

**ACTION ITEM  
BOARD OF SUPERVISORS**

**DATE:** April 17, 2007

**TO:** Board of Supervisors  
**FROM:** Cheryl Beagle *KAB/beagle*  
Director of Budget *CLB.*

**ISSUE:** Approve the FY2008 Potomac and Rappahannock Transportation Commission and Virginia Railway Express Subsidies, Authorize Payment, and Approve Amendment to the VRE Master Agreement

**RECOMMENDATION:** Approval

**BUDGET IMPACT:** Budgeted in FY2008 Transportation Fund

**ATTACHMENTS:** (4)

- [1] Background Report [3] Reso/Ord/Proc # R07-168
- [2] Ltr dtd 03-5-07 [4] Reso/Ord/Proc # R07-175
- [ ] [ ] Reso/Ord/Proc #
- [ ]

**REVIEW:** [X] County Administrator's Office *P/C*  
 [X] Finance *A-K Carmichael*  
 [ ] Budget \_\_\_\_\_

- [X] **Consent Agenda** [ ] **Other Business** [ ] **Public Hearing**
- [ ] **Discussion Item** [ ] **Presentation** [ ] **Unfinished Business**
- [ ] **New Business**

**PRESENTATION BY:** N/A

**ELECTION DISTRICT:** N/A

Attachment 1  
R07-168  
R07-175

**BACKGROUND REPORT**

Proposed Resolution R07-168 authorizes the Potomac and Rappahannock Transportation Commission (PRTC) and the Virginia Railway Express (VRE) subsidies. The FY2008 PRTC administrative subsidy is \$37,767. The FY2008 VRE subsidy is \$2,429,736.

Proposed Resolution R07-175 approves an amendment to the VRE Master Agreement.



Potomac and Rappahannock  
Transportation Commission

March 5, 2007

MAR - 8 2007

Mr. Steve Crosby  
County Administrator, Stafford County  
P.O. Box 339  
Stafford, VA 22555-0339

Dear Steve:

Attached please find the PRTC's draft FY08 budget for Stafford County. All projected expenditures from Stafford's 2% motor fuels tax are within the budget which includes VRE, PRTC administration, and projected other transportation project expenses.

### **Net Local Transit Expenditures**

This page outlines the net subsidies Stafford is requested to pay for public transportation services in FY08 with estimates for FY09 – FY12. At the top of the page is the projected use of funds for PRTC administration, Stafford's VRE subsidy, and other transportation expenses.

### **Five Year Plan**

The second attachment displays all the detailed cost and revenue assumptions PRTC is using to craft Stafford's FY08 budget and a forecast of four future year budgets. At the bottom, you can see that Stafford's fuel tax fund balance is expected to decline to almost zero over the forecasted period based on the County's projected other transportation expenses. The VRE estimates are based on the VRE six year forecast included in VRE's FY08 budget, which was approved by the VRE Operations Board and the Commissions.

As you know, should the County concur with this proposed budget, the next step would be for the County to adopt a resolution authorizing the PRTC admin and VRE subsidies and forwarding it on to PRTC. In the meantime, if you have any questions, please feel free to contact me at (703) 580-6121 or Joyce Embrey at (703) 580-6123.

Sincerely,

A handwritten signature in black ink, appearing to read "Alfred H. Harf".

Alfred H. Harf  
Executive Director

cc: (w/o enclosure) Robert Gibbons  
(w/o enclosure) Paul Milde, III  
(w/enclosure) Joyce Embrey

Potomac and Rappahannock Transportation Commission ♦ Sponsor of OmniRide and VRE ♦ 14700 Potomac Mills Road ♦ Woodbridge, VA 22192  
Main Office: 703-583-PRTC(7782) ♦ Customer Info: 703-730-OMNI ♦ Toll Free: 888-730-OMNI ♦ Fax: 703-583-1377 ♦ <http://www.prtctransit.org>

Stafford County Subsidy  
 FY08 PRTC Budget

<i>Stafford Net Local Transit Expenditures</i>	FY08	FY09	FY10	FY11	FY12
	Proposed	Forecast	Forecast	Forecast	Forecast
<b>PRTC</b>					
PRTC Admin Subsidy	37,767	41,490	55,724	66,482	81,498
OmniRide (Commuter Bus)	0	0	0	0	0
Ridesharing/Marketing	0	0	0	0	0
OmniLink (Local Bus)	0	0	0	0	0
Local Capital Match	0	0	0	0	0
<b>PRTC Subtotal</b>	<b>37,767</b>	<b>41,490</b>	<b>55,724</b>	<b>66,482</b>	<b>81,498</b>
VRE Subsidy	2,429,736	3,124,693	3,156,175	3,121,933	3,187,984
Other Transportation Projects	2,113,700	2,113,700	2,113,700	2,113,700	2,113,700
<b>Total Expenditures</b>	<b>4,581,203</b>	<b>5,279,883</b>	<b>5,325,599</b>	<b>5,302,115</b>	<b>5,383,182</b>
<b>Recurring Funding Sources</b>					
Fuel Tax Receipts	3,797,715	3,843,776	3,970,621	4,042,092	4,098,681
Operating Fund Balance	64,012	0	0	0	0
Use of 2% Fuel Tax Fund Balance	719,476	1,436,107	1,354,978	1,260,023	1,284,501
<b>Total Revenues</b>	<b>4,581,203</b>	<b>5,279,883</b>	<b>5,325,599</b>	<b>5,302,115</b>	<b>5,383,182</b>
Beginning of Year Trust Fund Balance Available	6,155,312	5,435,836	3,999,729	2,644,751	1,384,728
Expected Fuel Tax Receipts	3,797,715	3,843,776	3,970,621	4,042,092	4,098,681
Use of Fuel Tax & Fund Balance	(4,517,191)	(5,279,883)	(5,325,599)	(5,302,115)	(5,383,182)
End of Year Fuel Tax Trust Fund Balance Available	<b>5,435,836</b>	<b>3,999,729</b>	<b>2,644,751</b>	<b>1,384,728</b>	<b>100,227</b>

2/26/07

County of Stafford  
 FY08 Public Budget

Expenditures	FY07 Forecast	FY07 Adjustments	FY08 Forecast	FY09 Forecast	FY10 Forecast	FY11 Forecast	FY12 Forecast
Admin	279,245		295,509	311,615	334,242	353,393	376,452
OmniRide	0		0	0	0	0	0
OmniLink	0		0	0	0	0	0
Marketing /Ridesharing/Passenger Facilities	0		0	0	0	0	0
Bus Replacement Match	0		0	0	0	0	0
<b>Subtotal</b>	<b>279,245</b>		<b>295,509</b>	<b>311,615</b>	<b>334,242</b>	<b>353,393</b>	<b>376,452</b>
Net VRE Subsidy (Stafford Share)	917,147		2,429,736	3,124,693	3,156,175	3,121,933	3,187,984
Other Transportation Project Expenses	3,135,900	(2,901,423)	2,113,700	2,113,700	2,113,700	2,113,700	2,113,700
<b>Subtotal</b>	<b>4,052,147</b>	<b>(2,901,423)</b>	<b>4,543,436</b>	<b>5,238,393</b>	<b>5,269,875</b>	<b>5,235,633</b>	<b>5,301,684</b>
<b>TOTAL EXPENDITURES</b>	<b>4,331,392</b>	<b>(2,901,423)</b>	<b>4,838,945</b>	<b>5,550,008</b>	<b>5,604,117</b>	<b>5,589,026</b>	<b>5,678,136</b>
<b>Recurring Revenues</b>							
Fuel Tax Receipts	3,738,389	(4,024)	3,797,715	3,843,776	3,970,621	4,042,092	4,098,681
Additional State Debt Service Grant	0		0	0	0	0	0
PRTC VRE Reimbursements	25,645		24,787	26,268	27,852	29,518	31,287
Interest Income	16,788		63,129	63,129	63,129	63,129	63,129
State Capital Grants - PRTC Other	1,760		1,543	1,296	1,851	2,160	2,283
State Formula Assistance	171,491		168,283	179,432	185,685	192,103	198,254
<b>Subtotal</b>	<b>3,954,073</b>	<b>(4,024)</b>	<b>4,055,457</b>	<b>4,113,901</b>	<b>4,249,138</b>	<b>4,329,002</b>	<b>4,393,634</b>
<b>One-Time Revenues and Cost Reductions</b>							
Fuel Tax Fund Bal.	3,097,099	501,658	6,155,312	5,435,836	3,999,730	2,644,751	1,384,728
Use of Prior Yr Funds	36,475		64,012	0	0	0	0
<b>Sub-Total</b>	<b>3,133,574</b>	<b>501,658</b>	<b>6,219,324</b>	<b>5,435,836</b>	<b>3,999,730</b>	<b>2,644,751</b>	<b>1,384,728</b>
<b>TOTAL REVENUES</b>	<b>7,087,647</b>	<b>497,634</b>	<b>10,274,781</b>	<b>9,549,738</b>	<b>8,248,868</b>	<b>6,973,753</b>	<b>5,778,362</b>
	<b>2,756,255</b>	<b>3,399,057</b>	<b>5,435,836</b>	<b>3,999,730</b>	<b>2,644,751</b>	<b>1,384,728</b>	<b>100,227</b>

PROPOSED

BOARD OF SUPERVISORS  
COUNTY OF STAFFORD  
STAFFORD, VIRGINIA

RESOLUTION

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, Stafford County Administration Center, Stafford, Virginia, on the 17<sup>th</sup> day of April, 2007:

MEMBERS:

- Jack R. Cavalier, Chairman
- Mark Dudenhefer, Vice Chairman
- M. S. "Joe" Brito
- Peter J. Fields
- Robert C. Gibbons
- Paul V. Milde III
- George H. Schwartz

VOTE:

On motion of , seconded by , which carried by a vote of , the following was adopted:

A RESOLUTION TO APPROVE THE FY2008 POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION AND VIRGINIA RAILWAY EXPRESS SUBSIDIES AND AUTHORIZE PAYMENT

WHEREAS, the County is a member of the Potomac and Rappahannock Transportation Commission (PRTC); and

WHEREAS, the County is a participating member of the Virginia Railway Express (VRE); and

WHEREAS, the County's subsidy share of the FY2008 PRTC administrative budget is \$37,767; and

WHEREAS, the County's subsidy share of the FY2008 VRE budget is \$2,429,736;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 17th day of April, 2007, that the Board be and it hereby does approve the proposed PRTC subsidy in the amount of Thirty-seven Thousand Seven Hundred Sixty-seven dollars (\$37,767) and the proposed VRE subsidy in the amount of Two Million Four Hundred Twenty-nine Thousand Seven Hundred Thirty-six Million dollars (\$2,429,736).

BE IT FURTHER RESOLVED that the payment of the subsidies during FY2008 be and they hereby are authorized.

SC:clb:do

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PROPOSED

BOARD OF SUPERVISORS  
COUNTY OF STAFFORD  
STAFFORD, VIRGINIA

RESOLUTION

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, Stafford County Administration Center, Stafford, Virginia, on the 17th day of April, 2007:

-----  
MEMBERS:

Jack R. Cavalier, Chairman  
Mark Dudenhefer, Vice Chairman  
M. S. "Joe" Brito  
Peter J. Fields  
Robert C. Gibbons  
Paul V. Milde III  
George H. Schwartz

VOTE:

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On motion of , seconded by , which carried by a vote of , the following was adopted:

A RESOLUTION TO APPROVE AN AMENDMENT TO  
THE VIRGINIA RAILWAY EXPRESS MASTER AGREEMENT

WHEREAS, the Northern Virginia Transportation District Commission ("NVTC") and the Potomac and Rappahannock Transportation District Commission ("PRTC," and, together with NVTC, the "Commissions") jointly operate the Virginia Railway Express (the "VRE") commuter rail service in Northern Virginia pursuant to the Master Agreement dated as of October 3, 1989, as amended (the "Master Agreement"); and,

WHEREAS, in February, 2006, the VRE Operations Board, with participation of all VRE member jurisdictions, initiated analysis of alternate VRE governance structures and subsidy allocation formulae; and

WHEREAS, the Commissions have previously adopted and forwarded to member jurisdictions an alternate FY 2008 VRE Operating and Capital Budget, which reflected this proposed change to the subsidy formula, and was effective contingent upon approval of the aforesaid amendments to the Master Agreement; and

WHEREAS, on April 5, 2007, the Commissions approved a series of proposed amendments to the Master Agreement that would change the composition of and voting on the Operations Board and revise the subsidy formula over a four year phase-in period as detailed in Attachment A; and

WHEREAS, on April 5, 2007, the Commissions also approved a mitigation accommodation developed by the Operations Board, with the participation of all VRE member jurisdictions, to address the impacts on member jurisdictions affected by non-member jurisdictional riders; and

WHEREAS, the mitigation accommodation involves inclusion of the projects listed in Attachment B in the VRE capital improvement program to be funded by various resources and to be initiated at the earliest possible date; and

WHEREAS, amendments to the Master Agreement reflecting the changes detailed in Attachment A will be brought back before the Commissions and jurisdictions for formal approval; and

WHEREAS, on April 5, 2007, the Commissions further committed to continuing to explore and identify steps necessary for the VRE to attain independent status and/or full autonomy;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 17<sup>th</sup> day of April, 2007, that the Board be and hereby does approve the proposed amendments to the VRE Master Agreement detailed in Attachment A; and

BE IT FURTHER RESOLVED that the Board be and hereby does approve the mitigation accommodation, adding projects to the VRE capital improvement program as detailed in Attachment B; and

BE IT STILL FURTHER RESOLVED that the Board be and hereby does (1) embrace the objective of a fully autonomous VRE Operations Board or, in the alternative, a legal entity independent of the two Commissions by 2010; and (2) agrees to implement on an expedited basis actions, identified by legal counsel and approved by the Commissions, as necessary to achieve this objective that can be done by purely administrative means; and (3) agrees to diligently pursue other actions, identified by legal counsel and approved by the Commissions, as necessary that require external approvals, e.g. approvals by the Commissions and all member jurisdictions, and statutory changes.

Attachment A — Proposed Changes to the Master Agreement Membership

- Operations Board expanded to include all member jurisdictions.
- All seats on Operations Board to be elected officials, except DRPT Director.
- Board seats to be proportionate to ridership based on the annual ridership survey, as shown below.
  - o 25% or more of total system ridership = 3 members, 3 alternates
  - o 15% — 24% of total system ridership 2 members, 2 alternates
  - o Less than 15% of total system ridership = 1 member, 1 alternate
  - o Arlington and Alexandria = 1 member, 1 alternate each
  - o Director of DRPT = 1 member

<i>Jurisdiction</i>	<i>FY2008 Ridership</i>	<i>Percentage of System Ridership</i>	<i>Number of Board Members</i>
Fairfax	1478	20.3%	2
Fredericksburg	204	2.8%	1
Manassas	347	4.8%	1
Manassas Park	201	2.8%	1
Prince William	2232	30.6%	3
Stafford	1309	17.9%	2
Alexandria	4	0.1%	1
Arlington	0	0%	1
Other	1520	20.9%	0
Total	7295		12

Weighted voting

- Proportionate to annual jurisdictional subsidy with each Board member casting an individual vote based on a prorata share of their jurisdictional percentage of subsidy.
- An affirmative weighted vote must receive support from five (5) jurisdictions that also must collectively constitute 60% of the total annual jurisdictional subsidy.
- For the purposes of weighted voting, Arlington and Alexandria will each receive 0.5 votes which can be cast independently or as a full vote on behalf of both jurisdictions.
- The jurisdictional minimum required for weighted voting would increase by one for every two jurisdictions that newly join VRE.

Subsidy

- Annual jurisdictional subsidy will be based on system ridership rather than the 90% system ridership and 10% population formula.
- The subsidy allocation formula will be phased in over four years as shown below.

Jurisdiction	FY 2008 90/10 Formula	FY 2008 With First Year Phasing	Year 2*	Year 3*	100% Ridership Year 4*
Alexandria	\$113,140	<b>\$113,140</b>	\$113,140	\$113,140	\$113,140
Arlington	\$165,532	<b>\$165,532</b>	\$165,532	\$165,532	\$165,532
Fairfax County	\$4,999,777	<b>\$4,700,508</b>	\$4,401,238	\$4,101,968	\$3,802,698
Fredericksburg	\$314,232	<b>\$330,713</b>	\$347,194	\$363,675	\$380,155
Manassas	\$627,365	<b>\$655,077</b>	\$682,789	\$710,501	\$738,213
Manassas Park	\$339,650	<b>\$359,574</b>	\$379,498	\$399,423	\$419,347
Prince William County	\$4,504,312	<b>\$4,624,876</b>	\$4,745,440	\$4,866,004	\$4,986,568
Stafford County	\$2,315,147	<b>\$2,429,735</b>	\$2,544,324	\$2,658,913	\$2,773,502
<b>Total</b>	<b>\$13,379,154</b>	<b>\$13,379,154</b>	\$13,379,154	\$13,379,154	\$13,379,154

\*Note - future subsidy will fluctuate based on operating costs.

Attachment B — Mitigation Accommodation Projects

<b>Jurisdiction</b>	<b>Project</b>	<b>Estimated Value Not to Exceed</b>
Stafford	Preliminary engineering, environmental analysis and property acquisition for additional parking at Brooke	\$800,000
Fredericksburg	Fredericksburg station repairs, enhancements and federal grant match	\$1,474,000
Manassas	Further funding of City/VRE parking deck	\$2 million
Manassas Park	Canopy extension	\$1 million
Prince William	Gainesville-Haymarket preliminary analysis or other project	\$2 million
	<b>TOTAL</b>	<b>\$7,274,000</b>

SC:CLB:do