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ALEXANDRIA TRANSIT COMPANY

2016 TRANSIT DEVELOPMENT PROGRAM

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INTRODUCTION **(Revised)**

This is the thirtieth Transit Development Program prepared by the Alexandria Transit Company since revenue service began on March 11, 1984. PART II was adopted by the Board of Directors on March 11, 2015.

PART I, ALEXANDRIA TRANSIT COMPANY, is a description of the DASH system as of December 31, 2014. It has two purposes:

- It is a reference document for those who want information about the Alexandria Transit Company and the services it provides.
- It is a repository of historical and statistical data about the transit system.

PART II, 2016 TRANSIT DEVELOPMENT PROGRAM, is the program for the fiscal year beginning July 1, 2015, and includes the fiscal year 2016 operating and capital budgets.

PART III, FINANCIAL PROJECTIONS BEYOND 2016, is an initial effort to look beyond fiscal year 2016. This view is necessarily both general and tentative.

PART IV, FARE AND SERVICE OPTIONS, presents a summary of fare alternatives and possible future service extensions.

This Transit Development Program has been prepared in accordance with following procedures, adopted by the Board of Directors to guide preparation of the Alexandria Transit Company's annual program and budgets.

TRANSIT DEVELOPMENT PROGRAM

The General Manager shall prepare and submit to the Board of Directors in January of each year a Transit Development Program for the fiscal year beginning on the following first day of July.

The Transit Development Program serves both as a means of presenting the General Manager's recommendations with regard to the annual program to the Board of Directors and as a means of documenting the annual program approved by the Board of Directors.

Prior to its adoption by the Board of Directors, its purpose is to present, explain, and justify the recommendations of the General Manager concerning:

- Changes in service to be made during the ensuing fiscal year and in the following two years.
- The marketing and community relations program, planning work program, and other management programs to be carried out during the ensuing fiscal year. These programs will be presented from a zero base and for the ensuing fiscal year only.

- The operating budget for the ensuing fiscal year and projections of revenues and operating expenses for the following two years.
- The capital budget for the ensuing fiscal year and for the following two years.

The Transit Development Program is presented to the Board of Directors in a form suitable for adoption, with or without amendments, by the Board. The programs and budgets contained herein are to be related fully to the objectives and policies of the Alexandria Transit Company. The proposals, explanations, and justifications must be sufficient to provide a basis for:

- Consideration and action by the Board of Directors.
- Review by the City of Alexandria of the Company's request for financial assistance.

Although the degree of specificity required for the two years after the first fiscal year is less than that required for the first fiscal year, the proposals and data for those years should reflect as accurately as possible the long range objectives and projections upon which the future plans for the transit system are based.

Upon adoption, as it may be amended, by the Board of Directors this document becomes the Alexandria Transit Company's 2016 Transit Development Program. The adopted program has four purposes:

- It authorizes the General Manager to carry out the approved program in accordance with the approved operating and capital budgets.
- It provides a factual basis against which the General Manager can report to the Board of Directors.
- It provides a factual basis against which the Board of Directors can evaluate system performance and financial status.
- It provides the basic data for the preparation of requests for financial assistance.

DETERMINATION OF THE OPERATING RATIO¹

At its October meeting each year, the Board of Directors shall, in consultation with the General Manager, determine the tentative operating ratio for the next fiscal year.

This determination will be based on a general overview of the levels of service to be operated, changes in costs and price levels, and the probable availability of operating assistance.

¹ Operating Ratio, as the term is used here, is the percentage of operating costs that is met from farebox and other revenue, exclusive of operating assistance funds.

The purpose of the determination made at this time is to provide guidance to the General Manager in the preparation of the Transit Development Program. The final determination is made when the Transit Development Program is adopted.

REVISION OF THE TRANSIT DEVELOPMENT PROGRAM

In the event that the City Manager or City Council changes the operating or capital assistance fund requests contained in the adopted Transit Development Program, the Board of Directors, in consultation with the General Manager, shall consider such revisions as it deems necessary in the Transit Development Program.

AMENDMENT OF THE TRANSIT DEVELOPMENT PROGRAM

Changes in the adopted Transit Development Program, including transfers between budget line items, require formal adoption of an amendment to the program by the Board of Directors.

Proposed changes shall be submitted to the Board of Directors in the form of a resolution referring specifically to the item being amended.

This section does not restrict the authority of the General Manager to take action in an emergency, in which case Board confirmation should be obtained at the next Board of Directors' meeting, or to make routine minor changes in service.

PART I

ALEXANDRIA TRANSIT COMPANY

The Alexandria Transit Company operates transit services within portions of the City of Alexandria and between the City and the Pentagon Metrorail Station. Its purpose is to supplement the regional rail and bus service provided by the Washington Metropolitan Area Transit Authority and to provide a local bus service that is:

- Designed to support specific community objectives.
- Safe, reliable, convenient, comfortable, and courteous.
- Efficient in the use of resources, whatever their source.

Among the community objectives that the system is designed to support are these:

- Improved internal circulation within the City.
- Improved access to Metrorail stations.
- Development of the City's major growth areas.
- Relief of traffic-congested corridors and the avoidance of alternative expenditures for highway and parking facilities.
- A decrease in the amounts paid by the City for Metrobus service.

Service is provided daily over eleven routes:

AT1 Van Dorn Street Metro Station – Seminary Plaza, via Landmark Mall with a weekend service extension to the Eisenhower Avenue Metro Station.

AT2 Braddock Road Metro Station – Lincolnia, via Southern Towers.

AT2X King Street Metro – Mark Center, non-stop express service during peak periods.

AT3 Hunting Point – Parkfairfax, via Russell Road, with a peak-period extension to the Pentagon Metro Station on weekdays.

AT4 Old Town - Parkfairfax, via Slaters Lane and Cameron Mills Road, with a peak-period extension to the Pentagon Metro Station on weekdays.

AT5 Braddock Road Metro Station – Van Dorn Street Metro Station, via Bradlee Center, Landmark Mall, and Van Dorn Plaza.

AT6 King Street Metro Station – Northern Virginia Community College, via Bradlee Center, and Park Center.

AT7 Landmark - Old Town, via Eisenhower Avenue, Carlyle and Lee Center.

AT8 Old Town - Van Dorn Street Metro Station, via Duke Street.

AT9 Mark Center to Potomac Yard Shopping Center, via Southern Towers, Northern Virginia Community College, Bradlee Center, Parkfairfax, and Shirlington.

AT10 King Street Metro Station - Potomac Yard Shopping Center, via Mt. Vernon and Commonwealth avenues.

King Street Trolley Operates between the King Street Metro Station and the Waterfront.

The AT3 and AT4 routes are combined into a loop route that provides weekday, midday, weekday evening, Saturday, and Sunday service on these routes. Headways and vehicle requirements by route are given in Table 1.

The current fare structure was effective on June 30, 2013.

Base fare	\$1.60
Children under 5 accompanied by an adult	Free
Transfers (<i>only available on SmarTrip</i>)*	Free

A transfer is good for unlimited trips on any DASH route in any direction, including return trips, for a period of four hours after the initial fare is paid. *Effective January 1, 2013, ATC eliminated the use of paper transfers and transfers between DASH buses must be applied using a SmarTrip card.

In accordance with the regional fare plan of June 20, 1999, ATC participates in the issuance and acceptance of regional transfers. In 2007, DASH became the first local bus system in the region to be fully equipped with SmarTrip fareboxes and accept electronic fare payments. ATC accepts regional transfers issued by other systems in payment of base fare. Other transit systems accept regional transfers issued by ATC electronically on SmarTrip cards. ATC also honors Metro Flash Passes and Rail-to-Bus Transfer. In 2011, ATC began receiving reimbursement for electronic pass payments made by Metrobus riders and DASH, as part of a reciprocal reimbursement arrangement amongst all the regional SmarTrip partners.

ATC initiated a flash pass program on March 1, 1988. As of April 1, 2012, the DASH PASS is available in electronic form on SmarTrip. The DASH PASS is valid for unlimited trips on DASH routes during the month for which it is issued. The DASH PASS can be purchased for \$40.00 each month. The paper pass can be purchased at nine SunTrust Bank branch locations in Alexandria, various retail and business sales outlets, City Hall, the Alexandria Transit Store, Commuter Stores in Arlington and Fairfax County, through commuterdirect.com, or by mail directly from ATC. The electronic pass may be loaded on a SmarTrip card at various CVS and Giant stores, the Alexandria Transit Store, through wmata.com, or at any Metrorail station located in Alexandria.

ATC began operating the King Street Trolley on April 22, 2012 and formed a strong partnership relationship with the Alexandria Convention and Visitors Association (ACVA) and the City of Alexandria to develop and implement the marketing and promotional program for the new DASH operated King Street Trolley. By working with the tourism industry and the City directly, ATC was able to rely on their business and tourism connections to help make the marketing efforts a success.

DASH service is operated with a fleet of 79 buses. Five of these vehicles are low-floor hybrid-electric Trolley Replicas which are dedicated to King Street Trolley service. As of March 2013, 32% of the ATC fleet consists of clean diesel-electric hybrid buses. The entire DASH fleet operates on ultra low sulfur diesel fuel. Administration, transportation, fleet storage and maintenance are located at 3000 Business Center Drive. The William B. Hurd Transit Facility, which is owned by the City of Alexandria, opened in November 2009. The facility achieved the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) Gold certification in 2010.

As previously mentioned, the DASH fleet consists of 79 transit buses. Below is a breakdown of the DASH fleet:

Number of Vehicles	Year	Manufacturer	Length	Seats	Delivery Date
4	1996	Gillig (<i>refurbished in 8/11</i>)	35'	37	05/1996
5	1999	Gillig	35'	37	07/1999
10	2000	Orion	35'	37	12/2000
8	2002	Orion	35'	37	08/2003
14	2005	Orion	35'	37	05/2005
9	2007	Orion	35'	37	11/2007
4	2007	Gillig	35'	37	03/2007
7	2011	Gillig Low-Floor Hybrid	35'	32	11/2011
3	2011	Gillig Low-Floor Hybrid	40'	40	11/2011
5	2011	Gillig Trolley Replica Hybrid	29'	28	11/2011
5	2012	Gillig Low-Floor Hybrid	35'	32	10/2012
5	2012	Gillig Low-Floor Hybrid	40'	40	10/2012

ATC Fleet as of June 2014

Capital funds and the difference between gross transit revenues and operating costs are provided by the City of Alexandria. The fare structure and the extent to which use is being made of each of its elements are shown in Table 2. Financial data and budget estimates are contained in Part II of this Transit Development Program.

Charter and Contract Service. The Alexandria Transit Company operates incidental charter and contract services within the City of Alexandria. Authority to operate charter service between Alexandria and the District of Columbia was granted by the Washington Metropolitan Area Transit Commission on April 3, 1985 (WMATC Certificate No. 119). In May 1991 WMATC extended ATC's charter authority to operate between Alexandria and points in Maryland that are within the Washington Metropolitan area.

Service for Disabled Persons. The DASH bus fleet is currently 100% wheelchair accessible. The City of Alexandria supplements DASH service with a paratransit service (known as DOT) that provides additional access for disabled persons in the DASH service area and, in addition, provides service for disabled persons on a citywide basis. DOT service is provided by a taxicab operator and private paratransit provider under contract with the City and is administered by the City's Office of Transit Services and Programs.

BACKGROUND

For some time people in Alexandria talked about a locally-managed transit system that might better serve the needs of the community than could Metrobus, which was oriented to radial movements in and out of the District of Columbia and which, with the opening of the rail line through Alexandria, would have to concentrate on service to Metrorail stations.

The first step in anticipation of the opening of the Metrorail stations and the consequent reordering of Metrobus service was taken in 1981, when City Council engaged System Design Concepts, a consulting firm better known as SYDEC, to study the feasibility of a city-sponsored bus system. SYDEC made its report in September 1982. In summary, SYDEC recommended a five-route system, using 18 buses, and charging a fare comparable to that of Metrobus--averaging 85¢ a trip.

City Council was in general agreement with the SYDEC proposals and the next step, taken in January 1983, was the employment of a transit management firm that would test the feasibility of the SYDEC proposal, prepare bus procurement specifications, develop a detailed plan for local bus operations, and then manage the transit system on a continuing basis. After a competitive evaluation of proposals from three established transit management firms, the ATE Management and Service Company was selected for these assignments.

ATE delivered its evaluation of the SYDEC recommendations in April 1983. The report recommended elimination of one of the five routes--one between the Eisenhower Avenue and Pentagon Metro stations--and came up with substantially lower projections of both ridership and average fare than had SYDEC. This plan was adopted by City Council in the summer of 1983.

City Council then addressed the question of organizational placement. Originally, both SYDEC and the city administration had thought along the lines of (1) a conventional city department, reporting to the City Manager, or (2) a contract supplier, under a contract administered by the City Manager. In the fall of 1982, however, members of City Council learned of an arrangement for the operation of local transit services, involving the establishment under general law of a non-profit public service corporation that would be wholly-owned by the City, which had been used successfully in Richmond, Lynchburg, and Roanoke since 1973 and 1974.

This arrangement provided a means by which:

- The transit system could be run as a business-type enterprise.
- City Council could retain overall policy control yet be free from the day-to-day problems and operating decisions that are involved in the operation of a transit system.

To carry out this plan, City Council on October 23, 1983, set up a Transitional Task Force and, on January 24, 1984, instructed the City Attorney to proceed with the incorporation of a non-profit company. The certificate of incorporation was issued by the State Corporation Commission on January 31, and the organizational meeting of the company was held February 6.

In the meantime, early in January, the General Manager employed by ATE Management and Service Company (ATE Management and Service Company was purchased in 1999 by British-

owned FirstGroup, plc and renamed First Transit, Inc., a subsidiary of FirstGroup America, Inc.), reported for duty and final preparations began for the opening of revenue service on March 11, 1984.

ATC has received the American Public Transportation Association's 1998, 2000, 2001, and 2002 Silver Safety Award, Category 1 (one to four million annual passengers) 1999 Gold Safety Award, as well as APTA's 1987 Outstanding Achievement Award, Category A (under 50 buses). APTA awarded ATC first place AdWheel Marketing Awards for innovative and creative marketing efforts in 1993, 1996, 2004, and 2008.

ATC also received the Virginia Department of Rail and Public Transportation's Outstanding Urban Public Transportation System Award for 1993 and 1994, and the 1994 Governor's Transportation Safety Award, the Virginia Transit Association (VTA) Innovative Program Award in 1992, 1993, 1996, 2002, 2004 and 2007 and the VTA Outstanding Public Transportation Marketing Award in 2002 and 2007. In 2004, 2005, 2006, 2007, and 2008, a community survey conducted by the City of Alexandria rated DASH in the top five City services for quality. In 2008, ATC received the American Public Transportation Association (APTA) AdWheel Award for Print Media in Promotional Materials and Customer Give-A-Ways. Metro Magazine named ATC one of the "Ten Great Transit Systems to Work For" in 2008. In 2010, ATC General Manager, Sandy Modell, was the recipient of the Leadership in Business Career Development Award by the Alexandria Commission for Women. In 2011 and 2012, the City of Alexandria's Department of Transportation & Environmental Service (T&ES), Office of Environmental Quality (OEQ) presented ATC with the Top 10 Environmental Achievements Award. ATC also received the Alexandria Beautification Award in 2012 for the landscaping, design and U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Gold rating of the William B. Hurd facility.

ORGANIZATION

The Alexandria Transit Company is a non-profit corporation organized under Chapter 1, Title 13.1 of the Code of Virginia (1950), as amended, for the purpose of providing mass transportation services as a public service corporation. The entire capital stock of the corporation--seven shares at a par value of \$1.00 a share--is owned by the City of Alexandria.

The Board of Directors is elected annually in February by the City Council, acting in the capacity of sole stockholder. The initial directors named in the Articles of Incorporation were Thomas J. Bulger, Douglas Harman, William B. Hurd, Clifford Rusch, and C. Peter Schumaier.

On February 25, 1984, the by-laws were amended to increase the number of directors from five to seven. On February 26, 2013, the by-laws were amended to increase the number of directors from seven to nine. Members of the Board of Directors serve without compensation.

The present directors were elected at the annual meeting of the stockholders on March 25, 2014. They are:

Paul R. Abramson
Rich Baier
Kerry J. Donley
Mark Jinks
David Kaplan
Stephen Klejst (elected October 14, 2014, vice GERALYN McNALLY, resigned April 3, 2014)
Meredith MacNab
David "Max" Williamson
Laura Triggs

The officers of the corporation are elected by the Board of Directors. The officers currently serving were elected on March 6, 2014.

Paul R. Abramson, Chairman
David H. Kaplan, Vice-Chairman
*Rashad Young, President
*Rich Baier, Vice-President
Alexis Quinn, Secretary
*Laura Triggs, Treasurer
*David Clark, Assistant Treasurer
*James L. Banks, General Counsel
*Meghan Roberts, Assistant General Counsel

The individuals designated by an asterisk are officers or employees of the City of Alexandria and serve in the corporate capacities indicated without additional compensation. The secretary is an employee of Transit Management of Alexandria, the sub-corporation.

The Alexandria Transit Company owns or controls all of the physical assets of the system, and employs only the General Manager.

Operations, under the policy direction of the Board of Directors, are the responsibility of the General Manager. The Board also engages First Transit, Inc, with which the Board has entered into a management agreement. First Transit currently employs the Assistant General Manager and provides technical assistance and national contract pricing advantages to ATC. The General Manager, Sandy Modell, is the chief executive officer of the company and the principal staff advisor to the Board on transit matters.

The City, under a series of agreements, furnishes legal and accounting services in support of the system.

EMPLOYMENT

The Assistant General Manager is employed by First Transit, Inc. All other persons engaged in the operation of the transit system are employees of Transit Management of Alexandria, Inc., a wholly-owned subsidiary of First Transit, Inc.

Aggregate employment on June 30, 2014, was 185 persons, distributed as follows:

	<u>Full-Time</u>	<u>Part-Time</u>
General Manager	1	
Assistant General Manager	0	
Director of Finance and Administration	1	
Transit Planning & Scheduling Manager	1	
Marketing & Communications Manager	1	
HR and Payroll Manager	0	1
Executive Assistant	1	
Office Manager & Account Assistant	1	
Receptionist	1	
IT Manager	1	
Transit Analyst	1	
Training Manager	1	
Safety & Loss Control Coordinator	1	
Customer Service & Charter Manager	1	
Chief Transit Supervisor	1	
Road Supervisor	6	
Transit Assistant	1	
Dispatcher	3	
Bus Operator	116	19
Transit Store Manager	1	
Customer Service Representative	2	
Director of Maintenance	1	
Maintenance Foreman	2	
Facility Maintenance Technician	1	
Parts Manager	1	
Maintenance Clerk	1	
Mechanic	9	
Maintenance Assistant	1	
Service Worker	3	1
Bus Cleaner	3	
	<hr/> 164	<hr/> 21

TABLE 1
ATC HEADWAYS AND VEHICLE REQUIREMENTS³
(Revised)

	PEAK	WEEKDAY OFF-PEAK	NIGHT	SATURDAY	SUNDAY
AT1 Headway	30	30	60	60	60
AT2 Headway	20/30	30	60	45	60
AT2X Headway	10/20	--	--	--	--
AT3 Headway ¹	20	--	--	--	--
AT4 Headway ¹	20	--	--	--	--
AT3-4 Loop Headway	--	60	60	60	60
AT5 Headway	20/30	30	60	30	60
AT6 Headway	15	60	60	--	--
AT7 Headway	30	60	60	--	--
AT8 Headway ²	10	30	60	20/40	30-45
AT9 Headway	30	30	60	30	--
AT10 Headway	30	30	60	30	60
AT1 Bus Requirement	6	4	2	2	2
AT2 Bus Requirement	7	5	2	3	2.5
AT2X Bus Requirement	4	--	--	--	--
AT3 Bus Requirement	5	--	--	--	--
AT4 Bus Requirement	5	--	--	--	--
AT3-4 Bus Requirement	--	1	1	1	1
AT5 Bus Requirement	7	5	3	6	2.5
AT6 Bus Requirement	3	1	1	--	--
AT7 Bus Requirement	6	2	2	2	--
AT8 Bus Requirement	10	3	2	3	3
AT9 Bus Requirement	4	4	2	1	--
AT10 Bus Requirement	4	4	2	1	--
Platform Hours			745	339	197
Platform Miles			6,618	2,790	1,580

1. AT3-4 Loop serves these routes during the midday, in the evening, and on weekends.
2. AT8 headways vary due to extra service in the peak flow direction and coordination with WMATA's 29K and 29N routes.
3. Based on service as of December 31, 2014.

TABLE 2
ATC FARE STRUCTURE

FARE	REVENUE	DISTRIBUTION *
Cash Fare	\$1.60	6.7%
SmarTrip Base Fare	\$1.60	34.6%
DASH Transfer	Free	10.0%
DASH Pass ¹	\$40.00/month	6.3%
Metrorail-to-Bus Transfer	\$1.00	13.1%
Regional Bus Transfer	Free	6.3%
Metro Pass	--	--
DASH & Metro Tokens	Face Value	0.1%
Contract Trips	--	0.1%
Mark Center (BRAC) I.D.	--	1.4%
King Street Trolley	Free	18.6%
Total Ridership		4,244,588
Average Fare	\$1.14	

* Distribution based on FY2014 Ridership Data

1. Distribution includes paper and electronic passes.

Figure A

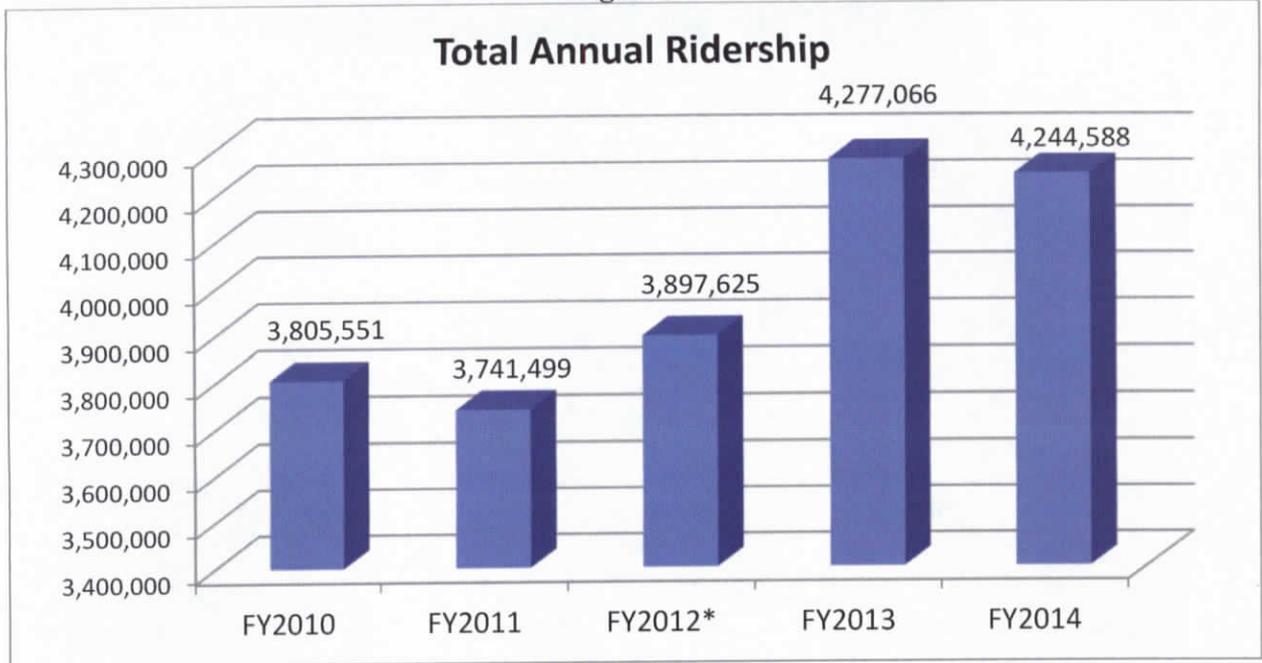
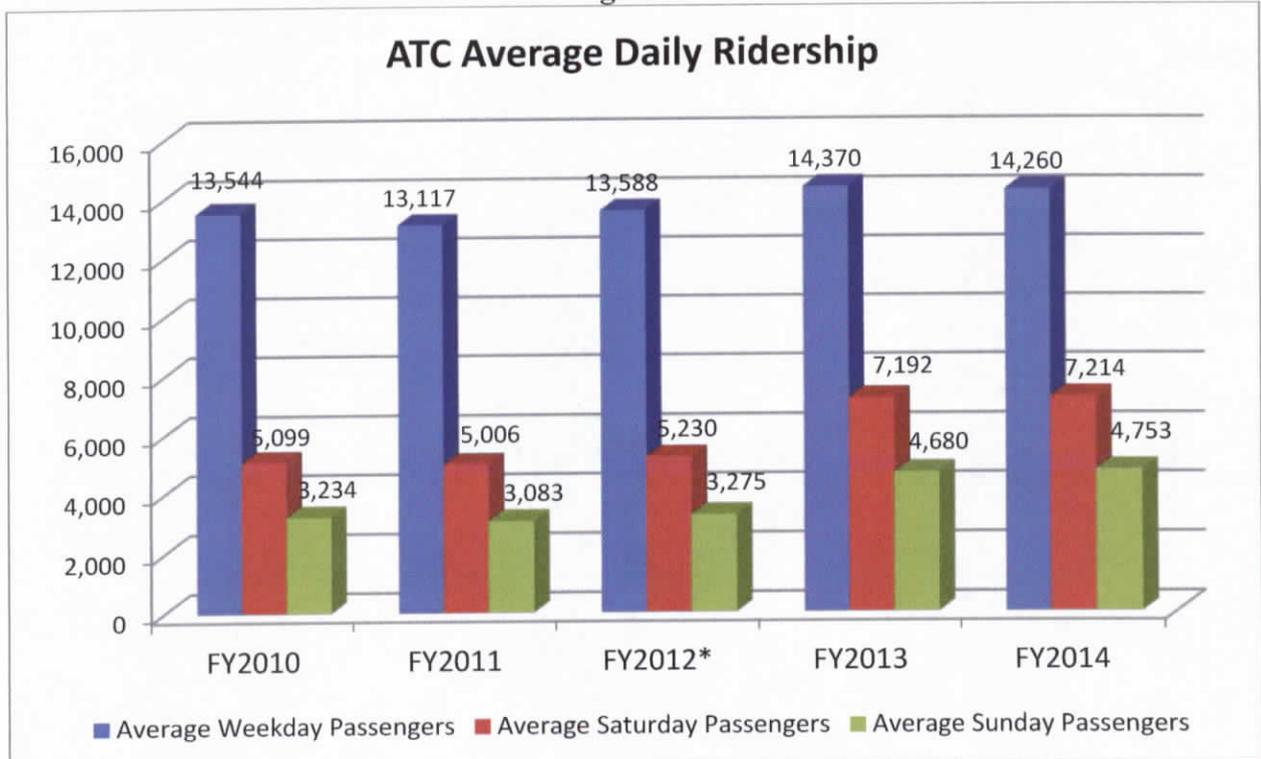


Figure B



*DASH assumed operation of the King Street Trolley in FY2012

TABLE 3**HISTORICAL DAILY RIDERSHIP (by DASH Route)**

Daily Passengers	FY2010	FY2011	FY2012	FY2013	FY2014
AT1	1,797	1,755	1,815	1,723	1,568
AT2	2,131	2,081	2,278	1,954	1,758
AT3	918	945	1,002	837	784
AT4	866	912	953	791	714
AT3-4	63	66	85	65	68
AT5	2,157	2,148	2,217	1,959	1,691
AT6	1,024	997	1,046	926	972
AT7	951	711	703	616	664
AT8	2,735	2,701	2,829	2,577	3,017
AT10	606	621	739	641	650
BRAC*	0	0	170	281	236
King Street Trolley**	0	0	2,398	2,133	2,117

*Service began August 7, 2011

**Service began April 22, 2012

TABLE 4
OPERATING DATA

	FY2010	FY2011	FY2012
RIDERSHIP			
Base Fare Trips	1,696,017	1,699,379	1,712,221
ATC DASH Pass	324,503	375,572	387,978
ATC Transfers	558,789	532,118	532,074
Metro Tokens	26,444	20,119	11,920
Metro Flash Passes	261,365	210,665	74,165
Regional Bus Transfers	227,234	220,928	248,468
Regional Day Pass	1,510	0	0
Rail-Bus Transfers	557,677	544,523	552,330
Contract Trips	15,806	16,427	56,369
Dash About, Lunch Loop & Ride Promos	43,572	38,532	26,541
PTO ID Trips	92,634	83,236	54,741
			55,840
			184,977
TOTAL	3,805,551	3,741,499	3,897,625
SERVICE LEVELS			
Total Miles	1,562,437	1,576,649	1,544,105
Revenue Miles	1,380,075	1,410,656	1,420,476
Platform Hours	161,985	166,660	172,348
Revenue Hours	117,156	119,223	126,219
OPERATING AND FINANCIAL PERFORMANCE			
Average Weekday Passengers	13,544	13,117	13,588
Average Saturday Passengers	5,099	5,006	5,230
Average Sunday Passengers	3,234	3,083	3,275
Average Fare	\$.72	\$.89	\$0.90
Operating Ratio	.32	.36	.37
Operating Expenses per Total Mile	\$6.91	\$7.23	\$8.45
Operating Expenses per Total Platform Hour	\$66.64	\$68.43	\$75.70
Passengers per Revenue Mile	2.8	2.7	2.7
Passengers per Revenue Hour	32.5	31.4	30.9
Percent of Missed Trips	.00%	.00%	.01%
Percent of Trips on Time	93%	95%	91.2%
Total Miles per Road Call	7,891	7,333	7,682
Absentee Rate, Operators	2.9%	2.4%	3.5%
Absentee Rate, Mechanics	1.9%	1.6%	2.5%
Accidents-Total	45	47	43
Accidents-Preventable	17	16	24
Vehicle Accidents	39	40	37
Passenger Accidents	9	1	6
Vehicle Accidents per 100,000 Miles	2.50	2.54	2.78
Preventable Accidents per 100,000 Miles	1.09	1.01	1.55

OPERATING DATA

	FY2013	FY2014
RIDERSHIP		
Base Fare Trips	1,709,722	1,754,24
ATC DASH Pass	315,968	268,599
ATC Transfers	467,766	425,128
Metro Tokens	4,809	3,494
Metro Flash Passes	70,099	83,637
Regional Bus Transfers	259,899	267,083
Regional Day Pass	0	0
Rail-Bus Transfers	536,905	556,194
Contract Trips	16,193	6,088
Lunch Loop & Ride Promos	29,170	29,005
PTO ID Trips	13,593	0
Mark Center ID	74,081	59,594
King Street Trolley	778,861	791,526
TOTAL	4,277,066	4,244,588
SERVICE LEVELS		
Total Miles	1,653,387	1,711,101
Revenue Miles	1,503,065	1,550,704
Platform Hours	186,068	195,118
Revenue Hours	132,544	130,167
OPERATING AND FINANCIAL PERFORMANCE		
Average Weekday Passengers	14,370	14,119
Average Saturday Passengers	7,192	7,009
Average Sunday Passengers	4,680	4,646
Average Fare	\$1.03	1.14
Operating Ratio	.33	.32
Operating Expenses per Total Mile	\$8.07	\$8.39
Operating Expenses per Total Platform Hour	\$71.70	\$73.59
Passengers per Revenue Mile	2.8	2.7
Passengers per Revenue Hour	32.3	31.2
Percent of Missed Trips	.03%	.02%
Percent of Trips on Time	92.2%	91.6%
Total Miles per Road Call	9,035	8,866
Absentee Rate, Operators	2.5%	2.4%
Absentee Rate, Mechanics	2.5%	1.7%
Accidents-Total	72	71
Accidents-Preventable	34	30
Vehicle Accidents	65	69
Passenger Accidents	6	2
Vehicle Accidents per 100,000 Miles	3.93	4.03
Preventable Accidents per 100,000 Miles	2.08	1.75

PART II

2016 TRANSIT DEVELOPMENT PROGRAM (Revised)

The 2016 Transit Development Program is based on the following assumptions:

- Ridership will increase by 4.5% over the fiscal year 2014 level of 4.2 million passengers, and a 5.2% decrease from projected fiscal year 2015 ridership.
- Service will remain at the fiscal year 2015 level. No service expansion is contemplated.
- Passenger revenue is anticipated to decrease 2.9% as a result of lower ridership projections than in fiscal year 2015. Contract revenues will remain at the fiscal year 2015 levels. Revenue from the Mark Center Express Service Cooperative Agreement is estimated at \$719,000, a 3% increase over the fiscal year 2015 budgeted amount.
- ATC and T&ES will explore opportunities for providing cost savings in the City's overall transit subsidy through DASH replacement of local service now being provided by WMATA, as well as, additional revenue sources through new and existing Transportation Management Plan requirements.

The operating and capital budgets for FY2016 are summarized in the following table:

	FY2014 ACTUAL	FY2015 BUDGET	FY2016 ESTIMATED
Operating Revenues*	\$4,666,888	\$5,974,000	\$5,889,850
Operating Expenses	14,360,751	16,725,000	16,723,850
Net Transit Service Cost	9,693,863	10,751,000	10,834,000
Operating Ratio	32.5%	35.7%	35.2%
Capital Outlay Items (City Operating Budget)	177,919	391,000	396,000
City Contribution (Operating Budget)	9,871,782	11,142,000	11,230,000
Capital Outlay Items (CIP)	0	7,800,000	7,712,220
Total City Contribution	\$9,871,782	\$18,942,000	\$18,942,220

*Includes \$1,030,850 of City subsidy from the meal sales tax, transient lodging tax and Transportation Improvement Program (TIP) for the operation of the King Street Trolley.

(Revised)

PRINCIPAL CHANGES FROM THE 2015 BUDGET

Operating expenses will decrease \$1,150 (0.01%) in fiscal year 2016. Personnel service costs, which make up 75% of total operating expenses, will increase \$27,850 (0.22%).

The increases in operating expenses reflect the following major items:

1. Labor costs will decrease \$143,150 (1.5%).¹
2. Fringe benefit costs will increase \$171,000 (5.4%).
 - An increase health insurance of \$69,000 (4.0%), based on general cost increases.
 - An increase in the 401(k) employer match of \$24,000 (5.9%) based on new enrollments and increased employee participation.
 - An increase of \$15,000 (8.8%) in the cost for workers' compensation insurance based on FY15 actual costs, which include the increase in general payroll expenses.
 - An increase in the sick leave benefit cost of \$48,000 (28.2%) due to anticipated general payroll increases and actual FY2014 costs.
3. Non-personnel service items will decrease \$29,000 (0.7%). The principal changes from the fiscal year 2015 budget are:
 - The management services fee will increase \$7,000 (3.8%) based on the renewal price.
 - A decrease of \$108,000 (6.2%) in fuel and lubricant costs to reflect the decreased average fleet age. The cost per gallon estimate is projected at \$3.30.
 - An increase of \$30,000 is anticipated due to the operating cost of increased cellular routers currently used for surveillance monitoring and will also be part of the operation of the real time.
 - An increase of \$33,000 (12.4%) in utility costs based on actual fiscal year 2014 costs.
 - A decrease in repair parts by \$33,000 (7.1%) as a result of 21 new hybrid coaches and an increase in the average fleet age. The cost per mile will decrease to 22¢ per mile.
 - An increase of \$1,000 (0.9%) in the cost of tires. Although service miles are projected to increase in FY16, the cost per mile is projected to remain the same as FY15 at 5.5¢.
 - A decrease of \$29,000 (5.8%) in insurance costs from the Virginia Transit Liability Pool (VTLP).

The ATC fiscal year 2016 budget appears in Table 5 and is followed by a narrative justification of the budget items.

¹A cost-of-living adjustment is not included at this time in the 2016 budget. Funds for this purpose will be held in the City's contingency until approval of the City budget, and ATC will conform to City policy with respect to these items. A cost-of-living adjustment would be based on an estimated personnel services cost of \$10,857,000.

TABLE 5
ALEXANDRIA TRANSIT COMPANY
OPERATING BUDGET
FISCAL YEAR 2016
(Revised)

BUDGET LINE ITEM	ACTUAL FY2014	BUDGET FY2015	BUDGET FY2016
OPERATING REVENUE			
Passenger Revenue	\$3,871,342	\$4,178,000	\$4,058,000
Other Revenue*	795,547	1,796,000	1,831,850
Total Operating Revenues	\$4,666,888	\$5,974,000	\$5,889,850
OPERATING EXPENSES			
Transportation	9,810,382	11,290,850	11,084,850
Equipment Maintenance	2,179,568	2,529,650	2,607,000
Marketing	154,285	232,000	236,000
Insurance & Claims	383,966	500,000	471,000
Administration & General	1,832,550	2,122,500	2,275,000
Contingencies	0	50,000	50,000
Total Operating Expenses	\$14,360,751	\$16,725,000	\$16,723,850
Net Transit Service Costs:			
City of Alexandria	\$9,693,863	\$10,751,000	\$10,834,000
Miles Regular Service	1,550,704	1,930,800	2,017,000
Total Passengers*	4,244,588	4,625,000	4,435,000
Operating Ratio	32.5%	35.7%	35.2%
CAPITAL OUTLAY ITEMS			
(City Operating Budget)			
Non-Revenue Vehicles	52,016	60,000	60,000
Maintenance Tools & Equipment	25,950	15,000	20,000
Computer & Office Equipment	80,502	30,000	30,000
Power Train Rebuild	19,451	286,000	286,000
Radio / AVL Equipment	0	0	0
Facility Improvements	0	0	0
Total Capital Outlay (City Operating)	\$177,919	\$391,000	\$396,000
TOTAL CITY CONTRIBUTION			
(OPERATING BUDGET)	\$9,871,782	\$11,142,000	\$11,230,000
CAPITAL OUTLAY ITEMS (CIP)			
Revenue Vehicles	0	7,800,000	7,712,220
Radio Equipment	0	0	0
Service Improvements	0	0	0
Wheelchair Lift Replacements	0	0	0
TOTAL CAPITAL OUTLAY (CIP)	\$0	\$7,800,000	\$7,712,220
TOTAL CITY CONTRIBUTION	\$9,871,782	\$18,942,000	\$18,942,220

* Includes King Street Trolley

BUDGET JUSTIFICATION
(Revised)

OPERATING REVENUES

	ACTUAL FY2014	BUDGET FY2015	ESTIMATED FY2016
Passenger Revenues	\$3,871,342	\$4,178,000	\$4,058,000
Other Revenues	795,547	1,796,000	1,831,850
Total Operating Revenues	\$4,666,888	\$5,974,000	\$5,889,850

The Passenger Revenues estimate is based on 4,435,000 passengers. This assumes a 4.5% ridership increase from FY2014 actual total ridership of 4,244,588 passengers plus additional ridership from expanded service.

Other Revenues includes charter and contract services, including Transportation Management Plan (TMP) fund contributions and cash contributions of local businesses toward special promotions and the City's subsidy for operation of the King Street Trolley.

OPERATING EXPENSES

The operating expense budget is broken down into five broad categories, plus an allowance for contingencies. Each of the categories and its components is discussed below.

TRANSPORTATION

This category covers costs of the Transportation Department, which employs and supervises the system's bus operators. Its costs are directly related to levels of service. For the purpose of this budget estimate, a total of 2,017,000 miles is projected for fiscal year 2016.

Personnel Services

FY14 Actual:	\$7,969,616	FY15 Budget:	\$9,360,850	FY16 Budget:	\$9,233,850
					-\$127,000 (1.4%)

This item covers salaries, wages, fringe benefits, FICA, and other personnel service costs of the Transportation Department. It provides for the following positions:

	FY2013	FY2014	FY2015	FY2016
Director of Operations	0	0	0	1
Director of Safety & Training	1	1	1	1
Human Resources Liaison	0	0	0	1
Chief Transportation Supervisor	1	1	1	0
Customer Service & Charter Manager	1	1	1	1
Safety & Training Officer	1	1	1	1
Supervisor-Dispatcher	8	8	8	8
Dispatcher, Full-Time	1	1	1	2
Dispatcher, Part-Time	2	2	2	2
Bus Operator, Full-Time	92	105	109	116
Bus Operator, Part-Time	15	15	15	15
	123	136	140	149

General changes in personnel service costs have been discussed in an earlier section of this budget presentation. Operator wages are based upon platform hours at a pay hour to platform hour ratio of 1.15.

(Revised)

Fuel and Lubricants

FY14 Actual:	\$1,648,569	FY15 Budget:	\$1,739,000	FY16 Budget:	\$1,631,000
					-\$108,000 (6.2%)

This item covers fuel and lubricants for revenue and non-revenue vehicles. The principal component is diesel fuel for the bus fleet, at an average consumption rate of 4.15 miles a gallon. A cost of \$3.30 a gallon is estimated for fiscal year 2016.

Operating Materials and Supplies

FY14 Actual:	\$192,197	FY15 Budget:	\$191,000	FY16 Budget:	\$220,000
					+\$29,000 (15.2%)

This item covers the recapping and replacement of tires, bus cleaning materials, and other supplies. The principal item is tire recapping and replacement costs are based upon a 5.5¢ per mile factor.

EQUIPMENT MAINTENANCE

This category covers costs of the Maintenance Department, which is responsible for vehicle servicing, preventive maintenance, and repair work. Its costs are related to service levels operated, although the relationship is not as direct as it is in the Transportation Department. The 2016 estimate is based on an annual total of 2,017,000 miles.

Personnel Services

FY14 Actual:	\$1,689,505	FY15 Budget:	\$1,941,650	FY16 Budget:	\$2,049,000
					+\$107,350 (5.5%)

This item covers salaries, wages, fringe benefits, FICA, and other personnel service costs of the Maintenance Department. It provides for the following positions:

	FY2013	FY2014	FY2015	FY2016
Director of Maintenance	1	1	1	1
Mechanic, Full Time	13	13	13	14
Mechanic, Part-Time	0	0	0	0
Parts Manager	1	1	1	1
Facilities Maintenance Coordinator	1	1	1	1
Maintenance Clerk	1	1	1	1
Service Worker, Full-Time	4	5	5	5
Service Worker, Part-Time	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	22	23	23	24

General changes in personnel service costs were discussed in an earlier section of this budget presentation.

(Revised)

Repair Parts

FY14 Actual:	\$313,268	FY15 Budget:	\$463,000	FY16 Budget:	\$430,000
					- \$33,000 (7.1%)

The cost of repair parts is budgeted at 22¢ per vehicle mile, which is a decrease of 2¢ from FY15. This reduction is due to a decrease in the average fleet age and the operation of 21 new replacement buses delivered in 2014 and 2015.

Vehicle Maintenance Services

FY14 Actual:	\$149,355	FY15 Budget:	\$100,000	FY16 Budget:	\$100,000
					No Change

This item covers the purchase of outside maintenance services for such items as body work, engine and transmission work beyond ATC's in-house capability, and radio repair.

Tools and Equipment

FY14 Actual:	\$17,602	FY15 Budget:	\$15,000	FY16 Budget:	\$18,000
					+\$3,000 (20.0%)

This item provides for the purchase and replacement of small shop tools and equipment.

Laundry

FY14 Actual:	\$9,838	FY15 Budget:	\$10,000	FY16 Budget:	\$10,000
					No Change

This item provides for shop rags and the rental and cleaning of mechanics' uniforms.

MARKETING

Personnel Services

FY14 Actual:	\$66,996	FY15 Budget:	\$111,000	FY16 Budget:	\$115,000
					+ \$4,000 (3.6%)

This item covers the salary, fringe benefits, FICA, and other personnel service costs of the Marketing Department. It provides for the following positions and the use of temporary services as needed:

Marketing & Communications Manager	1
Social Media Specialist – Part-time	1

ATC's marketing targets office and residential complexes and businesses located in new development areas in the City. ATC also assists developments under the City's Transportation Management Plan (TMP) ordinance to market transit and provide on-site sales of monthly DASH passes. ATC's marketing program promotes DASH services to the tourist industry, hotels, and retail establishments. It is anticipated that significant marketing efforts will continue to focus on new employment sites, continued work with Mark Center, the King Street Trolley, bike rack program, real-time bus information, and other economic stimulus programs that may be launched in conjunction with the local hospitality industry. ATC's desktop publishing capabilities provide customized marketing and public information materials for many of these sites. ATC has made inroads in promoting DASH services to area schools as it develops a comprehensive transit education program.

Marketing and Public Information

FY14 Actual:	\$87,289	FY15 Budget:	\$121,000	FY16 Budget:	\$121,000
					No Change

This category covers the production and distribution of schedules and other information regarding available DASH services and promotions. Also included in this category are market research, installation and maintenance of bus stop signs, and other activities designed to acquaint potential riders with DASH services and to make those services more convenient to use.

Expenses for marketing and public information include:

- Printing and distribution of DASH timetables. This item also covers the updating and maintenance of Ride Guide schedule information located at major bus stops throughout the city.....\$70,000
- Advertising and special promotions, including the George Washington Birthday Parade, First Night Alexandria, holiday promotions, and transit related special events and programs...\$46,000
- Market research, including periodic passenger surveys and the assembly of data upon the basis of which route and service level decisions can be made by the Board of Directors.....\$5,000

INSURANCE AND CLAIMS

FY14 Actual: \$383,966	FY15 Budget: \$500,000	FY16 Budget: \$471,000
		-\$29,000 (-5.8%)

ATC is a member of the Virginia Transit Liability Pool through which it obtains general and automobile liability and bus physical damage coverage.

This item also includes directors' and officers' liability insurance, which is obtained from the State Division of Risk Management.

ADMINISTRATION AND GENERAL

This expense category includes the office of the General Manager and the general and unallocated administrative costs of the transit system.

Personnel Services

FY14 Actual: \$721,841	FY15 Budget: \$1,145,500	FY16 Budget: \$1,189,000
		+ \$43,500 (3.8%)

This item covers salaries, fringe benefits, FICA, and other personnel service costs of the General Manager's office. It provides for the following positions:

General Manager	1
Executive Assistant	1
Director of Finance & Administration	1
Human Resources & Payroll Manager	1
Director of Planning & Scheduling	1
Director of Information Technology	1
Transit Analyst	1
Accounting Manager	1
Receptionist	1
Total	9

General changes in personnel service costs have been discussed in an earlier section of this budget presentation. ATC participates in the Virginia Department of Rail and Public Transportation (VDRPT) intern program when State funding is available.

NOTE: The Assistant General Manager's salary and benefits are included in the management fee.

Contractual Services

FY14 Actual: \$503,116	FY15 Budget: \$394,000	FY16 Budget: \$433,000
		+\$39,000 (9.9%)

This item covers the following contracts and agreements:

- Management contract.....\$193,000
- Travel costs, advisory and technical assistance. The management contract provides that, in addition to routine supervisory visits to the property, the management firm will provide advisory and technical assistance in such areas as labor relations, insurance, vehicle specifications, maintenance, and scheduling when needed and authorized by ATC at no additional cost, except for travel. The budget estimate provides for 4 trips at a cost of \$3,500 each.....\$14,000
- Pension plan administration and legal assistance. The annual fee for the administration of the Transit Management of Alexandria, Inc. employees’ defined contribution retirement plan is estimated to be \$10,000. In addition, TMA from time to time requires local legal assistance in handling benefits related and employee relation issues, budgeted at \$25,000 for these services.....\$35,000
- Banking and cash handling fees. The cost of cash handling fees associated with the transport, sorting, and depositing of ATC farebox revenue.....\$95,000
- SmarTrip maintenance and technical support: ATC’s share of actual costs under the Regional SmarTrip System Software Maintenance Agreement.....\$75,000
- City radio maintenance contract contribution: ATC’s share of actual costs under the City’s Radio Maintenance Contract.....\$14,000
- Automated time and attendance system.....\$7,000

Personnel Recruitment and Training

FY14 Actual: \$78,128	FY15 Budget: \$84,000	FY16 Budget: \$91,000
		+\$7,000 (8.3%)

This item covers:

- Employee relations. This item covers performance incentive awards, the safety awards dinner, and other employee relations costs.....\$40,000
- Physical examinations. Employees and applicants who hold CDL licenses are required to pass pre-employment and annual DOT physical examinations and are subject to federally mandated drug and alcohol testing.....\$23,000
- Employee training. This item covers the costs of mechanic certification testing, operator training programs, technical courses and seminars, and registration fees at professional meetings.....\$28,000

Utilities and Building Maintenance and Services

FY14 Actual: \$428,380	FY15 Budget: \$403,000	FY16 Budget: \$436,000
		+ \$33,000 (8.2%)

This item covers the costs of utilities, building maintenance expenses, and janitorial services in the ATC facility.

Travel

FY14 Actual: \$7,960	FY15 Budget: \$10,000	FY16 Budget: \$10,000
		No Change

This item covers the cost of travel to professional meetings, seminars, and technical schools, including the travel of employees attending courses on power train and bus component repair and courses sponsored by the Virginia Department of Rail and Public Transportation, Virginia Transit Liability Pool, and First Transit. This item also covers the cost of sending one DASH operator to the APTA International Bus Roadeo competition.

Dues and Subscriptions

FY14 Actual: \$28,391	FY15 Budget: \$30,000	FY16 Budget: \$30,000
		No Change

This item covers the costs of membership in the American Public Transportation Association, the Virginia Transit Association, the Alexandria Chamber of Commerce, OTBPA, ACVA, and subscriptions to trade journals and local newspapers.

Other Administrative Costs

FY14 Actual: \$64,708	FY15 Budget: \$56,000	FY16 Budget: \$86,000
		+30,000 (53.6%)

This item covers:

Telecommunications	\$60,000
Postage	7,000
Office Supplies	13,000
Photocopying	<u>6,000</u>
	\$86,000

CONTINGENCIES

FY14 Actual: \$0	FY15 Budget: \$50,000	FY16 Budget: \$50,000
		No Change

An allowance of \$50,000, or .4% of operating expenses, is made for contingencies during FY2016.

FY2016 CAPITAL IMPROVEMENT PROJECT (CIP) PRELIMINARY SUBMISSION

Project Description	Total FY2016
<p>DASH Bus Fleet Replacement - The Alexandria Transit Company (ATC) bus replacement schedule is based on the 12-year life cycle of a heavy-duty transit bus. Due to budgetary constraints in the last several years, ATC has had to delay its purchase of replacement buses, requiring DASH to maintain and operate buses past their useful life and beyond their scheduled replacement. This funding will provide for the purchase of hybrid buses and is consistent with the replacement schedule identified in the Transit Development Program (TDP).</p>	\$4,550,000
<p>DASH Fleet Expansion - This project provides for the purchase of expansion buses for the DASH fleet, consistent with DASH's long range plan and approved Comprehensive Operational Analysis (COA) recommendations.</p>	\$1,950,000
<p>DASH Hybrid Battery Pack Replacement - The hybrid battery pack replacement is in direct support of Alexandria's Eco-City Initiative and City Council direction to specify all ATC new bus purchases to hybrid electric powertrain for reduced carbon footprint and fuel consumption. The hybrid electric buses feature a battery pack that is vital to the functionality of the hybrid powertrain system. This battery pack carries a life span that is approximately one half of the life span of the bus and must be replaced in order to maintain operational functionality.</p>	\$100,000
<p>DASH Storage Facility Expansion – ATC is reaching its bus storage parking limits with the arrival of the seven buses in October 2014. ATC has developed a short term, low cost plan to accommodate the new buses arriving in April, an interim plan funded in FY16, and a final storage building plan funded in FY2020. All of these plans assume a reduction and ultimate elimination in the temporary parking arrangement for the City's overflow impound lot currently housed on the adjacent DASH bus expansion land.</p>	\$509,220
<p>DASH Technology Program - Transit technology investments in the CAD portion of the AVL project, automated garage mapping systems, automated passenger counters, and a data management system used for operational data collection and reporting, including ridership and other performance metrics, NTD reporting, customer service and accident data. This system can vastly improve efficiencies and effectiveness for the continued DASH system-wide expansion and reporting management between ATC and the City.</p>	\$603,000
TOTAL	\$ 7,712,220

CAPITAL FUNDING

**BUS REPLACEMENT AND EXPANSION SCHEDULE
FY16 CIP PRELIMINARY SUBMISSION**

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023
1996 Gilligs – 4								
1998 Gilligs – 10								
1999 Gilligs – 5								
2000 Orions -10								
2002 Orions – 8	4							
2005 Orions – 14	3	8	3					
2007 Orions – 9			6	3				
2007 Gilligs – 4				3		1		
2011 Gilligs – 15						6	9	
2012 Gilligs – 10							3	7
2014 Gilligs – 7								
2015 Gilligs – 14								
Total Replacement Buses	7	8	9	6	0	7	12	7
Total Expansion Buses	3	6	6	6	17	6	2	0
Total Bus Purchase	10	14	11	12	17	13	14	6
Total Fleet Size	93	99	105	111	128	134	136	136

10 Buses	\$6,300,000
Auxiliary Equipment Included:	
Two-way Radios	
Spare Engines and Transmission	
Sub-Total	\$6,300,000
Contingency (3%)	\$200,000
Total	\$6,500,000

Revenue Vehicles and Related Equipment.....\$6,500,000

CAPITAL OUTLAY ITEMS

Maintenance Equipment and Tools.....\$20,000
 These items will increase safety and efficiency of ATC's in-house capabilities or replace existing equipment and tools that require replacement.

Computer Equipment.....\$30,000
 These items will upgrade existing computer hardware and software equipment.

Power train Rebuild.....\$286,000
 This item includes the full engine and transmission rebuild for seven 2007 Orion buses.

Non-Revenue Vehicle Replacement.....\$60,000
 Replaces three relief vehicles which will have met the replacement schedule.
 ATC uses 15 non-revenue vehicles to support its revenue operations. The vehicles and their uses are listed in the following table.

NON-REVENUE VEHICLES

Vehicle Number	Year	Model	Description	Use	Mileage	Condition	Replace in FY
9105	2009	Impala	Sedan	Relief	22,609	Good	2017
9106	2009	Impala	Sedan	Ops	18,172	Good	2017
9111	2000	Sierra	Pickup	Maint.	57,061	Good	2018
9112	1996	F-250	Pickup	Maint.	13,197	Good	2018
9113	2007	Malibu	Sedan	Relief	64,660	Poor	2016
9114	2003	Impala	Sedan	Relief	54,573	Poor	2016
9115	2006	Escape (H)	SUV	Ops/Supv	32,609	Good	2017
9116	2006	Malibu	Sedan	Relief	44,625	Poor	2016
9118	2012	Fusion (H)	Sedan	Admin.	8,362	Excellent	2020
9119	2012	Fusion (H)	Sedan	Admin.	9,973	Excellent	2020
9122	2014	Explorer	SUV	Supervisor	2,438	Excellent	2022
9123	2014	Explorer	SUV	Supervisor	4,666	Excellent	2022
9124	2015	Explorer	SUV	Supervisor	200	Excellent	2023
9125	2015	Impala	Sedan	Relief	200	Excellent	2023
9126	2015	Impala	Sedan	Relief	200	Excellent	2023

ATC's replacement schedule is consistent with the City's policy of retiring sedans after 8 years or 72,000 miles of operation.

TABLE 6

**ALEXANDRIA TRANSIT COMPANY
REVENUE VEHICLE INVENTORY
FISCAL YEAR 2016**

Vehicle Number	Year	Make	Mileage as of 10/31/2014
9034	1996	Gillig - 35'	373,764
9035	1996	Gillig - 35'	371,400
9036	1996	Gillig - 35'	371,280
9037	1996	Gillig - 35'	381,479
9054	1999	Gillig - 35'	405,186
9055	1999	Gillig - 35'	395,337
9056	1999	Gillig - 35'	391,765
9057	1999	Gillig - 35'	403,339
9058	1999	Gillig - 35'	417,127
9059	2000	Orion V - 35'	385,195
9060	2000	Orion V - 35'	403,520
9061	2000	Orion V - 35'	386,705
9062	2000	Orion V - 35'	369,703
9063	2000	Orion V - 35'	364,048
9064	2000	Orion V - 35'	401,467
9065	2000	Orion V - 35'	414,428
9066	2000	Orion V - 35'	417,024
9067	2000	Orion V - 35'	392,396
9068	2000	Orion V - 35'	398,170
9069	2002	Orion V - 35'	326,726
9070	2002	Orion V - 35'	339,352
9071	2002	Orion V - 35'	316,802
9072	2002	Orion V - 35'	342,058
9073	2002	Orion V - 35'	324,481
9074	2002	Orion V - 35'	295,793
9075	2002	Orion V - 35'	326,948
9076	2002	Orion V - 35'	334,897
9077	2005	Orion V - 35'	275,203
9078	2005	Orion V - 35'	259,819
9079	2005	Orion V - 35'	272,642
9080	2005	Orion V - 35'	261,102
9081	2005	Orion V - 35'	257,963
9082	2005	Orion V - 35'	253,223
9083	2005	Orion V - 35'	254,874
9084	2005	Orion V - 35'	265,495
9085	2005	Orion V - 35'	273,035
9086	2005	Orion V - 35'	234,563
9087	2005	Orion V - 35'	267,538

9088	2005	Orion V – 35'	199,913
9089	2005	Orion V – 35'	272,511
9090	2005	Orion V – 35'	262,762
9091	2007	Orion V – 35'	174,502
9092	2007	Orion V – 35'	193,477
9093	2007	Orion V – 35'	186,212
9094	2007	Orion V – 35'	180,491
9095	2007	Orion V – 35'	183,769
9096	2007	Orion V – 35'	185,195
9097	2007	Orion V – 35'	184,906
9098	2007	Orion V – 35'	175,617
9099	2007	Orion V – 35'	176,634
9100	2007	Gillig - 35'	193,244
9101	2007	Gillig - 35'	187,246
9102	2007	Gillig - 35'	190,679
9103	2007	Gillig - 35'	198,777
9200	2011	*Gillig LF - 35'	66,015
9201	2011	*Gillig LF - 35'	71,744
9202	2011	*Gillig LF - 35'	72,586
9203	2011	*Gillig LF - 35'	64,259
9204	2011	*Gillig LF - 35'	71,192
9205	2011	*Gillig LF - 35'	66,720
9206	2011	*Gillig LF - 35'	70,157
9207	2012	*Gillig LF - 35'	47,525
9208	2012	*Gillig LF - 35'	50,161
9209	2012	*Gillig LF - 35'	40,877
9210	2012	*Gillig LF - 35'	47,623
9211	2012	*Gillig LF - 35'	49,151
9300	2011	*Gillig LF - 40'	79,218
9301	2011	*Gillig LF - 40'	82,512
9302	2011	*Gillig LF - 40'	77,033
9303	2012	*Gillig LF - 40'	54,235
9304	2012	*Gillig LF - 40'	52,421
9305	2012	*Gillig LF - 40'	52,970
9306	2012	*Gillig LF - 40'	52,293
9307	2012	*Gillig LF - 40'	54,475
9400	2011	**Gillig LF - 29'	32,404
9401	2011	**Gillig LF - 29'	29,974
9402	2011	**Gillig LF - 29'	32,696
9403	2011	**Gillig LF - 29'	33,053
9404	2011	**Gillig LF - 29'	32,624

* Diesel-Electric Hybrid

** Diesel-Electric Hybrid Trolley Replica

PART III

FINANCIAL PROJECTIONS BEYOND 2016

OPERATING BUDGET

The operating budget projections for fiscal years 2017 and 2018 are based upon the following assumptions:

- DASH will initiate service to new development areas and increase frequencies on current routes to meet passenger demand and improve schedule adherence.
- A ridership increase of 10.1% is projected for FY 2017 and 7.3% increase for FY 2018 associated with the continual addition of expanded service and improvements to current service to meet urban transit standards.
- General operating costs will increase approximately 4% a year.
- Operating costs related to service expansion will increase 11.0% in FY 17 and 13.7% in FY 18.

TABLE 7

PROJECTED REVENUES AND EXPENSES BEYOND 2016

	FY2017	FY2018
TOTAL PASSENGERS	4,885,000	5,242,000
OPERATING MILES	2,215,000	2,514,000
REVENUE VEHICLES	93	99
REVENUE		
Passenger	\$6,110,000	\$6,560,000
Other	\$1,821,000	\$1,912,000
Total	\$7,931,000	\$8,472,000
OPERATING EXPENSES	\$19,786,000	\$23,290,000
NET TRANSIT SERVICE COST	\$11,855,000	\$14,818,000
OPERATING RATIO	40.1%	36.4%

CAPITAL REQUIREMENTS

Vehicle Replacement and Expansion Schedule Requirement

Bus replacement in 2017 and beyond will initiate and continue replacement of the 2005 Orion buses. ATC's replacement schedule for its revenue and non-revenue vehicles appears in Part II. Future expansion of service is outlined in Part IV of this document. Service expansion is planned but will require the return of DASH's planned expansion land for the storage of buses. DASH's expansion land is temporarily being used by the City for its overflow impound lot. The MOU between the City and ATC provides for the return of the land to ATC once the current facility cannot accommodate further expansion. The DASH facility is reaching its full capacity in 2015. ATC has included a capital funding request for storage and parking to accommodate the expanded fleet. The following table outlines the projected fiscally unconstrained DASH fleet that will be required to meet service needs in the future:

<u>Fiscal Year</u>	<u>Expansion Buses</u>	<u>Replacement Buses</u>	<u>Total Buses Purchased</u>	<u>New Total Fleet Size</u>
2017	3	7	10	93
2018	6	8	14	99
2019	6	9	15	105
2020	6	6	12	111
2021	17	0	17	128
2022	6	7	13	134
2023	2	12	14	136
2024	0	7	6	136
2025	0	9	9	136

PART IV

FARE AND SERVICE OPTIONS

FARES

The financial projections for fiscal years 2017 and 2018 (see Part III) assume no changes in the fare structure from fiscal year 2016.

SERVICE OPTIONS

The need for improving crosstown connections was first identified during DASH community planning meetings held in February 2006 and in subsequent public meetings. When the DASH system was originally designed, the City was not a major employment destination. Most of the original service was oriented toward serving Old Town and the City's Metrorail stations. Since that time, new employment and activity centers have been established as part of the new development areas. This has created the need for improved direct connections between these new development areas and other parts of the City.

Service frequencies will also need to be improved to bring service levels up to urban transit standards. Ridership growth has resulted in overcrowding on some trips. When service frequencies have improved to address the crowding, DASH continues to add new transit riders to the improved service.

Major developments are also planned for Potomac Yard, the Eisenhower Avenue corridor and the Landmark area. The new BRAC-133 development will place significant transportation demands on the City. The Mark Center Express service is only a small piece of future transit initiatives for that area. The demand for expanded DASH service and increased service levels will continue as these developments come on line, bringing more residents and workers to Alexandria.

In the near future, DASH will be integrating with City transitway facilities and services located along the Route 1, Duke Street, and Beauregard Street corridors. The Route 1 transitway will be the first of these high capacity corridors and is slated to open in late 2014. As each corridor comes online, ATC will evaluate improvements to DASH routes and service to coordinate and complement each high capacity corridor as needed.

NEW SERVICE

In 2012, Transportation Management & Design (TMD), initiated a Comprehensive Operational Analysis (COA) of the entire DASH system, with final stages of the study being completed in early 2014. Based on this information, ATC has developed preliminary short and long range service options to effectively meet the growing current and future transit markets. Both studies concluded that DASH is serving the existing markets reasonably well, but made two major service recommendations if DASH is to accommodate future demand and support the City of Alexandria's Eco-City Charter and Transit and Transportation Policies and Programs.

1. Most DASH routes should have a peak period service frequency of no more than 15 minutes, with an ideal peak frequency of 10 minutes. Currently DASH routes have a peak period service frequency between 20-30 minutes.
2. The restructuring and rebranding of existing AT2 and AT5 service operating between the King Street and Braddock Road Metrorail Stations to initiate an Old Town Circulator, along with, the introduction of circulator routes serving Eisenhower East and the Van Dorn area.

The COA compared macro-level projections based on historical and projected population, employment, and DASH ridership trends, and developed existing and potential alternative scenarios for DASH transit service. The analysis concluded that increasing transit demand in the City would require an expansion of the DASH system to an estimated 135 buses or more by 2025. The study concluded that that DASH expansion should primarily consist of:

- Increased peak period, off-peak, and weekend frequencies on current routes to meet increasing demand and to provide convenient connections to attract new riders on DASH and between all transit modes operating in and through Alexandria.
- The coordination of service levels of certain routes to adequate support and complement future high capacity transitway corridors.
- New circulator network in Van Dorn area
- New circulator network in Eisenhower East area
- The restructuring and rebranding of existing services in the Old Town area to form an Old Town Circulator.

FUTURE SERVICE EXPANSION

Over the next ten years, the DASH system will expand service and fleet requirements to meet the growing transit needs, spurred in part by major new and redevelopment throughout the City. Table 8 outlines the most updated expansion plan based on the recommendations of the 2014 COA. It is expected that this plan will be analyzed, evaluated, and updated each year as part of an ongoing transit needs assessment.

TABLE 8

ATC FY2016 - FY2025 Preliminary Long Range Expansion Plan

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2016	Old Town Circulator (Combined AT2/AT5) King Street Trolley All Week Headway Improvement	15	15		\$0	\$0	
		10		1			\$703,040
				4	\$430,852	\$319,921	\$2,812,160

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2017	AT1 Weekday Peak Headway Improvement	15		3	\$430,852	\$319,921	\$2,109,120
	AT1 Weekend All Day Service Improvement	30	30		\$243,653	\$152,189	
	AT8 Weekday Off-Peak Headway Improvement		15		\$608,157	\$540,992	
	AT8 Weekend All Day Headway Improvement	15/30	15/30		\$333,326	\$194,585	
	Eisenhower East Circulator - Weekday	10	15	3	\$600,892	\$529,977	\$2,193,485
				6	\$2,216,880	\$1,737,664	\$4,302,605

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2018	AT2 Weekday Peak/Off- Peak Headway Improvement	15	20	3	\$730,032	\$590,055	\$2,281,224
	AT5 Weekday Peak/Off- Peak Headway Improvement	15	20	3	\$1,467,584	\$1,284,759	\$2,281,224
	AT9 Sunday All Day Service Improvement	60	60		\$106,329	\$11,569	
	AT9 Weekend All Day Headway Improvement	30	30		\$134,059	\$51,453	
				6	\$2,438,004	\$1,978,511	\$4,562,448
Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2019	AT2 Weekend All Day Headway Improvement	30	30		\$157,180	\$55,416	
	AT3 Weekday Peak Headway Improvement	15		2	\$189,499	\$167,869	\$1,520,816
	AT4 Weekday Peak Headway Improvement	15		2	\$191,100	\$167,822	\$1,520,816
	AT5 Weekend All Day Headway Improvement	30	30		\$203,055	\$139,813	
	AT10 Weekday Peak Headway Improvement	15		2	\$246,140	\$207,515	\$1,581,649
				6	\$986,974	\$798,435	\$4,623,281

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2020	AT9 Weekday Peak Headway Improvement	15		3	\$861,984	\$771,344	\$2,467,372
	AT8 Weekday All Day Headway Improvement	15		(2)	(\$4,367)	(\$35,988)	(\$1,644,915)
	AT10 Weekend All Day Headway Improvement	30	30		\$43,790	\$39,979	
	Van Dorn Circulator Weekday	15	15	6	\$1,861,799	\$1,692,061	\$4,934,744
	Van Dorn Circulator Weekend	15	15		\$803,129	\$746,549	
	AT7 Weekday Restructuring			(1)	(\$229,506)	(\$210,966)	(\$822,457)
				6	\$3,336,830	\$3,002,979	\$4,934,744

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2021	AT8 Weekday All Day Headway Improvement	10	10	5	\$1,390,869	\$1,176,423	\$4,276,778
	AT8 Weekend All Day Headway Improvement	10/20	10/20		\$405,542	\$286,268	
	AT1 Weekday Peak Headway Improvement	10		3	\$526,524	\$428,056	\$2,566,067
	AT2 Weekday Peak Headway Improvement	10		3	\$438,965	\$366,041	\$2,566,067
	AT5 Weekday Peak Headway Improvement	10		6	\$946,680	\$853,156	\$5,132,134
				17	\$3,708,580	\$3,109,944	\$14,541,046

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2022	AT6 Weekday Peak Headway Improvement	10		2	\$278,835	\$239,695	\$1,779,140
	AT9 Weekday All Day Headway Improvement	10	10	4	\$1,388,101	\$1,236,897	\$3,558,280
				6	\$1,666,936	\$1,476,592	\$5,337,419

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2023	AT10 Weekday Peak Headway Improvement	10		2	\$287,949	\$251,384	\$1,850,305
				2	\$287,949	\$251,384	\$1,850,305

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2024	AT7 Weekday Off-Peak Headway Improvement		30		\$160,669	\$143,571	
				0	\$160,669	\$143,571	\$0

Fiscal Year	SERVICE	PEAK FREQUENCY	OFF-PEAK FREQUENCY	ADDITIONAL BUSES	ESTIMATED TOTAL COST	ESTIMATED SUBSIDY	ESTIMATED CAPITAL COST
2025	AT1 Weekday Off-Peak Headway Improvement		20		\$181,522	\$137,335	
				0	\$181,522	\$137,335	\$0