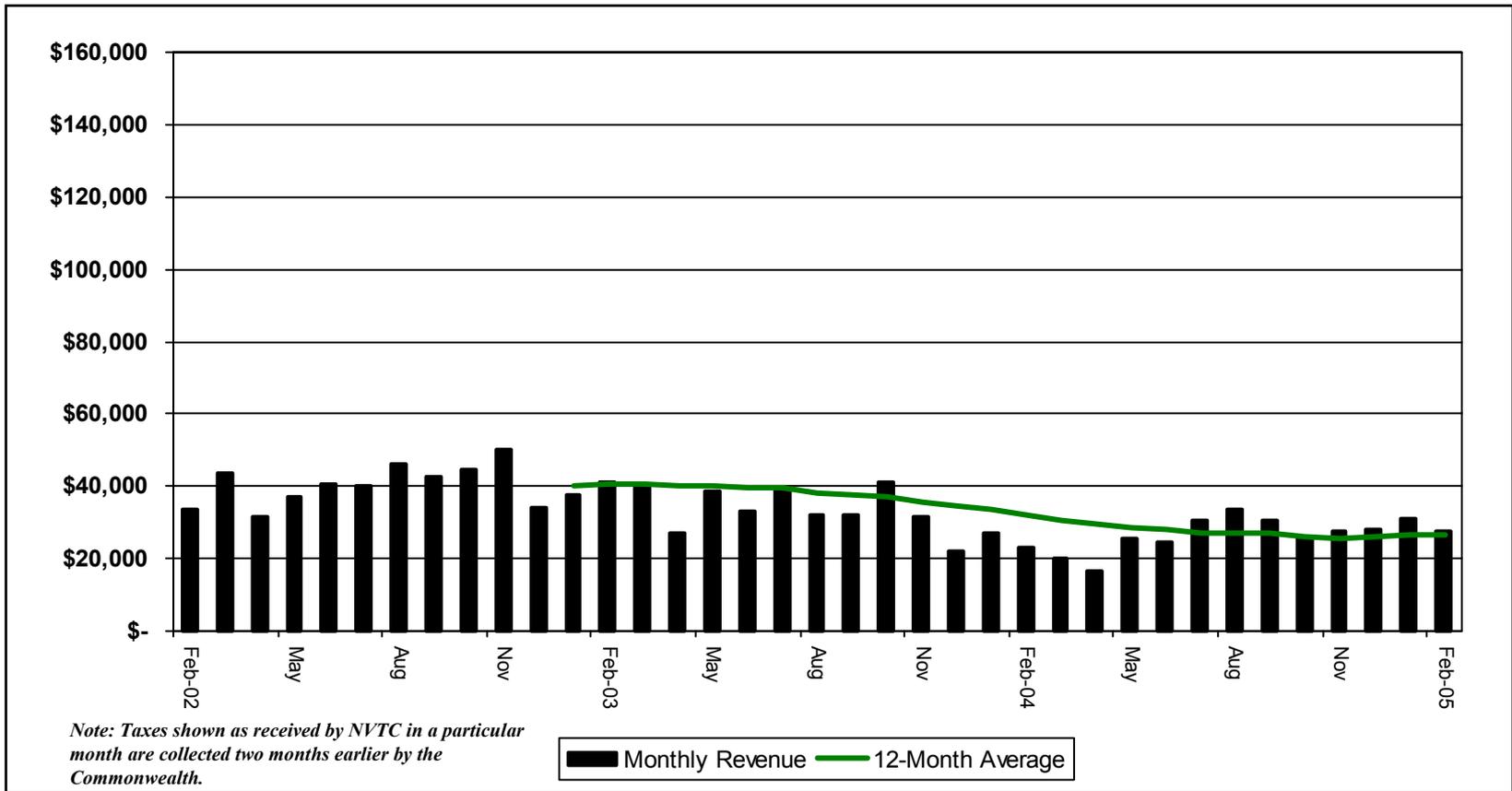
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2002-2005



NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2002-2005



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2002-2005



NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2002-2005

