



Potomac and Rappahannock
Transportation Commission

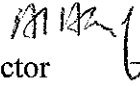
ITEM 12 - A

(29 PAGES)

14700 Potomac Mills Road
Woodbridge, VA 22192

January 3, 2008

TO: Chairman Jones and Commissioners

FROM: Alfred H. Harf 
Executive Director

RE: Monthly Report – January 2008

Happy New Year! Highlights of staff's efforts and other noteworthy developments in December 2007 follow:

1. Federal legislative developments. As detailed in APTA's December 18th *Legislative Alert* (attachment one), the Congress ultimately opted for an omnibus appropriations bill (i.e., the "Consolidated Appropriations Act, 2008") after concluding that the votes needed to override a Presidential veto (which was threatened if a discrete and larger transportation appropriation was passed) were not there. President Bush signed the omnibus bill in late December, so this is now a resolved issue. The "transit" element of the bill is substantially the same as the conferees' bill discussed in last month's report, though the amount of funding for bus discretionary and new starts is nominally lower than what the conferees envisioned and the earmarks made in the conferees' bill are lowered by 2%. Another point of interest is that the bill does limit the Administration's discretion to use un-earmarked funds in the bus discretionary pot for any "congestion reduction" initiative, remedying the problem highlighted last month that instigated the Commission's letter to the State's Congressional delegation urging that the appropriations bill be amended to avert the diversion of these funds.
2. APTA policy-making initiatives. I have been appointed to participate on two such policy-making initiatives with the PRTC Chairman's sanction: (1) the so-called *Vision 2050* initiative; and (2) the reauthorization task force. The first of these is already underway and I'm referencing it again here because of significant progress in December – white paper summaries of the three working groups ("Quality of Life; Sustainability; and Economic Development) were completed and a "drafting group" was named to produce a first draft of the *Vision 2050* paper for presentation to the *Vision 2050* Task Force in Orlando on January 26th (I am a member of the drafting group – the list of all drafting group members appears here as attachment two).

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Drafting group members had conference call discussion on December 13th about organizing principles, roles, and responsibilities, and to exchange views on what the general complexion of the paper should be. Actual drafting is now underway, following a second conference call discussion to critique a detailed outline. The ultimate aim is a paper (and perhaps collateral materials like a presentation and video) that the APTA membership can adopt at the 2008 APTA annual meeting in San Diego (October 2008) as an expression of the Association's long-term transit aspirations ("vision") by 2050. The *Vision 2050* product is also intended to dovetail with the reauthorization product I'll be discussing next, since the next reauthorization is seen as the first of a succession of authorizations that APTA's members hope will permit the realization of the *Vision 2050* aims.

The reauthorization task force was named in December and will be meeting for the first time in Orlando on January 25th to organize the effort (see attachment three). Led by three co-chairpersons named by APTA's 2008 Chairman Michael Townes (i.e., WMATA's John Catoe, San Monica's Stephanie Negriff, and one of APTA's business members Alan Wulkan), the task force's aim is to ready reauthorization recommendations in time for the APTA membership's adoption at the October 2008 San Diego meeting so it can be presented to Congress in January 2009 (see APTA's reauthorization timetable; attachment four). This target dovetails with the anticipated schedule for Congress's reauthorization deliberations, since SAFETEA-LU expires in September 2009 (assuming that the "Highway Trust Fund insolvency" problem discussed in previous reports is solved).

3. Bus yard expansion construction. The start of construction has been delayed further by the discovery of an unrecorded gas line under the bus yard and extending under an embankment that will be replaced with a retaining wall to expand that side of the yard. Test borings to confirm its exact alignment have been completed and the gas company will be readying a relocation plan and cost estimate for PRTC's acceptance so the gas company can undertake the relocation work thereafter. Current expectations are that this will occur in February. In the meantime, PRTC's contractor (Finley) envisions starting work outside the limits of the gas line relocation in January. While the project has a "four-month" duration, the "gas line relocation" complication and inclement weather conditions are certain to extend time necessary to complete it. Commuter parking accommodations will not be shifted until Finley needs to access the existing employee parking lot, with advance notice to commuters of not less than a week.

Chairman Jones and Commissioners

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4. Fuel tax. The proposed Tax Code change has been put into legislative form by the Office of Legislative Services; the language is identical to the draft produced by Angela Horan and Bernadette Peele. Incoming PRTC Chairman Frank Jones has communicated the PRTC Board's intentions to the Administration (attachment five), expressing our willingness to confer further in an effort to resolve our concern administratively. No reply has been received as yet.
5. Self-cleaning bathrooms. The foundations for the bathrooms were completed in December, and the bathroom structures are expected to be installed in early January. County inspections will be necessary thereafter, with the bathrooms becoming operable as soon as those inspections have been completed to the County's satisfaction.
6. HOT lanes. Work on the I-395/I-95 HOT lanes transit service plan was virtually completed during December, and a presentation is planned for the January Commission meeting. Also planned for this month's meeting is a presentation by the HOT lanes project team (VDOT in partnership with Fluor / Transurban).
7. "Revenue room" remedial action planning. Progress on the remedial action plan continued in December. On December 11th, PRTC management provided reactions to First Transit's draft procedures (attachment six), noting the progress made and the work remaining to complete what is envisioned by PRTC's "procedures" list (attachment seven). It is also noteworthy that liquidated damages relative to the revenue room have plummeted over the past couple of months, a very tangible indication of progress.
8. First Transit reorganization. As the Commission knows, First Transit's British owner's (First Group) acquisition of Laidlaw was finalized after the Security and Exchange Commission (SEC) approved the purchase. The acquisition was the impetus for a reorganization of First Group's US subsidiary (First Transit) and, as a result, First Transit's on-site management at PRTC now has a different reporting relationship on the First Transit side. Incumbent Regional Vice President Dave Hines (who has been present at several of PRTC's Board meetings) is retiring and his responsibilities have been altered for the several months he will remain in First Transit's employ before retiring. He has been replaced by Tom Cain, who was promoted to Regional Vice President after serving in a "Director of Operations" position for First Transit providing operations management support. A memorandum outlining the reorganization authored by Senior Vice President Brad Thomas appears here as attachment eight, and Tom has already been to PRTC on several occasions to introduce himself and get fully acquainted with the operation.

Chairman Jones and Commissioners

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9. PRTC Board appointments. Speaker William Howell informed me that he has appointed Delegate Miller as Mrs. McQuigg's successor. The appointment was earlier than customary in light of Mrs. McQuigg's resignation from the General Assembly, timed to enable Delegate Miller to attend PRTC's January meeting.
10. Interactive Voice Response (IVR) phone system enhancement. Internal pilot testing of the new IVR enhancement was substantially completed this past month, resulting in minor "tweaking" of the message routing and message formatting configurations. Pilot testing by a select group of customers is now underway and, barring any unforeseen complications, IVR should go live in February. Implementation is being done incrementally as discussed in previous reports, so we can be sure that it is working as planned and adjustments can be made as necessary.
11. Farebox/SmarTrip Card – further developments. PRTC learned this month that the software residing in the new fareboxes requires re-programming to "read" the newly designed five dollar bill that the U.S. mint is rolling out on March 13th. As described in the letter appearing here as attachment nine, GFI (the farebox manufacturer) has proposed two alternative "fixes"-- one to remedy the "five dollar bill" problem only and the other to insure that the same problem will not recur when other, newly designed bills the U.S. Mint is reportedly planning for later on get into circulation. The lesser of the two "fixes" has a cost of \$64 per farebox (or about \$8K for our fleet) while the more lasting "fix" has a cost of \$380 per farebox (or about \$44K for our fleet). Management is doing further fact-finding before deciding on a course of action, though our predisposition is to pursue the more lasting fix. In either case, the mid-year budget revision that the Board will be asked to approve at the February meeting will account for the expense. No Board action on the "fix" itself is necessary since the magnitude of the expense is less than the spending authority the Board has delegated to the Executive Director.
12. PRTC website – redesign. Work on the web-site redesign is well underway, and management is aiming to demonstrate it at either the March or April Commission meeting. The re-design is intended to make the site fully ADA-compliant, improve its functionality, and update its appearance.
13. Marketing Department efforts.

Rider Express

- 4960 subscribed addresses – 185 new subscribed addresses;
- Sent messages to inform customers of:

- Activation of Emergency Service Plan (ESP) for National Tree Lighting Ceremony
- New bike racks on local and Metro-Direct buses
- Time to review and become familiar with winter weather ESP
- Christmas and New Year's Holiday service
- Temporary phone system outage for system upgrade

Website (www.PRTCtransit.org)

- Posted service update notices for items sent as *Rider Express* messages;
- Posted additional service update notices for:
 - NVTa Public Hearing announcement
 - Extension of PM Manassas OmniRide trip to ease overcrowding
 - Monthly Commission Meeting notice
- Working with Web Contractor to redesign and overhaul website – addressing ADA compliance, improving functionality, and adding new features;
- Performed general site maintenance.

Brochures/Schedules

- Distributed bulk schedules to 14 outlets;
- Produced and distributed instructional brochure for new bike racks;
- Drafting instructional brochure for SmarTrip activation.

Advertising and Media Relations

- Produced on-board notices for:
 - Detours resulting from Dumfries Holiday Parade
 - Christmas and New Year's holiday service
 - Extension of PM Manassas OmniRide trip
 - Announcing availability of 07-08 ESP brochure
- Continuing monthly advertising as designated in FY 2008 Media Plan;
- Wrote new messages for McCoart Complex marquee display;
- "Welcome to the Neighborhood" mailings resumed – packets mailed to 455 new homeowners ;
- Investigating participation in "Hometown Greetings" – program that offers in-home visits to new homeowners to introduce them to community services;
- Wrote and distributed news releases announcing installation of new bike racks.

Community Outreach

- Public Relations Specialist Made four presentations over two days to a total of 42 special education students and eight teachers at Freedom High School;
- Public Relations Specialist networked with business community at PW Regional Chamber non-profit showcase event.

Miscellaneous Activities

- Attempting to coordinate a "PRTC Day for General Assembly" in Richmond, as suggested by Delegate Lingamfelter;
- Organized participation in annual Un-Trim-A-Tree program – donated two gifts each for eight children (in three families), nine senior baskets and diapers for Resource Mother's Program;
- Finalizing new design for bus stop signs – analyzing production and installation costs and readying installation plan;
- Worked with design contractor to create a coloring and activity book that will be incorporated into our Youth Outreach program – continuing to develop plans for teen component;
- Updated board room bulletin board display.

14. Customer Service and Dispatch Stats from November 25 - December 22

- Handled 8,131 calls;
- Replied to 73 e-mail requests for transit information;
- Returned 168 voice mail messages for transit information;
- Assembled and mailed 28 requests for New Rider Kits and another 316 requests for schedules and brochures;
- Rideshare Specialist participated in several activities this month, including:
 - An Employer Services update conference call with UrbanTrans, our contractor, and COG staff;
 - Recent Employer Service activities in Prince William County including: General Dynamics looking into establishing shuttle service to/from VRE stations and developing a vanpool program for employees, American Public University and Comcast considering formal telework programs, Sam's Club and Costco considering a transit benefit program, and ongoing efforts to coordinate a "Live Near Your Work" event with Prince William County's Economic Development Department;
 - A Northern Virginia TDM Stakeholders Group meeting to discuss the current Employer Services program and suggested changes to current

- practices that would continue to provide COG with the information necessary for air-quality conformity analysis while lessening the reporting burden on local programs;
- Review of the upcoming Commuter Connections Marketing campaign to provide suggestions for the development of future campaigns;
 - Attendance at a Fort Belvoir – BRAC Open House, an informational program for current and prospective employees of the base affected by the upcoming BRAC changes;
 - Met with representatives from VDOT and HNTB Corporation to discuss the siting and development of a Park and Ride facility in the Haymarket area. This was a kick-off meeting to discuss development schedules and data needs for the study;
 - Attendance at a Commuter Connections Ridematching Committee meeting. to discuss the on-going TDM Software System Project including a review of new enhancements to the ridematching features, the results of recent field testing, the migration of data from the current system to the new system, and a schedule for system roll-out to client sites (PRTC will be among the first jurisdictions to participate in the data migration and the system roll-out; user training for the new system is scheduled for March 4th, 2008); and
 - Participation in a conference call with representatives of VDRPT, George Washington Regional Commission (GWRC), Cambridge Systematics, and LDA Consulting to discuss prospective TDM programs for possible inclusion in the I-95/395 HOT Lanes transit plan and finalize recommendations.

Naturally, staff and I would be pleased to respond to any questions this report may prompt.

Attachments: As stated

From: APTA Legislative Update [legislativeupdate@apta.com]
Sent: Tuesday, December 18, 2007 4:33 PM
To: Alfred Harf
Subject: APTA Legislative Update-December 18, 2007

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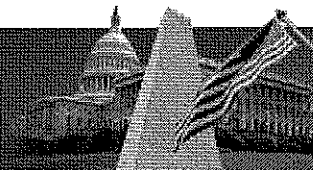
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<http://www.commpartners.com/website/white-listing.htm>



LEGISLATIVE Alert

AMERICAN PUBLIC TRANSPORTATION ASSOCIATION



December 18, 2007

Congress and President Reach Tentative Agreement on FY 2008 Spending Levels – Congress to Consider Omnibus Appropriations Act This Week- \$9.4 Billion Proposed for Transit - \$400 Billion for Transit Security

BREAKING NEWS-

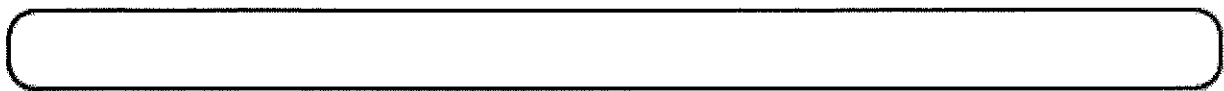
Late Sunday night, Congressional leaders released the text of the "Consolidated Appropriations Act, 2008" - the long expected Omnibus package that provides appropriations for non-defense federal programs for the 2008 fiscal year, that began on October 1. The legislation is the result of a compromise reached last week between Congress and the White House on overall spending limits for the year. The Omnibus bill provides \$517 billion for federal programs in Fiscal Year (FY) 2008, including \$9.387 billion in new budget authority for transit. The House of Representatives approved the bill late last night. The Senate will take up the bill today, where it is expected to add an additional amendment to provide funding for the Iraq war effort. The amended bill will then have to be sent back to the House for final approval, and then sent to the President for his signature. Final approval of the legislation is expected by the end of this week.

The transit title of the Omnibus bill closely resembles the Conference Report for the FY 2008 Transportation, and HUD (THUD) Appropriations bill, approved by the Appropriations Committee and passed by the House last month, with some modifications. APTA has done this preliminary analysis based on available information. The \$9.387 billion in new budget authority for transit is a \$412 million increase over last year's amount. While this is 4.6 percent above last year's level, most programs, including formula grants, are increased by approximately 7 percent. During final negotiations on the budget, the Bus and Bus Facilities Programs was reduced by \$44.8 million compared to 2007. The legislation provides \$1.569 million for the New Starts Program, a \$3.1 million increase from last year, but \$131 million below the authorized level.

The legislation largely preserves the New Starts and Bus and Bus Facilities Program earmarks that were provided in the THUD Conference Report, subject to a 2 percent "across-the-board cut." The legislation also includes a provision, similar to language that was in the THUD Conference Report, limiting the Federal Transit Administration (FTA) from spending more than 10 percent of unallocated Bus and Bus Facilities Program funds on any DOT congestion reduction initiative. The language was amended to extend the limitation to any new congestion related programs created by Department of Transportation (DOT). The bill also includes language from the THUD Conference Report that prevents the FTA from implementing the final rule on the New Starts/Small Starts Program.

Within the Homeland Security title of the Omnibus legislation, \$400 million is provided for public transportation and rail security assistance. This was the same funding level as approved by both the House and the Senate earlier this summer. This represents a \$125 million increase over last year's funding level for transit and rail security.

A more detailed analysis of the legislation will be provided upon final approval, which is expected later this week. For more information on the FY 2008 Consolidated Appropriations Act, please contact Paul Dean of APTA's Government Affairs Department at (202) 496-4887 or email pdean@apta.com.



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From: TaNeesha Johnson [TJohnson@apta.com]
Sent: Friday, December 14, 2007 2:25 PM
Cc: Govt_Affairs; Nancy Steckel
Subject: APTA Authorization Task Force Meeting Memo, January 25, 2008
Importance: High
Attachments: taskforce mt memo 12508 electronic.doc

Members of the Authorization Task Force: On behalf of John Catoe, Stephanie Negriff, and Alan Wulkan, who have agreed to serve as co-chairs of APTA's Authorization Task Force, I thank you for volunteering to serve on the task force. I have attached a meeting memo for the meeting that will be held in Orlando on Friday, January 25, 2008, just before APTA's Transit CEO's Seminar. The meeting memo provides more details about the upcoming meeting, including hotel information. I know that the co-chairs look forward to advancing this important effort and appreciate your willingness to participate. If you have questions, please contact TaNeesha Johnson of APTA's Government Affairs Department, whose contact information is listed on the meeting memo. Thanks, Rob Healy

Robert Healy

All opinions expressed are personal and do not necessarily reflect official APTA policy.



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TO: APTA Authorization Task Force Members

FROM: Stephanie Negriff, John Catoe, and Alan Wulkan
Task Force Co-Chairs

DATE: December 14, 2007

SUBJECT: **JANUARY 25, 2008 TASK FORCE MEETING, ORLANDO, FL**

We are pleased to announce that the APTA Authorization Task Force will meet on Friday, January 25, 2008, in Orlando, Florida, just prior to APTA's Transit CEO Seminar. The meeting is scheduled for 8 a.m. to 4 p.m. at "Motion" in Downtown Disney's Pleasure Island. Motion is less than a 10 minute walk from the Hilton at Walt Disney World Resort. We will provide more detailed directions when we send out material in advance of the meeting.

At this first meeting of the task force we plan to review the status of the federal transit program and the process we hope to use to develop recommendations. We hope to use a facilitator to get your ideas in advance of APTA's March Legislative Conference in Washington, D.C., and to discuss the context in which the authorization debate will occur (i.e. the status of climate change and energy legislation). We plan to develop background materials for our discussions that will be sent out in advance of the meeting.

For room reservations call the Hilton at Walt Disney World Resort at (407) 827-4000 and ask for the "APTA room block." We have a limited number of rooms today at the Hilton, but expect to pick up additional rooms by early next week. If you are unable to reserve a room for Thursday, January 24 at the Hilton you can call the Royal Plaza Hotel at (407) 828-2828 or the Doubletree at (407) 934-1000, both of which are located near the Hilton. We do not have a room block at either of these hotels but we do expect to pick up more rooms at the Hilton, so please try the Hilton early next week. The room block at the Hilton expires on **Friday, January 4**. There are plenty of rooms available at the Hilton beginning on Friday, January 25, if you plan to attend the Transit CEO Seminar.

We appreciate your interest in APTA's Authorization Task Force and intend to work closely with the APTA Legislative Committee as we develop recommendations that the industry can submit to Congress to guide its development of legislation governing the federal transit program when the current SAFETEA-LU law expires on September 30, 2009.

If you have questions on any aspects of the upcoming meeting, please contact TaNeesha Johnson of APTA's Government Affairs Department at (202) 496-4892 or email tjohnson@apta.com. We look forward to seeing you in Orlando.

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First Vice Chair
Beverly A. Scott

Secretary-Treasurer
Michael J. Scanlon

Immediate Past Chair
Howard Silver

Vice Chairs
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Rail Transit
Joyce Olson Eleanor
Bus and Paratransit Operations
Kirt R. Green
Business Member-at-Large
Deion Hampton
Business Members
Linda Bohlinger
Research and Technology
Jeanne Kiteg
Human Resources
Angela Iannuzziello
Canadian Members
Hugh A. Mose
Small Operations
David Solow
Commuter and Intercity Rail

President
William W. Millar

APTA Authorization Timeline

Statement of Purpose: The purpose of this timeline is to guide APTA Leadership, Members and staff through the process of developing recommendations for the next authorization of transit law. The current law, SAFETEA-LU, expires on September 30, 2009.

2008

2007

	November	December	January	February
Activity				
Meetings/ Conference Calls	<ul style="list-style-type: none"> -Legislative Steering Committee Mtg.- 11/29 (Washington, DC) -Legislative Committee Mtg. - 11/30 (Washington, DC) 	<ul style="list-style-type: none"> -Steering Committee Conference Call -Task Force Conference Call 	<ul style="list-style-type: none"> APTA Transit CEO's Seminar - 1/26-1/29, Orlando, FL Task Force Meeting 1/25 - Orlando, FL 	<ul style="list-style-type: none"> -Subcommittee/Task Force Working Group Conference Calls
Task Force/ Committee Actions	<ul style="list-style-type: none"> -Develop authorization procedures; -Discuss draft reauthorization principles & process; 	<ul style="list-style-type: none"> -Finalize Authorization Process -Initiate Member survey on authorization issues 	<ul style="list-style-type: none"> -Develop Authorization Principles document -Distribute issues chart for review & recommendations -Assign Issues to Subcommittees or working groups 	
Congressional/ Administration Action		<ul style="list-style-type: none"> -Congress Adjourns for 2007 	<ul style="list-style-type: none"> -Congress Returns for 2008 session -National Surface Transportation Policy and Revenue Commission Report due to Congress 	<ul style="list-style-type: none"> -Possible SAFETEAU-LU Corrections bill introduced (this or other legislation may include transportation trust fund fix) -National Surface Transportation Financing Commission Hearing, 2/21, Phoenix, AZ (Bill Millar to participate, Lee Sander presentation on 2050 visioning process)

2008

Activity	March	April	May	June
Meetings/ Conference Calls	<ul style="list-style-type: none"> -Legislative Conference, Washington, DC, 3/9-3/11 -Task Force Meeting – Washington, DC, 3/8 -Legislative Committee Meeting – Washington, DC, 3/8 	<ul style="list-style-type: none"> -Subcommittee/Task Force Working Group Conference Calls 	<ul style="list-style-type: none"> -APTA Bus & Paratransit Conference Roadeo, 5/3-5/7, Austin, TX (possible Task Force Meeting) 	<ul style="list-style-type: none"> -APTA Rail Conference, 6/1-6/4, San Francisco, CA (possible Task Force Meeting)
Task Force/ Committee Actions	<ul style="list-style-type: none"> -Subcommittees/Task Force Working Groups develop authorization recommendations -Legislative Committee receives and approves authorization principles 	<ul style="list-style-type: none"> -Subcommittees/Task Force Working Groups develop authorization recommendations 	<ul style="list-style-type: none"> -Subcommittees/Task Force Working Groups refine authorization recommendations 	<ul style="list-style-type: none"> -Subcommittees/Task Force Working Groups refine authorization recommendations -Task Force approves draft authorization recommendations -Possible SAFETEA-LU Hearings
Congressional/ Administration Action		<ul style="list-style-type: none"> -Possible SAFETEA-LU Hearings 	<ul style="list-style-type: none"> -Possible SAFETEA-LU Hearings 	

2008

Activity	July	August	September	October
Meetings/ Conference Calls	<ul style="list-style-type: none"> -APTA Board Members Seminar, 7/19-7/22, Seattle, WA -APTA Sustainability & Public Transportation Workshop, 7/27-7/29, Chicago, IL (possible Task Force meetings) 	<ul style="list-style-type: none"> -APTA State Public Transit Partnerships Conference, 8/5-8/7, Providence, RI (possible Legislative Committee meeting) 		<ul style="list-style-type: none"> -APTA Annual Meeting & International Public Transportation Expo, 10/5-10/8, San Diego, CA -Task Force Meeting -Legislative Committee Meeting -Executive Committee & Board of Directors approve final authorization recommendations
Task Force/ Committee Actions	<ul style="list-style-type: none"> -Draft authorization recommendations delivered to Legislative Committee for review and comment 	<ul style="list-style-type: none"> -Legislative Committee approves final authorization recommendations 	<ul style="list-style-type: none"> -Authorization recommendations delivered to Executive Committee and Board of Directors for review and comment 	
Congressional/ Administration Action	<ul style="list-style-type: none"> -Possible SAFETEA-LU Hearings 	<ul style="list-style-type: none"> -Congressional Recess 	<ul style="list-style-type: none"> -Possible SAFETEA-LU Hearings 	<ul style="list-style-type: none"> -Congress Adjourns for Elections

2009

2008

	November	December	January	February
Activity Meetings/ Conference Calls		-Legislative Committee Meeting, Washington, DC		
Committee Actions		-Publish final authorization recommendations -Present authorization recommendations to Congress	-Present authorization recommendations to Congress	-Present authorization recommendations to Congress
Congressional/ Administration Action	-Presidential & Congressional Elections	-Congressional Recess		-Administration Authorization Proposal

2009

Activity	March	April	May	June
Meetings/ Conference Calls	- APTA Legislative Conference, Washington, DC - Legislative Committee Meeting			
Committee Actions	- Present authorization recommendations to Congress	- Legislative Committee Member advocacy of authorization recommendations	- Legislative Committee Member advocacy of authorization recommendations	- Legislative Committee Member advocacy of authorization recommendations
Congressional/ Administration Action	- Potential Hearings on Administration Authorization Proposal - Potential Congressional authorization proposals	- Potential Hearings on Administration/Congressional Authorization Proposals	- Potential Hearings on Administration/Congressional Authorization Proposals	- Potential Hearings on Administration/Congressional Authorization Proposals

2009

Activity	July	August	September	October
Meetings/ Conference Calls				
Committee Actions	-Legislative Committee Member advocacy of authorization recommendations	-Legislative Committee Member advocacy of authorization recommendations	-Legislative Committee Member advocacy of authorization recommendations	-Legislative Committee Member advocacy of authorization recommendations
Congressional/ Administration Action				-SAFE TEA-LU Expires

From: Alfred Harf
Sent: Tuesday, December 18, 2007 8:27 AM
To: Badger, Chip; Benson, Jean; Caddigan, Maureen; Covington, Wally; Dixon, Marvin; Dudenhefer, Mark; Hill, Corey; Jenkins, John; Jones, Frank; Kelly, Matthew; LaMarca, Peter; Lasch, Lorraine; Lingamfelter, Scott; Milde, Paul; Nohe, Martin; Parrish, Hal; Preli, Sorine; Puller, Toddy; Rodenberg, Phillip; Schwartz, George; Stewart, Corey; Stirrup John; Tucker, Matthew; Waldron, Douglas; Wren, Bill; Wren, William R.
Cc: Angela Horan (ahoran@pwcgov.org); Peele, Bernadette; Joyce Embrey
Subject: Letter to the Commonwealth's Secretary of Finance Jody Wagner re. PRTC's motor fuels tax concerns
Attachments: Wagner communication about consultation 12-18-07.doc

With PRTC Chairman-elect Frank Jones' concurrence, the attached letter is being mailed / faxed to Secretary Wagner today to advise her that:

1. PRTC is unhappy about Taxation's unwillingness to consult with PRTC on motor fuels tax collection disputes; and
2. PRTC is prepared to seek a Tax Code change designed to compel such consultation if necessary.

The letter concludes by appealing to her to intervene, seeking a mutually acceptable resolution without the need for legislative action.

The idea of a letter like this being sent to the Administration was discussed at previous Commission meetings, but there wasn't a clear resolution about whether to do so. It seemed to me that this would be prudent, so I took up the question with Chairman-elect Jones and he agreed. The letter has two aims:

1. Make a last-ditch effort to see whether our concern can be resolved administratively, without the need for a Code change; and
2. In the event an administrative remedy is not possible and we press forward with the proposed legislative change, mitigate the damage this could cause to our relationship with Taxation by having communicated our intent before-the-fact.

December 18, 2007

Ms. Jody M. Wagner
Secretary of Finance
Commonwealth of Virginia
P.O. Box 1475
Richmond, VA 23218

Dear Secretary Wagner:

I am writing you to express a continuing concern that the Potomac and Rappahannock Transportation Commission (PRTC) has about the Department of Taxation's views on one of the 2% motor fuels tax issues brought to your attention back in May of this year. Taxation's stated position on this one issue is sufficiently troubling to cause the PRTC Board to contemplate the pursuit of a proposed Tax Code amendment in the upcoming General Assembly session, seeking what PRTC had hoped to accomplish on a negotiated basis with your Department. Valuing our professional relationship as we do, however, I wanted to make you aware of our intentions and invite further discussion about whether we might be able to resolve this to our mutual satisfaction without a public airing of the concern via the legislative process.

I have enclosed a copy of the proposed Code change and what follows is further elaboration of the concern giving rise to this.

As you know, the Department of Taxation and the Potomac and Rappahannock Transportation Commission (PRTC) have been conferring for a number of months about Taxation's collection and enforcement practices pertaining to the 2% motor fuels tax. These discussions began back in May of 2007 at a meeting PRTC requested with you and your staff, during which PRTC's outgoing Chairman Gibbons, PRTC's Executive Director, and PRTC's Legal Counsel expressed a variety of concerns about collection and enforcement practices. Following that meeting, our respective staffs have been working through the issues, and I'm pleased to inform you that there has been significant progress on rectifying "collection" concerns. Regrettably, however, there has been no discernible progress with regard to the "enforcement and dispute resolution" concerns we expressed back in May, because Taxation staff has simply spurned PRTC's expressed desire to be consulted on the questions of whether a settlement is apt and what the magnitude of a prospective settlement should be.

By Taxation staff's telling, such consultation would be impractical, and would set an unworkable precedent that others (who are pass-through recipients of tax revenue Taxation collects on their behalf) could then demand. PRTC representatives have repeatedly pointed out that the loss exposure is PRTC's, not Taxation's, so we have a

Secretary of Finance Jody Wagner
December 18, 2007
Page 2

direct and vital interest in seeing to it that collections of such tax obligations are maximized. Moreover, PRTC bears the cost of collections and enforcement, so the tradeoff between the cost of prosecution and the "cost" of settlement (i.e., tax revenue foregone) is a risk management issue that impacts PRTC's "bottom line" directly.

So my question to you is "can we negotiate a resolution of this concern without resorting to the legislative process?"

Sincerely,

Original signed by [Signature] on behalf of Chairman Jones

Frank C. Jones
PRTC Chairman-elect

Enclosure: as stated

Copy (with enclosure) to:

PRTC Board Members

TO: Brad Thomas
Senior Vice President, First Transit

FROM: Alfred Harf
PRTC Executive Director

DATE: December 11, 2007

RE: Revenue Room Procedures

PRTC management has reviewed First Transit's November 16, 2007 "Revenue Room Procedures" submission and our reactions are the subject of this email transmission. While the submission is still far from a finished set of products, we are heartened by the considerable progress made with regard to the revenue room and cash handling since Ms. Gath's arrival. This progress is evident in the submission and in the dramatic reduction of assessed administrative liquidated damages (LDs) -- revenue room assessed LD's for November 2007 will not exceed \$405 and may be even less than that pending additional research by First Transit. Your staff is to be commended for their fruitful efforts.

Now we need to build on this auspicious start, supplementing and fine-tuning the initial products as detailed in the balance of this communication. First Transit's "Response and Action Plan" for revenue room and cash handling included a revised draft of Cash Farebox Handling Policies and Procedures. We anticipate that a revised set of procedures will ultimately be married with the policy guidelines previously submitted to arrive at a finished product.

Using the matrix of "First Transit Reports and Reconciliations" we provided on 10-18-07 as a point-of-departure, we've summarized our reactions to the 11-16-07 submission below and have attached an annotated version of the Revenue Room Procedures document to provide additional feedback. Before "getting into the specifics", one general comment: documentation of procedures not only provides evidence of sanctioned accounting controls and processes; it also assists employees by providing a "recipe" for completing tasks as intended and in a consistent manner. As such, First Transit may wish to consider structuring the procedures document in a step-by-step format to facilitate ease of utilization.

1. Tracking

a. Ridership, by trip, route and by service type

The 11-16-07 submission contains no tracking information as defined in the matrix. PRTC is aware that such tracking is taking place (by Fred Trace via imports from CUBIC to TransTrack) and that perhaps the scope of the 11-16-07 submission was limited to First Transit's perception of activity immediately confined to the revenue room. However, in order to successfully meet all reporting requirements identified in the "First Transit Reports and Reconciliations", certain procedures relating to the revenue room (primarily passenger count, probe and dispatch control log reconciliations) also need to be addressed within the procedures.

Define Fred's process of reconciling passenger counts and include related report samples. Ensure that the process will meet the requirements of daily, weekly, monthly and annual reporting. What are the procedures for sharing this information between First Transit and PRTC (i.e. TransTrack)?

b. Revenue, by trip, route and by service type

The 11-16-07 submission contains no tracking information as defined in the matrix. A customized CUBIC farebox report is currently in process to allow reporting at detail and various "roll up" levels. A mock up of the anticipated report will be distributed by PRTC's Accounting and Budget Manager for input by all pertinent parties by December 31st. Procedures will be updated by First Transit upon completion of the customized report.

2. Logs

a. Transfers between First Transit/Loomis, by revenue service date

Substantially complete; see "comment" entries in the attached annotated version of the 11-16-7 submission.

b. Probe, by revenue service date and by calendar date

The 11-16-07 submission contains no log information as defined in the matrix.

3. Reconciliations

a. Probe – by trip

The 11-16-07 submission contains no probe-by trip reconciliation as defined in the matrix.

As noted under tracking, PRTC is aware that First Transit is performing certain reconciliations in reviewing ridership data, and to a limited extent, probe data is reconciled in reviewing ridership data. Procedures for reconciling the probe log to TransTrack and CUBIC are critical to a number of reconciliations; we understand that First Transit is diligently creating a process and simultaneously working with PRTC and WMATA to resolve discrepancies noted between certain CUBIC reports.

b. Farebox revenue – by trip, route and service type

Although briefly mentioned in the 11-16-07 submission, procedures and template are not provided. As noted under Tracking (second bullet item), a mock up of an anticipated report (to facilitate tracking and reconciliation) is in process by PRTC's Accounting and Budget Manager for input by all interested parties, and First Transit will follow up with documentation of procedures.

c. Tokens returned from Loomis – by vaulted cashbox date

The 11-16-07 submission does not contain a reconciliation of tokens to CUBIC data as defined in the matrix. Following our preliminary meeting for "First Transit Reports and Reconciliations", we have determined that the R411 CUBIC report may not be the definitive data necessary for this reconciliation. A joint effort is currently in process to resolve questions re: appropriate CUBIC reporting to utilize.

d. Advanced sales – by trip, route and service type

The 11-16-07 submission contains procedural information that has clearly impacted the accuracy and timeliness of advanced sales reconciliations. However, the submission does not address the dispatch control log reconciliation and the interaction between the revenue room and dispatch when the log doesn't reconcile.

First Transit has readied itself to develop the procedures and templates required to meet the reporting requirements specified in the matrix. Procedures and template are needed.

e. Revenue – ridership analysis

The 11-16-07 submission does not address this reconciliation as defined in the matrix. This reporting and analysis is arguably the most important of all the tracking and reconciliation tasks that First Transit is responsible for. Ultimately, the tracking and reconciliations of ridership and revenue (both highly dependent upon a reconciliation of probed buses) will lend itself to the revenue ridership analysis. Template and procedures need to be defined, including source and analysis of data, and frequency and process of report distribution.

f. Over/short – cumulative

Template and procedure substantially completed.

g. MetroChek submission to WMATA

Template and procedure substantially completed.

h. Token Inventory, Physical Count

Template and procedure substantially completed. As indicated in the annotated version of the Revenue Room Procedures document, additional clarification may be helpful.

On December 6, 2007, PRTC's Board of Commissioners authorized the activation of the SmarTrip reader on-board PRTC's buses to occur on March 3, 2008. This activation will trigger farebox reprogramming, the phase in of SmarTrip cards, transition periods for the phase-out of Ride tokens (and at a later date, the phase-in of Link tokens), and other accounting related decisions. The impact of these changed conditions is an immediate elimination of advanced sales reconciliations (Item 3d) and revenue room MetroChek submissions to WMATA (Item 3g) effective March 4th and March 5th, respectively, and phase out of Over/short – cumulative reconciliations (Item 3f) over the following month. As a result, we propose that First Transit eliminate Items 3d, 3f and 3g from its set of procedures and reconciliations and submit revised policies and procedures (incorporating policies, procedures and reconciliations into one document) by January 18, 2008.

We appreciate First Transit's commitment to bringing this documentation process to a close and we look forward to the upcoming submission.

Enclosure: as stated

Copies to:

Tom Cain
Carey Roessel
Shanta Garth
Joyce Embrey
Mary Marshall
Eric Marx

First Transit Reports and Reconciliations

	Daily	Weekly	Monthly	Annually
Tracking				
Ridership, by trip, route and by service type	X	X	X	X
<p>On a daily basis, ridership counts by trip are collected using CUBIC farebox reports (Hummingbird #P950) and via a software program, automatically imported into TransTrak.</p> <p>- An analysis of ridership data and manual adjustments is necessary to correct errors in ridership counts, if any (e.g. operator did not properly sign-in to their trip)</p> <p>- Monitoring of prior ridership days is necessary (data latency issues intrinsic to the CUBIC system; operational realities)</p>				
Revenue, by trip, route and by service type	X	X	X	X
CUBIC farebox report (Hummingbird #R401A Bus Facility Cash Breakdown by Calendar Date & Bus)				
Logs				
Transfers between First Transit/Loomis, by revenue service date	X			
<p>Loomis pick up - vault</p> <p>Loomis pick up - advanced sales deposits (2 each day; 1 - currency; 1 - coin)</p> <p>Receipt of deposit reports from Loomis - vault (2 each day; 1 - currency; 1 - coin)</p> <p>Receipt of tokens from Loomis - vault</p>				
Probe, by revenue service date and by calendar date	X			
Token Inventory, by token type	X			
Reconciliations				
Probe - by trip	X		X	
<p>Farebox probe log vs TransTrack report vs CUBIC report</p> <p>CUBIC report (Hummingbird B410 Bus Facility Probe and Vault Activity) is reconciled with buses in revenue service; explanations are to be provided for buses not probed.</p>				
Farebox revenue - by trip, route and service type	X		X	
<p>Cubic reports vs Loomis deposit reports</p> <p>CUBIC Farebox report (Hummingbird R411 Vaulted Bus Cashbox Cash Breakdown by Calendar Date & Bus); deposit reports (emailed to First Transit by Loomis daily)</p>				
Reconcile timing differences - CUBIC Farebox reports (Hummingbird R401A Bus Facility Cash Breakdown by Calendar Date & Bus and Hummingbird R411 Vaulted Bus Cashbox Cash Breakdown by Calendar Date & Bus)	X		X	
Tokens returned from Loomis - by vaulted cashbox date	X		X	
<p>Physical count by revenue room vs Cubic reports</p> <p>CUBIC Farebox report (Hummingbird R411 Vaulted Bus Cashbox Cash Breakdown by Calendar Date & Bus) is reconciled with tokens returned from Loomis</p>				
Advanced sales - by trip, route and service type	X			
<p>(note: any fares not accepted by farebox are manually forwarded to revenue room for deposit/recording, resulting in occasional Link amounts deposited)</p> <p>Revenue envelope sales vs changes in token inventory</p> <p>Includes reconciliation of:</p> <p>dispatch control log</p> <p>MetroCheks</p> <p>bank deposits</p> <p>over/short log</p>				
Revenue Ridership Analysis	X		X	X
Farebox				
Over/short - cumulative	X			
Open item list of shortages due from operators/conductors				
MetroChek submission to WMATA		X		
Weekly amount vs sum of daily advanced sales amounts				
Token Inventory, Physical Count		X	X	

Identified reconciliations represent a primary list of recurring reconciliations. This is not intended to be an "all inclusive list", as additional reconciliations can be necessitated as discrepancies arise (e.g. Loomis deposit report vs PRTC bank statement; MetroChek submission vs WMATA payment.)

Reports and reconciliations will evolve as processes and conditions change (e.g. phase-in of SmartCard implementation; customized CUBIC reporting.)

TO: East Region
FROM: Brad Thomas
DATE: December 3, 2007
RE: Region Organization

With the acquisition of Laidlaw complete, the East Region will increase in size to nearly 70 contracts and approximately \$200M in annual revenue. With this growth, comes a need for additional Regional support. I am pleased to announce several new assignments to the East Region support staff - some of the support staff will be familiar to you, others will be new. This new organizational structure became effective December 1, 2007. I will be conducting conference calls in the near future to provide a more detailed description of the Region Staff and their roles in supporting you.

Tom Cain has been promoted to the role of RVP and will be responsible for oversight of the East Region contracts in the South. Pat Smith, previously of Laidlaw, will assume oversight of the East Region contracts in the North. And, Scott Conroy will continue in his role as Shuttle RVP.

Bob Jones will assume the very important role of Director of Operations – concentrating on supporting Fixed Route and Airport Shuttle services. Also, Tim McCann, previously of Laidlaw, will assume the Director of Operations role – focusing on Paratransit and University Shuttle services.

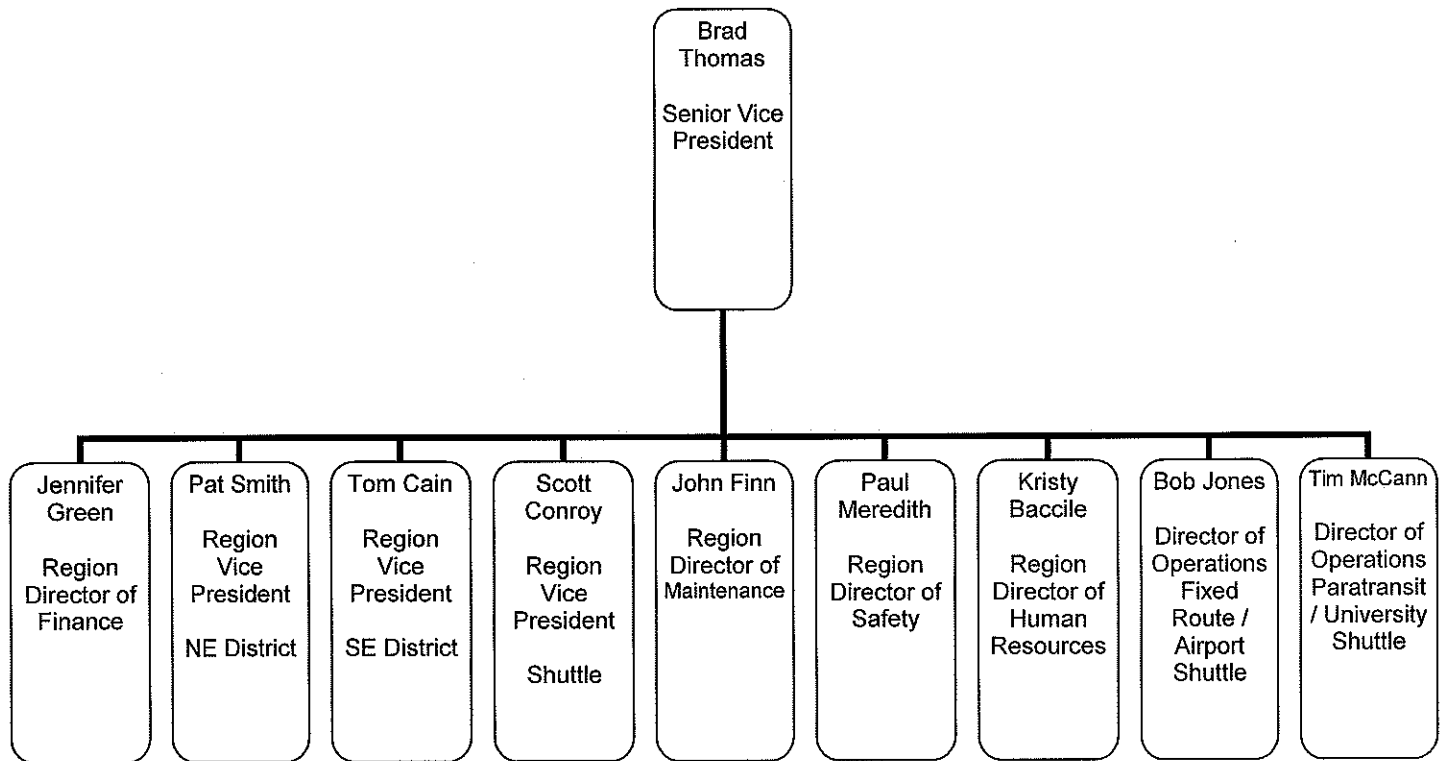
Jennifer Green will continue in her role as East Region Director of Finance and will be supported by Annie Yu and Paul Lawson. John Finn will continue in his role as East Region Director of Maintenance – but will be supported by a Region Maintenance Manager to be announced at a later date. Paul Meredith will continue in his role as East Region Director of Safety – but will be supported by a Region Safety Manager to be announced at a later date. Kristy Baccile will continue in her role as Region Director of Human Resources – but will be supported by a Region Human Resources Manager to be announced at a later date. And last, Paul Carbonari will continue in his role as Region Recruitment Manager and will report to Kristy Baccile.

Jim Gorman will continue to support the New York operations as a District Manager - reporting directly to me. Paul O'Brien, previously of Laidlaw, will continue in his role as District Manager supporting the New Jersey, Hartford (CT), and Sussex County (DE) operations – reporting directly to Pat Smith.

As Mike Murray announced last week, Dave Hines will be retiring. Dave has been a trusted member of the East Region staff and has worked for this organization for many years. Please join me in wishing Dave all the best in his future endeavors - he will be missed. Dave will be working to transition his responsibilities over the next four months.

For your information, a listing of the direct reports by contract for each RVP is attached. We will work to transition to this new reporting structure over the next 30-60 days. You should expect to be contacted by your RVP shortly to discuss any changes.

Organizational Structure – East Region





November 30, 2007

SERVICE BULLETIN – Accepting New Design \$5 Bills in GFI Odyssey Fareboxes

Dear Valued Customer:

The U.S. Treasury will issue a redesigned \$5 bill in early 2008. Accepting these bills in your GFI Odyssey validating fareboxes will require reprogramming your existing BV7 bill validator or upgrading to the new BV8 model. **We strongly urge you to upgrade to the BV 8 since doing so will greatly simplify future bill validator reprogramming since Treasury has indicated that a new bill would be issued every 1-2 years as the agency works to keep ahead of counterfeiting efforts.** Here are your options:

1. **If you don't accept \$5 bills now, do nothing.** Reprogramming your bill validators can be postponed until such time (if ever) that you decide to accept \$5 bills.
2. **If you accept \$5 bills but choose not to reprogram the farebox,** it may be advisable to place a sticker on the farebox indicating that it has not been reprogrammed for the new \$5 bill. Drivers can advise patrons to use only old-style bills or other denominations.
3. **If you want to accept the new \$5 bill but retain your BV7 bill validators,** they must be reprogrammed. Reprogramming the BV7 requires changing an internal electronic memory module, known as a PROM, which is not a simple task and we do not advise our customers to attempt it themselves. GFI will provide an initial quantity of reprogrammed BV7s that can be swapped with your existing validators. You then ship the old units to us and we proceed on a round-robin basis until all validators in the fleet have been changed out. The reprogrammed validators will accept the new \$5 bill and all current designs. Our net charge to you will be **\$64 per farebox**. This price is guaranteed until **January 31, 2008**. You are responsible for all shipping charges and applicable taxes. It should also be noted that after this change, we have been told that this chip will no longer be available from the manufacturer. Any future changes will necessitate upgrading to the BV8.
4. **If you want to accept the new \$5 bill and simplify future validator reprogramming,** you should upgrade to the BV8 model. The BV8 accepts the new \$5 bill and all other U.S. bill designs in current circulation. In addition, the BV8 can be reprogrammed using a memory stick, a process that takes only a few minutes per farebox. In the long run the BV8 will make reprogramming cheaper and faster – no need to ship units back to GFI, wait for new units, etc. **GFI strongly recommends upgrading to the BV 8,** particularly if your Odyssey fareboxes are older. As an incentive, we are offering the BV8 at the special trade-in price of **\$380 per farebox** if ordered before January 31, 2008 (**\$100 off the regular price of \$480**). In addition, we will provide a one-year warranty for the validator rather than our standard 90 days. You would be responsible for shipping charges and applicable taxes.

Whatever your situation, now is the time to plan for the new \$5 bill. If you wish to reprogram your BV7 validators or purchase BV8s, please notify GFI at the earliest opportunity so that we can adjust our production schedule. Mike Garcia will coordinate this program for GFI. He can be reached at 847-593-8855, extension 419.

We appreciate your business and look forward to continuing to serve you. If you have questions, please do not hesitate to contact us.

Sincerely,

GFI Genfare