

**POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION**

RESOLUTION

MOTION: _____

RESOLUTION NO. 10-02-____

SECOND: _____

**OFFICIAL COMMISSION MEETING
FEBRUARY 4, 2010**

RE: FY 2011 STATE GRANT APPLICATIONS

WHEREAS, applications for FY 2011 state assistance were due by February 1, 2010; and

WHEREAS, it is timely to seek the Potomac and Rappahannock Transportation Commission's (PRTC) authorization to apply for such assistance at the PRTC's February meeting; and

WHEREAS, the PRTC has reviewed and supports management's proposals for FY 2011 state assistance as described in the accompanying memorandum.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to file an application to the Department of Rail and Public Transportation, Commonwealth of Virginia (hereafter referred to as the Department) and execute any related documents for grants of financial assistance in substantially the same form as outlined in management's memorandum accompanying this resolution, to defray eligible costs for public transportation purposes, and to accept from the Department grants in such amount as may be awarded.

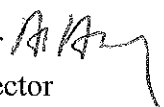
BE IT FURTHER RESOLVED that the Commission certifies that funds shall be used in accordance with the requirements of Section 58.1-638.A.4 of the Code of Virginia, that the Commission shall provide matching funds as required, that the records of receipts of expenditures of funds granted to the Commission may be subject to audit by the Department and by the State Auditor of Public Accounts, and that the funds shall be used for such purposes as authorized in the Code of Virginia.



Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

February 4, 2010

TO: Chairman May and Commissioners
FROM: Alfred H. Harf 
Executive Director
RE: FY 2011 State Grant Applications

Recommendation:

Authorize the Executive Director to submit the FY2011 state grant applications as proposed.

Background:

Each year PRTC applies for state assistance with the Commission's authorization. The application deadline was February 1st. As in years past, because the new fiscal year's budget proposal (in this case, FY 2011) is still in a formative state at the time of the February grant submission deadline, the state grant applications for the new fiscal year must be provisionally submitted with the understanding that: (1) the Commission's authorization is being sought soon thereafter; and (2) the submission is subject to the Commission's authorization.

The applications envisioned by PRTC's FY 2011 proposed budget are as follows:

- (1) Formula assistance. This is a recurring state grant covering specified, qualifying types of operating expenses, funded by the Commonwealth's Transportation Trust Fund (TTF). By statute, 73.5% of each year's TTF funding for transit is designated for formula assistance, and TTF funding has amounted to \$100-125 million per year all told in the past few years. VDRPT allocates funds by a percentage based on "formula-eligible" expenses and the amount of funding available. Allocations each year are based on actual expenses from two years earlier (e.g. the FY 2011 allocation is based on FY 2009 actuals). While the General Assembly has had a long-standing aim of funding 95% of eligible formula-related expenses, overall TTF funding available each year has been a limiting condition and thus the state's share of these eligible expenses has been substantially lower than 95%¹.

¹ Indeed, the state's deteriorating funding situation has necessitated an unprecedented action – a reduction, for the second year in a row, of current fiscal year (FY 2010) assistance from the award amounts approved this past summer, amounting to over \$300,000 for PRTC.

- (2) Capital assistance. The principal source of recurring, formula-driven state capital assistance continues to be the TTF (25% of each year's transit TTF total), though this is supplemented to the extent available by bond funds. As in the case of the formula assistance program, the General Assembly's stated intention is for the Commonwealth to shoulder 95% of eligible capital expenses, but actual awards have amounted to substantially less -- again because of overall resource imitations. DRPT allocates available funds among applicants based generally on a proportionate share of their eligible funding requests. Since the sum of the requests is not known until after all the grant applications have been submitted and compiled, the percentage of total eligible assistance borne by the state will also not be known until then.

Because PRTC's proposed FY 2011 budget is deliberately austere in light of local funding limitations, capital investments proposed as part of the budget are constrained. Specific requests are as follows:

- Buses Replacement/Expansion (total cost est. \$1.8 million). Management is requesting the state match to \$1.44 million of federal funds which will be used to acquire replacement buses for three retirement-age buses in the active fleet².
- Manassas Capital Lease for Park & Ride Lots (\$0.061 million). Recurring line item in the PRTC state capital assistance applications.
- City of Manassas Debt Service (\$0.225million). Debt service for Manassas VRE Station Parking Deck.
- Manassas Park Debt Service (\$0.003 million). Recurring line item in the PRTC state capital assistance applications.
- Prince William County Debt Service (\$0.395 million). Recurring line item in the PRTC state capital assistance applications.
- PRTC Administrative Capital (\$0.050 million). Funding for office equipment, computer hardware, and fencing.

² While PRTC has more than three retirement-age buses in the active fleet, only three are envisioned for replacement as part of the FY 2011 budget owing to the fact that federal formula funds are limited.

- Transit Center-related Repairs/Construction (\$0.450 million). Funds for replacement of failed concrete pads in the bus yard and correcting a sub-grade problem in employee lot.
 - Bus Shelter Related Capital Projects (\$0.266 million). Funding for bus shelter site design, construction and installation. The “enhanced bus shelter program” initiative has been a stated objective of the Commission since calendar year 2006.
 - Rehabilitate/Rebuild Buses (\$0.622 million). Funding for the MCI overhaul program, the line inspection for the MCI overhaul, and funding for power-train replacements (i.e., engines and transmissions for those buses that reach 300,000 miles), and extended warranties (engines only) on all buses.
 - Purchase Surveillance/Security Equipment (\$0.352 million). Funds will be used for a new facility access system and additional bus yard and employee lot CCTV cameras.
- (3) TDM/Ridesharing (\$150,000). This is a “continuation” program to sustain PRTC’s ridesharing and commuter assistance activities. The funding amounts to 80% of the eligible project costs.

Fiscal Impact:

Local matching funds for Formula Assistance, Capital Assistance, and TDM/Ridesharing Programs have been incorporated in the proposed FY2011 PRTC budget.