DASH Board of Directors Meeting Agenda

September 9, 2026 5:30pm - 7:30pm EDT
DASH Facility: 3000 Business Center Drive, Alexandria, VA 22314

START 5:30pm

1. **Welcome** — 5:30pm
   a. **Call to Order** — David Kaplan
   b. **Attendance** — Beth Reveles
   c. **Welcome and Introductions** — David Kaplan
2. **Collaboration and Engagement** — 5:35pm
   a. **Public Comment**
   b. **Chairs Report**
   c. **T&ES Report** — Hillary Orr

      T&ES Deputy Directors Notes 9.9.2026.pdf

      i. **DASH Representative for Transportation Commission** — Hillary Orr

         The Transportation Commission's requested change to the makeup of Commission seats was approved by City Council, with an approved amendment to the Alexandria Transit Company Board of Director's position. The position was expanded to now read:

   d. **Report by the DASH Advisory Committee (DAC) - If needed**
   e. **Other Member Reports**
3. **Regular Business** — David Kaplan — 5:50pm
   a. **Consideration of Approval: Meeting Minutes**

June 10 Board Meeting Minutes_6.10.2026.pdf

4. Staff Reports

5:55pm

a. FY 2026 Budget Debrief and FY 2027 Budget Discussion

The DASH Executive Leadership Team will present a synopsis of the projected FY 2026 year-end fiscal position and an outlook on challenges associated with the FY 2027 Budget.

i. General Manager's Approach, Summary, and Overview of FY26

Josh Baker

The GM will provide an introduction, framework for discussion, high-level overview of: what happened in FY 26, why these things happened, what we know and what we don't, what the implications are looking forward, and a recommendation for future Board discussions and actions.

Board Meeting Action Plan - 09_09_2026.pdf

FY26 Year-End Results & Variance Summary - 09_09_2026.pdf

ii. Interim CFO Report

Donna Herring

- FY 2026 Postmortem Report and Budget vs. Actuals
- Early Look at FY 2027 Rebuild

FY26 Financial Postmortem Summary - 09_09_2026.pdf

iii. Chief Operating Officer Report

Stephanie Salzone

A synopsis of Maintenance and Operations performance, a deep dive into last year's expenditures, and the key drivers of cost overruns.

Maintenance Services Summary - 09_09_2026.pdf

iv. Chief Labor Relations & Engagement Officer Report

Yvonne Jung

An overview of the "DASH Difference" investments, and the impacts of plans to reduce and eliminate them.

The DASH Difference Summary - 09_09_2026.pdf

v. Chief Infrastructure & Development Officer Report

Raymond Mui

An overview of the scheduling process changes to be implemented starting in November to reduce costs, and their impacts on the workforce and customer experience.

Transit Scheduling Board Summary - 09_09_2026.pdf

b. **Collective Bargaining Update** Josh Baker

TMA has begun the Collective Bargaining process with ATU Local 689 for a new contract to begin July 1, 2027. The current one (1) year contract expires June 30, 2027.

Additionally, TMA is negotiating a short-term (one-year) contract for the existing DASH Operations Control Center and Road Supervisors. It is anticipated that this group will be combined with the full contract starting with the July 1, 2027 CBA. Negotiations are ongoing as of the time of this publication.

c. **Ridership Report** Josh Baker

A ridership report is provided updated with the final ridership numbers for FY 2026 and an early look at ridership fiscal YTD.

New in the report are some performance metrics that may be useful. Staff will continue to fine-tune these reports to provide the most meaningful information possible.

PDF DASH Ridership Report - 09_09_2026.pdf

5. Board Discussion Items

7:10pm

a. **Review and Discussion: Agenda for City Council/Alexandria Transit Company Board Work Session** Josh Baker

The DASH Board of Directors and City Council Joint Work Session is scheduled for September 23, 2026 from 5:30pm - 7:30pm. The location of the work session is to be determined.

PDF Draft Agenda - ATC and CITY Joint Work Session - 09_23_26.pdf

b. **Proposed New Date for November 11th Board Meeting** Josh Baker

The current date for the November 11, 2026 Board of Directors meeting falls on Veterans Day.

Alternative dates for consideration include: Thursday, November 12, 2026 or Wednesday, November 18, 2026.

Board Members are asked to provide their availability for an alternative November meeting date so that the Board Secretary may reschedule the meeting and provide proper notice.

6. Old Business

a. **Answers to Board Member Questions from prior meetings** Raymond Mui

- Where is DASH's goal of zero emissions by 2035 documented? (Kathpal)
- Where is "New flexibility with timeline of zero-emissions conversion" memorialized in DASH's policies? (Kathpal)

Old Business - ATC Zero Emissions Question - 09_09_2026.pdf

7. Executive Session

David Kaplan

IF NEEDED

Consideration of Convening an Executive Session for the Purpose of Discussing Matters pursuant to Section 2.2-3711 (A1 and A6) of the Code of Virginia.

Motions Required:

Enter Session: "I ____(name) move that the Alexandria Transit Company Board of Directors convene an Executive Session for the purpose of matters pursuant to Section 2.2-3711 (A1 and A6) of the Code of Virginia."

Exit Session: "I ____(name) move to reconvene the public meeting of the Alexandria Transit Company Board of Directors."

Certify Session: "I____(name) move to certify that, pursuant to Section 2.2-3711 of the Code of Virginia to the best of each members knowledge only public business matters that were identified in the motion by which the executive session was convened, and that are lawfully exempted by the Freedom of Information Act from the act's open meeting requirements were heard, discussed, or considered by the Board during the executive session."

8. Adjournment

David Kaplan

7:25pm

Next meeting: City Council/ATC Board Joint Work Session Date: September 23, 2026

Time: 5:30 pm

Location: To Be Announced

END
7:30pm

T&ES Deputy Director Notes
ATC Board of Directors Meeting 9.9.2026

DRPT Bus Consolidation Study
DRPT continues to evaluate opportunities for greater coordination and potential consolidation among Northern Virginia bus providers. City and DASH staff participated in a July 31 briefing, providing input on Alexandria priorities, governance, service responsiveness, and potential regional efficiencies. Staff will remain engaged as DRPT further develops and evaluates potential service delivery and organizational options.

Alexandria Student Pass Program
The Alexandria Student Pass Program continues to advance toward a fall launch. WMATA has 10,000 cards in production, with delivery currently anticipated for September 18, and is completing fare-system testing, card registration procedures, operator training, and final administrative and billing requirements. The City is concurrently developing outreach materials and preparing for card distribution once the cards are received and tested. On the ACPS side, staff are developing a parent permission form that families will complete before eligible middle and high school students can receive the benefit, while continuing internal coordination on distribution, communications, and student eligibility. Next steps are to finalize the City-WMATA agreement and remaining system testing, complete the ACPS permission and enrollment process, confirm card distribution logistics, and coordinate a joint outreach campaign timed with the program rollout.

Clear Lanes PILOT Implementation
The Northern Virginia Clear Lanes Demonstration continues to advance toward its planned September launch, with WMATA, Alexandria, Arlington County, and Hayden AI completing technical preparations for the pilot. Hayden AI has completed field surveys of the demonstration corridors, and WMATA and local staff are reviewing the proposed bus lane and bus stop configurations before they are finalized. Six Metrobuses are planned to participate, initially operating on the A1X, A27, and A58 beginning September 14 before expanding to additional routes in October. The demonstration will not issue tickets or warnings; instead, it will collect data on where and how frequently vehicles obstruct bus stops and lanes to help determine the need and feasibility of a permanent Clear Lanes program. Biweekly stakeholder meetings will be held to review results and emerging trends throughout the demonstration.

West End Open House
The City is planning a West End Open House for October 29 to highlight key transportation and mobility projects underway across the West End. Transit-focused projects will include the West End Transitway, Southern Towers Transit Center, Landmark Transit Center, Bus Shelters Phase II, and related access and mobility improvements. DASH and other City partners are expected to participate, providing residents an opportunity to learn about upcoming investments, ask questions, and provide feedback.

1. Welcome

A meeting of the Board of Directors of the Alexandria Transit Company was held at 5:30 pm on Wednesday, June 10, 2026, at the DASH Facility. A recording of the meeting was made and is available upon request.

Board members present: David Kaplan, Matt Harris, Kursten Phelps, Jesse O’Connell, Jamaal Schoby, Praveen Kathpal, Kevin Greenlief

Board members absent: Hillary Orr, Ajashu Thomas, Arthur Wicks, Arish Gajjar

Staff members present: Josh Baker, Beth Reveles, Kato Carter, Raymond Mui, Stevie Mathews, John Jones, Stephanie Salzone, Yvonne Jung, Joseph Quansah, Brent Reutter, Edward Ryder, Caleb Keller, Nikki Henderson, Jordan Exantus, Josh Etim

Other attendees: Deborah Kane, Nathaniel Cartagena, Payton Brown, Jim Durham

a. Call to Order

b. Attendance

c. Welcome and Introductions

Chair David Kaplan welcomed everyone and called the meeting to order at 5:37pm. A quorum was reached at that time. Jamaal Schoby arrived at 5:43 pm.

2. Collaboration and Engagement

a. Public Comment

Chair Kaplan opened public comment. As there were no speakers, public comment was closed at 5:39 pm.

b. Chairs Report

Chair Kaplan welcomed DASH Advisory Committee (DAC) members Nathaniel Cartagena, Jim Durham, and Payton Brown to the Board meeting and provided some background on the DAC.

Chair Kaplan and Vice Chair Jesse O’Connell met with Mr. Cartagena and Mr. Durham in early spring to discuss how the DAC and the DASH Board could work in alignment and to learn about how DAC’s experience has been within DASH's infrastructure.

Mr. Kaplan announced the tentative date of September 23. 2026, for the City Council/DASH board work session.

c. DASH Advisory Committee Update

DASH Advisory Committee Chair Nathaniel Caragena reviewed his presentation to the Board, which was provided in advance of the meeting.

d. T&ES Report

Transit Program Manager Jordan Exantus was available to answer questions the Board had regarding Hillary Orr's written report which was shared with the Board in advance of the meeting.

i. GoAlex Strategic Plan
Attached is the GO Alex Strategic Plan for Fiscal Years 2027 - 2031. The plan is available online here--GOAlex

Go Alex Program Manager Josh Etim reviewed the GoAlex strategic plan which was shared with the Board in advance of the meeting. Mr. Etim then answered questions and collected feedback from the Board members.

e. Other Member Reports

The Chair asked if there were any other announcements from the Board. Hearing none, he moved on to minutes approval.

3. Regular Business

a. Consideration of Approval: Meeting Minutes

The Chair called for a motion to approve the May meeting minutes and asked if there were any corrections, revisions, or amendments. A motion was made by Jesse O'Connell and seconded by Jamaal Schoby to approve the minutes. There was no further discussion, and the motion carried.

b. Review of Financials

CFO Edward Ryder was available to answer any questions regarding his financial report. The report was provided to the Board in advance of the meeting.

4. Action Items

a. Consideration of Approval: Final ATSP

Director of Planning & Scheduling Stevie Mathews was available to answer any questions regarding the ATSP report which was shared with the Board in advance of the meeting.

Chair Kaplan called for a motion to adopt the FY 2027 ATSP. A motion was made by Kevin Greenlief and was seconded by Matt Harris. There was no further discussion, and the motion carried.

b. Consideration of Approval: Final FY 2027 Budget

The Chair asked if there was any needed discussion regarding the budget. Jesse O'Connell stated that the budget was the best the Board could work with but had anxiety approving a budget that starts with a 1.3-million-dollar deficit. He stated that this was the reality of the situation and understood that staff would be pursuing mitigation strategies in an attempt to reduce the amount of the deficit.

Mr. Kaplan called for a motion to adopt the FY 2027 budget. A motion was made by Jesse O'Connell and seconded by Kursten Phelps. There was no further discussion, and the motion carried.

c. Consideration of Approval: Board Strategic Plan

Chair Kaplan called for a motion to adopt the strategic plan. A motion was made by Matt Harris and seconded by Jesse O'Connell. There was no further discussion, and the motion carried.

5. Staff Reports

a. Community Activities Update

General Manager Josh Baker provided a brief review of DASH's recent community activities which was provided to the Board in advance of the meeting.

b. Ridership Report

Mr. Baker reviewed the ridership report which was shared with the Board in advance of the meeting.

c. Staff Presentation: Departmental Highlight

i. Capital Projects Update

Chief Infrastructure & Development Officer Raymond Mui provided an update on the progress of capital projects at DASH.

Praveen Kathpal had a question regarding the last line in the Updates in Policy slide where it stated, "New flexibility with timeline of zero emissions conversion." He asked where that is memorialized in DASH's policies.

Mr. Mui stated that it was memorialized in the white paper from the City Council/DASH joint work session last fall, and in FY27 staff will be updating the zero-emissions transmission plan where it will also be memorialized.

Mr. Kathpal asked where DASH's goal of zero emissions by 2035 is documented. Mr. Mui stated that he believed it was memorialized in the zero-emissions bus feasibility study which was done in 2019 and if not, staff will need to revisit it to ensure it is memorialized.

Mr. Kathpal stated that he believed that City Council's EAP plan had a 2037 zero-emissions goal; hence, he feels that DASH's flexibility might be to push DASH's timeline back by two years until Council amends that goal or adopts a new EAP.

Chair Kaplan suggested that the topic of the zero-emissions plan be discussed with City Council during the fall joint work session to determine if the EAP needs to be updated.

6. Old Business

b. How does DASH hedge fuel costs?

Question submitted by Board Member Arish Gajjar.

Answer: DASH does not currently utilize a traditional fuel hedging program. In the past, staff explored fuel hedging opportunities; however, our current fuel vendor structure instead allows DASH to lock in pricing for two-week periods based on OPIS market pricing. While this approach does not provide the long-term price certainty associated with formal hedging programs, it does offer limited short-term protection against rapid market fluctuations while maintaining purchasing flexibility.

Staff has also evaluated alternative regional approaches to fuel procurement and risk management. The City's Fleet Division does not hedge fuel, but instead participates in a Metropolitan Washington Council of Governments (MWCOG) cooperative fuel contract. Upon review, DASH determined that pricing available through the MWCOG contract has generally been higher than the rates DASH currently pays on a per-gallon basis. Staff also researched emerging market-based forecasting and prediction tools that have been discussed as potential hedging mechanisms in other industries; however, due to legal, regulatory, and policy considerations surrounding the use of public funds in such markets, these approaches were determined to be unsuitable for DASH at this time. DASH has been in discussions with GRTC in Richmond to better understand the structure of their fuel procurement strategy and related contract terms. As fuel markets stabilize and pricing conditions become more favorable, DASH plans to further explore alternative vendors and the potential issuance of an RFP for a fixed-price fuel contract or other pricing stabilization mechanisms.

c. What were the ATSP survey responses in other than English?

Question submitted by Board Member Ajashu Thomas.

Answer: The breakdown of the ATSP survey responses we received in languages other than English for this year and last year:

- FY2026 had 4 of 110 responses answered in a language other than English, including: 1 Spanish, 1 Amharic, and 2 Persian/Dari

- FY2027 had 3 of 209 responses answered in a language other than English, and they were all in Spanish.

d. What is the correct number of electric expansion buses for column FY26/27 of Table 4-3 of the ATSP?

The correction was incorporated into the updated ATSP document.

e. Self Insurance Surplus

Edward Ryder, Chief Financial Officer, provided further clarity around the use of the surpluses in the Self Insurance Plan based on Board Member discussion in the previous meeting.

7. Executive Session

Consideration of Convening an Executive Session for the Purpose of Discussing Legal and Personnel Matters, pursuant to Section 2.2-3711 (A1) of the Code of Virginia.

A motion was offered by Kursten Phelps and seconded by Jesse O'Connell to enter Executive Session pursuant to Section 2.2-3711 (A1) of the Code of Virginia. A vote was called, and the motion was approved unanimously.

At the conclusion of the Executive Session, a motion was offered by Kursten Phelps and seconded by Jesse O'Connell to reconvene the public meeting. A vote was called, and the motion was approved unanimously.

A motion was offered by Kursten Phelps and seconded by Matt Harris to certify what was discussed during the Executive Session was pursuant to Section 2.2-3711 (A1) of the Code of Virginia. A vote was called, and the motion was approved unanimously.

A motion was offered by Kursten Phelps and seconded by Jamaal Schoby to approve the recommendations and decisions discussed during the Executive Session of the Alexandria Transit Company Board of Directors, pursuant to Section 2.2-3711 (A1) of the Code of Virginia. A vote was called, and the motion was approved unanimously.

8. Adjournment

September 9 Board Meeting: Plan and Discussion Items

Alexandria Transit Company (DASH) | Prepared for the DASH Board of Directors

This outline frames the conversations the Board should have on September 9. The purpose of the meeting is to give the Board a complete picture of DASH's financial situation, align on what happened and what is being done, and frame the decision the Board and City will make in October. No decisions are requested on September 9; the scenarios and recommended actions below are for discussion.

Timeline: **Sept 9 (today)** briefing and discussion → **Sept 23** Joint City Council / DASH Board Work Session → **October** Board action

BRIEFINGS SUMMARY

1. **General Manager (Josh Baker):** Introductions: William Greene and Donna Herring and their roles. He will then provide an overview of what happened, why, what we know now, and what remains under review.
2. **Interim CFO (Donna Herring):** FY26 postmortem and budget vs. actual summary based on current information, plus a high-level look at how FY26 actuals affect the FY27 budget and the potential funding gap.
3. **COO (Stephanie Salzone):** Maintenance and Operations performance, a deep dive into FY26 expenditures, and the key drivers of the cost overruns.
4. **CLRO (Yvonne Jung):** The "DASH Difference" investments and the impact of eliminating them
5. **CIDO (Raymond Mui):** The scheduling process changes taking effect in November to reduce costs, and their impact on the workforce and customer experience.

THE DECISION AHEAD (OCTOBER)

How do the Board and City Council want DASH to resolve a FY27 funding gap?

1. Resolve the FY27 gap entirely through service reductions.
   Keeps the fix within DASH's control and asks nothing new of the City, but places the full burden on riders through reduced schedules and service.
2. Resolve the gap through a combination of service reductions and eliminating the "DASH Difference" investments and programs.
   Reduces the depth of service cuts by also ending internal investments, spreading the impact across riders and the organization.
3. Submit a new budget proposal that removes the "DASH Difference" investments and submits a Supplemental Appropriation Ordinance (SAO) to the City for the remaining gap.
   Protects service by requesting City funding for the remaining gap, while DASH absorbs the loss of its internal investments.
4. Submit a new budget proposal entirely as an SAO to the City.
   Protects both service and internal investments, but asks the City to fund the entire gap.

GENERAL MANAGER'S RECOMMENDED ACTIONS (FOR OCTOBER)

1. **Stand up a Board Finance Committee** to work this issue with staff and provide ongoing oversight beyond regular Board meetings; recommend quarterly or bi-monthly meetings.
2. **Endorse a joint City/DASH staff working group** (or provide an official mandate) meeting monthly to review financials, comprising City OMB and Finance representatives, the DASH CFO and staff.
3. **Discuss the auditor's role and authority:** whether the City's auditor is sufficient, or whether the Board wishes to add an internal or external auditor reporting to the Board (would require budget authority in FY28).

EXTERNAL CONSULTANT: WILLIAM GREENE (WSP)

DASH has engaged William Greene to help navigate this situation and to bring senior transit-finance authority and experience to these conversations, for the benefit of the Board, the City, and staff. He is expected to conduct a forensic analysis of the FY26 situation and the FY27 budget as built, review internal policies and processes, and report on any deficiencies found along with recommended corrective actions. His reports will be brought to the Board.

No decisions are required on September 9.
The scenarios and recommended actions above are for discussion, with any formal action anticipated in October.

FY26 Year-End Results & Variance Summary

Alexandria Transit Company (DASH) | Prepared for DASH Board of Directors and City Leadership

DASH's FY26 expenditures exceeded budget by approximately $3.7 million, while revenue finished essentially on target. This memorandum explains, in plain terms, what drove that overage. The final figure remains subject to the City's FY26 close, expected by the end of September, and may settle modestly differently.

During the year-end review, DASH identified a $3.2 million error in its internal financial tracking workbook that overstated the projected year-end revenue position and is the primary cause of the FY26 deficit not being identified sooner.

ESTIMATED YEAR-END DEFICIT AT A GLANCE

Revenue vs. budget	**$0.01M favorable**
Operating expenditures over budget (net)	**$2.97M**
Capitalized expenditures over budget (net) – i.e. engine replacements, etc.	**$0.72M**
Total FY26 unfavorable variance	**~$3.71M**

WHAT DROVE THE OPERATING BUDGET OVERSPENDING

Category	Over Budget	Primary cause
Maintenance Services	**$1.43M**	Heavy reliance on outside vendors to keep buses in service, as the in-house maintenance team faced staffing shortages, skill and equipment gaps, and more frequent major component failures on complex diverse and aging fleet. *Budgeted at $341K; actual $1.77M.*
Repair Parts & Supplies	**$0.39M**	Parts prices have skyrocketed thanks to supply chain and tariff impacts. Additionally, parts use has risen as maintenance efforts have increased to keep the fleet at the DASH standard for quality. Finally, the fleet is larger and more diverse than ever before and has required more substantial, more frequent, and more extensive repairs on a highly diverse and aging fleet.
Operator Overtime	**$0.34M**	Operator show-ups (backup coverage) were increased to address vacancies and absences. These efforts paid off with service reliability improvements but caused increased overtime.
Operator Wages	**$0.36M**	Base operator wages ran above the budgeted level to staff and deliver the base scheduled service.
Professional Services	**$0.29M**	Legal and outside professional service costs came in higher than budgeted over the course of the year.
Facilities Maintenance	**$0.26M**	The aging DASH facility had increased repair and upkeep costs both for contracted services and in-house staff costs.
Insurance	**$0.15M**	Insurance premiums renewed above the amount assumed in the budget.
All other operating lines, net	**+$0.25M**	Vacancy savings were realized in maintenance and administrative wages, plus other small areas where underspending occurred.

Net operating overage: approximately $2.97 million. The seven categories above are the substance of the operating deficit; nearly everything else came in at or under budget.

Capital outlay overage: approximately $0.7 million.

In addition to the operating overage, capital equipment investments exceeded the capital budget by roughly $0.7 million. This is capital spending primarily on engines and transmission replacements is distinct from the recurring operating cost pressures above but is included here so the full $3.7 million variance is accounted for.

The concentration of the overage in fleet maintenance and operator labor is why DASH is treating FY27 as a full budget rebuild rather than an adjustment, and why the corrective actions underway focus on reconciliation to the City's records, stronger controls, and multi-year maintenance and fleet planning. Figures are drawn from the June 2026 financial report (run date August 31, 2026) and remain subject to the City's final close.

FY26 Financial Postmortem

Alexandria Transit Company (DASH) | Prepared for the DASH Board of Directors

FY26 ended with an estimated $3.7 million unfavorable variance. Revenue was essentially on budget; the shortfall resulted from expenditures required to maintain service, combined with a breakdown in forecasting, reconciliation, and financial monitoring that delayed identification of the year-end gap. Final figures remain subject to the City's final close.

CONTRIBUTING FACTORS TO THE MISSED PROJECTION

- **Internal forecasting error.** A $3.2 million hard-coded entry error in the internal financial tracking workbook overstated the projected year-end position and was the primary reason a near-balanced result was originally projected.
- **Insufficient reconciliation to Munis.** Internal reporting was not consistently refreshed with year-to-date Munis actuals after each accounting period or formally reconciled to the City's records. Differences between internal projections and recorded activity were therefore not identified and resolved in a timely way.
- **Limited independent validation.** The primary forecasting workbook lacked a consistent secondary review of formulas, data sources, assumptions, and manual entries, which allowed the forecasting error to go undetected.
- **Incomplete fund visibility.** Fund 93 (DASH operating) activity and Fund 94 (DASH grants) activity were not integrated into a single recurring financial view, making it more difficult to assess DASH's complete financial position throughout the year.
- **Limited visibility into outstanding commitments.** Finance did not consistently have timely visibility into all outstanding obligations. Without a complete view of incurred and anticipated costs, those commitments could not always be reliably reflected in projections before they appeared in the accounting records.
- **No consistent rolling forecast or escalation process.** Budget-to-actual results were not consistently translated into an updated organization-wide year-end forecast with defined thresholds for escalating material changes to executive leadership. As a result, the projected year-end position did not adjust quickly enough as information changed, and leadership lacked timely visibility of the problem.

CORRECTIVE ACTIONS

- **Actuals-based FY27 rebuild.** A full rebuild of the budget and forecast using FY26 actuals, including consolidated Fund 93 and Fund 94 activity and known FY27 cost pressures.
- **Monthly reconciliation.** Reconcile the budget tracker to Munis each month, issue preliminary and final statements, and independently validate formulas, data sources, and assumptions.
- **Executive and City oversight.**
  - Monthly Executive Leadership Team variance and forecast reviews, with clear thresholds, decision owners, and documented follow-up.
  - Monthly meetings with the City's Finance and Budget teams to align on performance, forecast risks, funding issues, and emerging concerns.
- **Financial visibility controls.** Strengthen internal controls so Finance has consistent, timely visibility into outstanding commitments, allowing emerging spending trends to be identified early and reflected in projections and forecasts.
- **Control remediation.**
  - Strengthen purchasing, year-end close, vendor, and purchase-card controls.
  - Develop multi-year fleet maintenance and workforce plans.
  - Complete an independent internal-control review.

EXECUTIVE CONCLUSION

FY26 system performance improved significantly, but the cost to sustain that performance exceeded the approved budget. The central failure was not revenue underperformance; it was the absence of timely, reconciled, and independently validated financial reporting, and a failure to escalate rising operating costs to the appropriate levels of leadership in time to enable oversight, discussion of projected needs, and analysis of the organization's cost trajectory.

Maintenance Services

Alexandria Transit Company (DASH) | Prepared for the DASH Board of Directors

Maintenance Services is a portion of the budget dedicated to external fleet repairs, historically about 4% of the total maintenance budget. It is used for major repairs DASH technicians cannot perform in-house due to skillset or equipment limitations. In FY26, its use expanded to cover repairs for vehicles backlogged by short staffing and to update needed safety features, such as engine fire suppression systems.

Maintenance Services was the single largest contributor to the FY26 deficit. This summary gives the Board an overview of what drove that spending, the results it produced, the steps taken to slow it, and what it means for FY27.

WHAT FY26 SPENDING DELIVERED IN PERFORMANCE

- On-time performance improved by about 1% on average over FY25.
- Missed trips fell to 0.5% on average, down from a FY25 peak of 1.88%.
- Buses out of service for defects declined steadily across FY26, reaching their lowest levels in years.
- Safety events remained steady even with increased ridership and service.

HOW THE MONEY WAS SPENT, AND WHY

- Most of the spending went to outsourced repair labor. Our technician headcount and skillset have not kept pace with a growing and aging fleet, driven by turnover of tenured staff since 2020, difficulty filling those roles with equally skilled technicians, limited capacity for internal workforce development, and a highly competitive regional labor market.
- 86% of the spending went to buses aged six years (midlife) and older; 10% went to seven Proterra units, only two of which remain in service today.
- 35 of our buses have a Cummins engine model with a known manufacturing defect, documented in a Cummins Technical Service Bulletin as “cylinder block porosity,” which, when it occurs causes significant engine damage and premature engine replacement.

HOW WE EXPECTED TO PAY FOR IT

- Maintenance Services needed additional funding to clear the repair backlog caused by staffing shortfalls. Funding was identified from planned operational improvements and reallocated, an estimated $1.2M in operations labor and fuel savings was expected to offset the increased spending.
- In the year-end close process we learned that the budget actuals we had been reviewing were inaccurate due in part to the complexities around how DASH monitors the budget and the City’s reporting system, and that operations labor had not been budgeted correctly to achieve the offset we had planned.

HOW WE ARE SLOWING SPENDING, AND THE IMPACTS

- **Paused overtime coverage for protection of open operator work.** *Impact: missed service when an operator reports off until coverage is identified.*
- **Paused all outsourced maintenance services.** *Impact: a growing number of vehicles unavailable, and additional missed service.*
- **Paused all charter services to focus on core service.** *Impact: lower charter revenue, but improved fleet availability for our core fixed route services.*

WHAT FY27 WILL REQUIRE

- We aim to complete maintenance in-house wherever possible, though some work, such as body work and engine rebuilds/replacements, will always be outsourced due to facility and equipment constraints.
- A dedicated team is analyzing FY26 data to rebuild FY27 so it accurately reflects the resources required to deliver the service our community expects.
- We are working to close the technician gap over the longer term and reduce our reliance on outsourced labor.

Much of the maintenance financial data is still being thoroughly reviewed.
This summary reflects the contributing factors to the deficit that are known to date.

The DASH Difference

Alexandria Transit Company (DASH) | Prepared for the DASH Board of Directors

The “DASH Difference” is how our vision and values show up in practice, across our community, our service, and our workplace. It is the work that goes beyond operating buses on time: the engagement, innovation, recognition, and care that have defined this organization.

The “DASH Difference” is introduced to employees on day one, it guides our interactions with our customers, our daily decisions, and our day-to-day operations. It reflects what makes DASH unique in the City of Alexandria and challenges us to evolve as expectations grow.

This summary gives the Board a shared, concrete picture of that work as we navigate the current financial situation and make decisions about where our cost containment efforts are focused.

COMMUNITY CONNECTION AND CITY PARTNERSHIPS

- Participates in 30 or more public engagement events each year, including festivals, parades, celebrations, and community initiatives, to educate, listen, and build relationships.
- Supports City needs and emergencies, providing buses to serve as cooling or warming spaces and during evacuations.
- Marks milestone events such as ribbon cuttings and groundbreakings for facility expansion, zero emissions technology, and zero emissions infrastructure.

RELIABLE SERVICE AND INNOVATION

- Builds recovery time, wellness breaks, and standby coverage into schedules to strengthen operator quality of life, on-time performance, and service reliability.
- Introduces transit technology innovations such as digital mirrors and next-generation onboard information systems.
- Invests in continuous improvement of onboard technology through real-time information, automated passenger counting, and traffic-signal priority.

PRIDE IN OUR FLEET AND FACILITIES

- Maintains one of the cleanest fleets in the region through daily washing and a third-shift team devoted to deep cleaning.
- Uses colorful bus wraps to amplify civic and community messages.
- Invests in a welcoming 24/7 workplace through landscaping, quality supplies, wellness spaces, a modernized fitness room, and an operator quiet room.

RECOGNITION, CELEBRATION AND BELONGING

- Honors tenure, safety, attendance, customer service, maintenance excellence, and extraordinary contributions with milestone plaques, gifts, paid leave, and cash recognition.
- Builds connection through appreciation events, anniversary celebrations, cultural observances, wellness days, team activities, retirements, and employee gatherings.
- Supports the annual Roadeo event with driver and maintenance participation at the local, state, and national level.

LISTENING, LEARNING AND GROWTH

- Uses engagement surveys, listening sessions, town halls, and stay interviews to understand the employee experience and guide improvement.
- Sponsors technical certifications, leadership programs, conferences, safety training, coaching, team development, and industry learning for employees at every level.

THE JOYCE STALLINGS DASH DIFFERENCE AWARD

- Honors an employee whose dedication, enthusiasm, and positive attitude make a lasting difference.
- This award pays forward the legacy of former dispatcher Joyce Stallings and includes a commemorative gift, plaque recognition, and a $500 gift card.

Much of the DASH Difference is discretionary, and elements of it are being paused as part of current cost containment. This summary is intended to give the Board a clear view of that work so decisions about what to sustain, pause, or restore can be made with full context.

Transit Scheduling at DASH

Balancing Quality, Resiliency, and Efficiency

Alexandria Transit Company (DASH) | Prepared for the DASH Board of Directors

As part of our cost containment efforts, DASH is making a modest, temporary adjustment to how we schedule service. This summary explains the change, how transit scheduling works, and what the Board can expect as a result.

1. WHAT ADJUSTMENTS ARE BEING MADE?

- Effective November, we are making temporary, modest efficiency adjustments to our scheduling practices to reduce costs.
- These changes will **not impact service levels**.
- This is a moderate adjustment, not an extreme one. It is not *everything* we could do.
- The change is expected to yield **approximately $700,000 in annualized savings**.

2. HOW DOES THIS WORK?

Aside from service levels, the way service is scheduled follows a spectrum. At one end, maximum quality and resiliency builds in more recovery time and operating cushion. At the other, maximum efficiency uses the least recovery time and the fullest schedule utilization. DASH has historically operated toward the quality and resiliency end. These changes move us modestly toward efficiency, but not to the extreme.

QUALITY / RESILIENCY *More recovery time*	**EFFICIENCY** *Least recovery time*
Pros Best workplace quality for operators Lower stress and greater morale More opportunity to take care on the job Reduced likelihood for accidents and incidents **Cons** Requires the most investment	**Pros** Lowest cost to operate Maximizes use of each dollar **Cons** Lower workplace quality and morale Operators will feel constantly rushed Lowest service resiliency *(ability to cover interruptions)* Lowest service reliability *(ability to stay on schedule)*

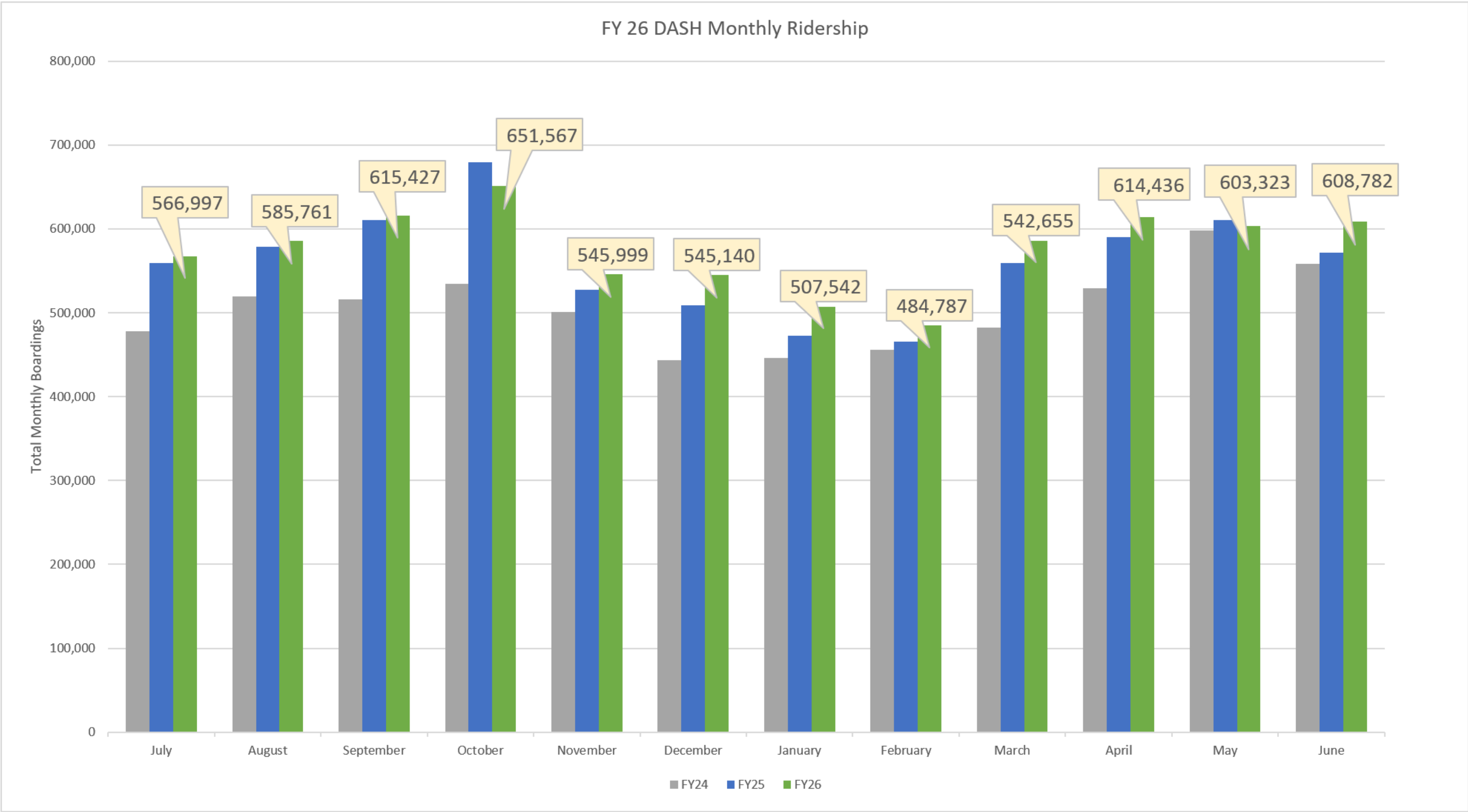
3. WHAT ARE THE IMPACTS OF MOVING MORE TOWARDS EFFICIENCY?

- Buses will be more susceptible to delays.
- Operators will have fewer opportunities for breaks.
- Employee morale may decrease.
- On-time performance will likely decrease.
- These actions are ***not intended to be permanent or represent a new norm;*** they will need to be revisited as our financial position stabilizes.

This adjustment is one element of DASH's broader cost containment effort. It is designed to capture meaningful savings while protecting service levels, and to be reversible once conditions allow.

FY26 Year End

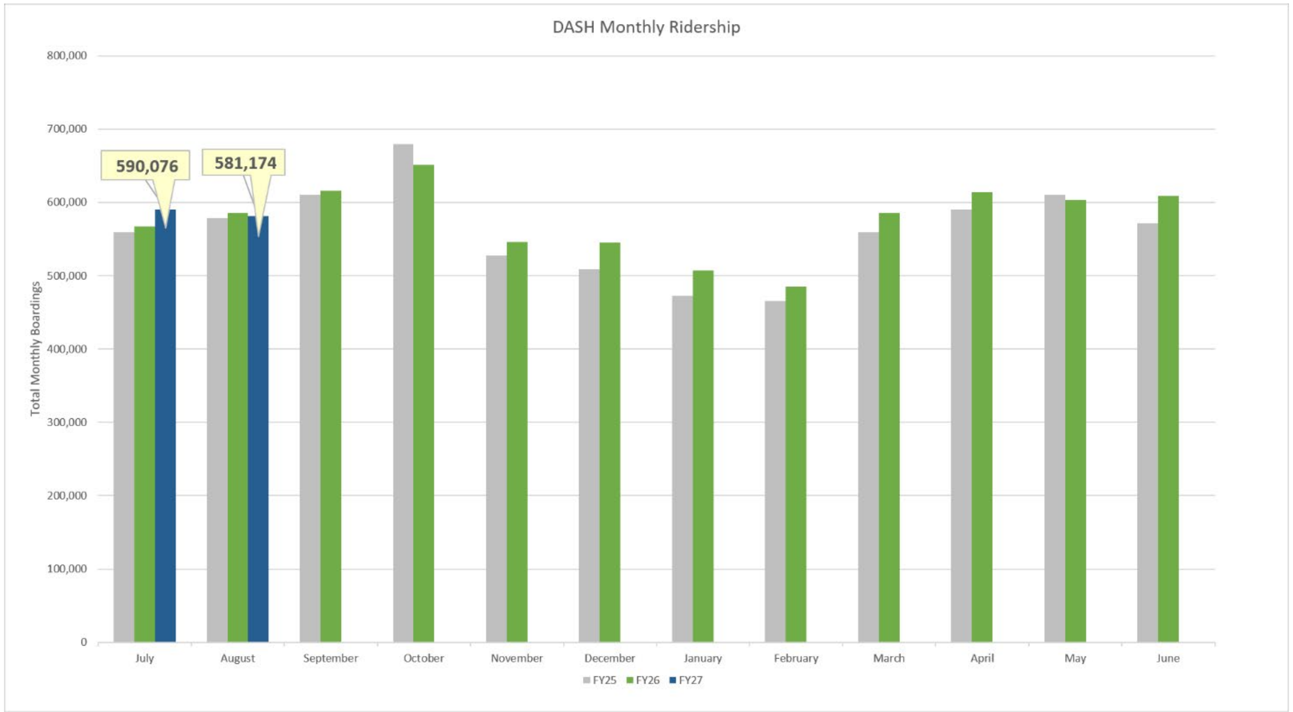
DASH ended FY26 continuing its upward ridership trend that has lasted since the pandemic-related ridership declines. Total system ridership for FY26 was up 2.7% year-over-year with 6,915,869 total boardings. And total system productivity was 30.14 – an increase of 3.75% over FY25. After a seasonal decrease in ridership during winter months, ridership rebounded in March and stayed above 600k riders for the remainder of the fiscal year. October was DASH's highest performing month of the fiscal year, as in the years before. The highest performing route by ridership was the commuter Line 35 route, which had a total of 2,138,918 annual boardings. The most productive route in the system during FY26 was the King Street Trolley at 40.17 boardings per revenue hour which substantially exceeds the benchmark set in the Strategic Plan.



DASH
ALEXANDRIA TRANSIT

July
Total system ridership for the month increased by 4.1% from July 2025, with 590,076 total passengers. Excluding the King Street Trolley, total ridership was up by 5.2%. Total system productivity was 29.77 boardings per revenue hour (BPRH), a 1.57% increase year-over-year.

August[1]
Total system ridership for the month decreased by 0.8% from August 2025, with 581,174 total passengers. Excluding the King Street Trolley, total ridership was down by 4.1%. The King Street Trolley saw a decrease of 19.9% year-over-year, which coincided with the permanent Lower King Street Pedestrian Zone Project. Total system productivity was 29.18 boardings per revenue hour (BPRH), a 4.3% decrease year-over-year.



[1] Ridership and productivity numbers are preliminary and subject to change. Counts are considered final and processed on the tenth of every month.

DRAFT

DASH/CITY COUNCIL JOINT WORK SESSION AGENDA

September 23, 2026
5:30pm – 7:30pm
Location TBD

I. Welcome & Brief Overview of DASH (5 min)
   a. Overview of DASH's mission, service area, and role in the City's transportation network

II. Current Operating Conditions (25 min)
   A review of DASH's performance, finances, service programs, infrastructure, and accessibility efforts.
   a. *Performance & Ridership*
      i. Current performance relative to peer transit systems
      ii. Ridership update, including a change to the ridership data collection method
   b. *Service & Programs*
      i. Charter service and the future of the program
      ii. Advertising program update, including the potential for bus stop advertising revenue
      iii. Outlook for future Transit Ridership Improvement Program (TRIP) funding
      iv. Status of the Transportation Improvement Program (TIP) and earmarked TIP revenue
   c. *Facilities & Infrastructure*
      i. Bus stop conditions and planned improvements
      ii. DASH's Involvement in routine Bus stop maintenance
      iii. Inclement weather response protocols

III. Finances & Budget (30 min)
      i. Capital program update
      ii. Funding overview: State funds, local subsidies, federal funds, NVTA, and NVTC
      iii. Operating budget overview and breakdown
      iv. Budget volatility: DASH FY 26 budget shortfall and future FY 27 shortfall mitigation strategies

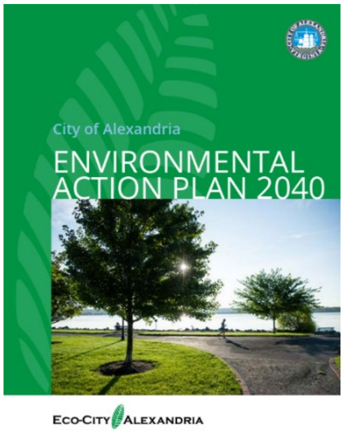
IV. ATV (Alexandria Transit Vision) Overview (15 min)
   a. Brief Presentation on the ATV and program update
   b. Rightsizing our operation – *what it takes for DASH to show up tomorrow as strong as it does today.*
      i. How DASH allocates resources
      ii. How DASH handles priorities, constraints, and our focus on service

V. Participation, Feedback & Discussion (45 min)
   Goal: inform Council and Board members, gather input, and reach agreement or direction on next steps.
   a. Open discussion with Council and Board members
   b. Questions and input on priorities

DASH
ALEXANDRIA TRANSIT

Zero Emissions Program Questions
Answers to questions raised by ATC Board of Directors
September 9, 2026

Q: Where are DASH's Zero Emissions Bus (ZEB) goals and milestones memorialized?



A: DASH's Zero Emissions goals are memorialized in the City's Environmental Action Plan 2040 (EAP), adopted in July 2019. Specifically, the EAP establishes a goal of achieving a 10% electric fleet by FY2028 (Action 2.2.6) and full fleet electrification by FY2040 (Action 2.2.8). The EAP also directs the development of a Zero Emissions Transition Plan by 2021 (Action 7.1.5) to guide the acquisition of zero-emissions buses across the DASH fleet. These goals were also referenced in DASH's Zero Emissions Bus Feasibility Study, completed in 2019.

In April 2023, DASH developed a new Zero Emissions Transition Plan to satisfy requirements for the FY2023 FTA Low-No program. This plan did not establish new Zero Emissions goals; rather, it referenced the goals previously established through the 2019 Zero Emissions Bus Feasibility Study and, ultimately, the EAP 2040.

It is important to note that there is a difference between the formally adopted EAP goals and the subsequent transition schedule developed through DASH's Zero Emissions Bus Feasibility Plan discussions in 2020. The subsequent transition schedule contemplated a somewhat more aggressive fleet conversion timeline, with 100% fleet conversion targeted for 2037, compared with the FY2040 goal formally established in the EAP 2040.

Accordingly, the EAP 2040 remains the primary source for DASH's adopted ZEB goals, while the subsequent feasibility and implementation plans outline pathways on how to achieve those goals.

Q: How do we capture the Council guidelines and flexibility regarding Zero Emissions transition as discussed in the September 2025 Work Session?

A: Staff plans to update the Zero Emissions Transition Plan with its CTE partner to reflect the guidance and flexibility provided by City Council during the September 2025 Work Session. The updated plan will establish revised Zero Emissions program goals, along with the associated parameters and caveats for implementation.

The updated plan will be brought to the Board for consideration and adoption. Following adoption, Staff will coordinate with the Office of Climate Action to incorporate the updated goals and guidance into the next revision of the Environmental Action Plan, which has not yet been scheduled.

DASH ALEXANDRIA TRANSIT