



Alexandria Transit Company Board of Directors Meeting



Wednesday, November 14, 2018
5:30 p.m.
City Hall, Council Workroom, 2nd Fl.

Meeting Agenda

#1 Public Comment

#2 Consideration of Meeting Minutes Approval

October 10, 2018

All

#3 Board Member Announcements & Presentations

- a) Chairman's Report
- b) T&ES Directors Report
- c) All Others

Chairman & Board
Members

#4 General Manager's Report

- a) Management Report
- b) Performance Report
- c) Operating Report
- d) Overtime Report
- e) General Manager's Summary

Josh Baker,
General Manager

#5 Financial Report

- a) September Financial Update
- b) September Balance Sheet
- c) September Summary Income Statement
- d) September Budget vs. Actual (BVA)

Josh Baker,
General Manager

#6 New Business

- a) FY 2020 Budget Priorities Memorandum to the City Manager
- b) Budget Reduction Scenario Debrief
- c) ATV Outreach Update
- d) Real-Time Displays Update

All
Josh Baker
Martin Barna
Martin Barna

#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

Chairman & Board
Members

#8 Next Meeting Date & Adjournment

The next regular Board Meeting is Wednesday, December 12th, 2018 at 5:30 p.m.
Proposed Meeting Location: DASH Facility, 3000 Business Center Drive

All



ATC Board Agenda Detail

Agenda Item #: 2
Item Title: Meeting Minutes
Contact: Fatima Ahmed, Secretary
Attachments: None
Customer Impact: None
Board Action: Consideration of Approval



Alexandria Transit Company (ATC) BOARD OF DIRECTORS MEETING MINUTES

A meeting of the Board of Directors of the Alexandria Transit Company was held on Wednesday, October 10th at Alexandria City Hall, Council Workroom, 2nd Floor, 301 King Street, Alexandria, VA 22314.

Board members present were David Kaplan, Ian Greaves, Matt Harris, Jim Kapsis, Stephen Klejst, Yon Lambert, Richard Lawrence, and Meredith MacNab. Kerry Donley was absent, excused from attending.

Staff members and visitors attending were: Josh Baker, Raymond Mui, Fatima Ahmed, Rick Baldwin, Martin Barna, Swinda Carcamo, Evan Davis, John Lanocha, Lorenza Myers, Alicia Wright, Nicole Evans, Carmen Frasier and Bill Eger. The board holds meetings every second Wednesday from September to June and all are welcome to attend.

Board Meeting

Agenda Item #1 – Public Comment

The Chairman called the meeting to order at 5:30 p.m. and there was no public comment.

Agenda Item #2 – Consideration of Meeting Minutes Approval

The Chairman asked for consideration of approval of the minutes of September 12, 2018. Mr. Harris motioned to accept the minutes as presented with Mr. Lambert seconding. The motion passed unanimously.

Agenda Item #3 – Reports, Updates and Other Business

Item #3a – Chairman's Report

The Chairman welcomed the Board members, staff and guests to the regular monthly Board meeting. Mr. Kaplan thanked the Board for participating in the joint work session with the Transportation Commission. Mr. Kaplan welcomed any Board members who would like to attend one of the ATV Stakeholders Workshops.

Item #3b – T&ES Director's Report

Mr. Lambert, Director, Dept. of Transportation & Environmental Services shared in advance the following report items with the Board:

- King Street-Old Town Metrorail Station Access Improvement Project Update: Closure of Bus Loop Delayed
A planned closure of the King Street-Old Town Metrorail Station bus loop, part of the [King Street-Old Town Metrorail Station Access Improvement Project](#), will be delayed until October. TES has not received an update from the contractor regarding the exact closure date. The delay in the closure of the bus loop will not result in any delay to the completion of the overall project. Customers using bus service at the King Street-Old Town Metrorail Station are encouraged to check the [project webpage](#) for the most up-to-date information.
- WMATA November Shutdown & 2019 Shutdown Planning
At the Tuesday, October 9 legislative meeting city and DASH staff are providing City Council with a framework and overview of initial planning for the summer 2019 shutdown of the Blue/Yellow lines south of Reagan National Airport. The presentation is available [here](#).
- Metrobus Transformation Project
Metrobus Transformation Project Technical Advisory Committee met on September 28th to discuss the Goals and Objectives of the project. The group agreed on the following goals: Regional Connectivity, Rider Experience, Financial Stewardship, Sustainable Economic Growth and Opportunity and Equity. The project will develop a set of draft strategies with recommendations and implementation plans by 2019.

Item #3b – T&ES Director’s Report Cont’d

- Alexandria Mobility Survey
The City of Alexandria is launching the 2018 Alexandria Mobility Survey to collect data on current transportation patterns from City residents. The goal of the survey is to understand all respondent’s trips (instead of just commuting trips). This data will serve as reliable input for improving transportation planning.
- 2018 National Association of City Transportation Officials (NACTO) conference in Los Angeles
Mr. Lambert shared with the Board that he attended the 2018 NACTO conference in Los Angeles. [NACTO](#) is a relatively new association of 62 major North American cities (including Alexandria) and 10 transit agencies formed to exchange transportation ideas, insights and practices and cooperatively approach national transportation issues. One highlight of the conference was a tour of the \$45 million construction site for the Los Angeles Department of Transportation DASH bus facility, which will eventually hold 70 buses with expansion capacity to 85. The LA DASH system currently has four electric buses and the system plans to be fully electric by 2030. The current facility includes compressed natural gas (CNG) and the necessary infrastructure for its transition to electric. Mr. Lambert concluded the T&ES Director’s Report by sharing photos of the outdoor bus yard under construction with pillars for its solar canopy, some of the transformers needed for the electric facility and the LA DASH maintenance area.

Staff Reports

Agenda Item #4 – General Manager’s Report

Mr. Baker, General Manager, provided an oral update of the Management Report as presented to the Board, summarizing the high-level management, performance and operating items. Mr. Baker reported total system ridership increasing during the month of August. He stated there were 2 preventable accidents, with a trolley shifting slightly off the lift. Mr. Baker informed the Board an inspection has been conducted by the manufacturer which concluded the lift is certified safety to use.

Mr. Baker shared with the Board the Paychex system being implemented next month will help classify payroll better than the current manual process. Mr. Baker announced DASH is currently at 8% overtime with the goal to reach 7%.

Mr. Baker concluded the General Manager’s Report recognizing Mr. Tristan Cunningham, Planning Department’s Senior Scheduler/Planner for upgrading the DASH website with service enhancements to purchase passes online.

Agenda Item #5 - Financial Report

Mr. Davis, Director of Finance & Administration provided an oral report on the following high-level items provided:

- Fare Increase Impact: Ridership Steady, Passenger Revenue Up Slightly
Two months into the fiscal year, the fare increase from \$1.60 to \$1.75 per trip and \$40 to \$45 for the monthly DASH Pass appears to have not turned riders away. Excluding King Street Trolley, student, and other non-paying riders, revenue ridership and passenger revenue have increased compared to a year ago.
- August Results – Budget vs. Actual Report
DASH experienced a current month surplus of \$108,728 in August, this was driven by the following factors:
 - Stronger passenger revenue, which exceeded the monthly target by \$12,126.
 - Receipt of ACA-related insurance premium rebate of approximately \$20,000.
 - No timing-related large expenditures.
- FY19 Projection
With the August results in hand, the projected deficit for FY19 has narrowed by \$51,169 from (\$334,245) to (\$283,076). This was driven by an increase in projected passenger revenue from \$3.47 million to \$3.53 million, reflecting the revenue trends outlined above.
- Passenger Revenue Still Short for the Year
Passenger revenue is still projected to come up short of budget by 7% (\$284,046). This projection assumes the expected ridership used in constructing the FY19 budget for the remaining 10 months of FY18, adjusted downward in June for the Metrorail shutdown. Should ridership continue to surpass expectations, the revenue projection will increase further.
- Expenditures on Track
Mr. Davis concluded with the expenditures will come in almost exactly on budget.

Agenda Item #6 – New Business

Item #6a – Mr. Larry Morris, Regional Vice President of First Transit, provided a summary of the DASH Site Review and discussed First Transit's role for ATC to the Board.

Item #6b – The General Manager reviewed the FY 2020 Budget Proposed Priorities, Budget Process and Schedule with the Board.

Item #6c – The General Manager and the Director of Planning provided a brief update on the efforts surrounding mobile ticketing technology and what it means for DASH riders.

Item #6d – Mr. David Harmer, Administrator of the Virginia Transit Liability Pool (VTLP) provided a presentation on DASH / VTLP partnership in public transit followed by the executive session for VTLP.

Agenda Item #7 – 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.

Consideration of convening executive session for the purpose of discussing legal and personnel matters, pursuant to Section 202-3711 (A1) of the Code of Virginia was motioned by Mr. Klejst and seconded by Mr. Lawrence at 7:37 p.m.

Mr. Lawrence made a motion to end the executive session and reconvene the regular Board of Director's Meeting with Mr. Lambert seconding the motion at 8:58 p.m.

Agenda Item #8 – Next Meeting Date & Adjournment

As there was no further business, the Chairman asked for a motion to adjourn. On a motion by Mr. Lawrence and seconded by Mr. Lambert, all motions passed unanimously. The meeting adjourned at 8:59 p.m.

The next regular monthly meeting is Wednesday, November 14th, 2018 at 5:30 p.m. at Alexandria City Hall, City Council Workroom, 2nd Fl.

Minutes submitted by Fatima Ahmed, Secretary



ATC Board Agenda Detail

Agenda Item #: 4
Item Title: DASH General Manager's Report
Contact: Josh Baker, General Manager
Attachments: None
Customer Impact: None
Board Action: None/FYI

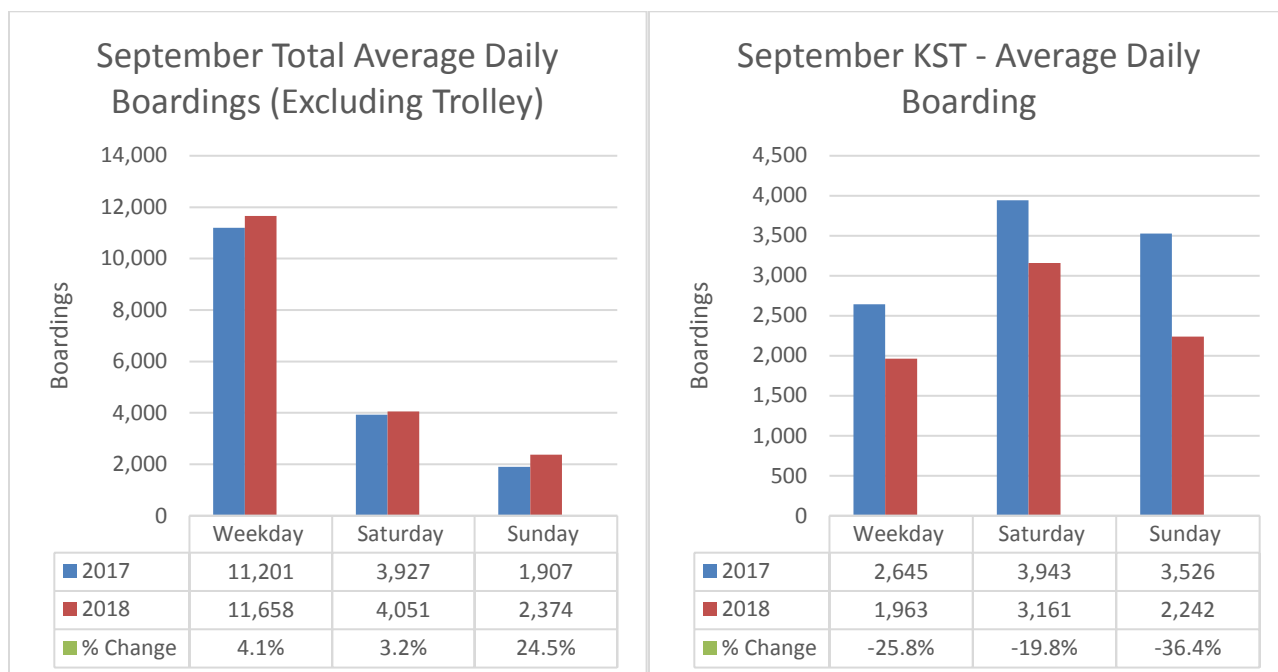


4a Summary: Management Report

FOR THE MONTH OF SEPTEMBER 2018

A. RIDERSHIP:

Total system ridership for the month decreased by 6.1% from last September, with 322,539 total passengers. Without the King Street Trolley, total ridership increased by 1.1% from last September, with 255,955 passengers.



B. SAFETY:

DASH experienced three accidents during the month of September. No injuries reported.

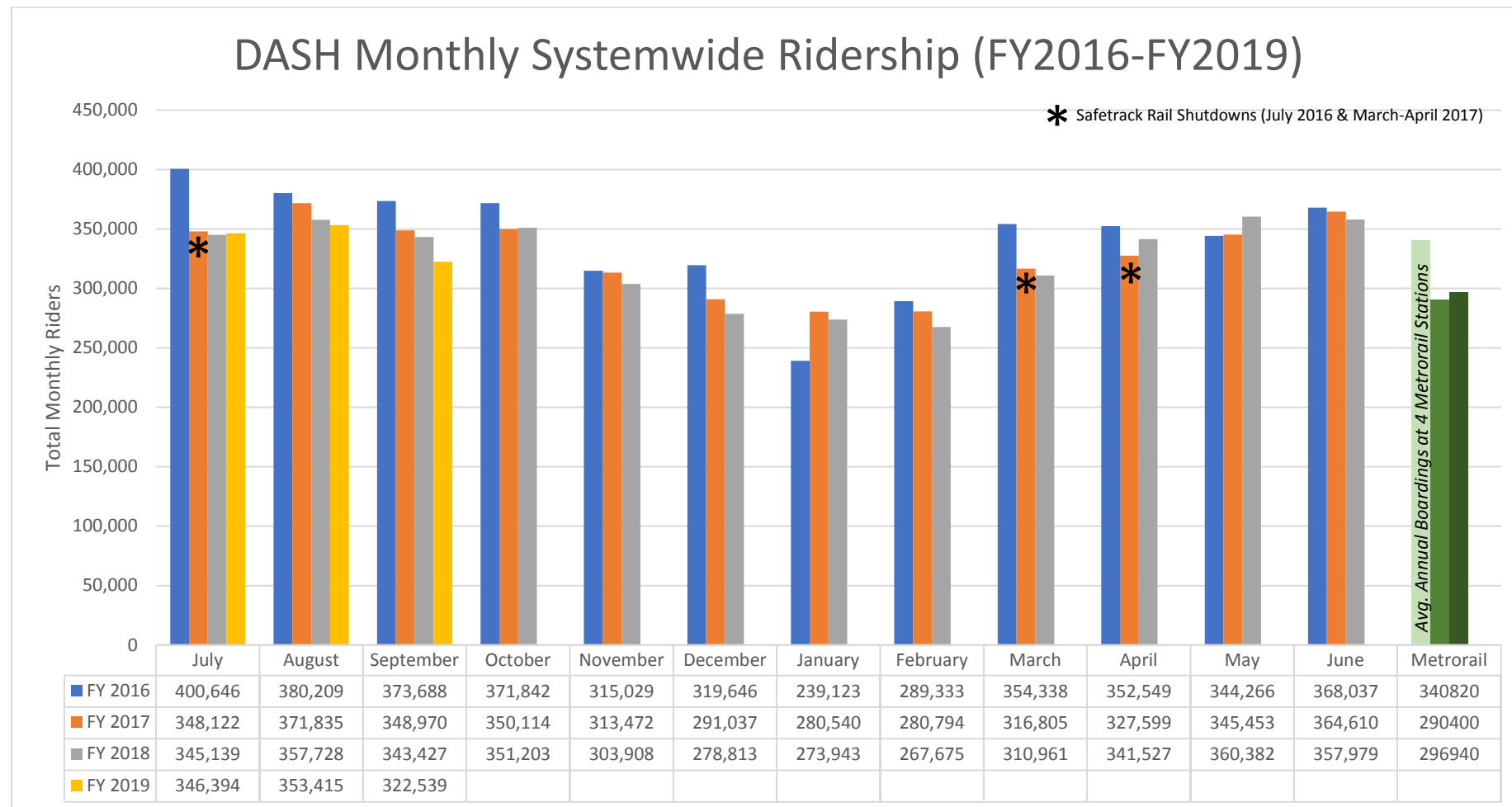
- 09/06 – Bus made contact with a Metro bus at Shirlington Transit Center (*Preventable*).
- 08/18 – Car made contact with bus on Quaker Lane. (*Non-Preventable*).
- 08/23 – Car made contact with bus at Duke and Ingram Streets (*Non-Preventable*).

C. RELIABILITY & MAINTENANCE:

	September 2017	September 2018	% Change	Industry Avg.
On-Time Performance	N/A*	82.3%	N/A*	83.6%
Missed Trip Percent	0.01%	0.02%	39.6%	N/A
Avg. Miles Per Road Call	11,116	20,158	81.3%	11,439

*Note – Beginning in FY19, Planning staff are using a new, more accurate methodology for calculating on-time performance using CAD/AVL data instead of the manual checks by field supervisors.

4b Summary: Performance Report
(System-Wide Ridership September 2018)

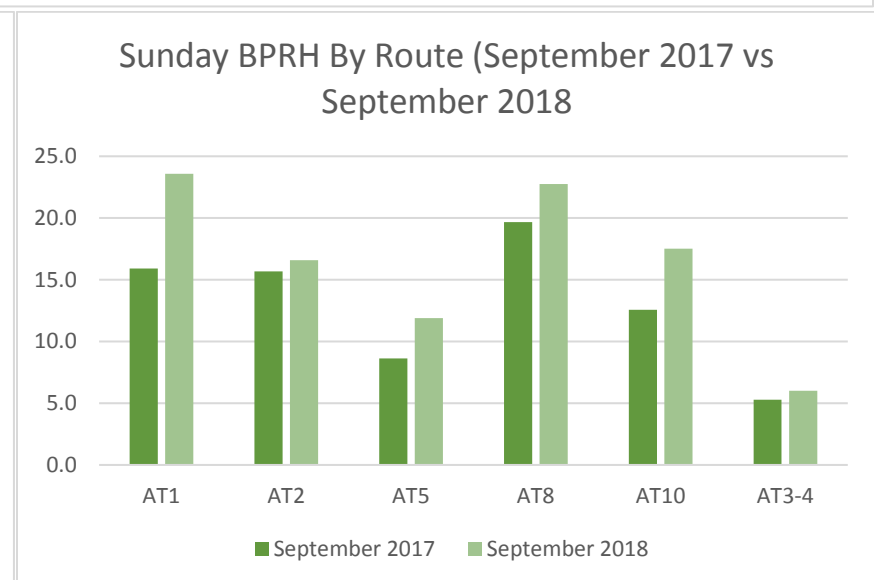
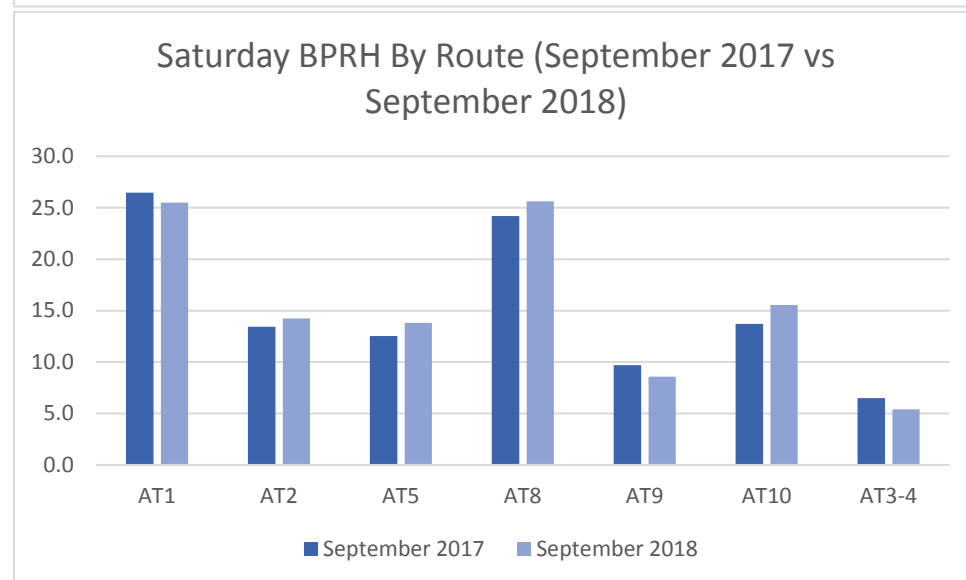
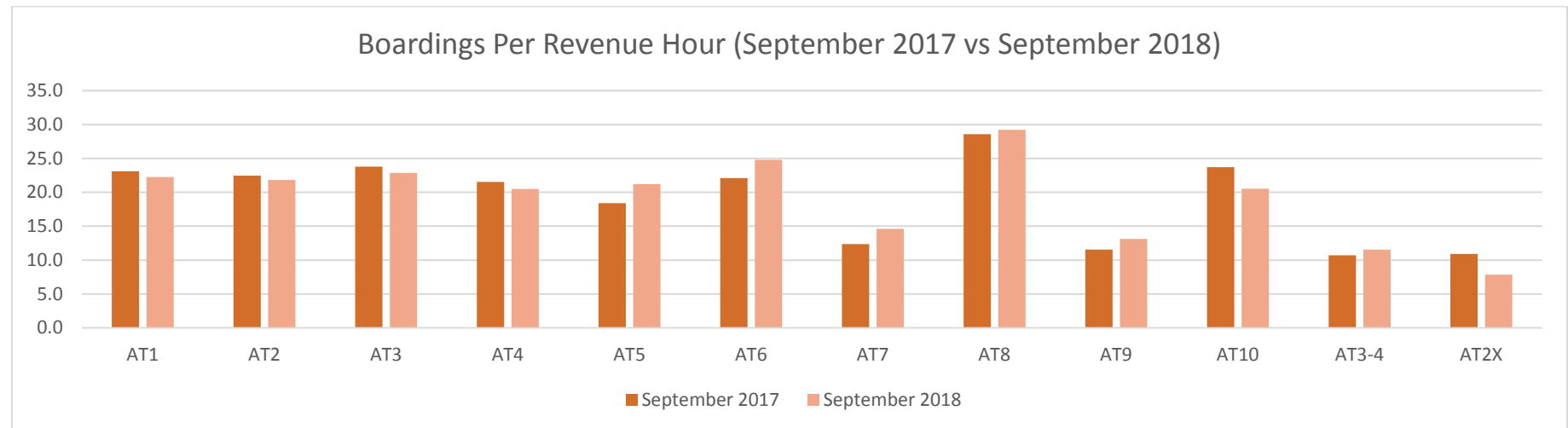


*Metrorail ridership (green columns) represents average daily total boarding's at the City's four Metrorail Stations for FY15-17.

**Totals were multiplied by 20 for comparison to DASH monthly data.

4b Summary: Performance Report

(System-Wide Route Productivity)



4b Summary: Performance Report

(DASH Year-to-Date Ridership Trends Q1 FY2016 – FY2019)

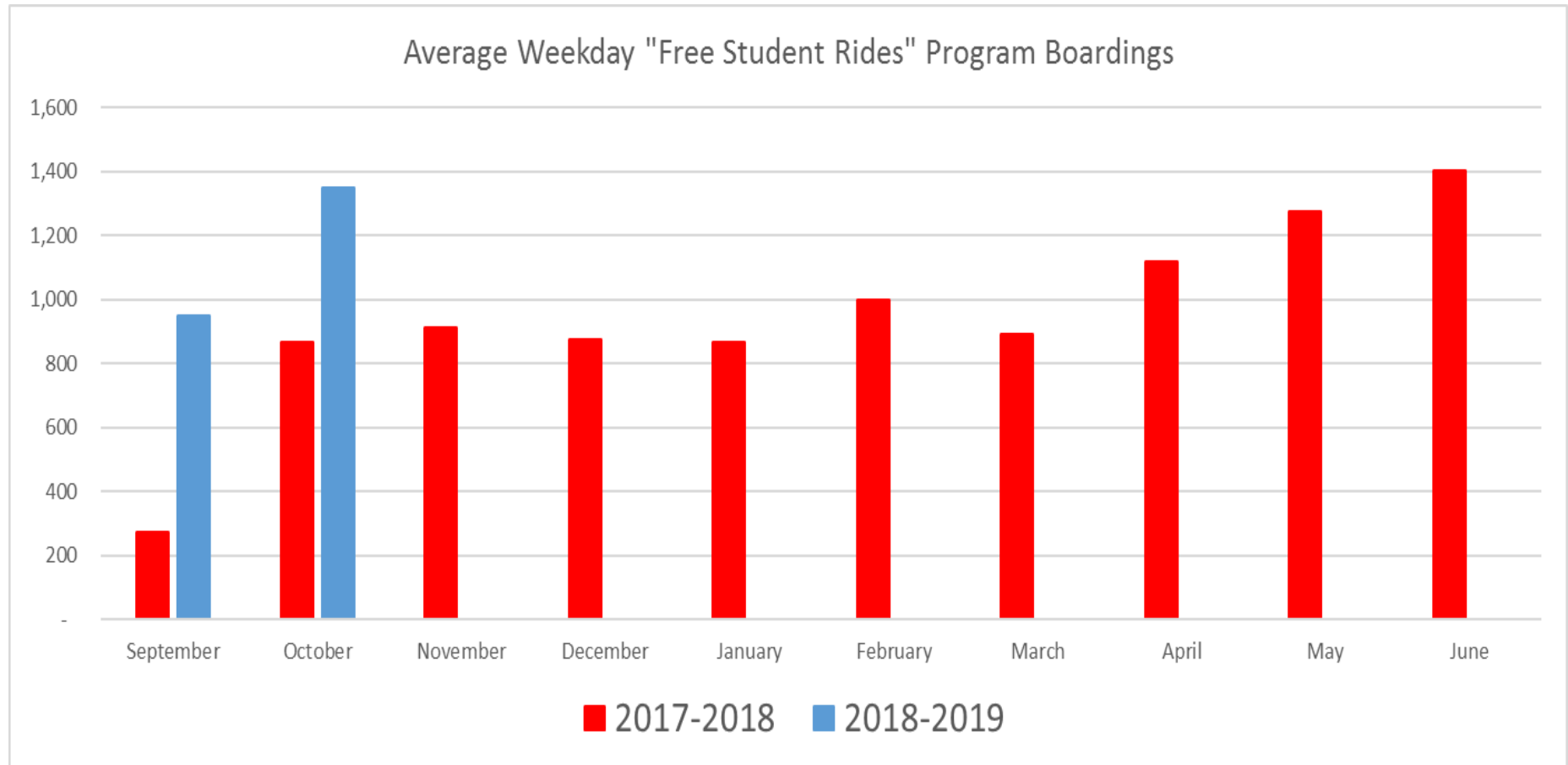
Average Daily WEEKDAY Boardings (Q1, FY16-FY19)							
Route	FY16	FY17	FY18*	FY19	% Change (FY18-19)	% Change (FY16-19)	Trend (FY16-19)
AT-1	1,476	1,430	1,582	1,599	1.0%	8.4%	
AT-2	1,669	1,469	1,429	1,437	0.6%	-13.9%	
AT-3	702	759	644	665	3.3%	-5.2%	
AT-4	647	650	544	552	1.3%	-14.7%	
AT-5	1,659	1,382	1,186	1,298	9.5%	-21.8%	
AT-6	865	758	660	759	15.0%	-12.3%	
AT-7	669	612	577	666	15.4%	-0.4%	
AT-8	2,925	2,675	2,503	2,772	10.7%	-5.2%	
AT-9	376	410	369	434	17.6%	15.3%	
AT-10	570	545	472	443	-6.3%	-22.3%	
AT-3/4	56	45	44	61	39.0%	8.6%	
AT-2X	217	183	150	114	-23.5%	-47.2%	
KST	2,910	2,860	2,968	2,542	-14.4%	-12.6%	
TOTAL	14,739	13,777	13,129	13,341	1.6%	-9.5%	
TOT (NO KST)	11,830	10,918	10,160	10,799	6.3%	-8.7%	

Average Daily SATURDAY Boardings (Q1, FY16-FY19)							
Route	FY16	FY17	FY18*	FY19	% Change (FY18-19)	% Change (FY16-19)	Trend (FY16-19)
AT-1	981	823	894	979	9.5%	-0.2%	
AT-2	472	435	385	420	9.1%	-11.1%	
AT-5	1,198	1,090	828	873	5.5%	-27.1%	
AT-8	1,517	1,280	1,157	1,132	-2.1%	-25.4%	
AT-9	127	161	186	193	3.9%	51.6%	
AT-10	340	299	289	316	9.4%	-7.2%	
AT-3/4	64	58	54	52	-2.4%	-18.6%	
KST	4,226	4,159	4,414	3,832	-13.2%	-9.3%	
TOTAL	8,925	8,304	8,204	7,798	-5.0%	-12.6%	
TOT (NO KST)	4,700	4,145	3,791	3,965	4.6%	-15.6%	

Average Daily SUNDAY Boardings (Q1, FY16-FY19)							
Route	FY16	FY17	FY18*	FY19	% Change (FY18-19)	% Change (FY16-19)	Trend (FY16-19)
AT-1	491	429	379	471	24.2%	-4.1%	
AT-2	443	366	377	364	-3.6%	-17.9%	
AT-5	497	450	347	340	-2.1%	-31.6%	
AT-8	1,137	813	775	745	-3.9%	-34.5%	
AT-10	175	141	118	126	6.4%	-28.0%	
AT-3/4	49	49	52	47	-9.4%	-4.6%	
KST	3,463	2,898	3,604	2,691	-25.3%	-22.3%	
TOTAL	6,255	5,146	5,654	4,783	-15.4%	-23.5%	
TOT (NO KST)	2,792	2,248	2,049	2,092	2.1%	-25.1%	

Note: FY18 data shown above is lower than actual ridership numbers due to farebox configuration error that resulted in underreported ridership data from March 2017 through July 2017.

4b Summary: Performance Report
(Free Student Rides Program Ridership)

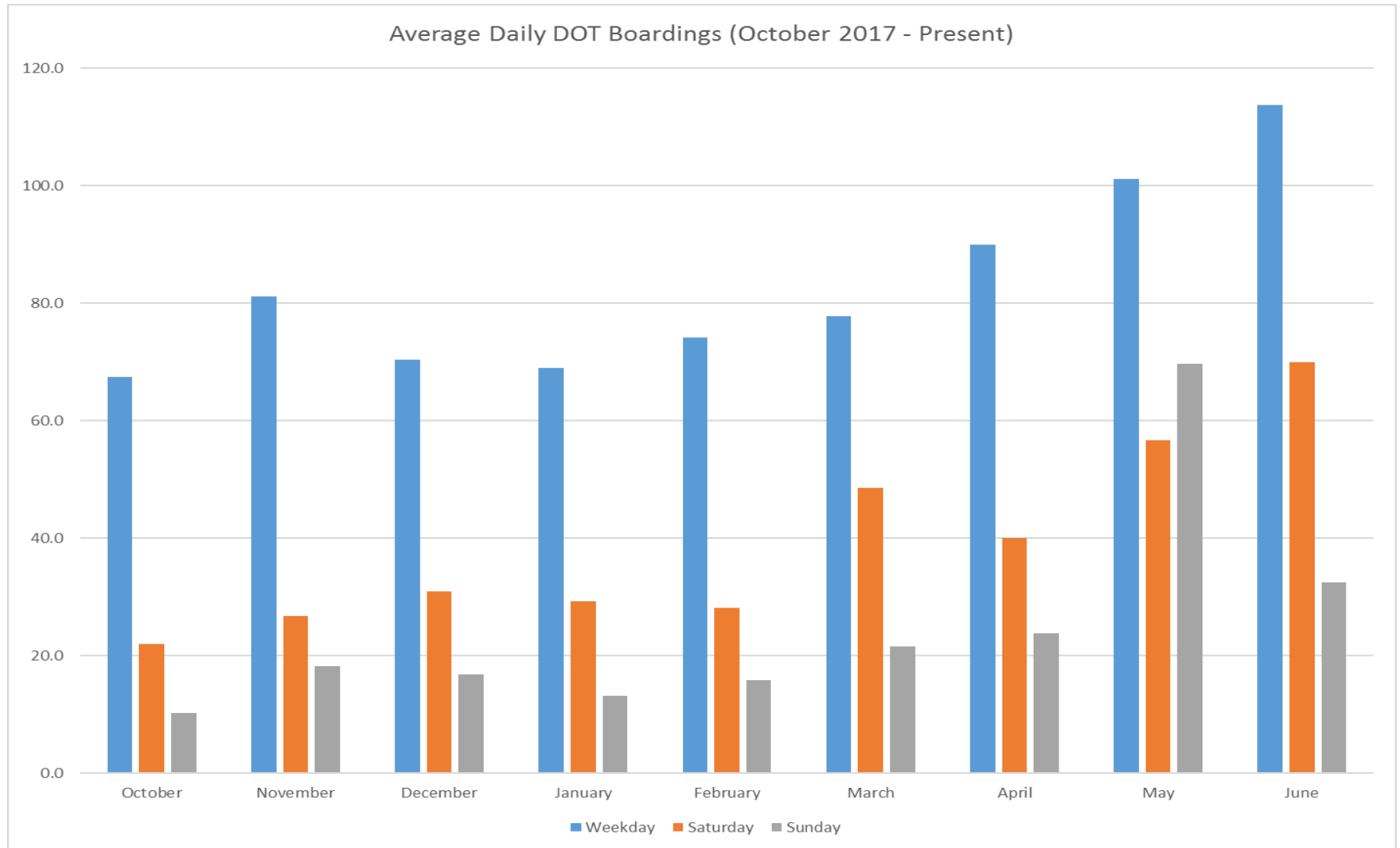


*Free Student Rides Program began as a pilot for T.C. Williams High School for the 2017 – 2018 school year.

**For the 2018 – 2019 school year, the program was expanded to three additional high schools (Bishop Ireton, Episcopal and St. Stephens & St. Agnes)



4b Summary: Performance Report (DOT & MetroAccess Ridership)



4c Summary: Operating Report

	PREVIOUS YEAR (SEPTEMBER 2017)	CURRENT YEAR (SEPTEMBER 2018)	PERCENT CHANGE
<u>RIDERSHIP</u>			
Total Monthly Passengers	343,427	322,539	-6.1%
Total Monthly Passengers (Excl.Trolley)	253,180	255,995	1.1%
Passengers / Revenue Mile	2.3	2.2	-3.3%
Passengers / Revenue Hour	25.5	24.3	-4.4%
<u>SERVICE LEVELS</u>			
Total Miles	166,736	161,262	-3.3%
Revenue Miles	151,028	146,420	-3.1%
<u>SAFETY</u>			
Accidents - Total	1	3	200.0%
Accidents - Preventable	1	1	0.0%
<u>FARES</u>			
Average Fare	\$1.35	1.17	-13.2%
ATC DASH Pass	28,116	23,920	-14.9%
Free Student Ride Program	5,827	19,717	238.9%
Regional Bus Transfers	20,789	18,842	-9.4%
Rail-Bus Transfers	35,959	33,954	-5.6%
% Paid by SmarTrip	77.2%	79.1%	2.5%
<u>FINANCIAL PERFORMANCE</u>			
Operating Expense / Total Mile	\$8.24	\$8.82	7.0%
Operating Expense / Total Platform Hour	\$71.80	\$76.59	6.7%
Total Revenue / Operating Expense Ratio	33.3%	31.5%	-5.4%



ATC Board Agenda Detail**Agenda Item #:** 4d**Item Title:** Overtime Report**Contact:** Josh Baker, General Manager**Attachments:** None**Customer Impact:** None**Board Action:** None/FYI**4d Summary – Overtime Report**

Fiscal Year 2019 has an overtime target of 7% per pay period, so far for FY19 we have averaged 9.78%.

Payroll Period	Total Overtime	Total Payroll	Percentage of Total Payroll
Saturday, July 7, 2018	\$38,831.79	\$407,700.69	9.52%
Saturday, July 21, 2018	\$43,091.65	\$437,432.29	9.85%
Saturday, September 4, 2018	\$38,373.16	\$397,779.79	9.65%
Saturday, September 18, 2018	\$40,926.90	\$394,789.21	10.37%
Saturday, September 1, 2018	\$41,497.10	\$400,479.85	10.36%
Saturday, September 15, 2018	\$33,698.80	\$404,019.95	8.34%
Saturday, September 29, 2018	\$39,057.18	\$401,733.84	9.72%
Saturday, October 13, 2018	\$43,228.02	\$456,035.30	9.48%
Saturday, October 27, 2018	\$43,412.58	\$403,755.84	10.75%





ATC Board Agenda Detail

Agenda Item #: 4e
Item Title: DASH General Manager's Summary
Contact: Josh Baker, General Manager
Attachments: Yes
Customer Impact: None
Board Action: None/FYI

4e Summary: General Manager's Summary

On Tuesday, October 2nd, the General Manager attended the CATO Institute's 'Future of Public Transit' roundtable discussions debate between Jarret Walker and Randal O'Toole. Jarret Walker is the lead consultant on our ATV plan and it was important to see him debate this important issue.

DASH hosted our local Bus Rodeo annual event on Sunday, October 14th. It was a great success for employees, family and friends. Every year this event serves to recognize our staff for the hard work they do every day and to showcase their driving skills in a friendly competition. We are proud of our top four operators who will go on to represent DASH at the State Competition March 2019 in Richmond, Virginia.

The DASH Rodeo winners in order are:

1. Clarence Jackson
2. Lonnell Glover
3. Admasu Yemane
4. Joey Smith

Volkswagen Settlement Announcement:

On October 31st, 2018 Governor Ralph Northam announced that the Commonwealth of Virginia will invest \$14 million, or 15 percent, of the Volkswagen Environmental Mitigation Trust to fund the deployment of all-electric transit buses across Virginia. Governor Northam made the announcement during remarks at the Governor's Transportation Conference and Innovation Summit in Norfolk today. The four-day conference is the annual gathering of transportation professionals in the Commonwealth. Details regarding this program will be reviewed and are attached for your reference to this packet.

DASH in the Community

(Art on the Avenue: Paint a DASH Bus)



For the past several years, DASH participates in Art on the Avenue, a local Art Festival that takes place in Del Ray. We use a retired DASH Bus that we paint one solid color and park it along Mt. Vernon Avenue for children and adults to paint with their handprints. This year, we partnered with the Association of Alexandria Radiologists, PC to dedicate a portion of the bus to those elected by Breast Cancer. We had wonderful volunteers on hand to assist with this amazing project.



ATC Board Agenda Detail

Agenda Item #: 5a
Item Title: Financial Update
Contact: Josh Baker, General Manager
Attachments: None
Customer Impact: None
Board Action: None/FYI



Alexandria Transit Company (DASH) Financial Update For the Two Months Ended September 30, 2018

September Results – Budget vs. Actual Report

DASH experienced a current month surplus of \$59,224 in September, driven mostly by the absence of any “big ticket items” (significant timing-related expenditures) during the month.

After one quarter of operations, there is a year-to-date budget surplus of \$43,945, which is reduced to \$15,238 when grant activity is included. We are running a year-to-date surplus even as revenues are short of their targets *only because certain large expenditures have not yet been incurred*. These include the 2 three-payroll months (Nov 2018 and May 2019), upcoming insurance premium installments, and grant local matching contributions. When all expenditures are fully incurred, we forecast them to fall just under the \$17.1 million budget. The deficit in passenger revenue will therefore comprise the FY19 projected deficit of (\$260,355).

Significant budget variances and notable accounts in September include:

- Passenger revenue was short of budget by (\$23,473), in no small part due to there being only 19 commuting days during the month (see below).
- Higher diesel prices led to fuel costs exceeding budget by (\$12,178), projected to grow to (\$84,044) by year end. While fuel costs cannot be controlled, we are in the process of switching diesel suppliers which will yield some savings.
- Vehicle maintenance (outside shop work) costs were over the monthly budget by (\$12,097) due mostly to annual fire suppression system inspections.
- Administrative payroll taxes exceeded the monthly target by (\$11,437) due to \$13,453 in tax catch-up payments from prior periods. All taxes due from prior periods have now been paid and we are current going into our relationship with Paychex. Paychex will now automatically remit all payroll taxes and file payroll tax returns.

Revenue Ridership Lower in September, Passenger Revenue Forecast Improves Slightly

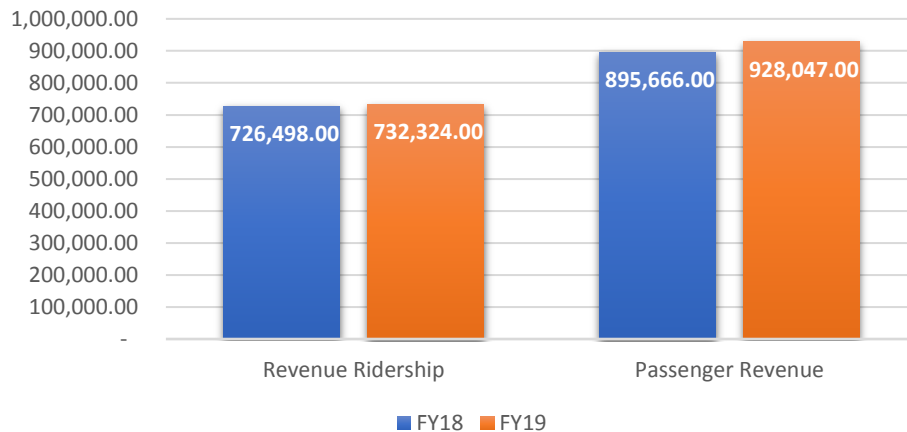
As noted above, there were only 19 commuting days in September, resulting in relatively low revenue ridership and passenger revenue for the month. This contrasts with September 2017, which was one of the strongest months in FY18:

	September 2017	September 2018	Change
Revenue Ridership	247,082	231,217	(15,865)
Passenger Revenue	\$333,189	\$294,223	(\$38,966)

The effect of this is to level off the year-to-date change in revenue ridership and passenger revenue at the end of the first quarter.



FY19 Fare Increase Impact through First Quarter



	FY18 – Q1	FY19 – Q1	Change
Revenue Ridership	726,498	732,324	5,826
Passenger Revenue	\$895,666	\$928,047	\$32,381
Average Fare	\$1.23	\$1.27	\$0.04

Put simply, revenue ridership is essentially flat year over year, and passenger revenue is up slightly. This increase in revenue is almost entirely due to the fare increase, which so far has driven up our average fare by four cents.

It is important to keep in mind that average fare is weighed down by the approximately 40,000 bus-to-bus transfers included every month in "revenue ridership," however these boardings represent no revenue to DASH. Average fare reflects the mixture of these boardings (free), Metrorail-to-bus transfers (\$1.25), base fare boardings (\$1.75), and DASH pass boardings (effective rate depends on number of pass uses).

The FY19 revenue projection improved slightly from August to \$3.54 million, which will be 7.2% short of budget (\$273,470). With expenditures expected to come in under budget by \$13,115, the FY19 overall deficit is projected at (\$260,355). This is an improvement from August of \$22,721.



ATC Board Agenda Detail

Agenda Item #: 5b
Item Title: Balance Sheet
Contact: Josh Baker, General Manager
Attachments: None
Customer Impact: None
Board Action: None/FYI



ALEXANDRIA TRANSIT COMPANY
Balance Sheet as of September 30, 2018

ASSETS

Cash - City of Alexandria Pooled	\$ -
Cash - Payroll Account	3,500
Receivables	3,750,157
Parts and Supplies Inventory	693,531
Capital Assets	43,586,652
Less: Accumulated Depreciation	(22,452,236)
TOTAL ASSETS	<u>\$ 25,581,604</u>

LIABILITIES

Accounts Payable	\$ 168,000
Payroll Liabilities	106,703
Accrued Vacation	682,630
Due to Other Funds (Negative Cash Position)	3,241,988
Total Liabilities	<u>\$ 4,199,321</u>

NET POSITION

Net Investment in Capital Assets	\$ 21,134,416
Unrestricted	247,867
Total Net Position	<u>\$ 21,382,283</u>

TOTAL LIABILITIES AND NET POSITION	<u>\$ 25,581,604</u>
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This statement is unaudited and prepared for the sole use of management and the Board of Directors of ATC.



ATC Board Agenda Detail

Agenda Item #: 5c
Item Title: Summary Income Statement
Contact: Josh Baker, General Manager
Attachments: None
Customer Impact: None
Board Action: None/FYI

**ALEXANDRIA TRANSIT COMPANY****Summary Income Statement for the Three Months Ended September 30, 2018**

	Actual	Budget	Variance
REVENUES:			
City Contribution - King Street Trolley	239,733	239,733	-
DASH Passenger Revenue	928,047	953,088	(25,041)
DASH AT2X Mark Center Charter	196,419	196,419	-
DASH Other Charter Revenue	2,592	38,082	(35,490)
Miscellaneous Revenue	24,239	13,749	10,490
Total Operating Revenue	1,391,030	1,441,071	(50,041)
City Contribution - Regular Subsidy	2,838,663	2,838,663	-
Total Revenue	4,229,693	4,279,734	(50,041)
EXPENDITURES:			
Operations	2,233,362	2,413,395	180,033
Maintenance	1,009,074	997,983	(11,091)
Administration	932,623	847,098	(85,525)
Capital Outlay	10,689	21,258	10,569
Total Expenditures	4,185,748	4,279,734	93,986
GRANT ACTIVITY:			
State Grants	106,058	-	-
Local Match on State Grants	-	-	-
Grant Expenditures	(134,765)	-	-
Total Grant Activity	(28,707)	-	-
Net Surplus (Deficit)	15,238	-	43,945

This statement is unaudited and prepared for the sole use of management and the Board of Directors of ATC.





ATC Board Agenda Detail

Agenda Item #: 5d
Item Title: Budget vs. Actual Report
Contact: Josh Baker, General Manager
Attachments: None
Customer Impact: None
Board Action: None/FYI

Alexandria Transit Company (DASH)
Budget vs. Actual Report
For the Two Months Ended September 30, 2018

Description	CM Actual	CM Budget	Variance	YTD Actual	YTD Budget	Variance	FY2019 Projected	Annual Budget	Year End Variance
REVENUE									
City Contribution - King Street Trolley	79,911	79,911	-	239,733	239,733	-	958,936	958,936	-
DASH Passenger Revenue	294,223	317,696	(23,473)	928,047	953,088	(25,041)	3,538,887	3,812,357	(273,470)
DASH AT2X Mark Center Charter	65,473	65,473	-	196,419	196,419	-	785,671	785,671	-
DASH Other Charter Revenue	1,830	12,694	(10,864)	2,592	38,082	(35,490)	152,329	152,329	-
Miscellaneous Revenue	478	4,583	(4,105)	24,239	13,749	10,490	55,000	55,000	-
TOTAL OPERATING REVENUE	441,915	480,357	(38,442)	1,391,030	1,441,071	(50,041)	5,490,823	5,764,293	(273,470)
City Contribution - Regular Subsidy	946,221	946,221	-	2,838,663	2,838,663	-	11,354,656	11,354,656	-
TOTAL REVENUE	1,388,136	1,426,578	(38,442)	4,229,693	4,279,734	(50,041)	16,845,479	17,118,949	(273,470)
OPERATING EXPENDITURES									
OPERATIONS									
Wages - O	587,229	625,035	37,806	1,586,853	1,875,105	288,252	7,410,864	7,500,440	89,576
Fringe Benefits - O	122,550	115,084	(7,466)	472,709	345,252	(127,457)	1,418,000	1,381,000	(37,000)
Payroll Taxes - O	41,441	43,175	1,734	115,856	129,525	13,669	547,683	518,100	(29,583)
Retirement Contributions - O	15,392	14,908	(484)	43,854	44,724	870	207,310	178,900	(28,410)
Total Operations Labor	766,612	798,202	31,590	2,219,272	2,394,606	175,334	9,583,857	9,578,440	(5,417)
Operating Materials and Supplies	4,392	4,875	483	11,299	14,625	3,326	58,493	58,500	7
Training and Travel - O	150	1,388	1,238	2,791	4,164	1,373	16,650	16,650	-
TOTAL OPERATIONS EXPENDITURES	771,154	804,465	33,311	2,233,362	2,413,395	180,033	9,659,000	9,653,590	(5,410)
MAINTENANCE									
Wages - M	114,268	126,708	12,440	314,453	380,124	65,671	1,439,449	1,520,500	81,051
Fringe Benefits - M	18,288	22,829	4,541	61,493	68,487	6,994	238,509	273,950	35,441
Payroll Taxes - M	9,205	10,125	920	26,090	30,375	4,285	123,335	121,500	(1,835)
Retirement Contributions - M	3,360	4,375	1,015	9,516	13,125	3,609	44,985	52,500	7,515
Total Maintenance Labor	145,121	164,037	18,916	411,552	492,111	80,559	1,846,278	1,968,450	122,172
Fuel & Lubricants	107,553	95,375	(12,178)	356,387	286,125	(70,262)	1,228,544	1,144,500	(84,044)
Repair Parts	46,497	35,883	(10,614)	129,802	107,649	(22,153)	460,183	430,600	(29,583)
Tires	11,892	8,250	(3,642)	21,751	24,750	2,999	90,504	99,000	8,496
Vehicle Maintenance Service	17,930	5,833	(12,097)	30,110	17,499	(12,611)	96,008	70,000	(26,008)
Laundry	2,158	2,500	342	6,502	7,500	998	27,500	30,000	2,500
Tools and Equipment	-	1,250	1,250	3,261	3,750	489	15,000	15,000	-
							FY2019 Projected	FY2019 Annual Budget	Projected Year End Variance
Building Maintenance	17,715	18,950	1,235	49,108	56,850	7,742	210,107	227,400	17,293
Training and Travel - M	-	583	583	601	1,749	1,148	7,000	7,000	-
TOTAL MAINTENANCE EXPENDITURES	348,866	332,661	(16,205)	1,009,074	997,983	(11,091)	3,981,124	3,991,950	10,826
ADMINISTRATION									
Wages - A	100,747	112,235	11,488	290,543	336,705	46,162	1,345,439	1,346,800	1,361
Fringe Benefits - A	11,176	11,898	722	38,595	35,694	(2,901)	135,484	142,800	7,316
Payroll Taxes - A	21,957	10,520	(11,437)	43,701	31,560	(12,141)	126,285	126,250	(35)
Retirement Contributions - A	4,186	4,267	81	11,175	12,801	1,626	51,047	51,200	153
Total Administrative Labor	138,066	138,920	854	384,014	416,760	32,746	1,658,255	1,667,050	8,795
Insurance	-	57,667	57,667	296,318	173,001	(123,317)	692,000	692,000	-
Professional Services	29,003	35,639	6,636	150,174	106,917	(43,257)	435,888	427,670	(8,218)
Utilities	30,106	26,792	(3,314)	50,537	80,376	29,839	322,876	321,500	(1,376)
Printing & Advertising	3,379	5,500	2,121	10,732	16,500	5,768	61,750	66,000	4,250
Telecommunications	5,000	5,417	417	15,987	16,251	264	63,948	65,000	1,052
Training and Travel - A	1,899	2,708	809	12,529	8,124	(4,405)	31,164	32,500	1,336
Postage and Office Supplies	1,204	1,665	461	4,297	4,995	698	17,340	20,000	2,660
Dues and Subscriptions	235	1,246	1,011	8,035	3,738	(4,297)	15,750	14,950	(800)
Grant Local Match	-	6,812	6,812	-	20,436	20,436	81,739	81,739	-
TOTAL ADMINISTRATIVE EXPENDITURES	208,892	282,366	73,474	932,623	847,098	(85,525)	3,380,710	3,388,409	7,699
TOTAL OPERATING EXPENDITURES	1,328,912	1,419,492	90,580	4,175,059	4,258,476	83,417	17,020,834	17,033,949	13,115
CAPITAL OUTLAYS (non-CIP)									
Computer and Office Equipment	-	1,544	1,544	10,689	4,632	(6,057)	18,500	18,500	-
Power Train Rebuilds, Other Eq.	-	5,542	5,542	-	16,626	16,626	66,500	66,500	-
TOTAL CAPITAL OUTLAYS (non-CIP)	-	7,086	7,086	10,689	21,258	10,569	85,000	85,000	-
NET SURPLUS (DEFICIT)	59,224	-	59,224	43,945	-	43,945	(260,355)	-	(260,355)

(see next page for further analysis)

This report is unaudited and prepared for the sole use of management and the Board of Directors of ATC.

August projection
Change (283,076)
22,721



Budget Comparison	FY2019 Projected	FY2019 Budget	Variance	% Variance
City Contributions	12,313,592	12,313,592	-	0.0%
DASH Operating Revenue	4,531,887	4,805,357	(273,470)	-5.7%
Total Revenue	16,845,479	17,118,949	(273,470)	-1.6%
Total Personnel	13,088,390	13,213,940	125,550	1.0%
Total Non-Personnel	3,932,444	3,820,009	(112,435)	-2.9%
Total Capital Outlay (non-CIP)	85,000	85,000	-	0.0%
Total Expenditures	17,105,834	17,118,949	13,115	0.1%

Year over Year Comparison	FY2019 Projected	FY2018 Actual	Variance	% Variance
City Contributions	12,313,592	12,340,890	(27,298)	-0.2%
DASH Operating Revenue	4,531,887	4,515,143	16,744	0.4%
Total Revenue	16,845,479	16,856,033	(10,554)	-0.1%
Total Personnel	13,088,390	13,227,349	138,959	1.1%
Total Non-Personnel	3,932,444	3,763,878	(168,566)	-4.5%
Total Capital Outlay (non-CIP)	85,000	119,420	34,420	28.8%
Total Expenditures	17,105,834	17,110,647	4,813	0.0%

DASH Operating Grant Summary as of September 30, 2018

Grantor	Grant	End Date	Amount Awarded	State Portion	Local (DASH) Portion	Funds Expended	Remaining
DRPT	Transit Displays / Real-Time Bus Information	12/31/2018	200,000	190,000	10,000	83,406	116,594
DRPT	Transit Fleet Management System (Smart Yard)	12/31/2018	375,000	300,000	75,000	328,409	46,591
DRPT	Transit Signal Prioritization	6/30/2019	120,000	96,000	24,000	-	120,000
DRPT	Pedestrian Collision Avoidance Program	5/31/2019	20,000	19,200	800	17,807	2,193
DRPT	FY18 Intern Grant	6/30/2019	66,660	53,328	13,332	26,642	40,018
DRPT	FY19 Intern Grant	6/30/2019	40,000	32,000	8,000	-	40,000



ATC Board Agenda Detail

Agenda Item #: 6
Item Title: New Business
Contacts: Josh Baker, General Manager
Attachments: Yes
Customer Impact: 6a) Minimal ● 6b) Minimal ● 6c) Minimal ● 6d) Minimal ●
Board Action: None



6a Summary – Budget Priorities Memorandum to City Manager

The General Manager has provided the Alexandria Transit Company Board of Directors Memorandum to City Manager Mark Jinks relating to the budget process. A copy of the final memorandum has been attached for your reference and provides public record of the communication.

Board Action: None.
Next Steps: None.

6b – Budget Reduction Scenario Debrief

The initial Budget Reduction scenario is presented as an attachment, the General Manager will review this and receive feedback for DASH staff to compile the final options to be presented to the City and approved by the Board in December.

Board Action: Provide Guidance and Feedback
Next Steps: Submission of Draft Scenarios to the City with Board Final Approval at December Meeting

6c – ATV Outreach Update

This month the first of the fall open house public workshops for the Alexandria Transit Vision Plan were conducted. The workshops focused on identifying priorities discussing tradeoffs with the public at the Durant's Arts Center and Samuel Tucker Elementary School. Conditions of the existing transit network were provided in a manner that was understandable and informative to the public to guide the development of priorities. In addition, Martin Barna led public outreach efforts with several ATV Pop-Up events.

Board Action: None, FYI
Next Steps: None.

6d – Real-Time Displays Update

Over the past year, DASH has worked with WMATA and City Staff to install a series of real-time information displays at key locations throughout the City of Alexandria. These displays provide information to customers on estimated bus arrival times based on actual vehicle locations, and service advisories for re-routes and stop closures. As shown in the map, the displays include large TV screens at major activity centers (City Hall, NVCC-Alexandria, NSF, Southern Towers). In addition to the TV screens, 20 tablet-sized real-time info displays are available at the stops with the highest boardings.

Board Action: None, FYI
Next Steps: None.



ATC Board Agenda Detail

Agenda Item #: 7
Item Title: Next Meeting and Adjournment
Contact: All
Attachments: None
Customer Impact: None
Board Action: Motion and Approval of Adjournment



The DASH Holiday Luncheon will take place on December 12th at the DASH Facility, All Board Members are invited to join us in celebrating the work of our staff and enjoying some holiday food and drink.

We are proposing that the Board Meeting also take place at the DASH Facility so that staff may attend the meeting and the Board may come early if desired to enjoy some refreshments.

The ATC Board of Directors will meet next on:

Wednesday, December 12th at 5:30 p.m.

Proposed Meeting Location: DASH Facility
3000 Business Center Drive, Alexandria, VA 22314

Consider Adjournment

-- Board Attendance Log on Next Page --



Alexandria Transit Company Board of Directors
ATTENDANCE LOG

2018 - 2019 REGULAR (*and special*) BOARD MEETINGS

("P" present - "A" absent - "E" excused)

Meeting Date	David Kaplan	Kerry Donley	Ian Greaves	Matt Harris	Jim Kapsis	Stephen Klejst	Yon Lambert	Richard Lawrence	Meredith MacNab
09/12/2018	P	P	P	P	P	E	P	P	P
10/10/2018	P	E	P	P	P	P	P	P	P
11/14/2018									
12/12/2018									
01/09/2019									
02/13/2019									
03/13/2019									
04/10/2019									
05/08/2019									
06/12/2019									





Alexandria Transit Company Board of Directors Meeting



Meeting Agenda Detail #4e Attachments:

Electric Bus Update





Volkswagen Environmental Mitigation Trust for State Beneficiaries (State Trust Agreement)

2018 Transit and Mobility Programs

Grant Workshop

November 7, 2018

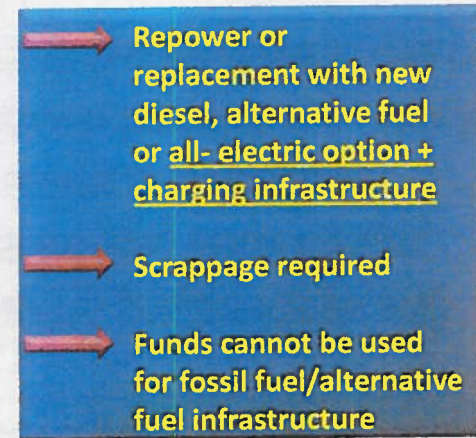


VW Settlement Background

- To mitigate the impact of the higher emissions and violating the CAA, the settlement requires VW to invest \$2.9 billion in an Environmental Mitigation Trust (Trust) to fund eligible mitigation actions.
- States, tribes, Puerto Rico, and the District of Columbia have been allocated a portion of the trust based on the number of violating vehicles in their jurisdiction and must file as “beneficiaries” to receive their allocations (cannot file until the Trust agreement is finalized by the court).
- All requests for funding made by beneficiaries must be approved by a court appointed Trustee. Wilmington Trust (WT) was appointed as the Trustee in fall of 2017.
- Trust funds can only be spent on the 10 categories of eligible mitigation projects defined in the final settlement agreements.
- Governmental and nongovernmental entities are eligible to apply for Trust funds.
- Beneficiaries are required to develop a “beneficiary mitigation plan” that provides a high-level summary of how they intend to spend their allocated funds.
- Beneficiaries are required to submit a mitigation plan in advance of to the submitting a funding request to the Trustee.

10 Eligible Environmental Mitigation Actions

- Medium and heavy duty trucks
- School, shuttle, and transit buses
- Locomotive freight switchers
- Ferries/tugs
- Forklifts and port cargo handling equipment
- Airport ground support equipment
- Marine shorepower systems (provides electric auxiliary power from shore while a ship is docked to allow a vessel's engines to turn off and remain off while vessels are docked)
- Up to 15% for light duty zero emissions vehicle supply equipment:
 - Electric vehicle charging equipment (e.g. Level 1, Level 2, and DC fast chargers)
 - Fuel cell vehicle supply equipment
- State Diesel Emission Reduction Act (DERA) Option (i.e. fund projects not eligible under the Trust agreement but otherwise eligible under state DERA e.g., long haul locomotives)



VW State Trust Agreement: Virginia

- Approximately 16,200 offending 2.0 and 3.0 VW vehicles in Virginia.
- Virginia's Trust allocation is ~\$93.6 million.
- The Department of Environmental Quality (DEQ) is the Lead Agency and will administer these funds through a state mitigation plan.
- DEQ conducted a public comment period on the proposed plan. 150+ comments received to date.
- DEQ issued a request for information (RFI) in 2017 seeking project ideas and additional input to inform the final plan. 39 project ideas totaling \$600 million.
- Public input supports taking a diverse approach by investing in a range of technologies that provide cost-effective, near-term emission benefits (i.e., low NOx) coupled with investments in zero-emission technologies that cost more in the near-term but provide long-term emission benefits.
- DEQ submitted a final Plan to the Trustee on August 9 2018. Final Plan includes all categories of eligible mitigation projects.

VW State Trust Agreement: Virginia Cont.

- DEQ conducted a public comment period on the proposed plan in fall 2016. 150+ comments received to date.
- DEQ issued a request for information (RFI) in 2017 seeking project ideas and additional input to inform the final plan. 39 project ideas totaling \$600 million.
- Public input supports taking a diverse approach by investing in a range of technologies that provide cost-effective, near-term emission benefits (i.e., low NOx) coupled with investments in zero-emission technologies that cost more in the near-term but provide long-term emission benefits.
- DEQ submitted a final Plan to the Trustee on August 9 2018. Final Plan includes all categories of eligible mitigation projects.
- Allocation of Virginia's Trust Funds as of November 2018:
 - 15% (\$14M) to develop a statewide public charging network for light duty electric vehicles.
 - 15% (\$14M) to help transit authorities replace aging diesel transit buses to all-electric.

DRAFT Funding Process and General Info

- DEQ and DRPT will work collaboratively to deploy the Commonwealth's first public electric transit buses.
- VW Mitigation Trust funds will be made available for new public electric transit buses through DRPT's Fiscal Year 2020 public transportation grant cycle.
- VW funds will be used to offset the difference in cost between the 68% state match for a new diesel and incremental cost associated with going to electric (including infrastructure costs). The VW funding does not replace the 4% minimum local match required.
- Eligible model years: 1992 – 2009.
- Size: 35 ft. /40 ft. transit buses
- Funds can only be used for Bus replacement - NOT fleet expansion. Old diesel buses must be scrapped.

DRAFT Application Requirements

- In addition to SGR information, applicants must provide the following VW Trust specific information:
 - Detailed description of eligible mitigation action including community and air quality benefits.
 - Description of how the bus replacement will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions.
 - Signed certification that eligible buses will be scrapped.
 - Fleet data to calculate the NOx benefit, including Number of buses to be replaced. *Note that VW funds will not be used to replace less than two or more than 10 eligible buses per transit agency.*
 - Timeline for when new electric buses will enter service.

DRAFT VW Scoring Criteria

- State Trust + DEQ funding criteria will be coupled with DRPT funding criteria used for State of Good Repair capital grants to determine awards.
- DEQ DRAFT scoring criteria:
 - Points for more than 4% cost-share/leveraged funding .
 - Points for number of buses to be replaced.
 - Points for location (nonattainment or maintenance air quality area)
 - Points for Readiness i.e. plan for transiting to electric fleet in place including charging infrastructure
 - Points for future funding identified/secured to sustain transition of diesel to all-electric bus fleet.
- DRPT will prioritize buses for replacement using transit capital funds with their new capital prioritization process for State of Good Repair (SGR) projects, including those seeking VW funding. DEQ will then help prioritize/select awardees to receive funding.



Alexandria Transit Company Board of Directors Meeting



Meeting Agenda Detail #6a Attachments:

Fiscal Year 2020 Budget Priorities Memorandum to the City Manager



MEMORANDUM



DATE: *OCTOBER 26, 2018*

TO: *ALEXANDRIA CITY MANAGER, MARK JINKS*

FROM: *ALEXANDRIA TRANSIT COMPANY (ATC) BOARD OF DIRECTORS*

SUBJECT: *ATC FY 2020 BUDGET PRIORITIES*

Dear City Manager Jinks:

On behalf of the Alexandria Transit Company (ATC) Board of Directors, I submit this letter for your consideration. First and foremost, thank you for your dedication, service and support for Alexandria and for DASH. We are proud and grateful of the meaningful work DASH does every day to support reliable and convenient mobility options for all Alexandrians.

DASH has continued in the past fiscal year to pursue strategies to attract new riders to the system while managing operating expenses. Management and the Board have also been planning for the system's future. Recent accomplishments include:

- a) A pilot that expanded the ACPS Student Ride Free Program to all private schools located in the city.
- b) Investments in Real Time Rider information systems.
- c) Major progress in our state of good repair fleet replacement program.
- d) Securing SMART SCALE funding for facility expansion, fleet expansion and electric bus infrastructure.
- e) Implementation of a Ride Free Program for users of MetroAccess and DOT paratransit service.
- f) Introduction of a discounted senior fare during weekday off peak and evenings, and all day on weekends and holidays.

Priorities for the upcoming fiscal year were presented by General Manager Josh Baker at the October Board meeting. The Board identified improving employee compensation as its top priority for FY 2020.

DASH has lagged behind our regional partners in recent years and has not seen any compensation increase since 2015. Our current PayScale is one of the longest in the entire transit industry spanning twenty years before an operator reaches top pay.

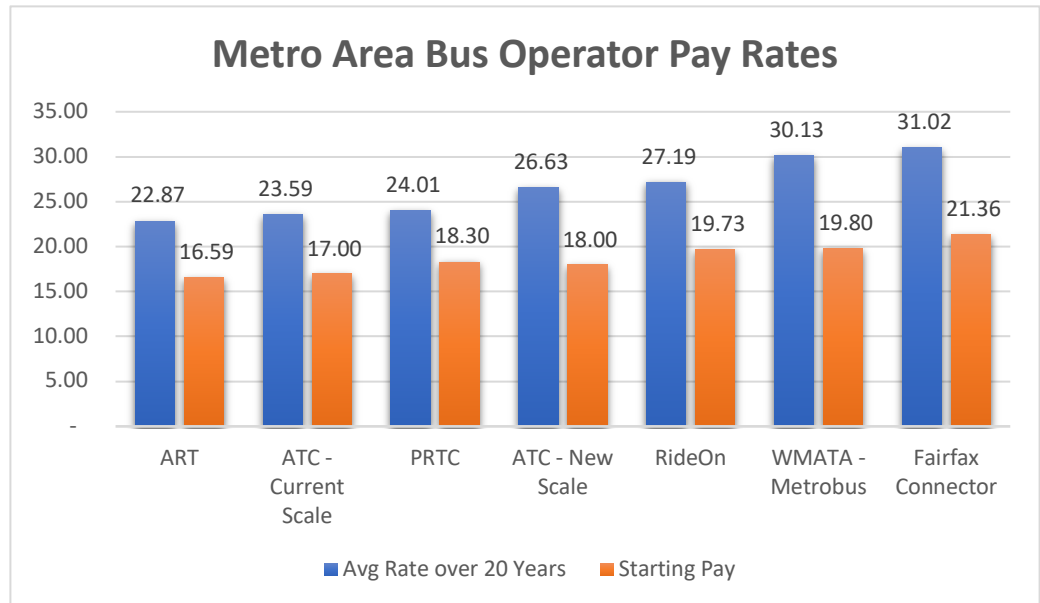
In order to address these shortcomings, Mr. Baker has proposed shortening the pay scale to ten years and providing across the board adjustments to match market conditions. Mr. Baker

has determined the appropriate pay rates to put us at the median pay rate for the region. This is in line with the compensation philosophy of the City.

The City has followed a compensation philosophy for many years to be “neither the leader nor the laggard,” -- but, in terms of DASH employees vis-à-vis our transit counterparts, we have clearly become the laggards. Therefore, we ask to work together to make salaries at DASH more competitive. We firmly believe that compensation adjustments will lead to reduced overtime expenses, higher rates of employee retention and a greater ability to attract new employees. Below you will see the fiscal impact of our recommendation, which will place DASH firmly in the middle of our regional competitors.

The “Metro Area Bus Operator Pay Rates” chart illustrates that DASH has the second lowest pay for bus operators in the metropolitan region.

Particularly notable are our biggest competitors for bus operators, WMATA-Metrobus and Fairfax Connector, which now lead the pack in employee pay.



Fairfax Connector operators, beginning in FY 20, will see their hourly pay rise to \$32 in just three years.

In contrast, a DASH operator will currently take 20 years to reach \$29 per hour.



Non-management DASH employees have not received a raise (other than step increases) since 2015. There has been a noticeable increase in concerns raised by our workforce regarding their pay, which could undermine efforts to keep DASH fully staffed

Without action to improve the pay scale, we anticipate:

- Increased resignations as employees seek higher pay with other systems.
- Increased overtime costs as it becomes more difficult to stay fully staffed.
- Lower employee morale, affecting DASH performance targets (on time performance, customer service, etc.).

Staff have outlined a new condensed pay scale that rewards all employees equally. The new scale would increase a DASH bus operator's average 20-year rate from \$23.59 to \$26.63 (see "ATC – New Scale") and their 20-year earning potential from \$981,406 to \$1,107,829. Under the new pay scale, DASH employees would fall square in the middle of the region's other bus transit systems.

The below chart illustrates DASH's anticipated budget increase for FY 20, including the funds needed to implement the new pay scale.

Preliminary FY 2020 Budget Increase

"Current Services" Increase in Personnel Costs	322,278.00
Additional FY 20 Cost to Implement New Pay Scale	876,242.00
Total Personnel Increase	1,198,520.00
Non-Personnel Increase	127,341.00
Regular Equipment Replacement (Capital Outlay) Increase	90,000.00
Total FY 19 to FY 20 Budget Increase*	1,415,861.00

*Reflects the total DASH budget increase; this is not the projected City Subsidy as any revenue changes will reduce the City Subsidy amount.

While the top priority, pay scale adjustments are not the only project ATC has planned for FY 20. We are excited about the completion of the Alexandria Transit Vision Plan (ATV) which will guide DASH's future growth, unveiling a mobile ticketing option (the first bus system in the region to do so), providing bus bridges during the Metrorail shutdown next summer, and the beginning of a zero-emission bus program.

We recognize that each year brings fiscal challenges and that revenues have been relatively flat year over year. As partners with the City in serving our community, the Board has given direction to the General Manager to develop a budget that focuses on cost savings and revenue generating opportunities.

While early in our budget discussions, I can share with you that the Board is working with staff to evaluate a menu of options to manage subsidy growth. These options include dynamic fares (fares which adjust based on time of day or route), an across the board fare increase, service reductions and employee benefits reductions. We acknowledge that none of these are desirable and would serve to push the burden of operational costs onto our citizens and our staff.

The ATC Board very much appreciates your consideration of our comments. We look forward to working with you and the City Council to maintain DASH as an exemplary bus system. Josh and I are always happy to speak with you or members of your staff about DASH and its needs for the coming fiscal year.

Very truly yours,

David H. Kaplan
Chairman
On Behalf of the ATC Board of Directors

Cc: ATC Board of Directors
Josh Baker, ATC General Manager



Alexandria Transit Company Board of Directors Meeting



Meeting Agenda Detail #6b Attachments:

Budget Reduction Scenario Debrief



FY 2020 BUDGET OPTIONS

The FY 2020 proposed budget will include a significant increase to account for a new pay scale for Operations and Maintenance staff (see October Board packet for further details on the need for a pay increase). **To limit the subsidy increase required for this overall growth in the budget, staff are working up a variety of revenue increases and other cost reductions for the Board to consider.**

These options will need to be considered in relation to two different scenarios:

1. **FY20 Proposed Budget (Supplemental Request):** The budget increase that will accommodate the new pay scale and regular non-personnel and capital outlay cost increases necessary to adequately provide for current DASH service. From the perspective of the City's budget process, this will be a **supplemental request**. The supplemental request will align with the FY20 proposed budget you will receive at the December meeting.
2. **Reduction Option:** The **2.5% reduction scenario** requested by the City Manager to be presented as an option for him to consider in balancing the budget City-wide. This is an approximately \$290,000 reduction from the FY19 budgeted subsidy. However, because the costs we believe are necessary to adequately sustain current DASH service require (assuming no other changes) a nearly \$1 million increase in the subsidy, this request means finding about \$1.3 million in cuts to the FY20 budget. This scenario will be considered separately, and staff will present a range of service cuts, cost reductions, and revenue increases to meet it.

PROPOSED FY 2020 BUDGET INCREASE (SUPPLEMENTAL REQUEST)

The following is the total budget increase anticipated for FY 2020, including the new pay scale as well as costs related to operating WMATA's proposed Shuttle 2 between Franconia-Springfield and National Airport via Old Town during the Summer 2019 Metrorail shutdown.

FY 2020 Expenditure Increase		
	FY19 to FY20 BUDGET	% of Total
PERSONNEL		
"Current Services" Increase: normal raises, step increases, and more accurate estimate of benefit costs.	237,170	12.5%
Supplemental: Personnel Costs for New Pay Scale and WMATA Shuttle	1,320,108	69.4%
Total Personnel Increase	1,557,278	
Non-Personnel: ITS software, fuel, repair parts, including for WMATA Shuttle 2	264,642	13.9%
Capital Outlay: regular equipment replacement, restoring to historic baseline level	80,000	4.2%
TOTAL FY20 BUDGET INCREASE	1,901,920	



This is how we anticipate DASH revenues will change in FY20 *before making any changes to fares or service*. You will notice a decline in passenger revenue from the FY19 to FY20 budgets. This is because the FY19 budget set an unattainable revenue target. We are therefore using the FY19 projected actual passenger revenue as the starting point for FY20.

FY 2020 Revenue / Subsidy Increase: Before Any Options Taken		
	FY19 to FY20 BUDGET	% of Total
DASH Revenues		
Passenger Revenue (<i>assuming no changes to fares or service, this is the FY19 projected actual</i>)	(262,072)	-13.8%
Transit Charter Revenue, including WMATA Shuttle 2	1,153,241	60.6%
Total DASH Revenues	891,169	
City Contribution: Operating Revenue (<i>what would be required to plug the gap</i>)	972,394	51.1%
City Contribution: King Street Trolley (4% increase)	38,357	2.0%
TOTAL FY20 BUDGET INCREASE	1,901,920	

SCENARIOS TO REDUCE SUBSIDY INCREASE

The following are at least some of the options available to increase revenue or reduce costs to limit the increase to the subsidy in FY20. These are not yet fully developed.

It would be helpful for the Board to provide feedback regarding which options it would like staff to emphasize in developing both the supplemental request and 2.5% reduction scenarios.

1) Fare Increase

Potential Passenger Revenue Increase from FY19 Projected: \$304,827

A second consecutive year of fare increases is not ideal, however FY19 results to date suggest the ridership impact might not be severe, particularly because DASH's fares remain below all other regional systems.

An increase of the base fare to \$2.00 and the DASH Pass to \$50 would bring DASH level with Metrobus, Fairfax Connector, and Arlington Transit (ART). **A preliminary estimate, assuming a 3.3% loss of revenue ridership, indicates a passenger revenue increase of approximately \$304,827 in FY20 compared to FY19 projected actual.**

	Base Fare	DASH Pass	Total
New Fare	\$2.00	\$50	
Revenue Ridership Change	(92,995)	6,409*	(86,587)
Revenue Change	\$230,241	\$74,586	\$304,827

*DASH Pass ridership is projected to increase because monthly DASH Pass savings compared to the base fare increases in this scenario by \$5.



The introduction of **Mobile Ticketing** before the end of FY19 may attract additional riders as DASH would be the first fixed route bus service to offer this payment method. This could mitigate any ridership losses due to another fare increase.

2) Dynamic Pricing

Another option to consider alongside a general fare increase would be to target that increase to peak fares only. This could potentially mitigate the impact during midday, evenings, and weekends, when we are trying to stimulate additional ridership.

3) Student Fares

DASH provides approximately 20,000 trips to Alexandria high school students at no charge every month. This highly successful program is providing a great benefit to the students and their families, ACPS, and the wider Alexandria community. While the purpose of this program is both to provide an economical transportation option to students and to build a habit of transit usage, it is worth considering that perhaps the cost of this service should not be borne by DASH alone.

At a \$1 fare, assuming a 50% decline in ridership, DASH could raise potentially \$120,000 in passenger revenue by charging the students and their families themselves. The Board would need to consider the merits of doing so.

Another approach would be to request that ACPS and/or the City generally provide a designated subsidy for this service. If the Board would like to go in this direction, we could work with the City on developing a reasonable approach for calculating such a subsidy.

4) Increase Employee Share of Health Costs

Potential Cost Savings: \$186,000

It appears that DASH offers as competitive an employee benefit package for bus operators as any system in the region. The company covers 90% of health insurance premiums and provides basic group life insurance and short-term disability coverage at no cost to employees. Dental, vision, and long-term disability premiums, which are fully paid by employees, are competitive.

An increase in the employee portion of health costs to 20% would bring DASH level with other local systems, exactly doubling the employees per pay period premium deduction. **We estimate this would result in savings to the company of approximately \$186,000 in FY20.**

5) Service Cuts

A final option to reduce the subsidy increase would be service cuts. As noted last month, service cuts could be aligned with preliminary indications of the preferred route network envisioned by the **Alexandria Transit Vision (ATV)** study.





Alexandria Transit Company Board of Directors Meeting

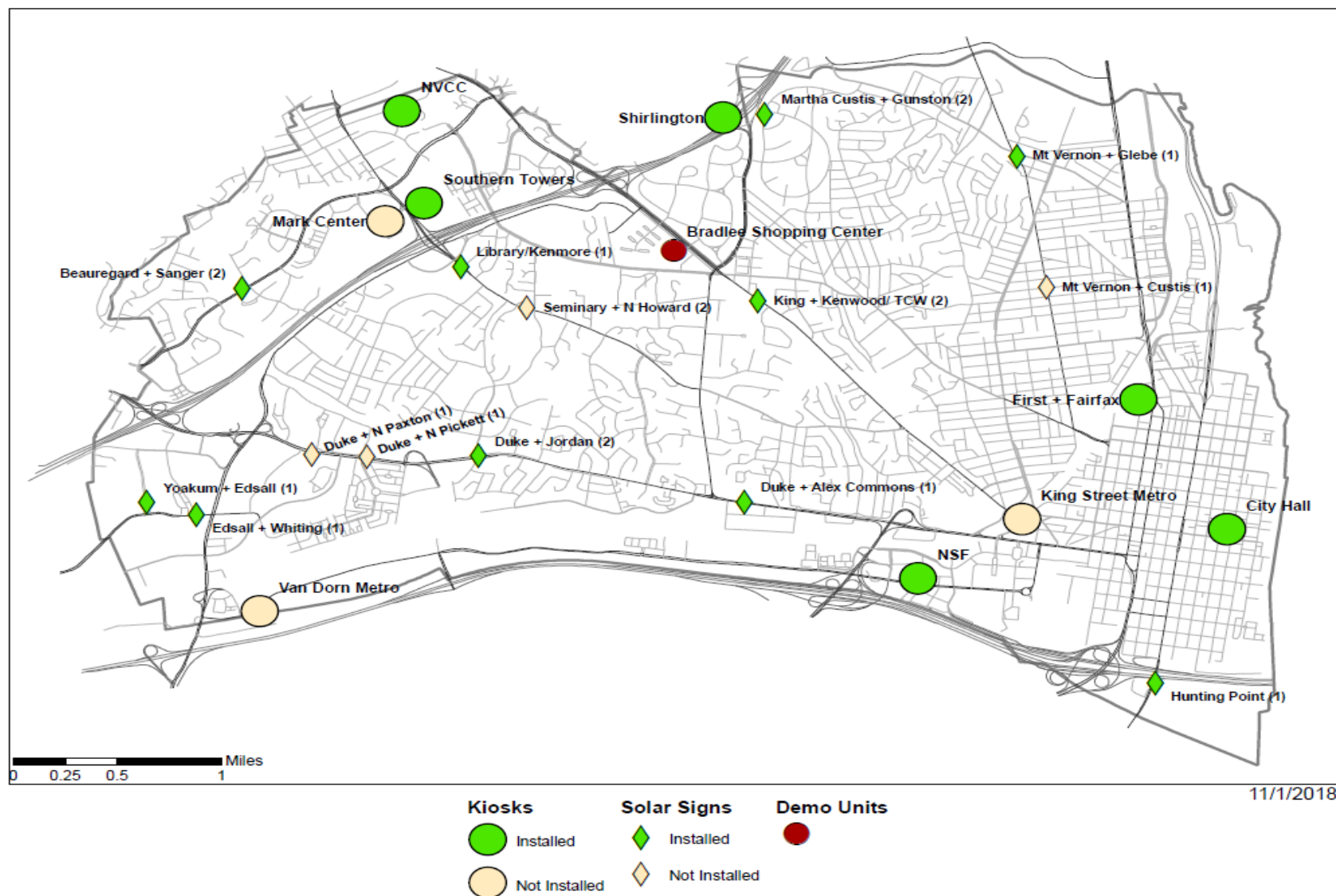


Meeting Agenda Detail #6d Attachments:

Real-Time Displays Update



DASH Stops with Current or Future Real-Time Info Displays



11/1/2018

This map shows existing and future real-time information displays in the DASH service area. The only sign not pictured is at Pentagon Transit Center. Kiosks are large, freestanding or shelter-mounted units that are wired to the electrical grid. Solar units are smaller tablets powered by solar panels. With the exception of the demo units at Bradley Center & Duke + Jordan, all demo units are CHK tablets purchased by WMATA.

