



# Alexandria Transit Company Board of Directors Meeting



September 8, 2021 @ 5:30pm  
Meeting Held in-Person at DASH Facility and Electronically  
Livestream on ZOOM and Facebook Live

| ITEM | DESCRIPTION  | PAGE # | PRESENTER                                     |
|------|--|--------|---|
| #1   | <b>Call to Order, Welcome and Public Comment</b>   | N/A    | Mr. Kaplan                                    |
| #2   | <b>Consideration of Approval Meeting Minutes</b><br>a) ATC Board of Directors Meeting – June 9, 2021   | 2-5    | All   |
| #3   | <b>Board Member Announcements, Reports &amp; Business Items</b><br>a) Chairman of the Board & Special Staff Recognition<br>b) T&ES Report<br>c) Alexandria Mobility Plan (AMP) Letter of Endorsement (approval)<br>d) Others   | 6-10   | Mr. Kaplan<br>Ms. Orr<br>Ms. Slesinger<br>All |
| #4   | <b>General Manager's Reports</b><br>a) COVID-19 Vaccinations and Operations Update<br>b) DASH Vision/Mission Statement<br>c) City of Alexandria's Council Legislative Docket Item Regarding Consideration to Become Direct Recipient for FTA Grant Funds (consensus)<br>d) Electronic Board Meeting Policy (approval)<br>e) Final Fare Free Framework (approval)<br>f) Resolution Supporting Application for "TRIP" Funding (approval) | 11-19  | Mr. Baker                                     |
| #5   | <b>Financial Reports</b><br>a) Financial Reports for June and July<br>b) Balance Sheets for June and July<br>c) Summary Income Statements for June and July<br>d) Budget vs. Actuals for June and July   | 20-30  | Mr. Davis                                     |
| #6   | <b>Planning Reports</b><br>a) New DASH Network – Implementation Update   | 31     | Mr. Barna                                     |
| #7   | <b>Executive Session</b><br>Consideration of Convening an Executive Session for the Purpose of Discussing Legal and Personnel Matters, pursuant to Section 2.2-3711 (A1) of the Code of Virginia   | 32     | All   |
| #8   | <b>Next Meeting Date &amp; Adjournment</b><br>The next regular meeting of the Alexandria Transit Company Board of Directors is scheduled for Wednesday, October 13, 2021   | 33     | All   |

**ATC Board Agenda Detail**

**Item #:** 3  
**Item Title:** Meeting Minutes  
**Contact:** Beth Reveles, Secretary to the Board  
**Board Action:** Consideration of Approval

**Alexandria Transit Company (ATC)****BOARD OF DIRECTORS MEETING MINUTES**  
June 9, 2021

A meeting of the Board of Directors of the Alexandria Transit Company was held on Wednesday, June 9, 2021, on Zoom due to the Covid-19 outbreak. The meeting was held pursuant to Virginia Code Section 2.2-3708.2(A)(3), the Continuity of Government ordinance adopted by the City Council on June 20, 2020, or Sections 4-0.00(g) in HB29 and HB30 to undertake essential business. All the members of the Board and staff participated from remote locations through the Zoom meeting. A recording of the meeting was made and is available upon request.

Board members present: David Kaplan, Steve Klejst, Brandi Collins, Ian Greaves, Matt Harris, Jim Kapsis, and Ajashu Thomas.

Board members absent: Hillary Orr, Linda Bailey, Jeff Bennett, and Larry Chambers.

Staff members attending: Josh Baker, Raymond Mui, Christopher Ziemann, Martin Barna, Evan Davis, Joseph Quansah, Stephanie Salzone, Corey Black, Whitney Code, Kaitlyn Beisel, Beth Reveles, John Lanocha, Tristan Cunningham, Brian Robey, Elizabeth Kelley, and Swinda Carcamo.

Other attendees: Mike Martin (WSP), Severin Skolrud (WSP), Phil Jonat (WSP), Mark Probst (WSP), Bill Egers, Bob McNab, Ross Simons, Bill Pugh, Casey Kane, Jim Durham, Cristin Tolen, and Bob Gronenberg.

**Board Meeting****Agenda Item #1****#1 – Call to Order, Welcome and Public Comment**

Chairman Kaplan welcomed everyone and called the meeting to order. The meeting began with the electronic reading of the required public notice for virtual board meetings. He then asked for the Calling of the Role. Following that, he asked if there were any registrants for public comment. Marketing and Communications Manager Whitney Code stated that Bill Pugh had registered.

Mr. Pugh stated that he is an Alexandria resident and uses DASH service; he is excited about the fare free program and the New DASH Network which launches in September. He stated the importance of the DASH app and ensuring it is more user friendly regarding real-time bus arrival information. Mr. Kaplan recommended the Transit app which provides real-time information for not only DASH but many other transit providers. Martin Barna, Director of Planning and Marketing mentioned the DASH Tracker website which is optimized for mobile devices. He stated that upgrades were made to the site last year and it is very user friendly.

As there were no other speakers, the Chairman closed the public comment period.

**Agenda Item #2 – Consideration of Approval of Meeting Minutes****#2a – ATC Board of Directors Meeting – May 12, 2021**

The Chairman called for a motion to approve the May minutes and asked if there were any corrections, revisions, or amendments. A motion was made by Matt Harris and seconded by Steve Klejst to approve the minutes. There was no further discussion, and the motion carried unanimously.

## **Agenda Item #3 – Board Member Announcements, Reports & Business Items**

### **#3a – Chairman’s Report**

The Chairman began by wishing everyone a wonderful summer. He gave a quick synopsis of the past year's events and the effects on DASH. He mentioned that plans will be made to celebrate the launch of the New DASH Network and the fare free program sometime in the fall.

Chairman Kaplan mentioned that once the Board can meet in person, that the location should be transit accessible; therefore, rather than convening at the DASH facility, the better location would be City Hall.

### **#3b – T&ES Report**

Transportation Division Chief Christopher Ziemann provided a review of his written report which was shared with the Board in advance of the meeting.

Mr. Ziemann announced that the King Street Metro bus loop is now open which marks the completion of phase 1 of the project. The new bus bays near the Metro rail station entrance are now open; new digital real-time arrival screens and real-time kiosk display have been installed; new station crosswalks and lighting are in place. Construction on three bus bays and the kiss & ride area will be ongoing through the summer of 2021.

### **#3c – Duke Street BRT Kickoff Project**

Mr. Schnaufer provided a review of the Duke Street Bus Rapid Transit (BRT) Kickoff Project which was shared with the Board in advance of the meeting.

Chairman Kaplan mentioned that the Board, in addition to setting policy for DASH, has an advocacy role with regards to transit. He asked Mr. Schnaufer what role he felt the Board could play. Mr. Schnaufer asked that the Board spread the word about the project and encourage people to participate by providing feedback on the design ideas for the Duke Street corridor. He emphasized that he is not encouraging the Board to advocate for any specific policy but to inform others of the project. He stated that he will be updating the Board regularly on the status of the project and will be asking for input on the various alternatives that are developed.

Ian Greaves asked what provisions were in place for persons with disabilities during the public outreach phase. Mr. Schnaufer admitted he did not have a good answer and would confer with his consultant team. He stated, though, that their pop-up events are fully ADA compliant.

Ajashu Thomas asked how feedback would be collected for those that are unable to read. Mr. Schnaufer stated that the pop-up events would allow for verbal feedback and the project team could help individuals in completing the survey.

### **#3d – Others**

Steve Klejst stated that he serves as Chairman of the ad hoc Scooter Task Force. They had their second meeting in May to address issues relative to the use of the scooter policy which the City is developing. The issues that T&ES staff asked the task force to discuss at their next meeting in July include riding safety, scooter placement, managing complaints, and parking and use of sidewalks for the mobility devices. The T&ES staff will be conducting an outreach event on June 26 to gather feedback from the user population throughout the City.

## **Agenda Item #4 – General Manager’s Report**

### **#4a – COVID-19 Operational Status Briefing**

Director of Safety Stephanie Salzone reviewed this report which was shared with the Board in advance of the meeting.

#### **#4b – Fare Free Framework Draft**

General Manager Josh Baker briefly reviewed the Fare Free Framework draft which was shared with the Board in advance of the meeting.

The GM invited the Board to provide feedback either now or later via email. The feedback would be incorporated into the document and would be presented to the Board in September for adoption. Once adopted, the GM would present the document to City Council.

#### **#4c – United Against Slavery / Combating Human Trafficking**

The GM reviewed this portion of his report which was shared with the Board in advance of the meeting.

#### **#4d – Zero Emissions Bus Implementation Study Final Report**

Assistant GM Raymond Mui and the WSP consultants reviewed this report which was shared with the Board in advance of the meeting.

### **Agenda Item #5 – Financial Reports**

#### **#5a – Financial Report**

Director of Finance & Administration Evan Davis provided a brief review of his report which was shared with the Board in advance of the meeting.

#### **#5b – Balance Sheet**

Mr. Davis reviewed this portion of the report which was shared with the Board in advance of the meeting.

#### **#5c – Summary Income Statement**

Mr. Davis reviewed this portion of the report which was shared with the Board in advance of the meeting.

#### **#5d – Budget vs. Actual**

Mr. Davis reviewed this portion of the report which was shared with the Board in advance of the meeting.

### **Agenda Item #6 – Planning Reports**

#### **#6a – Fare Free “Lessons Learned”**

Director of Planning & Marketing Martin Barna reviewed this portion of his report which was shared with the Board in advance of the meeting.

#### **#6b – New DASH Network—Implementation Update**

Mr. Barna reviewed this portion of his report which was shared with the Board in advance of the meeting.

### **Agenda Item #7 – Executive Session**

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

A motion was offered by Matt Harris and seconded by Ian Greaves to enter Executive Session pursuant to Section 2.2-3711 (A1) of the Code of Virginia. A vote was called, and the motion was approved unanimously.

At the conclusion of the Executive Session, a motion was offered by Matt Harris and seconded by Jim Kapsis to reconvene the public meeting. A vote was called, and the motion was approved unanimously.

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

#### **Agenda Item #8 – Next Meeting Date & Adjournment**

A final motion to adjourn the meeting was made by Jim Kapsis and seconded by Steve Klejst. A vote was called, and the motion was approved unanimously.

The next regular meeting of the Alexandria Transit Company Board of Directors will be held September 8, 2021, at 5:30pm via Zoom/Facebook Live.

Minutes respectfully submitted by:  
Beth Reveles  
Secretary to the Board  
Alexandria Transit Company

**ATC Board Agenda Detail**

**Item #:** 3a  
**Item Title:** Chairman's Report & Special Staff Recognition  
**Contact:** David Kaplan, Chairman of the Board  
**Board Action:** Proclamation



## ***PROCLAMATION OF APPRECIATION***

### ***PRESENTED TO: EVAN DAVIS***

**WHEREAS**, the Alexandria Transit Company (DASH) Board of Directors on this 8th Day of September, 2021, have gathered to meet and wish to express recognition and appreciation to Evan Davis for his exemplary service; and

**WHEREAS**, Evan has served admirably in his role as Director of Finance & Administration with Transit Management of Alexandria; and

**WHEREAS**, Evan has simultaneously served admirably as the CFO for the DASH Board of Directors, working constantly for the betterment of the Board, the Transit System and the Community it serves; and

**WHEREAS**, the DASH Board of Directors wishes to express its sincere appreciation to Evan for his dedication to the outstanding performance of his duties during his tenure; and

**WHEREAS**, this proclamation is presented to Evan to serve as a reminder that although he is leaving the DASH, he will always be remembered as a valued employee dedicated to both his position and the community we serve;

**NOW, THEREFORE**, I, David Kaplan, Chairman of the Alexandria Transit Company, and on behalf of the DASH Board of Directors, do hereby present this Proclamation to Evan Davis as a testimonial to the faithful and dedicated services which he has performed for the past three years, with our best wishes for continued success and happiness in the future.

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*David Kaplan, Chair,  
Alexandria Transit Company*

## **ATC Board Agenda Detail**

**Item #:** 3b  
**Item Title:** T&ES Report  
**Contact:** Hillary Orr, Deputy Director, Transportation  
**Board Action:** FYI, Discussion



### **Duke Street in Motion**

The Duke Street In Motion project, examining Bus Rapid Transit (BRT) improvements on the Duke Corridor, completed its initial public engagement outreach effort over the summer. The project team received over 1,800 responses to its online Feedback Form between June and July and is currently compiling the data. A summary report will be released in early September.

The project's next step is to create draft Goals and Vision Statements based on comments from the community. The design planning phase will begin later this winter.

### **King Street Station Bus Loop**

The City of Alexandria will start service to new permanent bus bay locations along the new King St-Old Town Metrorail Station bus loop on Sunday, September 5, 2021. The final bus loop configuration includes new bus bays at all existing stops along the station façade, plus the addition of three bays located on a newly constructed island.

The new bus bay assignments will replace those used during the interim operation period that began in June 2021 and will include stops for the new DASH routes launched as part of the [New DASH Network](#). In addition, MetroAccess / DOT service will also receive a new permanent location within the bus loop and cease service to the temporary stop on Cameron Street. The new bus bay assignments can be found on the [project website](#).

The new bus loop was constructed as part of the King Street Metrorail Station Access Improvement Project and designed to increase the efficiency of bus operations, vehicle spacing, and reducing customer wait times when boarding or exiting buses. Each new bus bay will feature digital real-time arrival screens, and a new real-time kiosk display will be located near the station entrance. The new Kiss & Ride, taxi, carshare, and shuttle zones along Diagonal Road, as well as additional crosswalk improvements, will be completed this fall.

### **Dockless Mobility**

On August 3, 2021, the Ad Hoc Scooter Task Force voted to approve a recommendation to City Council regarding the future of the Dockless Mobility Program for Council's consideration this fall. The Task Force recommended that City Council adopt a permanent Dockless Mobility Program and also proposed a set of changes to incorporate into the future program. Proposed changes to the program were organized into topic areas: managing improper parking, improving safety for all (riding), complaint management, managing deployments, and availability, and other/miscellaneous.

The Task Force recommendation can be found [here](#), and a summary of community input from key stakeholder groups can be found [here](#). Additional information about Task Force meeting materials can be viewed on the [dockless mobility website](#).

### **WMATA Service and Fare Changes**

Metro is making changes to make riding easier and more convenient as the region resumes school, leisure activities, and returns to workplaces. Beginning September 5, Metro will add more buses and trains, offer lower prices, and extend Metrorail's operating hours on weekends. In Alexandria, the 25B, 28A, and 7A routes will be changing in accordance with the Alexandria Transit Vision Plan. The 8W will be returning, alongside the other peak 21C and 11C service, which returned in June and are modified routes of the 8Z/21A and 11Y, respectively. In addition, the 7-day bus pass will have a reduced rate of \$12, and weekend fares will be \$2. More information about service and fare changes starting September 5 can be found at [wmata.com/changes](#).

## **Potomac Yard Metrorail Station**

In July, Metro announced a delay of at least five months to complete construction of the Potomac Yard Metrorail Station. Metro engineers determined that the original design of the Automatic Train Control (ATC) systems, which was based upon specifications written by WMATA, did not meet all of the critical safety requirements to ensure the safe operation of trains. WMATA recognizes that the need to redesign the ATC system results from their own project management decisions. WMATA is working with the contractor to reduce delays in the project schedule and ensure system safety. Construction of the station will continue largely on schedule, but some track-related construction elements are dependent upon the completion of the ATC design. The station, originally expected to open in April 2022, is now anticipated to open in Fall 2022.

## **Legislative Input**

Now is the time for the ATC Board to provide input on legislative priorities for 2022.

**ATC Board Agenda Detail**

**Item #:** 3c  
**Item Title:** Alexandria Mobility Plan (AMP) Letter of Endorsement  
**Contact:** Jen Slesinger, Principal Planner, Transportation Planning  
**Board Action:** Discussion/**Approval**



The Alexandria Transit Company Board of Directors has been asked to submit the following letter of endorsement for the Alexandria Mobility Plan. Jen Slesinger, Principal Planner with the City's Department of Transportation & Environmental Services will brief the Board on this action.

The endorsement letter highlights the following:

In seeking to expand multi-modal choices, with an emphasis on high capacity, reliable and zero-emissions transit options, the Alexandria Mobility Plan will help to achieve City goals related to sustainability, quality of life, and economic well-being. The Transit Chapter of the Alexandria Mobility Plan advances the Alexandria Transit Vision Plan, which was adopted by the ATC Board of Directors in 2019 and goes beyond the scope of that plan to promote continued enhancement of the rider experience, enhanced integration with other regional providers, improvements to transit access, and an expanded focus on equity and performance measurement.

The executive summary, final draft plan and appendices, and additional background material are available at <https://www.alexandriava.gov/MobilityPlan>

# ALEXANDRIA TRANSIT COMPANY

September 8, 2021

Honorable Mayor Wilson and Members of City Council  
City Hall  
301 King Street  
Alexandria, VA 22314

Re: Endorsement of Alexandria Mobility Plan

Dear Mayor Wilson and Members of City Council:

At its September 8, 2021, meeting, the Alexandria Transit Company (ATC) Board of Directors resolved to provide this letter of endorsement in support of the Alexandria Mobility Plan (AMP) to replace the existing Transportation Master Plan Chapter of the City's Comprehensive Plan.

In seeking to expand multi-modal choices, with an emphasis on high capacity, reliable and zero-emissions transit options, the AMP will help to achieve City goals related to sustainability, quality of life, and economic well-being. The Transit Chapter of the AMP advances the Alexandria Transit Vision Plan, which was adopted by the ATC Board of Directors in 2019 and goes beyond the scope of that plan to promote continued enhancement of the rider experience, enhanced integration with other regional providers, improvements to transit access, and an expanded focus on equity and performance measurement.

The ATC Board appreciates the opportunities it was provided to weigh in on the draft plan and to support this plan for Council adoption. The board looks forward to continued collaboration with the City in the implementation of the strategies related to DASH operations.

Sincerely,

David Kaplan  
Chair, Alexandria Transit Company

cc: Alexandria Planning Commission  
Alexandria Transportation Commission  
Mark Jinks, City Manager  
Yon Lambert, Director, T&ES  
Jen Slesinger, Alexandria Mobility Plan Project Manager T&ES



703.746.3274

[dashbus.com](http://dashbus.com)

3000 Business Center Drive  
Alexandria, VA 22314





## ATC Board Agenda Detail

**Item #:** 4a  
**Item Title:** COVID-19 Vaccination and Operations Update  
**Contact:** Josh Baker, General Manager  
**Board Action:** FYI

### COVID-19 Vaccination and Operations Update

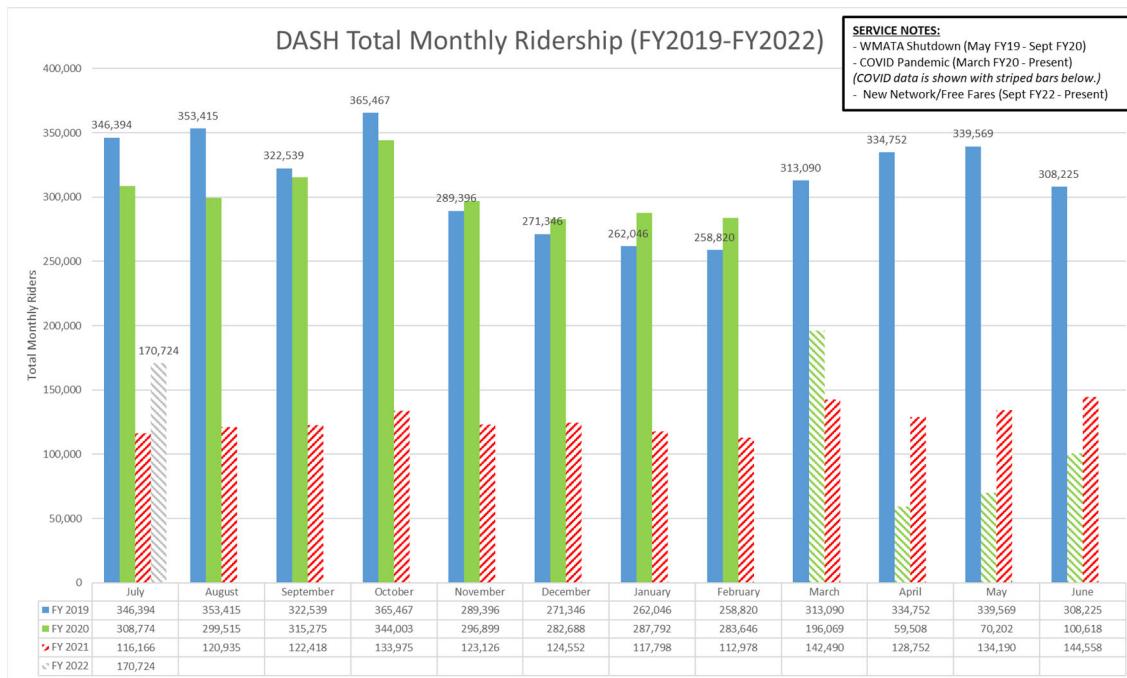
DASH is implementing a COVID-19 Vaccination mandate which goes into effect September 17 for all Transit Management of Alexandria (TMA) Staff. The purpose of this policy is to establish a formal method for employees to confidentially submit the required proof of vaccination for COVID-19. The policy will also establish how an employee should submit a medical, religious, other reason waiver for exemption from being vaccinated and submit weekly test results for COVID-19 as an alternative.

TMA Employees that submit a TMA – DASH Exemption/Accommodation will be required to take a nasal PCR COVID-19 test every week and submit those results to our Human Resources Department. Nasal PCR tests will be required within four (4) calendar days of the submission deadline on an employee's own time and not during a scheduled shift. Rapid test results will not be accepted. TMA will be recommending that employees use one of the free testing kiosks located in the City of Alexandria and can also make appointments at [www.curative.com](http://www.curative.com). TMA employees may be tested elsewhere so long as they can provide proof of test results. They will be responsible for covering any cost associated with using a test which is not provisioned as free by the company. If an employee chooses to receive the COVID-19 vaccine during this time, testing will continue to be required until the employee is fully vaccinated.

TMA Employees who show proof of a negative result each week will be allowed to continue to work as normal under this policy but will be required to follow the current guidance from public health officials to include, but not limited to, wearing a mask while on duty. TMA Employees that test positive for COVID-19 will not be permitted to work until the current quarantine, testing, and symptom requirements are satisfied under the guidance of the CDC and the VDH.

It is the goal of this program to get as many staff vaccinated as possible avoiding any loss of jobs; however, progressive discipline has been outlined for any member who does not comply with the vaccination (or) testing requirements.

At this time, approximately 52% of the workforce have self-reported as fully vaccinated.





### **ATC Board Agenda Detail**

**Item #:** 4b  
**Item Title:** DASH Vision/Mission Statement  
**Contact:** Josh Baker, General Manager  
**Board Action:** FYI/Discussion

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In 2018, the ATC Board of Directors met for a strategic planning retreat. In the retreat, one of the goals identified was for DASH to establish Mission and Vision statements. Further to compliment these will subsequently be established guiding principles.

Because of various major projects and time limitations, it has taken until now for staff to draft the Mission and Vision. An internal committee was formed to work together and draft such statements that align with the current and future goals of DASH. The committee is composed of the following staff: Stephanie Salzone, Tristan Cunningham, Evan Davis, Naim Mafuz, Whitney Code, and Swinda Carcamo. This team worked together to solicit the feedback of the workforce and establish the following:

#### **Alexandria Transit Company (DASH)**

**Mission Statement:** "We deliver a safe, trusted, customer-focused experience by providing exemplary bus service to the diverse Alexandria community."

**Vision Statement:** "The Alexandria Transit Company envisions a community with equal access to convenient and sustainable transportation that improves the overall quality of life throughout the City of Alexandria."

The ATC Board is asked to provide any comment, concensus or action regarding these statements so that the team may continue their work establishing the guiding principles for the organization.

This is an exciting step in the continued growth and improvement of DASH and we look forward to further incorporating these values into the work we do every day.



## **ATC Board Agenda Detail**

**Item #:** **4c**

**Item Title:** City of Alexandria's Council Legislative Docket Item Regarding Consideration to Become Direct Recipient for FTA Grant Funds

**Contact:** Josh Baker, General Manager

**Board Action:** Discussion/Consensus

A docket item pertaining to seeking discretionary federal grants is planned for the City of Alexandria's Council legislative meeting scheduled for September 28, 2021. The Federalization white paper, which will be referenced is included as an attachment to this Board packet.

It is expected this item will inform Council that Alexandria Transit Company (DASH) Board and Council members have made clear that electrification of the DASH bus fleet is a priority to combat climate change. However, there is a \$56 million gap (unsecured federal/state grants) in the City's planned \$115 million, 10-year DASH Bus Fleet Replacements project in the City's FY 2022 – FY 2031 Capital Improvement Program. Therefore, it will be necessary that the City must seek new revenue sources to fund the required fleet replacement and facility upgrades.

Further, it will highlight that under the new Biden Administration, the federal government has identified bus electrification as a priority. As a result, the City anticipates that there will be an expansion of federal grants that fund low or no-emission ("Lo/No") buses and infrastructure. For this reason, the City and DASH are undertaking the required steps to become a direct federal recipient to be eligible to receive these grants. In the past, DASH and the City have evaluated this effort several times but did not pursue federalization because there was insufficient federal funding to outweigh the associated costs. Currently, the City is a sub-recipient under the Northern Virginia Transportation Commission, which has indicated that staffing concerns now prevent their assistance with applying for and administering this new level of discretionary grants. Regionally, Arlington and Fairfax Counties in Virginia and Montgomery County in Maryland are already direct recipients of FTA funding.

Becoming a direct federal recipient would make the City & DASH eligible for potentially millions of dollars in new funds. However, it also entails new requirements, reporting, and potential changes to procedures and workflow. Some of the more substantial changes will likely require modifications to office procedures and new staff. The City and DASH developed a white paper (Appendix 1) to determine what changes would be necessary if the City were to become the direct recipient. Staff are currently assessing the impacts of the changes to accurately balance the costs and benefits of becoming a direct recipient.

The goal of the recipient designation is to facilitate the application and award of FTA discretionary grant funds. As a direct recipient, the City of Alexandria would be responsible for compliance with these requirements and must demonstrate to FTA that it has the technical capacity to satisfy these duties and responsibilities. Many of the requirements to become a designated recipient can be performed within the City's organizational structure or in coordination with DASH. However, some conditions are better suited to be completed by DASH with oversight provided by City staff. Because of this, the City and DASH are exploring structuring an arrangement in which the City would become the direct recipient with DASH as a subrecipient (or another similar relationship), with agreements outlining each party's responsibilities for compliance.

A review of the staff roles and responsibilities reveals that many of the compliance areas are currently addressed by City or DASH staff. Major areas of responsibility are listed in the whitepaper and include:

- Technical Capacity – Award Management
- Satisfactory Continuing Control of Transit Assets
- Safety
- Procurement
- Disadvantaged Business Enterprise (DBE)
- Title VI Civil Rights Program
- Drug-Free Workplace (DFW) and Drug and Alcohol (D&A) Programs

An interdepartmental City and DASH team is working to ensure compliance with FTA standards and requirements. However, a consultant team is likely needed to assist with the workload to complete the process and apply for new funding opportunities by Spring 2022.

Based on experience in other jurisdictions, two additional staff positions will be needed to comply with the FTA requirements; a Grants Coordinator in the City and an FTE responsible for compliance at DASH. These positions will cost approximately \$300,000 annually and it is expected these will be outlined to Council as a requirement of going forward in these efforts. Additionally, consultant work related to becoming a direct recipient (organizing compliance areas, finalizing documents for FTA, etc.) will cost roughly \$150,000, for total required funding of approximately \$450,000 the first year, escalated annually. Potentially, a portion of this amount could be funded through grants; however, the probability of that remains uncertain, so it should be assumed that these costs will be funded out of the General Fund.

**ATTACHMENT:**

1. Attachment 1 - Federalization White Paper

**ATC Board Agenda Detail**

**Item #:** 4d  
**Item Title:** Electronic Board Meeting Policy  
**Contact:** Josh Baker, General Manager  
**Board Action:** Discussion/**Consideration of Approval**



***Effective July 1, 2021***

**ALEXANDRIA TRANSIT COMPANY BOARD OF DIRECTORS**  
**Electronic Participation Policy**

The following policy is established for members' remote electronic participation in ATC Board of Directors meetings due to:

1. A personal matter
  - a. On or before the day of a meeting, the member shall notify the Chair and the CEO that the member is unable to attend the meeting due to a personal matter. The member must identify with specificity the nature of the personal matter.
  - b. A quorum of the ATC Board must be physically assembled at the primary or central meeting location.
  - c. The Chair may approve or disapprove the request for electronic participation. If the absent member's remote participation is disapproved because such participation would violate this policy, the basis for the disapproval shall be recorded in the ATC Board minutes. The decision shall be based solely on the criteria in this policy, without regard to the identity of the member or matters that will be considered or voted on during the meeting.
  - d. The ATC Board shall record the specific nature of the personal matter and the remote location from which the absent member participated in the ATC Board minutes.
  - e. Participation by the absent member due to a personal matter shall be limited in each calendar year to either two (2) meetings or 25% of the meetings held rounded up to the next whole number, whichever is greater, of the ATC Board meetings.
2. A member's temporary or permanent disability or other medical condition or a family member's medical condition that requires the member to provide care for such family members, thereby preventing the member's physical attendance
  - a. On or before the day of a meeting, the member shall notify the Chair and the CEO that the member is unable to attend the meeting due to the member's temporary or permanent disability or other medical condition that prevents his or her physical attendance or a family member's medical condition that requires the member to provide care for such family members, thereby preventing the member's physical attendance.
  - b. A quorum of the Board must be physically assembled at the primary or central meeting location.
  - c. The ATC Board shall record the fact of the member's disability or other medical condition or a family member's medical condition that requires the member to provide care for such family members, thereby preventing the member's physical attendance, and the remote location from which the absent member participated in the ATC Board minutes.
3. For any remote participation, the ATC Board shall make arrangements for the voice and video of the absent member or members to be heard by all persons in attendance at the meeting location.

This policy shall not exclude members of the public or staff of the organization from participating remotely without limit so long as such participation is approved by the Chair.

**ATC Board Agenda Detail**

**Item #:** 4e  
**Item Title:** Fare Free Framework  
**Contact:** Josh Baker, General Manager  
**Board Action:** Discussion/**Consideration of Approval**



## **DASH FARE FREE FRAMEWORK**

### **Introduction**

DASH buses will operate fare-free beginning on September 5, 2021. The purpose of this “DASH Fare Free Framework” is to establish a set of key considerations and parameters that will inform how this program is to be managed, evaluated, and modified in current and future years. This document serves as a resource for DASH and City Staff, the ATC Board of Directors, and City of Alexandria leadership.

### **I. Program Purpose & Goals**

The primary goals of the DASH Free Fare program include:

- a. Reduce cost-related barriers to using transit for low income passengers by eliminating fares on DASH buses.
- b. Increase transit usage, both in terms of attracting new riders and increasing the frequency with which existing customers ride DASH.
- c. Reduce or eliminate costs and resources needed to collect fares.
- d. Promote awareness and usage of the *New DASH Network* and future DASH service improvements stemming from the Alexandria Transit Vision Plan.
- e. Increase operational efficiency and service reliability by reducing average dwell time and keeping buses moving.

### **II. Program Funding**

- a. The City has funded the first ten months of fare-free operation in FY 2022 via an additional \$1,470,000 in operating subsidy to DASH.
- b. Additional funding is required to cover \$670,000 in foregone fare revenue, originally projected to be earned on service enhancements to Lines 35 and 36, as funded by the I-395 Commuter Choice Program. Potential funding sources include Virginia’s new Transit Ridership Incentive Program (TRIP) or American Rescue Plan Act (ARPA) transit funds.
- c. The Virginia Department of Rail & Public Transportation (DRPT) is currently accepting applications for the TRIP program for funding that can be used towards FY 2022 program costs. Applications are due by September 17th, with awards and funding disbursement in late 2021. City and DASH staff have collaborated on an application to obtain the maximum possible TRIP funding for the City’s fare-free program on DASH. Program guidelines and criteria suggest that the City’s application will be highly competitive relative to the stated scoring criteria.
- d. Due to the ongoing recovery from the COVID-19 pandemic and the service enhancements of the *New DASH Network*, ridership is projected to significantly increase in future years even before considering the impact of free fares. Therefore, the cost of foregone fare revenue will also increase in subsequent fiscal years. Projected passenger revenue (cost of fare-free program) is as follows for fiscal years 2023 – 2025: (*see next page*)

| Fiscal Year | Foregone Passenger Revenue |
|-------------|----------------------------|
| FY 2023     | \$4,716,107                |
| FY 2024     | \$5,093,078                |
| FY 2025     | \$5,512,309                |

### III. Program Conditions

The following section identifies the key conditions that are to be taken under consideration for future DASH Free Fare program discussions:

- a. The free fare program can only be continued so long as sufficient funding is available to maintain the current services budget, avoid any service reductions, and avoid any adverse reductions in force.
- b. If the city subsidy is reduced and service cuts are to be considered, DASH is to conduct a public outreach process in order to solicit input as to public opinion whether service cuts should be implemented or fare collection should be reinstated. The results of this outreach shall be considered as part of the decision to continue the free fare program or reduce DASH service. See “Program Outreach” section for additional information on this topic.
- c. The DASH Board of Directors reiterates its support for the continued implementation of the 2022 & 2030 Alexandria Transit Vision Plan, as additional city funding is made available. The ATV Plan will provide major improvements in access to frequent, all-day transit service for minority and low-income residents, and will complement the DASH Fare Free program well. To this end, continued service improvements on the Duke Street corridors are a high priority for FY23—FY24.
- d. DASH shall continue to maintain fare collection equipment in “ready to go” status for at least one year following the initial launch of the fare free program.
- e. DASH will proceed with the permanent decommissioning of fare collection equipment and the discontinuation of SmarTrip program participation after the first year, and when the following conditions are met:
  - 1) City Council and the ATC Board of Directors agree that fares shall not be collected on DASH buses for a period of at least three (3) years. This commitment is necessary due to lead time required to procure new SmarTrip compatible “Next Generation” Fareboxes and related equipment for the entire DASH fleet should fares be reinstated for DASH at a future date; and
  - 2) DASH has completed the installation and validation of automated passenger counter (APC) equipment on over 90% of the active fleet, and is able to collect sufficient ridership data for reporting and analysis purposes.
- f. Should a decision be made by City Council and the ATC Board of Directors to reinstate fare collection, a minimum of two (2) years are required prior to the commencement of fare collection in order to procure SmarTrip compatible “Next Generation” Fareboxes for the entire DASH fleet, upgrade garage vaulting equipment, and ensure the system is fully installed and functional for fare collection. Adequate funding must also be provided at such time to acquire this equipment.
- g. A full-fleet implementation of the “Next Generation” Fareboxes, including rear-door SmarTrip validators, is estimated to cost roughly \$4 million at the time of this publication. This is per the current pricing in the WMATA-Cubic contract, however additional cost escalations in future years must be assumed.

#### **IV. Program Equipment**

Operating fare-free does not require an immediate implementation of any new technology or equipment but will allow DASH to disinvest from fare collection equipment over the long-term should the program be continued.

Disinvestment from fare collection equipment is implemented as follows:

- **May 2022:** FY 2023 budget approved by City Council and the ATC Board of Directors extending the fare-free program. Should the program fail to be funded in the FY23 budget, fareboxes will be retained.
- **December 2022:** Optical Automated Passenger Counters (APC's) installed on all DASH buses. DASH is actively retrofitting older buses which have infrared APC's with new optical APC's which are much more accurate and reliable.
- **June 2023:** DASH obtains certification for using APC's for National Transit Database (NTD) ridership reporting.
- **July 2023:** Fareboxes removed from the DASH fleet as they are no longer needed for ridership counting purposes.
- **Thereafter:** If the City desires to resume fare collection, a minimum of two (2) years' advance notice is required to refit the DASH fleet with SmarTrip compatible Next Generation Fareboxes.

#### **V. Program Outreach**

DASH Staff will conduct the following outreach activities in support of the DASH Fare Free Program:

- a. DASH shall advertise free fares through its normal outreach channels, including both digital and traditional outreach. An emphasis will be placed on traditional outreach channels such as destination signs, onboard announcements, and bus posters/flyers but additional community outreach to local organizations and paid advertising will also be included.
- b. DASH shall conduct regular customer surveys to gauge program effectiveness, customer satisfaction, and to seek ways that DASH could be improved.
- c. If any significant changes to the DASH Fare Free program are being considered, DASH staff will conduct public outreach to raise awareness and solicit input on the proposed modifications. DASH staff need sufficient notification at least three (3) months prior to any key decision points for which public feedback might be required.

#### **VI. Program Analysis**

The following steps will be taken to evaluate the DASH Fare Free program:

- a. Staff will conduct an annual review of program effectiveness at the end of each fiscal year in which free fares have been provided.
- b. Potential Metrics include Ridership, Ridership Demographics, Customer Survey Responses, Operator Feedback, and Fare Collection Cost Savings.
- c. Any evaluation of the Fare Free program that also contemplates the effect of service improvements should note that new transit service changes should not be evaluated until a period of 12-18 months has passed since their implementation. This is the typical period of time that is required for new transit services to attain maturity in terms of public awareness, shifting travel behaviors and ridership attainment.
- d. The annual "DASH Fare Free Program Summary" Report to be presented to the DASH Board of Directors each Fall for review and consideration.

**ATC Board Agenda Detail**

**Item #:** 4f  
**Item Title:** Resolution Supporting Application for "TRIP" Funding  
**Contact:** Josh Baker, General Manager  
**Board Action:** Discussion/**Consideration of Approval**

**RESOLUTION TO SUPPORT PROPOSED APPLICATION FOR THE TRANSIT RIDERSHIP INCENTIVE PROGRAM*****RESOLUTION # 21-0001***

**WHEREAS**, as part of HB 1414 the 2020 Virginia General Assembly established the Transit Ridership Incentive Program (TRIP), the purpose of which is to provide funding to transit agencies to improve the regional connectivity of urban areas and increase statewide ridership by supporting the development of zero and subsidized fare programs; and

**WHEREAS**, the General Assembly allocated \$20 million to TRIP projects in FY 2022, including \$12.5 million dedicated to zero and subsidized fare programs; and

**WHEREAS**, the purpose of TRIP's Zero Fare and Low-Income component is to increase a transit system's ridership, accessibility, and equity by deploying a zero or subsidized fare program; and

**WHEREAS**, TRIP Zero Fare and Low-Income projects will be scored based on impact on ridership, applicant commitment, implications for equity and accessibility, and project schedule and readiness; and

**WHEREAS**, the Board of Directors of the Alexandria Transit Company desires to support an application for allocation of funds of up to \$8,000,000 over four years for the City of Alexandria, through the Transit Ridership Incentive Program.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Alexandria Transit Company that:

The Board of Directors of the Alexandria Transit Company hereby supports the application by the City of Alexandria for an allocation of up to \$8,000,000 through the Transit Ridership Incentive Program.

---

David Kaplan, Chairman  
Alexandria Transit Company

ATTEST:

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Beth Reveles, Secretary of the Board  
Alexandria Transit Company  
9/08/2021

**ATC Board Agenda Detail**

**Item #:** 5a  
**Item Title:** Financial Report for June  
**Contact:** Evan Davis, Director of Finance & Administration  
**Board Action:** FYI/Discussion



### **Alexandria Transit Company (DASH) Financial Update**

#### **Results for the Year Ended June 30, 2021**

##### **FY 2021 Results**

**Alexandria Transit Company's net position increased by \$2,377,974 in FY 2022, from \$30.8 million to \$33.2 million.** This is an accrual basis figure which takes into account over \$7 million in new capital assets, including six new electric buses, as well as depreciation on all capital assets. The Company's accrual basis financials will be included in the City's government-wide Statement of Net Position and Statement of Activities as part of its Comprehensive Annual Financial Report (CAFR).

The most relevant numbers for purposes of budgeting and fiscal management are the Company's fund financial statements which are prepared on the modified accrual basis and will be included in the City's governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance. These statements focus on tracking the flow of current financial resources, or in other words, revenue and spending as budgeted in the current fiscal year.

During FY 2021, \$6.1 million in CARES Act transit relief funds were transferred to the Company's accounts. The Company's FY 2022 budget calls for the use of any remainder of that \$6.1 million as of June 30, 2021, for use as revenue in FY22. As of June 30, there was \$1.3 million remaining which was recognized as a deferred revenue liability. **Therefore, the Company's year end result on the modified accrual basis was exactly zero.**

##### **Significant budget variances and notable accounts in June include:**

- **Passenger revenue** came in above expectations in the fourth quarter after fare collection resumed, totaling \$591,521 for the year. This reflects ridership around 45-50% of pre-pandemic levels.
- Employee leave time balances remain relatively consistent from year to year, but as DASH continues to grow and hire new employees, it must initially recognize accrued leave time for those new employees. The **accrued vacation** balance rose from \$1.0 million to \$1.24 million, which is reflected in June wage expenditures.

FY 2021 presented numerous challenges including highly uncertain ridership and revenue forecasts, new sources of funding, and spending pressures such as DASH's response to the COVID-19 pandemic and a highly competitive labor market. During this time, not one employee was furloughed, no positions were cut, and DASH service continued uninterrupted to serve the residents, visitors, and workforce in Alexandria. Particular thanks are in order for the City's Office of Management and Budget and Finance Department for their partnership to navigate federal relief programs and ensure DASH had the resources it needed to maintain its essential service for passengers.

**ATC Board Agenda Detail**

**Item #:** 5b  
**Item Title:** Balance Sheet for June  
**Contact:** Evan Davis, Director of Finance & Administration  
**Board Action:** FYI/Discussion



**ALEXANDRIA TRANSIT COMPANY**  
**Balance Sheet as of June 30, 2021**

**ASSETS**

|                                  |                             |
|----------------------------------|-----------------------------|
| Cash - City of Alexandria Pooled | \$ 1,318,501                |
| Cash - Payroll Account           | 63,152                      |
| Due from Other Governments       | 542,758                     |
| Receivables                      | 370,269                     |
| Prepaid Expenditures             | 86,097                      |
| Parts and Supplies Inventory     | 849,047                     |
| Capital Assets                   | 59,780,931                  |
| Less: Accumulated Depreciation   | (26,242,025)                |
| <b>TOTAL ASSETS</b>              | <b><u>\$ 36,768,730</u></b> |

**LIABILITIES**

|                              |                            |
|------------------------------|----------------------------|
| Accounts Payable             | \$ 282,333                 |
| Payroll Liabilities          | 74,169                     |
| Accrued Wages                | 630,564                    |
| Accrued Vacation             | 1,240,225                  |
| Deferred Revenue (CARES Act) | 1,331,736                  |
| <b>Total Liabilities</b>     | <b><u>\$ 3,559,027</u></b> |

**NET POSITION**

|   |                             |
|---|-----------------------------|
| Net Investment in Capital Assets          | \$ 33,538,906               |
| Unrestricted                              | (329,203)                   |
| <b>Total Net Position</b>                 | <b><u>\$ 33,209,703</u></b> |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <b><u>\$ 36,768,730</u></b> |

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

**ATC Board Agenda Detail**

**Item #:** 5c  
**Item Title:** Summary Income Statement for June  
**Contact:** Evan Davis, Director of Finance & Administration  
**Board Action:** FYI/Discussion



**ALEXANDRIA TRANSIT COMPANY**  
**Summary Income Statement for the Year Ended June 30, 2021**

|  | Actual                 | Budget            | Variance           |
|--|------------------------|-------------------|--------------------|
| <b>REVENUES:</b>                                     |                        |                   |                    |
| City Contribution - King Street Trolley              | 1,037,185              | 1,037,185         | -                  |
| DASH Passenger Revenue                               | 591,521                | 4,024,000         | (3,432,479)        |
| DASH AT2X Mark Center Charter                        | 441,057                | 833,518           | (392,461)          |
| DASH Other Charter Revenue                           | 40,023                 | 60,000            | (19,977)           |
| Miscellaneous Revenue                                | 93,512                 | 55,000            | 38,512             |
| <b>Total Operating Revenue</b>                       | <b>2,203,298</b>       | <b>6,009,703</b>  | <b>(3,806,405)</b> |
| <br>CARES Transit Funds                              | <br>4,771,668          | <br>874,000       | <br>3,897,668      |
| City Contribution - Regular Subsidy                  | 16,686,497             | 16,686,497        | -                  |
| <b>Total Revenue</b>                                 | <b>23,661,463</b>      | <b>23,570,200</b> | <b>91,263</b>      |
| <br><b>EXPENDITURES:</b>                             |                        |                   |                    |
| Operations   | 13,173,035             | 13,108,100        | (64,935)           |
| Maintenance  | 5,194,175              | 5,379,100         | 184,925            |
| Administration                                       | 4,440,107              | 4,405,000         | (35,107)           |
| Capital Outlay                                       | 398,753                | 740,092           | 341,339            |
| <b>Total Expenditures</b>                            | <b>23,206,070</b>      | <b>23,632,292</b> | <b>426,222</b>     |
| <br><b>GRANT ACTIVITY:</b>                           |                        |                   |                    |
| I-395 Commuter Choice Grants                         | 2,480,256              | 2,505,828         | (25,572)           |
| State Grants   | 127,489                | 131,189           | (3,700)            |
| Local Match on State Grants                          | 49,872                 | 64,672            | (14,800)           |
| Grant Expenditures                                   | (2,552,617)            | (2,806,689)       | 254,072            |
| <b>Total Grant Activity</b>                          | <b>105,000</b>         | <b>(105,000)</b>  | <b>210,000</b>     |
| <br>Change in Net Position before Nonoperating Items | <br><b>560,393</b>     |                   |                    |
| Depreciation   | <br><b>(4,748,835)</b> |                   |                    |
| Capital Contribution                                 | <br><b>6,566,416</b>   |                   |                    |
| <br><b>Change in Net Position</b>                    | <br><b>2,377,974</b>   | <b>(167,092)</b>  | <b>727,485</b>     |
| Net Position at Beginning of Year                    | <br><b>30,831,729</b>  |                   |                    |
| <b>Net Position at End of Year</b>                   | <br><b>33,209,703</b>  |                   |                    |

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

## ATC Board Agenda Detail

**Item #:** 5d

**Item Title:** Budget vs. Actual for June

**Contact:** Evan Davis, Director of Finance & Administration

**Board Action:** FYI/Discussion



Budget vs. Actual Report for the Year Ended June 30, 2021

| Description                              | CM Actual          | CM Budget        | Varlance           | YTD Actual        | YTD Budget        | Varlance           |
|--|--------------------|------------------|--------------------|-------------------|-------------------|--------------------|
| <b>REVENUE</b>                           |                    |                  |                    |                   |                   |                    |
| City Contribution - King Street Trolley  | 86,433             | 86,432           | 1                  | 1,037,185         | 1,037,185         | -                  |
| DASH Passenger Revenue                   | 184,080            | 335,333          | (151,253)          | 591,521           | 4,024,000         | (3,432,479)        |
| DASH AT2X Mark Center Charter            | 63,508             | 69,460           | (5,952)            | 441,057           | 833,518           | (392,461)          |
| DASH Other Charter Revenue               | 6,478              | 5,000            | 1,478              | 40,023            | 60,000            | (19,977)           |
| Miscellaneous Revenue                    | 5,245              | 4,583            | 662                | 93,512            | 55,000            | 38,512             |
| <b>TOTAL OPERATING REVENUE</b>           | <b>345,744</b>     | <b>500,808</b>   | <b>(155,064)</b>   | <b>2,203,298</b>  | <b>6,009,703</b>  | <b>(3,806,405)</b> |
| CARES Transit Funds                      | (1,331,736)        | 72,833           | (1,404,569)        | 4,771,668         | 874,000           | 3,897,668          |
| City Contribution - Regular Subsidy      | 1,390,546          | 1,390,541        | 5                  | 16,686,497        | 16,686,497        | -                  |
| <b>TOTAL REVENUE</b>                     | <b>404,554</b>     | <b>1,964,182</b> | <b>(1,559,628)</b> | <b>23,661,463</b> | <b>23,570,200</b> | <b>91,263</b>      |
| <b>OPERATING EXPENDITURES</b>            |                    |                  |                    |                   |                   |                    |
| <b>OPERATIONS</b>                        |                    |                  |                    |                   |                   |                    |
| Wages - O                                | 1,213,105          | 809,915          | (403,190)          | 9,743,398         | 9,719,000         | (24,398)           |
| Fringe Benefits - O                      | 166,724            | 140,650          | (26,074)           | 1,931,844         | 1,687,800         | (244,044)          |
| Payroll Taxes - O                        | 79,965             | 65,291           | (14,674)           | 718,919           | 783,500           | 64,581             |
| Retirement Contributions - O             | 77,684             | 68,259           | (9,425)            | 704,440           | 819,100           | 114,660            |
| <b>Total Operations Labor</b>            | <b>1,537,478</b>   | <b>1,084,115</b> | <b>(453,363)</b>   | <b>13,098,601</b> | <b>13,009,400</b> | <b>(89,201)</b>    |
| Operator Recruitment and Training        | 3,343              | 4,332            | 989                | 48,292            | 52,000            | 3,708              |
| Operating Materials and Supplies         | 3,319              | 1,959            | (1,360)            | 22,599            | 23,500            | 901                |
| Training and Travel - O                  | 1,495              | 1,933            | 438                | 3,543             | 23,200            | 19,657             |
| <b>TOTAL OPERATIONS EXPENDITURES</b>     | <b>1,545,635</b>   | <b>1,092,339</b> | <b>(453,296)</b>   | <b>13,173,035</b> | <b>13,108,100</b> | <b>(64,935)</b>    |
| <b>MAINTENANCE</b>                       |                    |                  |                    |                   |                   |                    |
| Wages - M                                | 222,346            | 183,509          | (38,837)           | 2,329,401         | 2,202,100         | (127,301)          |
| Fringe Benefits - M                      | 26,015             | 27,542           | 1,527              | 305,882           | 330,500           | 24,618             |
| Payroll Taxes - M                        | 13,722             | 14,000           | 278                | 173,737           | 168,000           | (5,737)            |
| Retirement Contributions - M             | 17,809             | 14,833           | (2,976)            | 175,413           | 178,000           | 2,587              |
| <b>Total Maintenance Labor</b>           | <b>279,892</b>     | <b>239,884</b>   | <b>(40,008)</b>    | <b>2,984,433</b>  | <b>2,878,600</b>  | <b>(105,833)</b>   |
| Fuel & Lubricants                        | 119,234            | 93,625           | (25,609)           | 834,128           | 1,123,500         | 289,372            |
| Repair Parts                             | (44,211)           | 45,583           | 89,794             | 521,322           | 547,000           | 25,678             |
| Tires                                    | 23,543             | 11,583           | (11,960)           | 105,874           | 139,000           | 33,126             |
| Vehicle Maintenance Service              | 34,660             | 10,834           | (23,826)           | 271,742           | 130,000           | (141,742)          |
| Laundry                                  | 3,201              | 2,792            | (409)              | 45,214            | 33,500            | (11,714)           |
| Tools and Equipment                      | (1,282)            | 1,250            | 2,532              | 45,178            | 15,000            | (30,178)           |
| Building Maintenance                     | (232,273)          | 41,665           | 273,938            | 380,864           | 500,000           | 119,136            |
| Training and Travel - M                  | -                  | 1,042            | 1,042              | 5,420             | 12,500            | 7,080              |
| <b>TOTAL MAINTENANCE EXPENDITURES</b>    | <b>182,764</b>     | <b>448,258</b>   | <b>265,494</b>     | <b>5,194,175</b>  | <b>5,379,100</b>  | <b>184,925</b>     |
| <b>ADMINISTRATION</b>                    |                    |                  |                    |                   |                   |                    |
| Wages - A                                | 222,544            | 139,232          | (83,312)           | 1,690,563         | 1,670,800         | (19,763)           |
| Fringe Benefits - A                      | 17,428             | 20,280           | 2,852              | 187,804           | 243,350           | 55,546             |
| Payroll Taxes - A                        | 14,276             | 10,709           | (3,567)            | 122,458           | 128,500           | 6,042              |
| Retirement Contributions - A             | 15,462             | 10,125           | (5,337)            | 129,294           | 121,500           | (7,794)            |
| <b>Total Administrative Labor</b>        | <b>269,710</b>     | <b>180,346</b>   | <b>(89,364)</b>    | <b>2,130,119</b>  | <b>2,164,150</b>  | <b>34,031</b>      |
| Insurance                                | 69,105             | 69,167           | 62                 | 895,713           | 830,000           | (65,713)           |
| Professional Services                    | 101,145            | 68,416           | (32,729)           | 880,236           | 821,000           | (59,236)           |
| Utilities                                | 19,963             | 21,166           | 1,203              | 224,159           | 254,000           | 29,841             |
| Printing & Advertising                   | 20,092             | 5,416            | (14,676)           | 44,870            | 65,000            | 20,130             |
| Telecommunications                       | 9,086              | 5,833            | (3,253)            | 105,806           | 70,000            | (35,806)           |
| Training, Travel, Events - A             | 1,073              | 4,335            | 3,262              | 14,696            | 52,000            | 37,304             |
| Office Equipment and Supplies            | 11,459             | 3,865            | (7,594)            | 61,999            | 46,350            | (15,649)           |
| Employee Recognition                     | -                  | 2,083            | 2,083              | 21,022            | 25,000            | 3,978              |
| Dues and Subscriptions                   | 1,953              | 1,250            | (703)              | 11,615            | 15,000            | 3,385              |
| Grant Local Match                        | 9,600              | 5,208            | (4,392)            | 49,872            | 62,500            | 12,628             |
| <b>TOTAL ADMINISTRATIVE EXPENDITURES</b> | <b>513,186</b>     | <b>367,085</b>   | <b>(146,101)</b>   | <b>4,440,107</b>  | <b>4,405,000</b>  | <b>(35,107)</b>    |
| <b>TOTAL OPERATING EXPENDITURES</b>      | <b>2,241,585</b>   | <b>1,907,682</b> | <b>(333,903)</b>   | <b>22,807,317</b> | <b>22,892,200</b> | <b>84,883</b>      |
| <b>CAPITAL OUTLAYS (non-CIP)</b>         |                    |                  |                    |                   |                   |                    |
| Computer and Office Equipment            | -                  | -                | -                  | -                 | -                 | -                  |
| Maintenance Equipment                    | (160,826)          | 52,333           | 213,159            | 398,753           | 628,000           | 229,247            |
| Other Equipment Investments              | (93,419)           | 9,341            | 102,760            | -                 | 112,092           | 112,092            |
| <b>TOTAL CAPITAL OUTLAYS (non-CIP)</b>   | <b>(254,245)</b>   | <b>61,674</b>    | <b>315,919</b>     | <b>398,753</b>    | <b>740,092</b>    | <b>341,339</b>     |
| <b>NET SURPLUS (DEFICIT)</b>             | <b>(1,582,786)</b> | <b>(5,174)</b>   | <b>(1,577,612)</b> | <b>455,393</b>    | <b>(62,092)</b>   | <b>517,485</b>     |

**ATC Board Agenda Detail**

**Item #:** 5a  
**Item Title:** Financial Report for July  
**Contact:** Evan Davis, Director of Finance & Administration  
**Board Action:** FYI/Discussion

**Alexandria Transit Company (DASH)****Financial Results for the Month Ended July 31, 2021  
& FY 2022 Projection****July 2021 Results**

**ATC began FY 2022 with a July monthly surplus of \$390,694.** However, as discussed further below, we currently anticipate a budget deficit for the year which is expected to be resolved through the *Virginia Transit Ridership Incentive Program* (TRIP) funds, or other sources. The July monthly surplus is due to the majority of July's first payroll being accrued back to FY 2021 as part of the year end accounting close.

**Significant budget variances and notable accounts in July include:**

- The entirety of the year's **passenger revenue** will be collected before the launch of the New DASH Network and fare-free service on September 5. Farebox revenue exceeded the projection for the month.
- As of June 30, 2021, \$1.3 million in **CARES Act transit relief funds** remained of the \$6.1 million transferred to the Company's accounts in FY21. This was recognized as deferred revenue in the FY21 accounting close. These funds will be recognized as revenue as needed throughout FY22. Because \$1.6 million in CARES funds were estimated to be available in the FY22 budget, the projection has been revised downward from budget, adding to the projected FY22 deficit.
- **Personnel expenditures** across all departments are lower than normal in July due to the accrual of most of July's first payroll back to FY21 as part of the year end accounting close.
- There has an inflationary trend which is expected to continue in **Repair Parts & Supplies** for several months now, and with higher diesel prices reflected in **Fuel & Lubricants**, both accounts were over budget for the month and are projected to remain so for the year.
- **Building Maintenance** includes costs for temporary bus stop signs related to the New DASH Network launch and the installation of a large digital bus arrivals screen at King Street Metro.

**FY22 Forecast – A Year of Expansion and Transition**

As in other recent fiscal years, FY22 involves significant changes in DASH's revenue sources and operating costs. DASH is launching a complete network redesign, significantly expanding service through grant funding, accommodating internal changes needed to support these expansions, and going fare free, all at the same time.

During FY22, DASH will transition into an agency that is no longer designed to partially support itself by user fees. Revenue from passengers, contracts, and charters will all sunset during this fiscal year (*partially due to the City and DASH's federalization*). Barring policy changes, going forward DASH will be a governmental service funded almost entirely by taxpayers, with very limited cost recovery from advertising sales. This fundamental transition is reflected in the FY22 projection and will be substantial in the coming FY23 proposed operating budget.

**FY22 Deficit**

**Applying conservative estimates, we are projecting a year end deficit of (~\$1.9 million).** There are multiple reasons for this which are explained below

- **Fare-Free Operation (\$850,000):** DASH has been awarded nearly \$9.4 million in FY22-23 grant funding by the I-395 Commuter Choice program to operate enhanced service on Lines 35 and 36. This represents

all of the service expansion in September's New DASH Network launch (all other service changes reallocate existing resources). These grants assumed collection of additional fare revenue resulting from increased ridership. As a result of DASH going fare free, this fare revenue is eliminated. Additionally, certain fare collection costs such as regional SmarTrip system support and maintenance staff time cannot be immediately recovered. This immediately created a built-in deficit of (\$850,000) in FY22.

- **102X Mark Center Express Revenue Loss (\$365,000):** Without notice, we have been informed by the Department of Defense's Washington Headquarters Service (WHS) that it intends to end the contract for DASH to operate the 102X Mark Center Express route (formerly AT2X).

This service has operated for ten years and during that time, staff have received nothing but positive feedback from WHS staff. The rise of teleworking in the aftermath of the COVID-19 pandemic seems to be playing a significant role in WHS' thinking. The 102X will continue through the end of November completing the current contract, and then be discontinued. WHS intends for their employees to take Line 102 local service from King Street Metro (Lines 35 and 36 also serve Mark Center Station). Staff estimate the net revenue loss, less cost savings, to total \$365,000 in FY22.

- **Higher FY21 Costs, Lower Remaining CARES Act (\$268,000):** Due to higher than anticipated operating costs in FY21, only \$1.3 million in CARES Act transit relief funds remained as of June 30, 2021. This is approximately \$268,000 lower than planned in the FY22 budget.
- **New DASH Network Launch (\$556,000):** The service expansions funded by I-395 Commuter Choice, and the overall launch of the New DASH Network, have elevated DASH to a higher tier of service requiring additional support resources.

For the first time in its history, DASH will be operating 24/7/365. The NDN spreads DASH service earlier in the morning, later at night, and into the weekends. This means DASH can no longer support the service with operations supervision and maintenance staffing limited to two shifts on weekdays. For many years, relative to peer transit systems DASH has operated with very lean support model relying on staffing models that cover multiple duties simultaneously. A conscious decision was made to address these issues immediately in order to ensure that no degradation of DASH's services is experienced by the customer.

These additional resources to support a successful New DASH Network include the following:

- **DASH Operations Control Center (DOCC):** This center is staffed by dispatchers 24 hours a day 7 days a week. It provides support for daily operations, headway management on the NDN frequent lines, emergency operations, bus operator support, and implements the use of modern technology to ensure uninterrupted service provisions. This takes road supervisors out of the role of service management and frees them to respond to incidents, support drivers, respond to customer needs and monitor the safety of operations.
- **Third Shift in Maintenance:** The majority of bus transit agencies our size operate three (3) shifts in the maintenance shop. With buses now pulling into the garage after 2:00 a.m. and leaving again before 4:00 a.m., a third shift has become essential. This shift will be tasked with preparing the fleet for morning service so that the first shift can focus on more complex challenges.
- **Marketing and Outreach:** Marketing and customer outreach are critical to the launch of the NDN. Without additional investments in helping to ensure the public knows how to use the new system, DASH could face significant backlash for the changes. Additional efforts included a customized Trip Planner which comparing a customer's trip in the old and new networks, a website refresh, professional promotional video, and ambassadors in the field in the weeks leading up to and following the launch.

- **Recruitment:** As with most employers, DASH is experiencing the effects of an economy-wide labor shortage. This has been a significant issue for us and comes at a time when DASH is hiring to staff the service expansions of the NDN launch. DASH has brought on a full-time Recruiting Specialist to facilitate continuous bus operator recruitment, a need staff anticipate continuing indefinitely.

### **Responses to FY22 Deficit**

City and DASH staff are responding to this projected deficit as follows.

1. **Limiting Discretionary Costs:** DASH is suspending any and all discretionary capital purchases, travel and training, and other non-critical costs.
2. **Virginia Transit Ridership Incentive Program (TRIP):** In 2020, the Virginia General Assembly created TRIP, a new statewide grant program that provides funding to transit agencies for the purpose of increasing statewide ridership by supporting the development of zero and subsidized fare programs. Staff feel it is likely the City will be selected as a grantee, however the amount of funding awarded is to be determined. **It is possible that enough funds will be awarded in FY22 to fully cover the projected deficit.** If that is not the case, the next most appropriate funding source would be the City's share of American Rescue Plan Act (ARPA) transit relief funding, which as before has been shared to local jurisdictions by WMATA via a subsidy credit. City and DASH staff are coordinating to allocate that funding as necessary depending on a potential TRIP grant award.

The projected FY 2022 deficit will be solved through a combination of internal cost controls, funding from TRIP, ARPA, and/or other sources to be determined. Staff anticipate TRIP funding awards in the November to December timeframe. At that point, a much clearer fiscal plan for DASH in FY22 can be established.

### **Background on TRIP:**

- a. TRIP program guidelines approved by the Commonwealth Transportation Board allow for a flexible balance between state and local funding, with a maximum state share of 80% in the first year, an expectation of a declining state share thereafter, and a maximum funding duration of three years.

Consistent with its goal of funding projects with a strong local financial commitment, all system-wide zero fare applicants must commit to an additional year of operation wherein the grantee provides 100% of project funding with DRPT's support and monitoring. For example, to obtain three years of TRIP Zero Fare funding, the City and DASH must commit to four fiscal years of free fares on DASH (FY 2022 – FY 2025).

- b. With DASH's support, the City is preparing an application for up to \$8 million to support the deployment of a fully zero fare system, assuming a minimum four-year commitment (FY 2022 – FY 2025). The actual state funding awarded will be negotiated between the City and DRPT if the City is selected as a grantee. A resolution to authorize this application will be taken up by City Council on September 14.
- c. In the spring of 2021, the City conducted a consultant-assisted study that examined the benefits and costs of DASH going fare free, in addition to means tested free or discounted programs for low-income individuals on both DASH and WMATA services. The study projected DASH ridership increasing from nearly three million annual trips in FY22 to just under 6.5 million trips in FY25 with a fare free program. This accounts for ridership returns post-COVID and ridership gains from the New DASH Network, in addition to ridership gains from free fares. The study found that a free fare program for DASH, while not targeting low-income populations, benefits the largest number of

residents, including low-income households who may not meet low-income definitions. As DASH has already implemented free fares, this proposal should score well for project schedule and readiness.

**ATC Board Agenda Detail**

**Item #:** 5b  
**Item Title:** Balance Sheet for July  
**Contact:** Evan Davis, Director of Finance & Administration  
**Board Action:** FYI/Discussion

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**ALEXANDRIA TRANSIT COMPANY**  
**Balance Sheet as of July 31, 2021**

**ASSETS**

|                                  |                             |
|----------------------------------|-----------------------------|
| Cash - City of Alexandria Pooled | \$ 1,404,444                |
| Cash - Payroll Account           | 26,885                      |
| Due from Other Governments       | 183,907                     |
| Receivables                      | 435,522                     |
| Prepaid Expenditures             | 463,255                     |
| Parts and Supplies Inventory     | 849,047                     |
| Capital Assets                   | 59,780,931                  |
| Less: Accumulated Depreciation   | (26,242,025)                |
| <b>TOTAL ASSETS</b>              | <b><u>\$ 36,901,966</u></b> |

**LIABILITIES**

|                              |                            |
|------------------------------|----------------------------|
| Accounts Payable             | \$ 664,322                 |
| Payroll Liabilities          | 23,246                     |
| Accrued Vacation             | 1,240,225                  |
| Deferred Revenue (CARES Act) | 1,331,736                  |
| <b>Total Liabilities</b>     | <b><u>\$ 3,259,529</u></b> |

**NET POSITION**

|   |                             |
|---|-----------------------------|
| Net Investment in Capital Assets          | \$ 33,538,906               |
| Unrestricted                              | 103,531                     |
| <b>Total Net Position</b>                 | <b><u>\$ 33,642,437</u></b> |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <b><u>\$ 36,901,966</u></b> |

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

**ATC Board Agenda Detail**

**Item #:** 5c  
**Item Title:** Summary Income Statement for July  
**Contact:** Evan Davis, Director of Finance & Administration  
**Board Action:** FYI/Discussion



**ALEXANDRIA TRANSIT COMPANY**  
**Summary Income Statement for the Month Ended July 31, 2021**

|   | Actual           | Budget           | Variance       |
|---|------------------|------------------|----------------|
| <b>REVENUES:</b>                        |                  |                  |                |
| City Contribution - King Street Trolley | 74,973           | 74,973           | -              |
| Passenger Revenue                       | 196,406          | 46,833           | 149,573        |
| 102X Mark Center Charter                | 69,460           | 71,544           | (2,084)        |
| Other Charter Revenue                   | 9,203            | 5,000            | 4,203          |
| Advertising Revenue                     | -                | 15,000           | (15,000)       |
| Miscellaneous Revenue                   | 1,000            | 4,583            | (3,583)        |
| <b>Total Operating Revenue</b>          | <b>351,042</b>   | <b>217,933</b>   | <b>133,109</b> |
|   |                  |                  |                |
| CARES/CRRSAA Transit Funds              | 107,689          | 241,023          | (133,334)      |
| City Contribution - Regular Subsidy     | 1,513,041        | 1,513,041        | -              |
| <b>Total Revenue</b>                    | <b>1,971,772</b> | <b>1,971,997</b> | <b>(225)</b>   |
|   |                  |                  |                |
| <b>EXPENDITURES:</b>                    |                  |                  |                |
| Operations                              | 881,591          | 1,141,262        | 259,671        |
| Maintenance                             | 411,177          | 432,430          | 21,253         |
| Administration                          | 288,310          | 382,471          | 94,161         |
| Capital Outlay                          | -                | 15,834           | 15,834         |
| <b>Total Expenditures</b>               | <b>1,581,078</b> | <b>1,971,997</b> | <b>390,919</b> |
|   |                  |                  |                |
| <b>GRANT ACTIVITY:</b>                  |                  |                  |                |
| I-395 Commuter Choice Grants            | -                | -                | -              |
| State Grants                            | -                | -                | -              |
| Local Match on State Grants             | -                | -                | -              |
| Grant Expenditures                      | -                | -                | -              |
| <b>Total Grant Activity</b>             | <b>-</b>         | <b>-</b>         | <b>-</b>       |
|   |                  |                  |                |
| <b>Net Surplus (Deficit)</b>            | <b>390,694</b>   | <b>-</b>         | <b>390,694</b> |

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



## ATC Board Agenda Detail

**Item #:** 5d

**Item Title:** Budget vs. Actual for July

**Contact:** Evan Davis, Director of Finance & Administration

**Board Action:** FYI/Discussion

**Alexandria Transit Company (DASH)**  
Budget vs. Actual Report for the Month Ended July 31, 2021

| Description                               | CM Actual        | CM Budget        | Variance       | YTD Actual       | YTD Budget       | Variance       | FY2022 Projected   | FY2022 Annual Budget | Projected Year End Variance |
|---|------------------|------------------|----------------|------------------|------------------|----------------|--------------------|----------------------|-----------------------------|
| <b>REVENUE</b>                            |                  |                  |                |                  |                  |                |                    |                      |                             |
| City Contribution - King Street Trolley   | 74,973           | 74,973           | -              | 74,973           | 74,973           | -              | 1,109,072          | 899,672              | 209,400                     |
| Passenger Revenue                         | 196,406          | 46,833           | 149,573        | 196,406          | 46,833           | 149,573        | 373,392            | 562,000              | (188,608)                   |
| 102X Mark Center Charter                  | 69,460           | 71,544           | (2,084)        | 69,460           | 71,544           | (2,084)        | 353,551            | 858,524              | (504,973)                   |
| Other Charter Revenue                     | 9,203            | 5,000            | 4,203          | 9,203            | 5,000            | 4,203          | 57,112             | 60,000               | (2,889)                     |
| Advertising Revenue                       | -                | 15,000           | (15,000)       | -                | 15,000           | (15,000)       | 180,000            | 180,000              | -                           |
| Miscellaneous Revenue                     | 1,000            | 4,583            | (3,583)        | 1,000            | 4,583            | (3,583)        | 52,600             | 55,000               | (2,400)                     |
| <b>TOTAL OPERATING REVENUE</b>            | <b>351,042</b>   | <b>217,933</b>   | <b>133,109</b> | <b>351,042</b>   | <b>217,933</b>   | <b>133,109</b> | <b>2,125,726</b>   | <b>2,615,196</b>     | <b>(489,470)</b>            |
| <b>Virginia TRIP Program - Amount TBD</b> |                  |                  |                |                  |                  |                |                    |                      |                             |
| CARES/CRRSA Transit Funds                 | 107,689          | 241,023          | (133,334)      | 107,689          | 241,023          | (133,334)      | 2,624,013          | 2,892,277            | (268,264)                   |
| City Contribution - Regular Subsidy       | 1,513,041        | 1,513,041        | -              | 1,513,041        | 1,513,041        | -              | 18,156,497         | 18,156,497           | -                           |
| <b>TOTAL REVENUE</b>                      | <b>1,971,772</b> | <b>1,971,997</b> | <b>(225)</b>   | <b>1,971,772</b> | <b>1,971,997</b> | <b>(225)</b>   | <b>22,906,236</b>  | <b>23,663,970</b>    | <b>(757,734)</b>            |
| <b>OPERATING EXPENDITURES</b>             |                  |                  |                |                  |                  |                |                    |                      |                             |
| <b>OPERATIONS</b>                         |                  |                  |                |                  |                  |                |                    |                      |                             |
| Wages - O                                 | 617,233          | 848,231          | 230,998        | 617,233          | 848,231          | 230,998        | 10,327,329         | 10,178,900           | (148,429)                   |
| Fringe Benefits - O                       | 163,793          | 158,091          | (5,702)        | 163,793          | 158,091          | (5,702)        | 1,957,457          | 1,897,100            | (60,357)                    |
| Payroll Taxes - O                         | 46,959           | 62,001           | 15,042         | 46,959           | 62,001           | 15,042         | 756,445            | 744,000              | (12,445)                    |
| Retirement Contributions - O              | 48,310           | 62,917           | 14,607         | 48,310           | 62,917           | 14,607         | 868,739            | 755,000              | (113,739)                   |
| <b>Total Operations Personnel</b>         | <b>876,295</b>   | <b>1,131,240</b> | <b>254,945</b> | <b>876,295</b>   | <b>1,131,240</b> | <b>254,945</b> | <b>13,909,970</b>  | <b>13,575,000</b>    | <b>(334,970)</b>            |
| Operating Materials and Supplies          | 3,396            | 3,167            | (229)          | 3,396            | 3,167            | (229)          | 38,000             | 38,000               | -                           |
| Operator Training                         | 883              | 2,916            | 2,033          | 883              | 2,916            | 2,033          | 35,000             | 35,000               | -                           |
| Training and Travel - O                   | 1,017            | 3,939            | 2,922          | 1,017            | 3,939            | 2,922          | 38,250             | 47,250               | 9,000                       |
| <b>TOTAL OPERATIONS EXPENDITURES</b>      | <b>881,591</b>   | <b>1,141,262</b> | <b>259,671</b> | <b>881,591</b>   | <b>1,141,262</b> | <b>259,671</b> | <b>14,021,220</b>  | <b>13,695,250</b>    | <b>(325,970)</b>            |
| <b>MAINTENANCE</b>                        |                  |                  |                |                  |                  |                |                    |                      |                             |
| Wages - M                                 | 115,939          | 188,468          | 72,529         | 115,939          | 188,468          | 72,529         | 2,581,948          | 2,261,600            | (320,348)                   |
| Fringe Benefits - M                       | 23,033           | 26,492           | 3,459          | 23,033           | 26,492           | 3,459          | 365,308            | 317,900              | (47,408)                    |
| Payroll Taxes - M                         | 8,754            | 14,242           | 5,488          | 8,754            | 14,242           | 5,488          | 188,552            | 170,900              | (17,652)                    |
| Retirement Contributions - M              | 8,934            | 14,892           | 5,958          | 8,934            | 14,892           | 5,958          | 197,092            | 178,700              | (18,392)                    |
| <b>Total Maintenance Personnel</b>        | <b>156,660</b>   | <b>244,094</b>   | <b>87,434</b>  | <b>156,660</b>   | <b>244,094</b>   | <b>87,434</b>  | <b>3,332,900</b>   | <b>2,929,100</b>     | <b>(403,800)</b>            |
| Fuel & Lubricants                         | 129,141          | 93,500           | (35,641)       | 129,141          | 93,500           | (35,641)       | 1,243,141          | 1,122,000            | (121,141)                   |
| Repair Parts & Supplies                   | 80,077           | 56,959           | (23,118)       | 80,077           | 56,959           | (23,118)       | 749,077            | 683,500              | (65,577)                    |
| Maintenance Services                      | 10,971           | 13,334           | 2,363          | 10,971           | 13,334           | 2,363          | 219,470            | 160,000              | (59,470)                    |
| Building Maintenance                      | 34,116           | 23,459           | (10,657)       | 34,116           | 23,459           | (10,657)       | 317,219            | 281,500              | (35,719)                    |
| Training and Travel - M                   | 212              | 1,084            | 872            | 212              | 1,084            | 872            | 12,500             | 13,000               | 500                         |
| <b>TOTAL MAINTENANCE EXPENDITURES</b>     | <b>411,177</b>   | <b>432,430</b>   | <b>21,253</b>  | <b>411,177</b>   | <b>432,430</b>   | <b>21,253</b>  | <b>5,874,309</b>   | <b>5,189,100</b>     | <b>(685,209)</b>            |
| <b>ADMINISTRATION</b>                     |                  |                  |                |                  |                  |                |                    |                      |                             |
| Wages - A                                 | 85,452           | 146,141          | 60,689         | 85,452           | 146,141          | 60,689         | 1,921,176          | 1,753,700            | (167,476)                   |
| Fringe Benefits - A                       | 17,992           | 18,575           | 583            | 17,992           | 18,575           | 583            | 242,095            | 222,900              | (19,195)                    |
| Payroll Taxes - A                         | 6,440            | 11,192           | 4,752          | 6,440            | 11,192           | 4,752          | 144,821            | 134,300              | (10,521)                    |
| Retirement Contributions - A              | 6,861            | 10,600           | 3,739          | 6,861            | 10,600           | 3,739          | 140,113            | 127,200              | (12,913)                    |
| <b>Total Administrative Personnel</b>     | <b>116,745</b>   | <b>186,508</b>   | <b>69,763</b>  | <b>116,745</b>   | <b>186,508</b>   | <b>69,763</b>  | <b>2,448,206</b>   | <b>2,238,100</b>     | <b>(210,106)</b>            |
| Insurance                                 | 67,503           | 71,250           | 3,747          | 67,503           | 71,250           | 3,747          | 804,503            | 855,000              | 50,497                      |
| Professional Services                     | 85,239           | 71,724           | (13,515)       | 85,239           | 71,724           | (13,515)       | 1,013,946          | 860,700              | (153,246)                   |
| Utilities                                 | 1,525            | 20,292           | 18,767         | 1,525            | 20,292           | 18,767         | 227,025            | 243,500              | 16,475                      |
| Telecommunications                        | 8,382            | 8,960            | 578            | 8,382            | 8,960            | 578            | 105,182            | 107,520              | 2,338                       |
| Printing & Advertising                    | 2,973            | 5,875            | 2,902          | 2,973            | 5,875            | 2,902          | 70,500             | 70,500               | -                           |
| Training, Travel, Events                  | 1,416            | 4,750            | 3,334          | 1,416            | 4,750            | 3,334          | 27,000             | 57,000               | 30,000                      |
| Office Equipment and Supplies             | 3,624            | 4,078            | 454            | 3,624            | 4,078            | 454            | 48,900             | 48,900               | -                           |
| Employee Recognition                      | -                | 1,667            | 1,667          | -                | 1,667            | 1,667          | 20,000             | 20,000               | -                           |
| Dues and Subscriptions                    | 903              | 1,492            | 589            | 903              | 1,492            | 589            | 17,900             | 17,900               | -                           |
| Grant Local Match                         | -                | 5,875            | 5,875          | -                | 5,875            | 5,875          | 77,200             | 70,500               | (6,700)                     |
| <b>TOTAL ADMINISTRATIVE EXPENDITURES</b>  | <b>288,310</b>   | <b>382,471</b>   | <b>94,161</b>  | <b>288,310</b>   | <b>382,471</b>   | <b>94,161</b>  | <b>4,860,362</b>   | <b>4,589,620</b>     | <b>(270,742)</b>            |
| <b>CAPITAL OUTLAYS (non-CIP)</b>          |                  |                  |                |                  |                  |                |                    |                      |                             |
| Computer and Office Equipment             | -                | -                | -              | -                | -                | -              | -                  | -                    | -                           |
| Maintenance Equipment                     | -                | 11,667           | 11,667         | -                | 11,667           | 11,667         | -                  | 140,000              | 140,000                     |
| Other Equipment Investments               | -                | 4,167            | 4,167          | -                | 4,167            | 4,167          | -                  | 50,000               | 50,000                      |
| <b>TOTAL CAPITAL OUTLAYS (non-CIP)</b>    | <b>-</b>         | <b>15,834</b>    | <b>15,834</b>  | <b>-</b>         | <b>15,834</b>    | <b>15,834</b>  | <b>-</b>           | <b>190,000</b>       | <b>190,000</b>              |
| <b>TOTAL OPERATING EXPENDITURES</b>       | <b>1,581,078</b> | <b>1,971,997</b> | <b>390,919</b> | <b>1,581,078</b> | <b>1,971,997</b> | <b>390,919</b> | <b>24,755,891</b>  | <b>23,663,970</b>    | <b>(1,091,921)</b>          |
| <b>NET SURPLUS (DEFICIT)</b>              | <b>390,694</b>   | <b>-</b>         | <b>390,694</b> | <b>390,694</b>   | <b>-</b>         | <b>390,694</b> | <b>(1,849,655)</b> | <b>-</b>             | <b>(1,849,655)</b>          |

**ATC Board Agenda Detail**

**Item #:** 6a  
**Item Title:** New DASH Network – Implementation Update  
**Contact:** Martin Barna, Director of Planning & Marketing  
**Board Action:** FYI

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Martin Barna, Director of Planning & Marketing will provide a verbal report regarding the first few days of the implementation of the New DASH Network.



**ATC Board Agenda Detail**

**Item #:** 7  
**Item Title:** Executive Session  
**Board Action:** Discussion/Approval

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

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**ATC Board Agenda Detail**

**Item #:** 8  
**Item Title:** Next Meeting Date & Adjournment  
**Board Action:** Discussion/Approval

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**The next regular meeting is scheduled for Wednesday, October 13, 2021  
at 5:30pm**

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***Consider Adjournment***



# Alexandria Transit Company

## Board of Directors Meeting

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**Attachment:**

1. Federalization White Paper

# **FTA Designated Recipient Requirements White Paper**

**City of Alexandria**

***EXECUTIVE SUMMARY***

**May 2021**



# Executive Summary

The City of Alexandria, Virginia (City) has expressed interest in becoming a designated recipient of Federal Transit Administration (FTA) grant funds. The goal of the recipient designation is to facilitate application and award of FTA discretionary grant funds. As a designated recipient, the City of Alexandria would be responsible for compliance with these requirements and would need to demonstrate to FTA that it has the technical capacity to satisfy these duties and responsibilities. This white paper was prepared to outline the steps to becoming a designated recipient of FTA funds and is intended to inform staff regarding obligations resulting from the recipient designation. Requirements for FTA grant recipients are summarized and requisite City and Alexandria Transit Company (DASH) organizational changes to fulfill those requirements are identified and defined.

Many of the requirements to become a designated recipient can be performed within the City's organizational structure or in coordination with DASH. Furthermore, there are some requirements that are better suited to be completed by DASH with oversight provided by City staff. **Table 1** lists major compliance areas and the basic requirements associated with each. The table indicates where within the City organizational structure responsibility for each compliance area should reside and also which areas require DASH coordination and/or implementation support. Lastly, the table denotes to what degree basic requirements are being satisfied using a green, yellow, and red color-coding, where green reflects all basic requirements are being met to some degree and red meaning some of the basic requirements are not being performed or need to be developed.

Major benefits and challenges for the City in becoming an FTA designated recipient include:

## **Benefits**

- Opportunity to Apply for and Receive FTA Discretionary Grant Funding
- Increased Urbanized Area Formula Funding for the Region
- Integration of DASH and City Processes

## **Challenges**

- Ensuring Adequate Staffing and Delegation of Responsibilities
- Reconciliation of Processes and Procedures
- Organizational Arrangement Between City and DASH

**Next steps:** Meet with heads of City and DASH departments to determine staffing needs, training requirements, and programming the next steps for the federalization process.



*Table 1: FTA Compliance Areas*

| <b>Compliance Area</b>                           | <b>Basic Requirements</b>  | <b>City of Alexandria (Responsible Department)</b>   | <b>Alexandria Transit Company (Responsible Department)</b>   | <b>Readiness</b> |
|--|--|--|--|------------------|
| <b>Legal</b>                                     | <ul style="list-style-type: none"> <li>Signed FTA Certifications and Assurances</li> <li>Notification of legal matters that involve FTA</li> <li>Restrictions on using FTA funds for lobbying</li> </ul>   | <ul style="list-style-type: none"> <li>City Attorney</li> </ul>  |  |                  |
| <b>Financial Management and Capacity</b>         | <ul style="list-style-type: none"> <li>Written financial policies and procedure</li> <li>Organizational structure that defines and delegates authority</li> <li>Financial Management System</li> <li>Single Audit/Financial Oversight</li> </ul> | <ul style="list-style-type: none"> <li>Finance/Accounting Division</li> <li>Office of Internal Audit</li> </ul>                    | <ul style="list-style-type: none"> <li>Finance &amp; Administration</li> </ul>                                   |                  |
| <b>Technical Capacity - Award Management</b>     | <ul style="list-style-type: none"> <li>FTA Award Management and Reporting Procedures</li> </ul>  | <ul style="list-style-type: none"> <li>Finance/Accounting Division</li> </ul>  | <ul style="list-style-type: none"> <li>Finance &amp; Administration</li> </ul>                                   |                  |
| <b>Technical Capacity - Project Management</b>   | <ul style="list-style-type: none"> <li>Written Project Management Plans and Quality Control Procedures</li> <li>Written Procedures for Monitoring Capital Projects</li> </ul>  | <ul style="list-style-type: none"> <li>Project Implementation</li> </ul>   |  |                  |
| <b>National Transit Database (NTD) Reporting</b> | <ul style="list-style-type: none"> <li>Quarterly and Annual Reports</li> </ul>   | <ul style="list-style-type: none"> <li>Finance/Accounting Division</li> <li>Transportation &amp; Environmental Services</li> </ul> | <ul style="list-style-type: none"> <li>Finance &amp; Administration</li> <li>Planning &amp; Marketing</li> </ul> |                  |
| <b>Satisfactory Continuing Control</b>           | <ul style="list-style-type: none"> <li>Maintain original, intended use of any FTA-funded property</li> </ul>   | <ul style="list-style-type: none"> <li>General Services</li> </ul>   | <ul style="list-style-type: none"> <li>Maintenance</li> <li>Operations</li> </ul>                                |                  |
| <b>Maintenance</b>                               | <ul style="list-style-type: none"> <li>Transit Asset Management (TAM) Plan</li> <li>Fleet and Facilities Maintenance Plans</li> </ul>  | <ul style="list-style-type: none"> <li>General Services</li> </ul>   | <ul style="list-style-type: none"> <li>Maintenance</li> <li>Operations</li> </ul>                                |                  |



| <b>Compliance Area</b>                                   | <b>Basic Requirements</b>   | <b>City of Alexandria (Responsible Department)</b>  | <b>Alexandria Transit Company (Responsible Department)</b>                                  | <b>Readiness</b> |
|--|---|---|---|------------------|
| <b>Safety</b>  | <ul style="list-style-type: none"> <li>Public Transportation Agency Safety Plan (PTASP)</li> </ul>  | <ul style="list-style-type: none"> <li>General Services</li> </ul>                            | <ul style="list-style-type: none"> <li>Safety &amp; Security</li> <li>Operations</li> </ul> |                  |
| <b>Procurement</b>                                       | <ul style="list-style-type: none"> <li>Policies, procedures, and contracts that comply with Federal provisions</li> </ul>   | <ul style="list-style-type: none"> <li>Finance/Purchasing Division</li> </ul>                 | <ul style="list-style-type: none"> <li>Finance &amp; Administration</li> </ul>              |                  |
| <b>Disadvantaged Business Enterprise (DBE)</b>           | <ul style="list-style-type: none"> <li>DBE Program and Goal</li> <li>DBE Goal Monitoring and Reporting</li> <li>Designated DBE Liaison Officer</li> </ul>   | <ul style="list-style-type: none"> <li>Finance/Purchasing Division</li> </ul>                 |   |                  |
| <b>Title VI</b>  | <ul style="list-style-type: none"> <li>Title VI Program</li> <li>Title VI Complaint Procedure and Form</li> </ul>   | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>                                | <ul style="list-style-type: none"> <li>Planning &amp; Marketing</li> </ul>                  |                  |
| <b>ADA - General</b>                                     | <ul style="list-style-type: none"> <li>ADA Complaint Procedures and Form</li> <li>Accessible Vehicles and Facilities</li> <li>Provisions for Accessible Service</li> </ul>                                  | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>                                | <ul style="list-style-type: none"> <li>Maintenance</li> <li>Operations</li> </ul>           |                  |
| <b>ADA - Complementary Paratransit</b>                   | <ul style="list-style-type: none"> <li>Provision of ADA Complementary Paratransit Service</li> <li>ADA Eligibility Determination Process</li> </ul>   | <ul style="list-style-type: none"> <li>Transportation &amp; Environmental Services</li> </ul> |   |                  |
| <b>Equal Employment Opportunity (EEO)</b>                | <ul style="list-style-type: none"> <li>EEO Program</li> <li>Designated EEO Officer</li> </ul>   | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>                                | <ul style="list-style-type: none"> <li>Human Resources</li> </ul>                           |                  |
| <b>Drug Free Workplace and Drug and Alcohol Programs</b> | <ul style="list-style-type: none"> <li>Written DFW Policy</li> <li>Written Drug and Alcohol Policy</li> <li>Drug and Alcohol Testing Program</li> <li>Drug and Alcohol Testing Program Reporting</li> </ul> | <ul style="list-style-type: none"> <li>Finance Risk Management Division</li> </ul>            | <ul style="list-style-type: none"> <li>Safety &amp; Security</li> </ul>                     |                  |



# **FTA Designated Recipient Requirements White Paper**

**City of Alexandria**

**May 2021**



## Introduction

The City of Alexandria, Virginia (City) has expressed interest in becoming a designated recipient of Federal Transit Administration (FTA) grant funds. The term “designated recipient” is used in a number of FTA programs to indicate that an entity is eligible to apply for funding under a program. Specific guidance is provided in *FTA Circular 9030.1E – Urbanized Area Formula Program: Program Guidance and Application Instructions*. This term is mainly relevant to the FTA Section 5307 Urbanized Area Formula Program but also applies to other federal transportation programs that support the Section 5307 program. Many of those support programs are competitive, discretionary grant programs.

For the City, the goal of the recipient designation is to facilitate application and award of FTA discretionary grant funds. An increase in funding for the City’s public transportation program will satisfy fleet electrification and facility refurbishment and expansion needs. The opportunity has become that much more significant given proposed federal legislation that would increase funding for public transportation and related infrastructure.

This white paper was prepared to outline the steps to becoming a designated recipient of FTA funds and is intended to inform staff regarding obligations resulting from the recipient designation. Requirements for FTA grant fund recipients are summarized and requisite City and Alexandria Transit Company (DASH) organizational changes to fulfill those requirements are defined.

### **City Government Entities as Designated Recipients**

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There are a number of examples where a city government has taken on the role of Designated Recipient of FTA funding. A few are noted below.

- Charlottesville Area Transit, Charlottesville, Virginia
- FRED Regional Transit, Fredericksburg, Virginia
- Blacksburg Transit, Blacksburg, Virginia

The roles, responsibilities, and organizational structure of staff, as they relate to the various FTA compliance areas, will vary for each transit agency. What is important is that even small to mid-size city governments have demonstrated the legal, financial, and technical capacity to fulfill the requirements of the FTA program.

## **Process for Attaining Designated Recipient Status**

FTA apportions funds for urbanized areas to states and designated recipients, which are responsible for receiving and allocating FTA funds to eligible projects within the applicable urbanized area.<sup>1</sup> The recipient(s) designated in each UZA must be a governmental authority and have the legal authority to receive and dispense federal funds in the UZA.<sup>2</sup> While FTA

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<sup>1</sup> FTA Circular 9030.1E, Chapter II, Section 6

<sup>2</sup> FTA Circular 9030.1E, Chapter II, Section 7



encourages the designation of a single designated recipient for each UZA with 200,000 or more in population, nothing precludes the designation of multiple designated recipients within a UZA. The process for becoming a designated recipient depends on whether or not the UZA has a population higher or lower than 200,000. Since the Washington, DC – VA – MD UZA population is greater than 200,000, designated recipients must meet the following criteria:

- A letter expressing the governor's concurrence; and
- Documentation of concurrence in the selection of the designated recipient by the providers of publicly owned public transportation service in the UZA, and an appropriately certified resolution of the metropolitan planning organization (MPO) concurring in the designation.
- Opinion of Counsel submitted by the state certifying the entity's legal capacity to perform the functions of a designated recipient.<sup>3</sup>

The City of Alexandria is part of the Washington, DC – VA – MD UZA. The Washington Metropolitan Area Transit Authority (WMATA) is the Designated Recipient for FTA funds and apportions Section 5307 funds to the agencies operating within the jurisdiction of the urbanized area. However, the WMATA Compact does not preclude any other public entity from becoming a designated recipient and applying for discretionary grants.

## **FTA Requirements Applicable to Designated Recipients**

Recipients of FTA funding are subject to the requirements that FTA imposes upon its grantees, and by extension the grantees' subrecipients. The requirements are generally covered in FTA's Annual Certifications and Assurances, grant agreements, and circulars, and are briefly outlined below. **As a designated recipient, the City of Alexandria would be responsible for compliance with these requirements and would need to demonstrate to FTA that it has the technical capacity to satisfy these duties and responsibilities.**

### **Annual Certifications and Assurances**

FTA's Annual Certifications and Assurances are published annually in the Federal Register and consist of a compilation of federal laws and regulations to which a grant recipient, including a designated recipient, must certify compliance in order to be eligible for a grant award. The Annual Certifications and Assurances include provisions required for all grant recipients and provisions for specific grant programs. Specific assurances may apply depending on the grant program for which the City of Alexandria might submit an application.

When submitting grant applications, the City's legal counsel and project team should review City practices and the project scope of work to ensure the City is in compliance with the requirements set forth in the latest FTA Certifications and Assurances. The assurances required

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<sup>3</sup> FTA Circular 9030.1E, Chapter II, Section 7



for all recipients include general compliance with federal law and regulations related to nondiscrimination, environmental protection, and historic preservation, among others, and with Office of Management and Budget procedures and standards.<sup>4</sup>

## **Grant Agreements and Cross-Cutting Requirements**

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All grant recipients, including designated recipients, are required to comply with FTA's "cross-cutting" requirements. The cross-cutting requirements are applicable federal laws, regulations, and policies set forth in the FTA Master Agreement. FTA publishes an updated Master Agreement annually, with the most recent in February 2021. These requirements are established in law and further addressed in Section 49 Code of Federal Regulations (CFR) Part 18 and cover the following general areas:

- Record retention and reporting,
- Civil rights,
- Procurement,
- Insurance,
- Construction,
- Employee protections,
- Use of real property, equipment, and supplies, and
- Freedom of information.<sup>5</sup>

In addition to the cross-cutting requirements for all grant recipients, there are program-specific requirements for each individual FTA program. When the City of Alexandria signs the FTA Master Agreement, it is a legally binding agreement that the City will comply with the terms of the Master Agreement and all of its relevant cross-cutting requirements.

## **Reporting Requirements**

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After a grant is active, grant recipients are required to submit recurring reports regarding the grant. Reporting requirements are outlined in *FTA Circular 5010.1E - Award Management Requirements*. The on-going reporting generally will include the following reports:

- Financial Status and Milestone/Progress Reports (submitted quarterly);
- Transit Enhancement Reports (submitted annually);
- Civil Rights Reports (submitted triennially);
- Significant Event Reports (as needed);
- Disadvantaged Business Enterprise goals (updated every three years);
- National Transit Database reporting (submitted monthly and annually); and
- Value Engineering Reports (submitted at the end of each Federal Fiscal Year).<sup>6</sup>

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<sup>4</sup> FTA Certifications and Assurances Fiscal Year 2021

<sup>5</sup> *FTA Master Agreement*, February 9, 2021.

<sup>6</sup> *FTA Circular 5010.1E*, Section III.3.



## FTA Oversight and Audits

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In addition to reporting requirements, FTA uses oversight assessments and audits to ensure that all grant recipients are complying with federal laws and regulations and FTA policies. As a designated recipient, the City of Alexandria will need to comply with the following FTA oversight and audits listed below:

- **Triennial Review** – A review conducted a minimum of once every three years to ensure that a grant recipient is properly managing grants in compliance with FTA's requirements.<sup>7</sup>
- **Financial Management Oversight Program** – A series of reviews that assess the grant recipient's financial management program for compliance with federal laws and regulations, including follow-up or special reviews where specific issues are uncovered during a Full Scope Systems Review.<sup>8</sup>
- **Procurement System Review** – The Procurement Review ensures that a grant recipient's procurement policies and procedures, as well as specific contracts, meet the FTA's third-party contracting requirements.<sup>9</sup> Additional information regarding third-party contracting requirements can be found in FTA Circular 4220.1F - *Third-Party Contracting Guidance*.<sup>10</sup>
- **Civil Rights Review** – The FTA reserves its right to review a grant recipient at any time for compliance with Title VI, DBE, ADA, and EEO laws and regulations.<sup>11</sup>
- **Safety and Security Reviews** – Safety and Security Reviews generally refer to several specific reviews and programs related to the safety and security of the grant recipient.
  - Drug and Alcohol Program – Ensuring compliance with the FTA's drug and alcohol prevention regulations.<sup>12</sup>
  - Federal Transit Administration Safety Oversight Audit Program – Monitoring and evaluation of the FTA's State Safety Oversight Rule.<sup>13</sup>
  - Safety and Security Management Plan Review – Grant recipient site assessment for compliance with its own "Safety and Security Management Plan," as required by FTA's project management regulations.
- **Project Management Oversight** – Project Management Oversight is required of any major capital project and provides general project management review of the grant recipient.<sup>14</sup>
- **Quarterly Review meetings** – FTA may opt to meet with a grant recipient on a quarterly bases to general assess project management and status.<sup>15</sup>

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<sup>7</sup> FTA Circular 5010.1E, Section V.2a.

<sup>8</sup> FTA Circular 5010.1E, Section V.2b.

<sup>9</sup> FTA Circular 5010.1E, Section V.2b.

<sup>10</sup> FTA Circular 4220.1F

<sup>11</sup> FTA Circular 5010.1E, Section V.2b.

<sup>12</sup> FTA Circular 5010.1E, Section V.3a.

<sup>13</sup> FTA Circular 5010.1E, Section V.3b.

<sup>14</sup> FTA Circular 5010.1E, Section V.4a.

<sup>15</sup> FTA Circular 5010.1E, Section V.4a.



## City of Alexandria Organizational Requirements

Once the City receives designated recipient status from FTA, the City will be responsible for ensuring compliance with FTA implementing regulations. Many of the compliance requirements described in this document can be performed within the City's organizational structure or in coordination with DASH. Furthermore, there are some requirements that are better suited to be completed by DASH with oversight provided by City staff.

A review of the roles and responsibilities of the City and DASH staff reveals that many of the compliance areas are currently being addressed in some capacity by City staff or in cooperation with DASH. **Table 1** lists major compliance areas and the basic requirements associated with each. The table indicates where within the City organizational structure responsibility for each compliance area should reside and also which areas require DASH coordination and/or implementation support. Lastly, the table denotes to what degree basic requirements are being satisfied using a green, yellow, and red color-coding, where green reflects all basic requirements are being met to some degree and red meaning some of the basic requirements are not being performed or need to be developed. A description of each of the outstanding requirements, noted in yellow or red, is also provided in the section below. It is important to note that a closer examination of City policies, procedures, and even workflows, as they relate to some of the compliance areas, will be necessary to better identify specific policies and procedures that may need updating.

- ***Technical Capacity – Award Management***

It is recommended that the City assign FTA award management responsibilities to one Finance/Accounting Division staff person. This ensures complete, consistent, and timely transmittal of requisite FTA reporting. Additionally, one point of contact will facilitate use of the FTA TrAMS (Transit Award Management System) and National Transit Database (NTD) reporting systems, including the delegation of roles within those tools.

- ***Satisfactory Continuing Control***

An inventory and procedure for tracking FTA funded assets should be developed. The inventory should also include any real property purchased with FTA funds.

- ***Safety***

Over the last several years, FTA has prioritized safety and the development of safety plans that address Safety Management Systems (SMS). New requirements for FTA grant fund recipients include development of a Public Transportation Agency Safety Plan (PTASP). The FTA PTASP rule became effective on July 19, 2019 and FTA has indicated efforts to enforce PTASP compliance beginning July 21, 2021.



- **Procurement**

Currently, public transportation service procurement activities are shared between City staff and DASH. A policy/procedure for FTA grant funded procurements should be developed to align procurement practices consistent with *FTA Circular 4220.1F*.

- **Disadvantaged Business Enterprise (DBE)**

The City currently implements the State of Virginia's Small, Women, and Minority (SWaM) Business program. It is unclear how much that program aligns with FTA DBE Program requirements. The city should review the SWaM program and FTA DBE Program requirements to ensure consistency. Additionally, a DBE Liaison Officer will need to be identified within the organization.

- **Title VI Program**

A Title VI Program will need to be developed consistent with FTA guidance for FTA grant award recipients, as outlined in *FTA Circular 4702.1B*.<sup>16</sup>

- **Drug Free Workplace (DFW) and Drug and Alcohol (D&A) Programs**

The City and DASH both perform DFW and D&A Program responsibilities. DASH is currently following Federal Motor Carrier Safety Administration (FMCSA) standards. It is recommended that the City review DFW and D&A Program activities, along with DASH FMCSA practices and procedures, so that they comply with FTA program requirements. One entity should oversee program functions as they relate to public transportation services. For example, one City Human Resources staff person would be designated to disseminate DFW information and request, compile, and ensure record-keeping and reporting for the D&A Program.

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<sup>16</sup>FTA Circular 4702.1B



*Table 1: FTA Compliance Areas*

| <b>Compliance Area</b>                           | <b>Basic Requirements</b>  | <b>City of Alexandria<br/>(Responsible Department)</b>   | <b>Alexandria Transit<br/>Company(Responsible<br/>Department)</b>  | <b>Readiness</b> |
|--|--|--|--|------------------|
| <b>Legal</b>                                     | <ul style="list-style-type: none"> <li>• Signed FTA Certifications and Assurances</li> <li>• Notification of legal matters that involve FTA</li> <li>• Restrictions on using FTA funds for lobbying</li> </ul>   | <ul style="list-style-type: none"> <li>• City Attorney</li> </ul>  |  |                  |
| <b>Financial Management and Capacity</b>         | <ul style="list-style-type: none"> <li>• Written financial policies and procedure</li> <li>• Organizational structure that defines and delegates authority</li> <li>• Financial Management System</li> <li>• Single Audit/Financial Oversight</li> </ul> | <ul style="list-style-type: none"> <li>• Finance/Accounting Division</li> <li>• Office of Internal Audit</li> </ul>                    | <ul style="list-style-type: none"> <li>• Finance &amp; Administration</li> </ul>                                     |                  |
| <b>Technical Capacity - Award Management</b>     | <ul style="list-style-type: none"> <li>• FTA Award Management and Reporting Procedures</li> </ul>  | <ul style="list-style-type: none"> <li>• Finance/Accounting Division</li> </ul>  | <ul style="list-style-type: none"> <li>• Finance &amp; Administration</li> </ul>                                     |                  |
| <b>Technical Capacity - Project Management</b>   | <ul style="list-style-type: none"> <li>• Written Project Management Plans and Quality Control Procedures</li> <li>• Written Procedures for Monitoring Capital Projects</li> </ul>  | <ul style="list-style-type: none"> <li>• Project Implementation</li> </ul>   |  |                  |
| <b>National Transit Database (NTD) Reporting</b> | <ul style="list-style-type: none"> <li>• Quarterly and Annual Reports</li> </ul>   | <ul style="list-style-type: none"> <li>• Finance/Accounting Division</li> <li>• Transportation &amp; Environmental Services</li> </ul> | <ul style="list-style-type: none"> <li>• Finance &amp; Administration</li> <li>• Planning &amp; Marketing</li> </ul> |                  |
| <b>Satisfactory Continuing Control</b>           | <ul style="list-style-type: none"> <li>• Maintain original, intended use of any FTA-funded property</li> </ul>   | <ul style="list-style-type: none"> <li>• General Services</li> </ul>   | <ul style="list-style-type: none"> <li>• Maintenance</li> <li>• Operations</li> </ul>                                |                  |
| <b>Maintenance</b>                               | <ul style="list-style-type: none"> <li>• Transit Asset Management (TAM) Plan</li> <li>• Fleet and Facilities Maintenance Plans</li> </ul>  | <ul style="list-style-type: none"> <li>• General Services</li> </ul>   | <ul style="list-style-type: none"> <li>• Maintenance</li> <li>• Operations</li> </ul>                                |                  |



|  |   |   |   |  |
|--|---|---|---|--|
| <b>Safety</b>  | <ul style="list-style-type: none"> <li>Public Transportation Agency Safety Plan (PTASP)</li> </ul>  | <ul style="list-style-type: none"> <li>General Services</li> <li>Transportation &amp; Environmental Services</li> </ul> | <ul style="list-style-type: none"> <li>Safety &amp; Security</li> <li>Operations</li> </ul> |  |
| <b>Procurement</b>                                       | <ul style="list-style-type: none"> <li>Policies, procedures, and contracts that comply with Federal provisions</li> </ul>   | <ul style="list-style-type: none"> <li>Finance/Purchasing Division</li> </ul>   | <ul style="list-style-type: none"> <li>Finance &amp; Administration</li> </ul>              |  |
| <b>Disadvantaged Business Enterprise (DBE)</b>           | <ul style="list-style-type: none"> <li>DBE Program and Goal</li> <li>DBE Goal Monitoring and Reporting</li> <li>Designated DBE Liaison Officer</li> </ul>   | <ul style="list-style-type: none"> <li>Finance/Purchasing Division</li> </ul>   |   |  |
| <b>Title VI</b>  | <ul style="list-style-type: none"> <li>Title VI Program</li> <li>Title VI Complaint Procedure and Form</li> </ul>   | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>  | <ul style="list-style-type: none"> <li>Planning &amp; Marketing</li> </ul>                  |  |
| <b>ADA - General</b>                                     | <ul style="list-style-type: none"> <li>ADA Complaint Procedures and Form</li> <li>Accessible Vehicles and Facilities</li> <li>Provisions for Accessible Service</li> </ul>                                  | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>  | <ul style="list-style-type: none"> <li>Maintenance</li> <li>Operations</li> </ul>           |  |
| <b>ADA - Complementary Paratransit</b>                   | <ul style="list-style-type: none"> <li>Provision of ADA Complementary Paratransit Service</li> <li>ADA Eligibility Determination Process</li> </ul>   | <ul style="list-style-type: none"> <li>Transportation &amp; Environmental Services</li> </ul>                           |   |  |
| <b>Equal Employment Opportunity (EEO)</b>                | <ul style="list-style-type: none"> <li>EEO Program</li> <li>Designated EEO Officer</li> </ul>   | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>  | <ul style="list-style-type: none"> <li>Human Rights</li> </ul>                              |  |
| <b>Drug Free Workplace and Drug and Alcohol Programs</b> | <ul style="list-style-type: none"> <li>Written DFW Policy</li> <li>Written Drug and Alcohol Policy</li> <li>Drug and Alcohol Testing Program</li> <li>Drug and Alcohol Testing Program Reporting</li> </ul> | <ul style="list-style-type: none"> <li>Finance Risk Management Division</li> </ul>                                      | <ul style="list-style-type: none"> <li>Safety &amp; Security</li> </ul>                     |  |



## FTA Designated Recipient Status Benefits and Challenges

The decision to become an FTA Designated Recipient is one that offers benefits and challenges. The City of Alexandria stands to benefit from enhanced funding opportunities and the result is a broad benefit to residents and visitors to the City. Those benefits do not come without challenges. Specific benefits and challenges to the City's designation to receive FTA funding are outlined below.

### **Benefits**

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#### ***Opportunity to Apply for and Receive FTA Discretionary Grant Funding***

The most important benefit is the ability of the City to receive and expend federal funds. FTA discretionary funds are available through several programs for a variety of purposes including FTA's major capital grant programs, the Bus and Bus Facilities Program Discretionary and Low/No Emission Grant Programs (Section 5339b and Section 5339c) and the Capital Investment Grant (CIG) Program (Section 5309). Additionally, State grant funding would also become available to meet federal match requirements.

#### ***Increased Urbanized Area Formula Funding for the Region***

Access to FTA's major capital grant programs will allow the City to implement fixed-guideway service which benefits the entire Washington, DC – VA – MD UZA. The existing FTA Section 5307 Urbanized Area grant formula apportions almost a third of the funds to UZAs with a population greater than 200,000 and that are within the fixed-guideway tier. This makes for a strong argument in gaining support and consensus from WMATA compact transit agencies for the City's designated recipient status.

#### ***Integration of DASH and City Processes***

The City will be able to provide enhanced oversight of DASH through the implementation of several compliance-related tasks. This will be particularly important in terms of Procurement and Civil Rights requirements. Review and alignment of procurement practices consistent with FTA guidance will ensure uniform purchasing practices between the City and DASH. This has been a goal of the City and required compliance with the FTA standards will support efforts to align policies and achieve that goal. Civil Rights requirements include provisions for major service modifications, accessible and equivalent services for persons with disabilities, and evaluation of hiring practices, among others.

### **Challenges**

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#### **ORGANIZATIONAL STRUCTURE**

The existing organizational structure between DASH and the City consists of several layers of administration and responsibilities which creates challenges for providing adequate FTA program oversight.

#### ***Ensuring Adequate Staffing and Delegation of Responsibilities***

As mentioned in the previous section, staff at both the City and DASH are performing tasks that would fulfil FTA's requirements for adequate program oversight. However, in program areas



where the City may be deficient and does not have practices that currently align with FTA guidelines, such as FTA award management or procurement, the City would either need to hire additional staff or delegate additional responsibilities to existing staff to meet FTA requirements.

### ***Reconciliation of Processes and Procedures***

Similar to staffing, processes and procedures that would require FTA compliance are currently shared by both DASH and the City. A good example is the provision of a Drug Free Workplace Program, which is done by both DASH and the City. When pursuing designated recipient status with FTA, the City may evaluate which processes and procedures required for FTA compliance have overlapping or shared responsibilities with DASH staff and explore solutions to best maximize employee work output and ensure FTA requirements are satisfied.

### **ORGANIZATIONAL ARRANGEMENT BETWEEN THE CITY AND DASH**

DASH (Alexandria Transit Company, or ATC) is a non-profit corporation and separate legal entity created and owned by the City of Alexandria. DASH was originally created to insulate the organization from direct oversight and control by the City and thereby allow it to function more like a business enterprise. The City would still direct policy but would be disentangled from day-to-day operational responsibilities. Currently DASH is overseen by its Board of Directors that then reports to the City Council on the organization's activities, giving DASH a level of autonomy that would be altered if it was integrated as a department within the City government.

The current organizational arrangement between the City and DASH underpins the challenges for ensuring City compliance with FTA requirements. DASH operates its own bus fleet, owns the vehicles, and exercises governance through its Board of Directors, but is still very much integrated with city accounting practices, procurement processes, and NTD reporting. To fulfil its duties as a designated recipient, the City will need to define oversight and operational responsibilities as they relate to the various grant compliance areas.

This report serves as the starting point for discussion of roles and responsibilities for staff at both the City and DASH. Should the City become a designated recipient of FTA grant funding, and therefore responsible for ensuring compliance with FTA requirements, the City should consider development of a legally binding agreement with DASH to ensure compliance-related roles and responsibilities are clearly defined.

## **Other Considerations**

There are a number of other considerations for the City in its path towards the designated recipient status. These considerations are outlined below.

- **Staffing and Training** – Additional staff and training may be needed in several compliance areas. As outlined in the previous sections, there are staff spread across several departments within the City and DASH that are responsible for different areas of FTA compliance. It is unclear whether those staff have the capacity to take on new



responsibilities and it might make more sense to hire new staff and consolidate grant management and compliance roles in those positions. Alternatively, the City may want to create a new Grants Administrator position. Detail on this person's role and responsibilities are further defined below.

In regard to training, FTA and the National Transit Institute (NTI) offer training sessions for many compliance topic areas. Those training opportunities are provided regularly and the City should consider participation by multiple staff within select compliance areas, such as procurement, to ensure redundancy in roles and responsibilities.

- **Policies and Procedures** – As new city staff are hired and current city staff take on new responsibilities, these staff should document the processes, policies, and procedures that they follow in their role to ensure compliance with areas of FTA requirements. Many of these roles are highly technical and the knowledge of FTA procedures required for each role cannot be easily transferred between staff members. As a result, should a staff member leave the City, another staff member should be able to reference documented processes and procedures and be able to take on that role in their absence.
- **Satisfactory Continuing Control** – FTA requires that grantees maintain control over federally funded assets and property, including real property, throughout their useful life. Should the City decide to not be a designated federal recipient in the future, an equitable solution for the disposition of any FTA funded assets that have not reached their useful life would need to be determined. These solutions are not uncommon but do need to be defined in coordination with FTA.
- **Grants Administrator** –The City should consider hiring a dedicated full-time FTA Grants Administrator to manage FTA grant applications and awards. This person would work to develop grant applications, conduct post-award grant administration, process amendments, prepare and submit grant reporting, process payment or reimbursement requests, and conduct any grant close out activities.

In addition to the grants administration activities, other duties could include serving as the main point of contact for any FTA oversight assessments and coordinating with the other City departments and DASH to ensure compliance with FTA requirements. This could be an alternative to hiring new staff in several different departments because the Grants Administrator would consolidate several grant management responsibilities in one position. The City may also consider adding this position if and when it receives an award.



## Next Steps

The City should proceed with discussions with City staff and DASH to better determine staffing needs, training requirements, and programming the next steps in the federalization process. FTA's new grantee timeline is estimated to be roughly five to six months and that timeline reflects an expedited timeline where much of the required technical documentation is already in place. In addition to the technical requirements, FTA will confirm that the City has the legal authority to receive and spend FTA funding and examine the financial condition of the City based on historical trends. Given the initial assessment of basic requirements shown in **Table 1**, a more reasonable timeline for the City may be six to nine months and initial actions should include communication directly with FTA and also with other UZA partners, such as the Northern Virginia Transportation Commission (NVTC), and the Virginia Department of Rail and Public Transportation (DRPT).



## References

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