Fund 100
County Transit Systems

Mission

To provide safe, reliable, clean and effective public transportation service that complements the other elements of the multi-modal transportation system in Fairfax County and provides a cost-saving alternative to Washington Metropolitan Area Transit Authority (WMATA) Metrobus service. In addition, this fund contains the County's share of operating costs for the Virginia Railway Express (VRE).

Focus

FAIRFAX CONNECTOR Bus System

Fund 100, County Transit Systems, provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system, comprising the Huntington and Reston-Herndon Divisions. The Fairfax County Department of Transportation (FCDOT) manages, oversees and coordinates the activities of the FAIRFAX CONNECTOR bus system, which in FY 2008 operates 58 routes providing both intra-county service and access to six Metrorail stations. FAIRFAX CONNECTOR is operated by private contractors, who in FY 2008 utilize 202 buses and two bus operation centers owned by the County. A third bus operations center, at the intersection of West Ox Road and Lee Highway, is under construction, with a planned mid-FY 2009 opening. The new center will provide more optimal and effective service to the western portion of the county, housing new CONNECTOR Centreville/Chantilly services that will replace 10 of WMATA's non-regional Metrobus bus routes, as well as supporting some existing CONNECTOR operations.

Commuter Rail

Fund 100, County Transit Systems, also includes the County's share of the subsidy for commuter rail services operated by the Virginia Railway Express (VRE). The FY 2008 Adopted Plan included a $5,000,000 estimate of the County subsidy requirement. As a result of VRE's final passage of its budget and a change in the Master Agreement formula, the County's subsidy requirement was later adjusted to $4,700,508 and reflected in the *FY 2008 Revised Budget Plan*.

The Board of Supervisors approved the County's participation in the regional rail service on August 1, 1988. The service is a joint effort among the Northern Virginia Transportation Commission, the Potomac and Rappahannock Transportation Commission, the Virginia Department of Rail and Public Transportation, and the participating jurisdictions of Fairfax County, Manassas, Manassas Park, Fredericksburg, Prince William County, and Stafford County. The City of Alexandria and Arlington County are also contributing jurisdictions. As of June 30, 2007, the service consisted of six peak period trips on the CSX Transportation line from Fredericksburg to Union Station in the District of Columbia and six peak trips on the Norfolk Southern Railway line from Manassas to Union Station.

The operation and maintenance costs associated with the commuter rail system are funded from a combination of ridership revenues (which accrue directly to VRE), state and federal contributions and contributions from the participating and contributing local jurisdictions. According to the Master Agreement, at least 50 percent of the operating costs must be paid by passenger fares, with the remainder funded by the participating jurisdictions.

In late 2005, discussions began among VRE member jurisdictions regarding the fairness and equity of the subsidy allocation formula. In particular, the Fairfax County Board of Supervisors raised concerns about the portion of the formula that is based on population which has no direct

relationship to ridership. The formula placed an unfair financial burden on the County, since it resulted in Fairfax County's paying approximately 44 percent of VRE's subsidy when it only represents about 21 percent of the ridership.

In order to change the subsidy formula, on July 5, 2007, the Commissions adopted amendments to the Master Agreement such that the Operations Board would be expanded to include all member jurisdictions with board seats proportionate to system ridership (and weighted voting proportionate to jurisdictional subsidy) and the jurisdictional subsidy would be amended to be based on system ridership only, rather than the previous 90 percent system ridership and 10 percent population formula. This amendment to the subsidy formula is being phased in over four years beginning in FY 2008.

The Board of Supervisors adopted the Amended Master Agreement changes in concept at their April 30, 2007, meeting, so that the portion of the agreement associated with changes to the subsidy formula could be reflected in VRE's and its member jurisdictions' FY 2008 budgets. Based on the jurisdictional allocation subsidy change incorporated in the proposed VRE Master Agreement Amendments, Fairfax County's share for FY 2008 is $4,700,508. This is the first year of a four year phased reduction schedule for Fairfax's subsidy share. Fairfax County's initial subsidy for FY 2008 before the master Agreement Amendments were approved by the commissions was $4,999,777 (and was budgeted at $5,000,000). The new subsidy is a six percent ($299,269) savings to the County. When the subsidy change is fully implemented, at the end of the four year phase-in period, Fairfax County's subsidy will be $1,197,079 less than it is now (a 24 percent reduction) based on FY 2008 figures.

General Fund Impact

The FY 2008 General Fund Transfer to Fund 100 is $34,667,083, an increase of $3,671,573 or 11.9 percent over the *FY 2007 Revised Budget Plan* amount of $30,995,510. This increase maintains current service levels of the FAIRFAX CONNECTOR, provides funding for a 4.0 percent personnel-based contractual adjustment, continues the annual bus replacement program, supports the increased Fairfax County subsidy to VRE, and includes $1.2 million in additional estimated CONNECTOR fuel costs based on continuing increases in diesel fuel prices. No change was made to the General Fund Transfer as a result of the *FY 2007 Carryover Review*. As a result of FY 2007 actuals and the VRE formula change that resulted in a decrease to the FY 2008 General Fund subsidy requirement, Fund 100's ending balance grew by $857,251. This amount is currently held in balance for future transit requirements.

Fund 100
County Transit Systems

Budget and Staff Resources

Agency Summary		
Category	FY 2007 Actual	FY 2008 Adopted Budget Plan
Expenditures:		
FAIRFAX CONNECTOR Bus Services		
Huntington	$18,835,657	$23,507,906
Reston/Herndon	39,216,810	16,209,617
West Ox	0	0
Subtotal - Bus Services	$58,052,467	$39,717,523
Commuter Rail (VRE)	$3,935,736	$5,000,000
Total Expenditures	**$61,988,203**	**$44,717,523**
Income:		
Miscellaneous Revenue	$470,057	$330,610
State Reimbursement - Dulles	6,650,000	6,645,000
State Reimbursement - Other	1,663,590	800,000
Advertising on CONNECTOR Buses	463,550	325,000
Plaza America Proffer Revenue	295,360	0
NVTC Funds	12,407,394	0
Total Income	**$21,949,951**	**$8,100,610**
Net Cost to the County[1]	**$40,038,252**	**$36,616,913**

[1] Of the FY 2007 net costs of $40.0 million, $31.0 million is supported by a General Fund Transfer, $1.77 million is supported by a transfer of State Aid from Fund 309, Metro Operations and Construction, and $7.3 million is supported by beginning balances carried forward primarily for the replacement of 74 replacement buses based on the timing of bus deliveries. Of the FY 2008 net costs of $36.62 million, $34.67 million is supported by a General Fund Transfer, $1.84 million is supported by a transfer of State Aid and $0.11 million is supported by fund balance.

SUMMARY OF LOB
(FY 2008 Adopted Budget Data)

Number	*LOB Title*	*Net LOB Cost*	*LOB Number of Positions [1]*	*LOB SYE*
100-01	County Transit System	$36,616,913	0	0.0
TOTAL		**$36,616,913**	**0**	**0.0**

[1] All positions supporting County Transit services are funded in the General Fund, Department of Transportation.

LOBS SUMMARY

100-01: County Transit Systems

Fund/Agency: 100	County Transit System
LOB #: 100-01	**County Transit System**
Personnel Services (1)	$0
Operating Expenses	$39,613,861
Recovered Costs	$0
Capital Equipment	$5,103,662
Total LOB Cost:	$44,717,523
Miscellaneous Revenue	$330,610
State Reimbursement - Dulles	$6,645,000
State Reimbursement - Other	$800,000
Advertising CONNECTOR	$325,000
Plaza America Proffer Revenue	$0
NVTC Funds	$0
Total Revenue:	$8,100,610
Net LOB Cost:	$36,616,913
Positions/SYE involved in the delivery of this LOB	0 / 0.0

[1] All positions supporting County Transit services are funded in the General Fund, Department of Transportation.

► LOB Summary

This Line of Business includes the FAIRFAX CONNECTOR and the County's contribution to the Virginia Railway Express (VRE).

The FAIRFAX CONNECTOR portion includes the operation; capital equipment, including buses and support equipment; and facilities of the FAIRFAX CONNECTOR bus system. The County provides buses, ancillary equipment, and facilities to private contractors who supply the labor and day-to-day management of the bus service. The costs and revenues associated with these efforts are included in this LOB. A separate LOB entitled Transit Services in the FY 2008 Department of Transportation General Fund budget includes the County staff responsible for carrying out the County's portion of the FAIRFAX CONNECTOR's responsibilities to include bus operations, planning and marketing activities.

FAIRFAX CONNECTOR started in 1985 as a 33-bus operation in the southeastern part of the County. During the next several years the FAIRFAX CONNECTOR grew in southeast Fairfax County. In 1994 the FAIRFAX CONNECTOR experienced a substantial expansion when service to the Reston and Herndon areas was added. In 1999 FAIRFAX CONNECTOR service in the Dulles Corridor was more than doubled when Dulles Corridor Express Bus was implemented.

FY 2008 service in the Huntington Division consists of 26 routes providing local service to the Huntington, Van Dorn and Franconia-Springfield Metrorail Stations, express service to the Pentagon Metrorail Station and cross-county service between Springfield and Tysons Corner.

FY 2008 service in the Reston-Herndon Division consists of 32 routes. The operation includes express service from Reston and Herndon to the West Falls Church Metrorail Station, express service from Reston to the Pentagon, local service between Herndon, Reston, and Tysons Corner, local service within Reston, and cross-county service between Fair Oaks and Reston.

In order to provide assistance to customers who use public transit services, FCDOT opened two new CONNECTOR stores in FY 2006. One store is located at the new Reston Town Center Transit Station; the second is located on the mezzanine of the Franconia-Springfield Metrorail Station. The Franconia-Springfield Connector Store is the first store to be located in one of the five Metrorail Stations located within Fairfax County. Customers can purchase various forms of fare media at these sites. Currently, five CONNECTOR stores are in operation.

In response to a facility audit, FCDOT has undertaken a facility restoration project at the Herndon Operations Center to meet current transit, safety, and Americans with Disabilities Act (ADA) requirements. Phase I addressed emergency electrical, plumbing and roof repairs. Phase II will renovate and expand the facility, adding a second level, providing storage for tires, and creating training space. Commencement of Phase II will begin after the opening of the West Ox Bus Operations Center in FY 2009. A similar restoration project was undertaken for the Newington Operations Center for the Huntington Division.

An emission Reduction Program continues as an FCDOT focus and comprises the following four components: 1) Converting the fleet to Ultra Low Sulfur Diesel fuel; 2) Reducing idling, and programming bus engines for auto shut-down; 3) Re-powering 30 foot buses to reduce horsepower and emission output; and 4) Installing Diesel Particulate Filters (DPF) on the existing fleet.

In FY 2006 and FY 2007 FCDOT placed orders for 82 buses, including 53 replacement buses, 3 buses as approved by the Board of Supervisors at the *FY 2005 Carryover Review* to meet the Federal Transit Administration standard for spare ratio requirements, and 26 buses to support the FY 2009 opening of the West Ox Bus Operations Facility. These buses are the first ordered with state-of-the-art factory equipped emission reduction equipment. They also are FAIRFAX CONNECTOR's first low-floor buses. Beginning with this order, all new bus acquisitions will be in compliance with Environmental Protection Agency (EPA) mandates which will be expanded further in 2010.

Timely replacement of aging CONNECTOR buses is ensured by following a Board approved FAIRFAX CONNECTOR Transit Bus Fleet Replacement Policy, which includes a CONNECTOR bus replacement schedule based on a 12-year useful life cycle which equates to 600,000 miles. Approximately 7 percent of the fleet is replaced annually so that future bus service reliability is sustained, fluctuations in annual requirements are reduced, and the fleet stays fresh. Funding is included in the FY 2008 budget for the replacement of 15 CONNECTOR buses that will reach the established replacement criteria.

The Virginia Railway Express (VRE) portion of this LOB includes the County's share of VRE costs. VRE began commuter rail service in 1992 as a cooperative effort among local jurisdictions in Northern Virginia, the Commonwealth of Virginia, the Northern Virginia Transportation

Commission (NVTC), the Potomac and Rappahannock Transportation Commission, and several railroads. The County and other local jurisdictions have entered into a Master Agreement, which stipulates how costs will be shared.

VRE provides service on two lines: the Manassas Line which includes the Burke Centre, Rolling Road, and Backlick Road stations in the County; and the Fredericksburg Line which includes the Lorton and Franconia-Springfield stations in Fairfax County. FAIRFAX CONNECTOR provides a VRE EZ Bus shuttle service to the Burke Centre VRE Station during construction of a new parking facility.

► Method of Service Provision

The FAIRFAX CONNECTOR budget in Fund 100 includes the operation; capital equipment, including buses and support equipment, and facilities of the FAIRFAX CONNECTOR bus system, as well as associated CONNECTOR revenues. The County provides buses, ancillary equipment, and facilities to private contractors who supply the labor and day-to-day management of the bus service. Currently, the County has two contracts (Huntington Division and the Reston/Herndon Division) whereby private companies operate the FAIRFAX CONNECTOR. These contractors employ bus operators, mechanics, street supervisors, dispatchers, managers, support staff, and others who operate and maintain FAIRFAX CONNECTOR buses.

Also, the County contracts with other entities to provide FAIRFAX CONNECTOR telephone information service; sell fare media and help customers at Connector Stores; disseminate timetables to neighborhood outlets; print marketing materials; and install/maintain bus stop signs. In addition, two support contracts are in place to augment staff resources in maintenance and operations.

The General Fund Department of Transportation budget includes funding of the County staff carrying out the County's portion of the FAIRFAX CONNECTOR work such as contract management, operations planning, quality assurance, customer service, marketing, capital needs identification and budgeting.

The Virginia Railway Express service is provided by the Virginia Operations Board through contracts with Amtrak and operating agreements with several railroads.

► Mandate Information

All CONNECTOR services must comply with federal and state mandates:

- The Clean Air Act of 1990 with amendments
- Americans with Disabilities Act of 1990; Virginia Disabilities Act

See the FY 2007 Mandates Report, reference page 45, for the specific federal or state code and a brief description.

AGENCY PERFORMANCE MEASURES

Objectives

- To provide service to 10,901,053 FAIRFAX CONNECTOR passengers in FY 2009, including new passengers served through the West Ox Division. This amount reflects an increase of 7.14 percent from FY 2008.

- To provide an exemplary transit bus system, which is cost effective and competitive in the Washington Metropolitan Region by providing 582,289 platform hours of service and 9,450,735 platform miles of service in FY 2009.

- To provide a reliable alternative mode of transportation to Fairfax County residents utilizing the Virginia Railway Express (VRE).

Indicator	Prior Year Actuals		Current Estimate	Future Estimate	LOB Reference Number
	FY 2006 Actual	FY 2007 Estimate/Actual	FY 2008	FY 2009	
Output:					
CONNECTOR:					
CONNECTOR Authorized fleet size	176	202 / 202	202	202	100-01
Routes served	56	56 / 56	58	68	100-01
Passengers transported (1)	9,529,056	9,690,000 / 9,717,392	10,174,500	10,901,053	100-01
Timetables distributed	2,737,500	2,800,000 / 3,100,000	3,100,000	3,100,000	100-01
Information sites	217	227 / 265	265	265	100-01
Maps distributed	35,000	36,000 / 38,000	38,000	38,000	100-01
Platform hours provided	526,495	546,857 / 542,471	530,804	582,289	100-01
Platform miles provided	8,133,199	8,847,314 / 8,050,423	8,797,944	9,450,735	100-01
Revenue hours	467,759	496,000 / 468,889	496,000	509,440	100-01
Revenue miles generated	7,134,547	7,358,092 / 7,053,844	7,110,791	7,512,868	100-01
VRE:					
Annual Fairfax County VRE subsidy ($ in millions)	$3.42	$3.90 / $3.94	$4.70	$5.69	100-01
Daily VRE trains operated	32	31 / 31	30	34	100-01
VRE Stations maintained in Fairfax County	5	5 / 5	5	5	100-01
VRE Parking spaces provided in Fairfax County (2)	2,090	2,090 / 2,090	2,955	2,955	100-01
Daily VREA.M. boardings at Fairfax County stations	1,680	1,680 / 1,538	1,700	1,780	100-01
Estimated VRE annual boardings / alightings at Fairfax County stations	823,200	823,200 / 753,620	833,000	872,200	100-01

Fund 100
County Transit Systems

Indicator	Prior Year Actuals FY 2006 Actual	Prior Year Actuals FY 2007 Estimate/Actual	Current Estimate FY 2008	Future Estimate FY 2009	LOB Reference Number
Efficiency:					
CONNECTOR:					
CONNECTOR operating cost/passenger	$3.84	$4.85 / $4.22	$4.56	$4.76	100-01
Operating subsidy/passenger	$3.29	$4.34 / $3.70	$4.04	$4.21	100-01
Passengers/revenue mile	1.34	1.32 / 1.38	1.43	1.45	100-01
Operating costs (3)	$36,637,537	$46,957,859 / $41,038,726	$41,131,094	$51,903,415	100-01
Farebox revenue	$5,296,977	$4,936,500 / $5,129,382	$5,300,000	$6,038,544	100-01
Operating subsidy (3)	$31,340,560	$42,021,359 / $35,909,344	$41,131,094	$45,864,871	100-01
Operating cost/platform hour	$69.59	$85.87 / $75.65	$87.47	$89.14	100-01
Operating cost/platform mile	$4.50	$5.31 / $5.10	$5.28	$5.49	100-01
Farebox revenue as a percent of operating costs	14.46%	10.51% / 12.50%	11.41%	11.63%	100-01
VRE:					
Cost per County VRE trip	$4.15	$4.73 / $5.23	$5.64	$6.52	100-01
Service Quality:					
CONNECTOR Complaints per 100,000 passengers	13	13 / 16	15	15	100-01
Outcome:					
CONNECTOR:					
Percent change in FAIRFAX CONNECTOR passengers (1)	12.45%	1.69% / 1.98%	4.70%	7.14%	100-01
Percent change in service provided for platform hours	4.10%	3.87% / 3.03%	(2.15%)	9.70%	100-01
Percent change in service provided for platform miles	2.12%	8.78% / (1.02%)	9.29%	7.42%	100-01
VRE:					
Percent change in VRE passengers boarding at stations in Fairfax County	1.3%	0.0% / (8.5%)	10.5%	4.7%	100-01

(1) The new West Ox Bus Operations Center is projected to begin operations in early spring, increasing the number of passengers served in the latter part of the year. The increase in passengers transported represents an increase of 5.73 percent for the existing Reston-Herndon and Huntington Divisions, and an additional increase of 1.41 percent attributable to the new West Ox Division.

(2) County construction of a new garage and additional surface parking at the Burke Center Station will provide additional parking spaces.

(3) The County subsidizes CONNECTOR operating costs from County General Fund dollars, bus advertising revenue, proffer funding, state reimbursements, and State Aid available through NVTC. The FY 2008 operating subsidy reflects the *FY 2008 Revised Budget Plan*, and includes FY 2007 encumbered carryover of $5.7 million for the Huntington and Reston-Herndon divisions for one-time projects and outstanding contractor payments; it does not include $4.2 million for West Ox start-up equipment and a revenue handling system funded through State Aid at NVTC, since these items need to be purchased prior to the start of operations and do not represent an operational cost. The FY 2009 operating subsidy includes 5 months costs of the new West Ox division, scheduled to open during FY 2009. FY 2009 WMATA estimated costs of $1,722,644, for WMATA's share of space and operations at the new West Ox Bus Operations Center, are fully covered by revenue received from WMATA, and are not reflected in the operating costs and operating subsidy.