



Meeting of the Transportation District Commission of Hampton Roads

Thursday, March 23, 2023, at 1:00 p.m.
340 Victoria Boulevard, Hampton, VA – In Person

A meeting of the Transportation District Commission of Hampton Roads will be held on Thursday, March 23, 2023, at 1:00 p.m., at 3400 Victoria Boulevard, Hampton, VA.

The meeting is open to the public and in accordance with the Board's operating procedures, and in compliance with the Virginia Freedom of Information Act, there will be an opportunity for public comment at the beginning of the meeting.

The agenda and supporting materials are included in this package for your review.



Meeting of the Transportation District Commission of Hampton Roads

Thursday, March 23, 2023, at 3400 Victoria Boulevard, Hampton,
VA at 1:00 p.m. in Person – Zoom

AGENDA

1. Call to Order & Roll Call
2. Public Comments
3. Approval of February 23, 2023, Meeting Minutes
4. President's Monthly Report - William Harrell
 - A. Board Updates
5. Committee Reports
 - A. Audit & Budget Review Committee - Commissioner Gray/
Conner Burns, Chief Financial Officer
 - February 2023 Financial Reports
 - Preliminary Draft FY 2024 Operating Budget (Carryover from February 23, 2023 Meeting)
 - March 2023 Quarterly Grants/Projects Update
 - B. Management/Financial Advisory Committee – Commissioner Gribble/
Conner Burns, Chief Financial Officer
 - C. Operations & Oversight Committee - Commissioner Glover/
Sonya Luther, Director of Procurement

Note: The following procurements are being forwarded with a formal committee recommendation because of the lack of a quorum at the March 9, 2023 meeting.

- **Contract No. 22-00215 Interactive Voice Response System
(Renewal)**

Commission Consideration: Award of a contract to DiRAD Technologies, Inc. to provide hardware, software, warranty, and maintenance support of HRT's Interactive Voice Response system in the not-to-exceed amount of \$1,107,012.00 for five (5) years.

- **Contract No. 22-00218 Origin and Destination Study**
- **Commission Consideration:** Award of a contract to ETC Institute to provide HRT's origin-destination study services in the not-to-exceed amount of \$524,272.27.

D. Planning/New Starts Development Committee – Commissioner Ross-Hammond/
Ray Amoruso, Chief Planning & Development Officer

E. External/Legislative Advisory Committee - Commissioner Bullock/
Alexis Majied, Chief Communications and External Affairs Officer

F. Smart Cities & Innovation Committee – Commissioner McClellan/
Michael Price, Chief Information/Technology Officer

G. Paratransit Advisory Subcommittee – Chair Troy Bowser/
Keith Johnson, Paratransit Services Contract Administrator

H. Transit Ridership Advisory Sub-Committee – Ms. Denise Johnson, Chair/
Rodney Davis, Director of Customer Relations

6. Old and New Business

7. Comments by Commission Members

8. Closed Session (as necessary)

9. Adjournment

**The next meeting will be held on Thursday, April 27, 2023, at 1:00 p.m.
at 509 E. 18th Street, Norfolk, VA**



Meeting Minutes of the Transportation District Commission of Hampton Roads

Thursday, February 23, 2023 • 1:00 p.m. 3400 Victoria Boulevard, Hampton, VA, and Hybrid (Zoom) Meeting

Call to Order.

A quorum was attained, and Chairwoman Ross-Hammond called the meeting to order at 1:00 p.m.

Commissioners in attendance:

Chairwoman Ross-Hammond, Virginia Beach
Vice Chair Woodbury, Newport News
Past Chair McClellan, Norfolk
Alt. Commissioner Sherman, VDRPT (Zoom)
Commissioner Jimmy Gray
Commissioner Carey, Chesapeake
Commissioner White, Hampton
Commissioner Bullock, Newport News (Zoom)
Commissioner Houston, Norfolk
Commissioner Glover, Portsmouth
Alt Commissioner Carl Jackson

Hampton Roads Transit Staff in attendance:

Tammara Askew, Administrative Support Technician (Zoom)
Ray Amoruso, Chief Planning and Development
Keisha Branch, Director of the Office of Program & Project Excellence (Zoom)
Amy Braziel, Director of Contracted Services and Operational Analytics
Alexander Brink, Sr. Manager of Bus Transportation
Donna Brumbaugh, Director of Finance (Zoom)
Conner Burns, Chief Financial Officer
Danielle Burton, Assistance Manager of Bus Transportation (Zoom)
David Burton, General Counsel, Williams Mullen
Gene Cavazos, Director of Marketing & Communication
Rodney Davis, Director of Customer Relations
Sheri Dixon, Director of Revenue Services (Zoom)
Jennifer Dove, Civil Rights/Grants Program Manager (Zoom)
April Edwards, Senior Executive Assistant (Zoom)
Angela Glass, Director of Budget & Financial Analysis (Zoom)
Wayne Groover, Interim Director Rail Maintenance
Shelia Gullede, Manager Technology PMO
William Harrell, President and CEO
Danielle Hill, Director of Human Resources
Robert Lee, RTS Program Manager
Sonya Luther, Director of Procurement (Zoom)
Ashley Johnson, Assistant Director of Budget and Financial Analysis (Zoom)

Tracey Johnson, Security Specialist, (Zoom)
Shane Kelly, Manager Security & Emergency Preparedness, (Zoom)
Kristy Lockhart, Management Analyst
Steve Magaro, Emergency Management Specialist
Alexis Majied, Chief Communications & External Affairs Officer
Tracy Moore, Director of Transportation (Zoom)
John Nason, Director of Bus Maintenance (Zoom)
Sophia Owen-Allen, Staff Auditor (Zoom)
Sibyl Pappas, Chief Engineering & Facilities Officer
Michael Perez, Operations Project & Contract Administrator (Zoom)
Noelle Pinkard, Organizational Advancement Officer (Zoom)
John Powell, Telecommunications Specialist
Michael Price, Chief Information Officer/CTO (Zoom)
Luis Ramos, Sr. Executive Administrator/Commission Secretary
Shleaker Rodgers, Quality Assurance Auditor (Zoom)
Dawn Sciortino, Chief Safety Officer (Zoom)
Ben Simms, Chief Transit Operations Officer
Brian Smith, Deputy CEO
Adrian Tate, Finance Manager (Zoom)
Alex Touzov, Director of Technology Services (Zoom)
Robert Travers, Corporate Counsel
Fevrier Valmond, Deputy Director of Procurement (Zoom)
Kim Wolcott, Chief of Human Resources Officer

Others in attendance via phone/(Zoom)/In-Person:

Alt. Lisa Cipriano, City of Newport News
Alt. Commissioner DeProfio, City of Hampton (Zoom)
Andrew Ennis, Transit Rail Safety & Emergency Management Administrator, DRPT
Alt. Commissioner Megan Gribble, Virginia Beach
Denise Johnson, Chair, Transit Rider Advisory Committee
Clara Massaquoi, Citizen (Zoom)
Shelia McAllister, City of Newport News (Zoom)
Alt. Commissioner, Stevenson, Norfolk
Rebecca Spurrier, Management Analyst, City of Hampton
Janice Taylor, League of Women Voters (Zoom)
Alt. Commissioner Constantinos Velissarios, City of Newport News (Zoom)

The TDCHR meeting package was distributed electronically to all Commissioners in advance of the meeting. The meeting package consisted of:

- Agenda
- Meeting Minutes
- President's Report Presentation
- Social Media Analytics
- Financial Reports
- Committee Reports

Public Comments

Mr. Mark Davis, Shop Steward, on behalf of ATU Local 1177, stated that paratransit drivers asked ATU Local 1177 to help them form a Union. Mr. Davis stated that the paratransit drivers “had a vote, had an election, and they won fair and square.” Mr. Davis asked the Commission to assist with having the paratransit “election acknowledged and accepted so they can be part of our ATU Local 1177.”

Mr. Kirk Davis, an operator for HRT. Mr. K. Davis stated that he had items lost or stolen in the service line and is requesting assistance of HRT management to help recover his items.

Mr. David Burton stated that the current Collective Bargaining Agreement specifically excludes the paratransit drivers. Paratransit operators are employed by a third-party contractor and are expressly not employees of HRT. In light of these facts, HRT is not involved in any way with any activities related to the organization of the paratransit operators.

Mr. Harrell stated that he would ask Operations and Security to look into the issue raised by Mr. K. Davis.

A motion to close public comments was made by Commissioner Woodbury and properly seconded by Commissioner McClellan. A roll call vote resulted as follows:

Ayes: Ross-Hammond, Woodbury, McClellan, Gray, Carey, Sherman, White, Bullock, and Jackson

Nays: None

Abstain: None

Approval of January 26, 2022, Meeting Minutes

A motion to approve the January 26, 2023, minutes was made by Commissioner McClellan and properly seconded by Commissioner Woodbury. A roll call vote resulted as follows:

Ayes: Ross-Hammond, Woodbury, McClellan, Gray, Carey, Sherman, White, Bullock, and Glover.

Nays: None

Abstain: None

President's Monthly Report

Mr. Harrell welcomed everyone to the meeting. Mr. Harrell invited the commissioners to the new bus lift ribbon cutting ceremony in Hampton on Friday, March 3, 2023, at noon.

Mr. Harrell acknowledged that the monthly LINK publication included information on the new and increased frequency on Route 112 and the resulting increase in ridership to date.

Mr. Harrell stated that the Virginia Transit Association's annual Conference will be hosted in Virginia Beach on May 20 – 24, 2023. Mr. Luis Ramos will reach out to each Commissioner to see who would like to attend.

Mr. Harrell called on Mr. Ray Amoruso for a presentation on the service implementation plan for fiscal year 2023/2024. Mr. Amoruso presented the service implementation plan for fiscal year 2023/2024.

Mr. Harrell stated that staff has been analyzing microtransit and other means to strengthen the core system through ongoing innovation and complementary upgrades technology and amenities.

Mr. Harrell stated that recruiting efforts for operators and mechanics are underway and being supported by an aggressive marketing campaign. A recruitment video was played for the Commission.

Mr. Harrell acknowledged Transit Equity Day as a National Day of Action that commemorates the importance of investing in public transit for the benefit of all citizens and honors the courageous work of civil rights leader Rosa Parks. To commemorate Transit Equity Day, HRT did not charge passenger fares and had great ridership throughout all services.

Mr. Harrell noted that HRT Operators recently participated in the HRT Bus Rodeo on Super Bowl Sunday at the John B. Todd Stadium in Newport News. This was the first bus rodeo since before the COVID pandemic. The top performers were Reginald Charity, Gary Tate, and Don Wesley. These individuals will represent HRT in the Statewide Rodeo competition in Petersburg, VA.

Mr. Harrell congratulated Ms. Alexis Majied, Chief Communications Officer, for being selected to the *Inside Business* Top 40 Under 40, an annual recognition of outstanding professionals who positively impact the local community.

Audit & Budget Review Committee

Chairwoman Ross-Hammond called on Mr. Conner Burns, Chief Financial Officer to present the financial report.

Mr. Conner Burns presented the preliminary financial report for January 2023.

Management and Financial Advisory Committee (MFAC)

Ms. Megan Gribble stated that during the MFAC meeting Mr. Amoruso gave an update on the Service Implementation Plan for Fiscal Year 23/24 and Mr. Burns reviewed the preliminary Financial Report for January 2023.

The Committee discussed MFAC's opinion regarding the continuation of the strategic allocation agreement that expires at the end of the current fiscal year.

Ms. Gribble indicated that that they received an update on the expenditure of "COVID Federal Funds" from Mr. Burns and Ms. Sybil Pappas gave a passenger amenities update.

Operations and Oversight Committee

Commissioner Glover stated that the Operations and Oversight Committee did not meet in the month of February.

Planning and New Starts Committee

Commissioner Ross-Hammond stated that the Planning and New Starts met earlier that day and called on Mr. Amoruso for a brief update.

Mr. Amoruso gave an update on the Norfolk Naval Station Phase One recommendation of a two-mile extension of light rail to the Military Circle Mall redevelopment area.

The planning effort, including the completion of the National Environmental Policy Act (NEPA) document, is in anticipation of applying for a capital investment grant from the Federal Transit Administration.

Ms. Dawson stated that there will soon be a high-capacity transit study conducted in the City of Chesapeake.

Mr. Amoruso stated that HRT will soon be conducting an Origin and Destination study, as required by the Federal Transit Administration.

External Legislative Affairs Committee

Commissioner Bullock reported on federal updates including Congressional oversight hearings that are expected in the upcoming months and how the Administration is awarding many discretionary grants that were made available under the Infrastructure Investment and Jobs Act (IIJA).

Commissioner Bullock stated that on the State side, the official end of the General Assembly session is February 25, 2023, with budget discussions expected to continue beyond that date. HRT Staff will be distributing a General Assembly wrap-up report. Transit Equity Day was on February 3, 2023, and the Marketing Communications team is working on a robust bus operator recruitment campaign and Base Express ridership promotion campaign.

The next ELAC meeting will be on Wednesday, March 15, 2023, in Hampton.

Smart Cities and Innovation Committee

Commissioner McClellan stated that the committee did not meet in February, but there will be a Smart Cities and Innovation Committee meeting on March 9, 2023.

Paratransit Advisory Sub-Committee (PAC)

Chairman Bower stated that his report will be presented by Vice-Chair Alicia Griffin. Ms. Griffin read the Paratransit Advisory subcommittee report to the Board.

The report stated the support of the Paratransit Advisory Committee for the accessible taxi program as well as for funding for a new HRT southside facility.

The PAC report also included member openings for both consumers and providers.

Mr. Bowser's report stated that paratransit customers were still voicing concerns regarding service that is being provided to include unsafe location pick-up and drop offs, timeliness, and trip reimbursements.

There was discussion regarding issues with contacting HRT's Customer Service department and responses to complaints.

Various training opportunities and outreach events were discussed.

Information in the rider and driver apps was discussed.

Transit Ridership Advisory Sub-Committee (TRAC)

Ms. Denise Johnson gave her report to the Commission, and it is enclosed in these minutes for reference.

Old and New Business:

Mr. Andrew Ennis presented the DRPT State Safety Oversight (SSO) – 2022 Annual HRT Board as enclosed in the meeting package.

Closed Session

There was no closed Session.

Commissioner Comments:

None

Adjournment

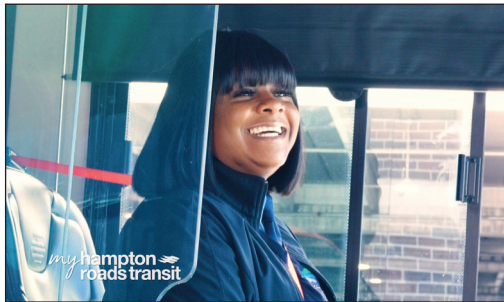
With no further business to conduct, the meeting adjourned at 2:22 p.m.

TRANSPORTATION DISTRICT COMMISSION OF HAMPTON ROADS

Amelia Ross-Hammond
Chair

ATTEST:

Luis Ramos
Commission Secretary
February 23, 2023



Recruiting Continues Non-Stop

Operator recruiting continued without let up this month with a new series of commercials produced by our Department of Marketing and Strategic Communications. These excellent videos take advantage of the charm and confidence of our existing operators to engage and attract new recruits. The team produced six videos varying in length from 15 seconds, to 30, and one lasting a minute. [Take a look at the 30-second ad here.](#)



Microtransit – Gone but Maybe Not Forever

Our experiment with on-demand transit service came to a close on Feb. 5. The pilot program has yielded some interesting data – and a strong reason to explore ways to keep this unique service going as a new mode of service. HRT OnDemand was available in two select regions - Newport News and Virginia Beach – from July 2022 to February 2023.

It allowed customers within two designated service zones to request a shared ride using a smartphone app. The data showed 26,258 total ride requests in Newport News, and 13,037 in Virginia Beach. Both cities showed higher demand in the afternoons. Those numbers should not be ignored. While funding is always a challenge when considering service expansion, Hampton Roads Transit is exploring short- and long-term funding options and next steps in exploring OnDemand as a new mode of service.



Transit Equity Day

Hampton Roads Transit provided free services on Friday, Feb. 3, to mark Transit Equity Day, a National Day of Action that commemorates the importance of investing in public transit for the benefit of all citizens. It also coincided with the birthday of civil rights icon and public transit rider Rosa Parks.

Bus headlights were on all day to symbolize the light Parks provided to our world while each bus carried a small sign on a reserved front seat in honor of her courageous act that helped make transit more equitable for all.



Roadeo

The unique challenges of the Transit Bus Roadeo unfolded on Super Bowl Sunday on the grounds of John B. Todd Stadium in Newport News where a number of our operators competed for a chance to represent HRT in the Commonwealth event. The top contestants were Reginald Charity Jr, Gary Tate, Donald Wesley, Jimmy Brown, and Crystal Pittman. The top three – Charity, Tate, and Wesley - will represent HRT in Petersburg on May 20 and 21 at a statewide competition.

Not only were driving skills tested, but pre-trip acuity was measured in such areas as broken horns, a rear brake lights out, air leaks, and missing license plates. Congratulations to all contestants and a special thanks to everyone who helped out on a rainy, blustery day.



Congratulations to Our Own Alexis Majied

Alexis Majied, our new Chief of Communications, won distinction as a Top Forty Under 40 from Inside Business magazine. In its 24th year, the business-focused publication annually recognizes forty outstanding professionals under the age of 40 who have built successful careers, and who are actively impacting the local community.



State-of-the-Art Bus Lifts Unveiled

It was a celebration months in the making. March ushered in a new era of technology at HRT's Hampton facility. State of the art bus lifts were officially unveiled during a ribbon cutting ceremony on Friday, March 3. The lift replacement project took about a year to complete and will have a positive impact for decades to come. These lifts are in use every day by some of the most important people we have, doing some of our most essential work. Dill Architects designed and managed construction, while Alan Tye and Associates took care of the installation. The \$2.3 million project was paid for through 5307 Grant funds. It was completed on time and on budget.



HRT Hosts First Resource Fair

As an extension of our mission to provide Hampton Roads with transportation solutions that are reliable, safe, efficient, and sustainable, we held our first-ever Community Resource Fair this month at the Newport News Transit Center. Vendors included Hampton-Newport News Community Service Board, Newport News Human Services, VersAbility Disability Services, American Red Cross, and Foodbank of the Virginia Peninsula. TRAFFIX and Hampton Roads Transit hosted tables as well, sharing information about services with our customers and even some of our operators. More than 60 people attended the event, and many had supportive comments about the initiative and vendors present. We will host another Community Resource Fair at the Downtown Norfolk Transit Center in the beginning of April.



MarCom Creates "My HRT" Recruitment Campaign

Marketing and Communications continues to work alongside Human Resources to aggressively recruit bus operators. To that end, the team created the "My HRT" campaign, featuring several of our current employees talking about their careers at Hampton Roads Transit. The team filmed video for the spots at our Norfolk location. That video has already been turned into social media reels and ads, shared with partners in the community and can now be seen high above the roadways on both the Southside and Peninsula.



Transit Operator Assault Bill Passes the Virginia Legislature

Our operators are on the frontlines everyday providing a vital service to our community. Their safety is of utmost importance. According to the Transportation Security Administration, the Covid era saw a near 300% increase in assaults on transit workers across the nation. The pandemic also demonstrated the essential nature of transit professionals who maintained vital services carrying customers to work, school and other appointments. Many states already had laws on the books to better protect transit operators from assaults. Now the Commonwealth is among them. During the 2023 session of the Virginia General Assembly legislation introduced by Del. Delores McQuinn (Richmond) passed both the House of Delegates and the Senate. Assault and battery on a transit operator is now categorized as a class 1 misdemeanor. Anyone convicted is banned from entering or riding the bus for at least six months.



CEO Roundtable

We're in the middle of a series of CEO Roundtables. We've already held one on the Northside and another on the Southside, with a third one planned for later this month at our Norfolk Tide Facility. Dozens of operators and mechanics showed up to hear about the agency's latest initiatives, including the new Southside facility, electrification, and what's next for the 757 Express. Staff also had the chance to ask questions on a broad range of topics, putting senior staff to the test on issues such as training and scheduling. The goal of these CEO Roundtables is to help bridge the gap in communications between administrative staff and employees, along with establishing unity of purpose in serving our customers.



Disadvantaged Business Enterprise

Hampton Roads Transit is committed to doing business with small and minority owned businesses in the region. A representative from HRT's Department of Capital Programs was asked to take part in the Meet the Primes Transportation Event hosted by the City of Hampton's Economic Development Department. Jennifer Dove, Civil Rights and Grants Program Manager joined a panel of experts to discuss best practices when it comes to securing contracts with agencies like HRT. More than 60 small and minority business owners attended. They learned how to utilize SWaM and DBE certifications to secure state and federally funded contracts.



HRT Celebrates Transit Worker Appreciation Month

March is Transit Worker Appreciation Month. During the week of March 6th, our Rewards and Recognition Committee organized a week of activities to honor HRT's maintenance staff. Members of the Committee along with senior executives delivered certificates of appreciation and small tokens of gratitude to all maintenance staff at Norfolk, Hampton and the Norfolk Tide Facility. These visits were spread out over multiple shifts so that all mechanics, cleaners and money room attendants could be included. While the Committee provided breakfast and dinner, members of the senior executive team provided words of thanks and encouragement.



On March 13, volunteers with our HERO Committee handed out bags of freshly popped popcorn to bus operators in Hampton and snow cones to bus operators in Norfolk. Then on March 16 and 17, staff really stepped up to deliver lunch to operators on the road, volunteering to go to transit centers and bus stops on the north and southsides to meet them during lunchtime.



HAMPTON ROADS
TRANSIT

Draft Financial Statement

FEBRUARY 2023 FISCAL YEAR 2023 FINANCIAL REPORT

gohrt.com

OPERATING FINANCIAL STATEMENTS

February 2023

FISCAL YEAR 2023	Annual		Month to Date			Year to Date			
Dollars in Thousands	Budget		Budget	Actual	Variance	Budget		Actual	Variance
Operating Revenue									
Passenger Revenue	\$	8,694.8	\$	724.6	\$ 636.8	\$	5,796.5	\$ 5,600.6	\$ (195.9)
Advertising Revenue		800.0		66.7	202.0		533.3	558.6	25.2
Other Transportation Revenue		2,158.9		179.9	222.1		1,439.3	1,758.0	318.7
Non-Transportation Revenue		60.0		5.0	14.4		40.0	222.7	182.7
Total Operating Revenue		11,713.7		976.1	1,075.2		7,809.1	8,139.8	330.7
Non-Operating Revenue									
Federal Funding (5307/5337)		26,694.0		2,224.5	1,285.3		17,796.0	17,066.1	(729.9)
HRRTF Funding		10,319.0		859.9	421.9		6,879.3	3,254.3	(3,625.1)
State Funding		31,464.9		2,622.1	2,622.1		20,976.6	20,976.6	0.0
Local Funding		45,396.5		3,783.0	3,783.0		30,264.4	30,264.4	0.0
Total Non-Operating Revenue		113,874.4		9,489.5	8,112.3		75,916.3	71,561.4	(4,354.9)
TOTAL REVENUE	\$	125,588.1	\$	10,465.7	\$ 9,187.4	\$	83,725.4	\$ 79,701.1	\$ (4,024.2)
Personnel Services	\$	76,908.7	\$	8,217.7	\$ 5,221.0	\$	51,866.8	\$ 48,248.6	\$ 3,618.3
Contract Services		12,272.2		997.6	686.6		8,238.9	6,545.8	1,693.1
Materials & Supplies		6,017.0		413.9	431.3		3,961.6	3,756.5	205.1
Gas & Diesel		8,519.3		(891.0)	940.6		5,097.3	4,932.9	164.4
Contractor's Fuel Usage		1,765.0		40.8	72.1		1,138.0	436.5	701.5
Utilities		1,308.9		109.1	90.2		872.6	890.1	(17.5)
Casualties & Liabilities		4,014.0		340.4	354.0		2,683.4	2,881.5	(198.1)
Purchased Transportation		13,385.3		1,115.4	965.3		8,923.5	8,026.3	897.2
Other Miscellaneous Expenses		1,397.6		121.9	58.6		943.2	747.1	196.1
TOTAL EXPENSE	\$	125,588.1	\$	10,465.7	\$ 8,819.8	\$	83,725.4	\$ 76,465.3	\$ 7,260.1
SURPLUS (DEFICIT)					\$ 367.7			\$ 3,235.8	

1.

Line of Credit balance as of March 17, 2023 is \$1,603,121.75

2.

Non-Operating COVID Revenue and Expenses YTD - \$97,333

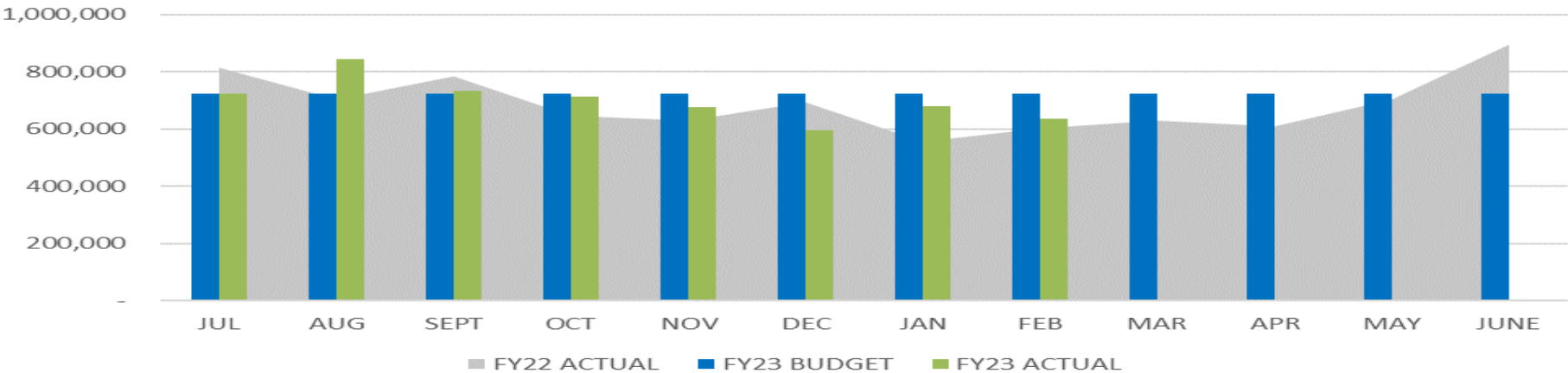
OPERATING FINANCIAL STATEMENTS

February 2023

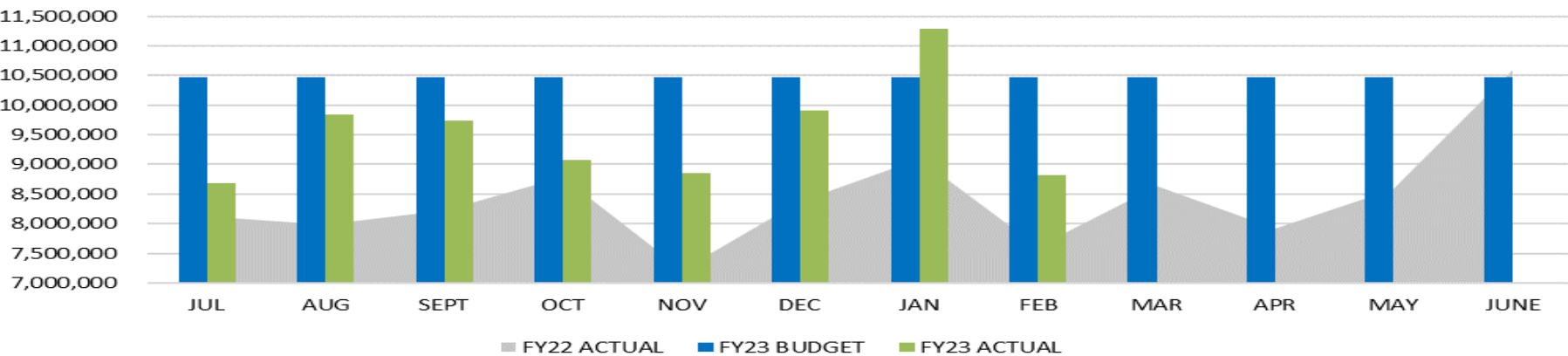
757 EXPRESS, 15-MINUTE INCREMENT

FISCAL YEAR 2023	Annual		Month to Date			Year to Date			
	Budget	Budget	Actual	Variance		Budget	Actual	Variance	
Dollars in Thousands									
Operating Revenue									
Passenger Revenue	\$ 879.4	\$ 73.3	\$ 53.7	\$ (19.6)	(26.7) %	\$ 586.2	\$ 397.9	\$ (188.3)	(32.1) %
RTS Program	10,319.0	859.9	421.9	(438.0)	(50.9) %	6,879.3	3,254.3	(3,625.1)	(52.7) %
TOTAL REVENUE	\$ 11,198.3	\$ 933.2	\$ 475.6	\$ (457.6)		\$ 7,465.5	\$ 3,652.2	\$ (3,813.4)	
Personnel Services	\$ 7,997.5	\$ 666.5	\$ 334.2	\$ 332.3	49.9 %	\$ 5,331.7	\$ 2,709.9	\$ 2,621.7	49.2 %
Contract Services	966.9	80.6	36.8	43.8	54.4 %	644.6	287.4	357.2	55.4 %
Materials & Supplies	1,934.3	161.2	89.4	71.8	44.5 %	1,289.5	536.2	753.3	58.4 %
Utilities	74.3	6.2	2.0	4.2	68.3 %	49.5	24.5	25.0	50.5 %
Casualties & Liabilities	225.4	18.8	13.3	5.5	29.3 %	150.3	94.1	56.1	37.3 %
TOTAL EXPENSE	\$ 11,198.3	\$ 933.2	\$ 475.6	\$ 457.6		\$ 7,465.5	\$ 3,652.2	\$ 3,813.4	
SURPLUS (DEFICIT)			\$ -				\$ -		

Farebox Revenue



Total Expenses



OPERATING CROSSWALK

February 2023

YEAR-TO-DATE					
FISCAL YEAR 2023 (Dollars in Thousands)	BUDGET	ACTUAL LOCALITY	ACTUAL NON-LOCALITY	ACTUAL CONSOLIDATED	VARIANCE + / (-)
REVENUE					
Passenger Revenue	\$ 5,796.5	\$ 5,104.7	\$ 495.9	\$ 5,600.6	\$ (195.9)
Advertising Revenue	\$ 533.3	\$ 521.1	\$ 37.4	\$ 558.5	\$ 25.2
Other Transportation Revenue	\$ 1,439.3	\$ -	\$ 1,757.9	\$ 1,757.9	\$ 318.6
Non-Transportation Revenue	\$ 40.0	\$ 97.2	\$ 125.5	\$ 222.7	\$ 182.7
Federal Funding (PM 5307/5337)	\$ 17,796.0	\$ 17,066.1	\$ -	\$ 17,066.1	\$ (729.9)
HRRTF Funding ¹	\$ 6,879.3	\$ -	\$ 3,254.3	\$ 3,254.3	\$ (3,625.0)
State Funding	\$ 20,976.6	\$ 20,976.6	\$ -	\$ 20,976.6	\$ -
Local Funding	\$ 30,264.4	\$ 30,264.4	\$ -	\$ 30,264.4	\$ -
TOTAL REVENUE:	\$ 83,725.4	\$ 74,030.1	\$ 5,671.0	\$ 79,701.1	\$ (4,024.3)
EXPENSE					
Personnel Services	\$ 51,866.9	\$ 45,049.9	\$ 3,198.7	\$ 48,248.6	\$ 3,618.3
Services	\$ 8,238.9	\$ 6,111.8	\$ 434.0	\$ 6,545.8	\$ 1,693.1
Materials & Supplies	\$ 10,196.9	\$ 8,520.9	\$ 605.0	\$ 9,125.9	\$ 1,071.0
Utilities	\$ 872.6	\$ 831.1	\$ 59.0	\$ 890.1	\$ (17.5)
Casualties & Liabilities	\$ 2,683.4	\$ 2,690.5	\$ 191.0	\$ 2,881.5	\$ (198.1)
Purchased Transportation	\$ 8,923.5	\$ 7,494.2	\$ 532.1	\$ 8,026.3	\$ 897.2
Other Miscellaneous Expenses	\$ 943.2	\$ 697.5	\$ 49.6	\$ 747.1	\$ 196.1
TOTAL EXPENSE:	\$ 83,725.4	\$ 71,395.9	\$ 5,069.4	\$ 76,465.3	\$ 7,260.1
BUDGET STATUS TO DATE²:	\$ -	\$ 2,634.2	\$ 601.6	\$ 3,235.8	\$ 3,235.8

1. Hampton Roads Regional Transit Funding for 757 Express and 15-minute increment.

2. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	TOTAL LOCALITY			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 45,396.5	\$ 30,264.4	\$ 30,264.4	\$ -
Plus: Local Farebox	\$ 7,647.8	\$ 5,098.5	\$ 5,104.7	\$ 6.2
Locality Share - Sub-Total:	\$ 53,044.3	\$ 35,362.9	\$ 35,369.1	\$ 6.2
Plus: Federal Aid	\$ 26,694.1	\$ 17,796.1	\$ 17,066.1	\$ (730.0)
State Aid	\$ 31,464.9	\$ 20,976.6	\$ 20,976.6	\$ -
Total Revenue Contribution:	\$111,203.3	\$ 74,135.6	\$ 73,411.8	\$ (723.8)
Operating Expenses:	\$111,203.3	\$ 74,135.6	\$ 70,777.6	\$ (3,358.0)
Locality Budget Status to Date ¹ :	\$ 2,634.2			
KPI				
Farebox Recovery:	6.9%		7.2%	
Farebox % of Budgeted Expense:			6.9%	

1. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	CHESAPEAKE			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 2,723.7	\$ 1,815.8	\$ 1,815.8	\$ -
Plus: Local Farebox	\$ 455.0	\$ 303.3	\$ 275.8	\$ (27.5)
Locality Share - Sub-Total:	\$ 3,178.7	\$ 2,119.1	\$ 2,091.6	\$ (27.5)
Plus: Federal Aid	\$ 2,007.6	\$ 1,338.4	\$ 1,516.0	\$ 177.6
State Aid	\$ 1,993.8	\$ 1,329.2	\$ 1,378.6	\$ 49.4
Total Revenue Contribution:	\$ 7,180.1	\$ 4,786.7	\$ 4,986.2	\$ 199.5
Operating Expenses:	\$ 7,180.1	\$ 4,786.7	\$ 4,733.3	\$ (53.4)
Locality Budget Status to Date ¹ :	\$ 252.9			

KPI

Farebox Recovery:	6.3%	5.8%
Farebox % of Budgeted Expense:		5.8%

1. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	HAMPTON			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 4,722.4	\$ 3,148.4	\$ 3,148.4	\$ -
Plus: Local Farebox	\$ 672.7	\$ 448.5	\$ 499.0	\$ 50.5
Locality Share - Sub-Total:	\$ 5,395.1	\$ 3,596.9	\$ 3,647.4	\$ 50.5
Plus: Federal Aid	\$ 3,265.3	\$ 2,176.9	\$ 2,467.0	\$ 290.1
State Aid	\$ 3,387.3	\$ 2,258.1	\$ 2,406.1	\$ 148.0
Total Revenue Contribution:	\$ 12,047.7	\$ 8,031.9	\$ 8,520.5	\$ 488.6
Operating Expenses:	\$ 12,047.7	\$ 8,031.9	\$ 8,160.6	\$ 128.7
Locality Budget Status to Date ¹ :				\$ 359.9

KPI

Farebox Recovery:	5.6%	6.1%
Farebox % of Budgeted Expense:		6.2%

1. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	NEWPORT NEWS			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 7,492.8	\$ 4,995.2	\$ 4,995.2	\$ -
Plus: Local Farebox	\$ 1,111.7	\$ 741.1	\$ 837.8	\$ 96.7
Locality Share - Sub-Total:	\$ 8,604.5	\$ 5,736.3	\$ 5,833.0	\$ 96.7
Plus: Federal Aid	\$ 4,917.0	\$ 3,278.0	\$ 3,591.6	\$ 313.6
State Aid	\$ 5,337.1	\$ 3,558.1	\$ 3,748.8	\$ 190.7
Total Revenue Contribution:	\$ 18,858.6	\$ 12,572.4	\$ 13,173.4	\$ 601.0
Operating Expenses:	\$ 18,858.6	\$ 12,572.4	\$ 12,639.2	\$ 66.8
Locality Budget Status to Date ¹ :				\$ 534.2

KPI

Farebox Recovery:	5.9%	6.6%
Farebox % of Budgeted Expense:		6.7%

1. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	NORFOLK			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 19,709.4	\$ 13,139.6	\$ 13,139.6	\$ -
Plus: Local Farebox	\$ 3,560.9	\$ 2,373.9	\$ 2,291.8	\$ (82.1)
Locality Share - Sub-Total:	\$ 23,270.3	\$ 15,513.5	\$ 15,431.4	\$ (82.1)
Plus: Federal Aid	\$ 9,763.3	\$ 6,508.9	\$ 4,752.5	\$ (1,756.4)
State Aid	\$ 13,163.5	\$ 8,775.7	\$ 8,238.4	\$ (537.3)
Total Revenue Contribution:	\$ 46,197.1	\$ 30,798.1	\$ 28,422.3	\$ (2,375.8)
Operating Expenses:	\$ 46,197.1	\$ 30,798.1	\$ 27,614.0	\$ (3,184.1)
Locality Budget Status to Date ¹ :				\$ 808.3

KPI

Farebox Recovery:	7.7%	8.3%
Farebox % of Budgeted Expense:		7.4%

1. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	PORTSMOUTH			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 2,880.2	\$ 1,920.1	\$ 1,920.1	\$ -
Plus: Local Farebox	\$ 559.6	\$ 373.1	\$ 336.5	\$ (36.6)
Locality Share - Sub-Total:	\$ 3,439.8	\$ 2,293.2	\$ 2,256.6	\$ (36.6)
Plus: Federal Aid	\$ 1,942.8	\$ 1,295.2	\$ 1,382.7	\$ 87.5
State Aid	\$ 2,072.7	\$ 1,381.8	\$ 1,406.0	\$ 24.2
Total Revenue Contribution:	\$ 7,455.3	\$ 4,970.2	\$ 5,045.3	\$ 75.1
Operating Expenses:	\$ 7,455.3	\$ 4,970.2	\$ 4,824.8	\$ (145.4)
Locality Budget Status to Date ¹ :				\$ 220.5

KPI

Farebox Recovery:	7.5%	7.0%
Farebox % of Budgeted Expense:		6.8%

1. Includes estimated year-to-date Locality Service Reliability Plan credit.

FISCAL YEAR 2023 (Dollars in Thousands)	VIRGINIA BEACH			
	ANNUAL BUDGET	YEAR-TO-DATE		
		BUDGET	ACTUAL	VARIANCE
Locality Operating Share	\$ 7,868.0	\$ 5,245.3	\$ 5,245.3	\$ -
Plus: Local Farebox	\$ 1,287.9	\$ 858.6	\$ 863.8	\$ 5.2
Locality Share - Sub-Total:	\$ 9,155.9	\$ 6,103.9	\$ 6,109.1	\$ 5.2
Plus: Federal Aid	\$ 4,798.1	\$ 3,198.7	\$ 3,356.3	\$ 157.6
State Aid	\$ 5,510.5	\$ 3,673.7	\$ 3,798.7	\$ 125.0
Total Revenue Contribution:	\$ 19,464.5	\$ 12,976.3	\$ 13,264.1	\$ 287.8
Operating Expenses:	\$ 19,464.5	\$ 12,976.3	\$ 12,805.7	\$ (170.6)
Locality Budget Status to Date ¹ :				\$ 458.4

KPI

Farebox Recovery:	6.6%	6.7%
Farebox % of Budgeted Expense:		6.7%

1. Includes estimated year-to-date Locality Service Reliability Plan credit.



FY2024 PRELIMINARY OPERATING BUDGET & TSPs MARCH 23, 2023

gohrt.com

OVERVIEW

FY2024 Budget Calendar..... slides 3-4

Cost Allocation Agreement: Guiding Principles.....slides 5-12

FY2024 Preliminary Operating Budget: Revenue Assumptions & Cost Drivers.....slides 13-21

FY2024 Preliminary Local Contribution & TSPs.....slides 22-31

Next Steps.....slides 32-33



FY2024 BUDGET CALENDAR

gohrt.com

FY2024 BUDGET CALENDAR

DATE	TASK TYPE	TASK
09/28/2022	Local TSP	FY2024 Transportation Service Plans (TSPs) submitted to Localities
11/18/2022	Local TSP	Deadline for Localities to respond with change requests to the FY2024 TSP
12/05/2022	Regular Meeting	Review FY2024 Draft Operating Budget & TSPs with MFAC
01/09/2023	Special Meeting	MFAC meeting to review FY2024 Service and Draft TSPs
02/14/2023	Local TSP	Deadline for Localities to make final service changes to FY2024 TSPs
02/21/2023	Regular Meeting	Review FY2024 Preliminary Operating Budget with MFAC
02/23/2023	Regular Meeting	Review FY2024 Preliminary Operating Budget with Commission
05/01/2023	Budget	Distribute FY2024 Final Operating Budget & TSPs to MFAC
05/22/2023	Regular Meeting	Review FY2024 Final Operating Budget with Audit & Budget/MFAC
05/25/2023	Regular Meeting	Commission vote on FY2024 Final Operating Budget



COST ALLOCATION AGREEMENT GUIDING PRINCIPLES

gohrt.com

GUIDING PRINCIPLES – KEY POINTS

- + To operate a consolidated regional public transportation system.
- + The method of allocating costs and revenues are based on service provided and revenues generated in each individual city.
- + Each participating city has final determination on the service provided within its borders.
- + Participating cities share equally in representation on the Commission and share equally in administration (Commission) expenses.

GUIDING PRINCIPLES – REVENUE SOURCE DEFINITION

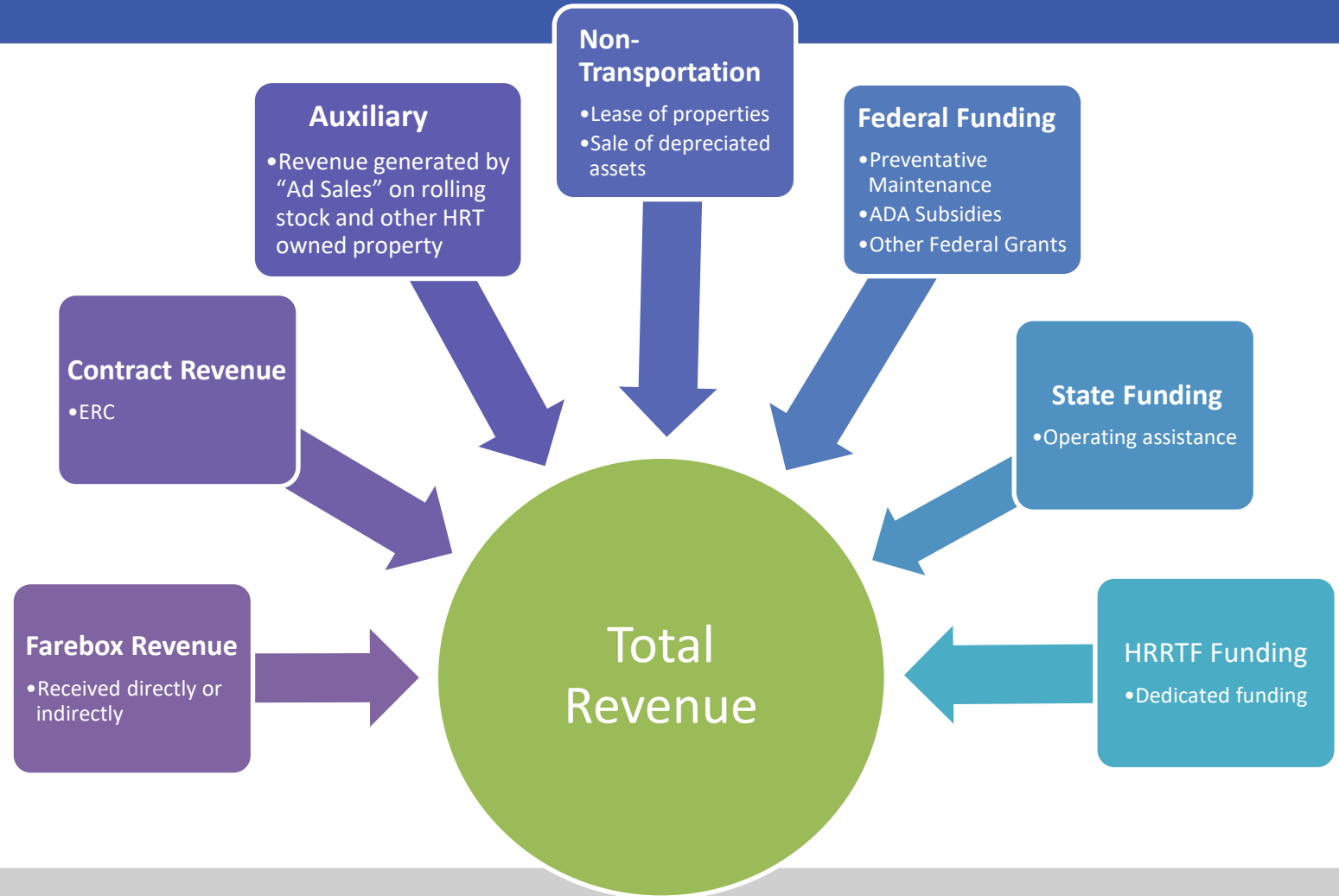
Revenue Sources & Allocation

- + **Farebox Revenue:** All passenger revenue collected within the borders of a Participating City are credited to the service and Participating City in which it is collected.
- + **Auxiliary & Non-Transportation Revenue:** Auxiliary (advertising) and non-transportation revenue are allocated based on relative share of service hours.
- + **Federal funds:** Funds received to reimburse net eligible expenses are distributed to the services operated.
- + **State funds:** State funds received to reimburse operating expenses are allocated pro-rata in accordance with service levels.
- + **Local contribution calculation:**
 1. Costs are captured for each service mode.
 2. Farebox Revenues are captured by route and city.
 3. Federal formula funds are distributed based on service provided.
 4. State funds are applied pro-rata according to service levels.
 5. Remaining expenses are covered by the locality.

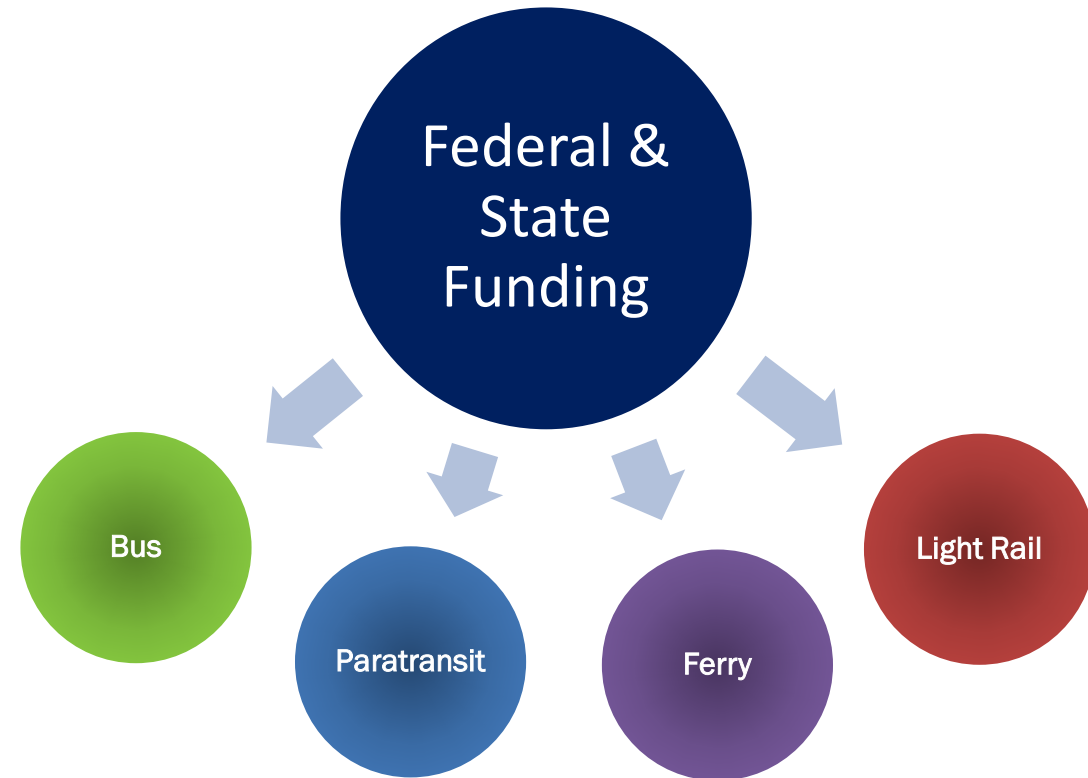
REVENUE SOURCE ALLOCATION FORMULAS

Allocation of Revenue

- + **Farebox Revenue** is allocated based on the locality in which it is collected
- + **Contract Revenue** pays for operating expenses specific to Elizabeth River Crossing (ERC)
- + **Auxiliary and Non-Transportation revenue** are allocated based on share of service hours
- + **Federal and State Funding** are allocated based on eligible service expenses
- + **HRRTF Funding** supports regional route expansion



FEDERAL & STATE FUNDING ALLOCATION



Federal & State Funding

Federal funds received to reimburse net eligible expenses are distributed based on the services operated. Types of aid:

- + **Federal 5307 PM:** Reimburses 80% of preventative maintenance expense
- + **Federal 5307 ADA:** Reimburses 80% of Paratransit mode expenses
- + **Federal 5307 CCC:** Covers 32% of 3rd party expenses for Ferry and Paratransit modes
- + **Federal 5337 FG PM:** Funds 80% of preventative maintenance expense on fixed guideway modes (HIMB/LRT/Ferry)
- + **Federal 5307 Relief Aid (CARES/CRRSSA/ARP):** Covers 100% of operating costs, net expense resulting from farebox losses & pandemic specific expenses

State funds reimburse 100% of eligible operating expenses

GUIDING PRINCIPLES – COST DEFINITIONS

Operating Costs

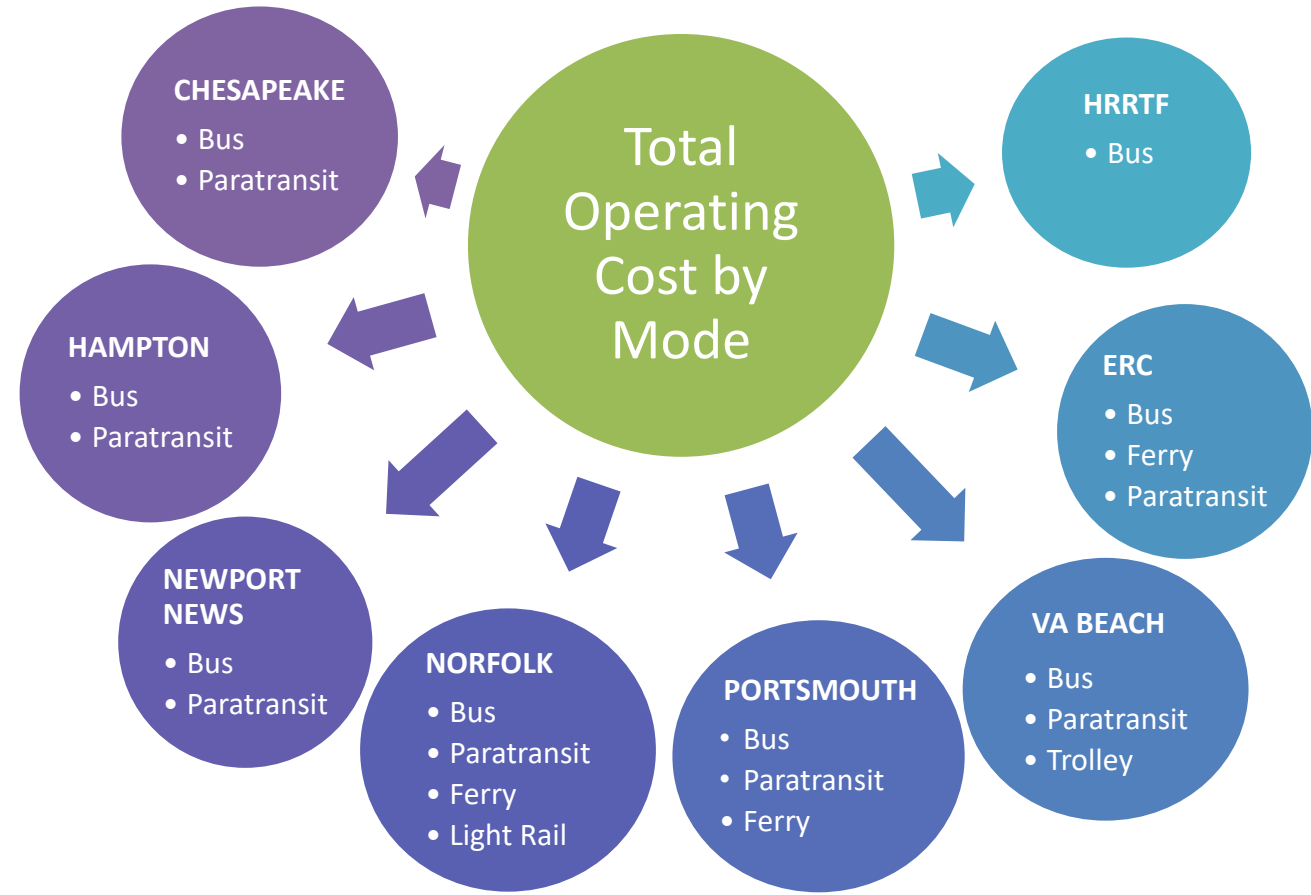
- + **Direct costs** are identified with a particular transportation mode including operator/mechanic wages and benefits, fuel and maintenance materials, direct supervision, training, supplies, and scheduling.
- + **Support costs** are those costs shared by multiple modes such as facility upkeep, utilities, insurance, marketing, communications, accounting, human resources, technology, training and other incidental costs.

Administrative Costs

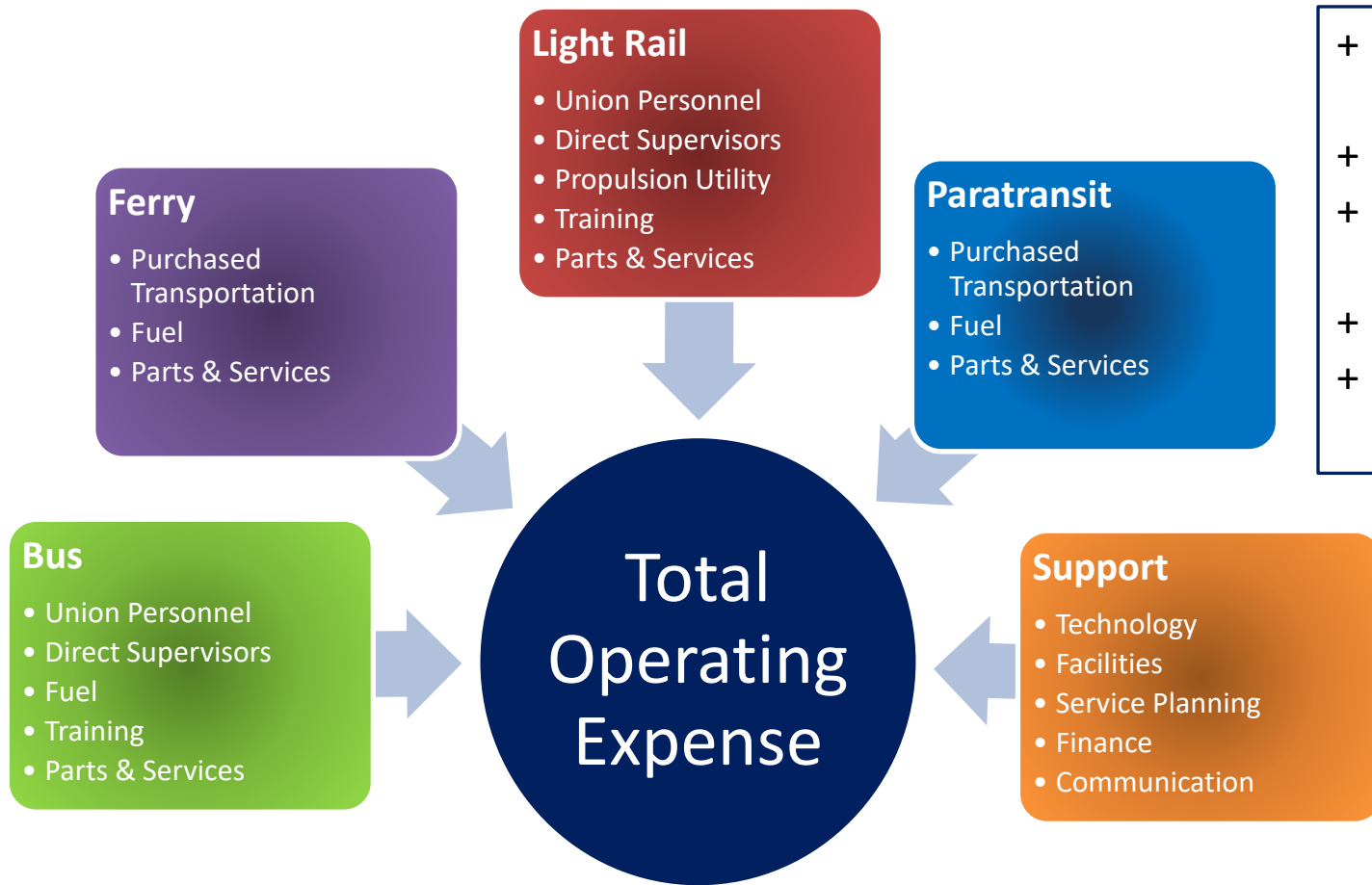
- + Costs associated with personnel who directly support the Commission i.e., Executive Director (President & CEO), Secretary, and Treasurer (Chief Financial Officer) and any other position so designated by the Commission.
- + Travel related to Commission matters, legal and audit professional services directly related to the support of the Commission, and any other general expense which the Commission directs to be included as an administrative cost.

OPERATING COST ALLOCATION BY SERVICE

- + **Annually**, through the Transportation Service Plan (TSP) process, service levels and service types (i.e., bus, light rail, ferry, paratransit) are determined by the participating city.
- + The method of allocating costs will be based on service provided.



CALCULATION OF SERVICE COST PER HOUR



- + Total operating expense is first segregated by mode (service type)
- + Modal cost is specific to each transit mode
- + Modal cost per hour is calculated by dividing modal expense by modal service hours
- + Support costs are costs shared by multiple modes
- + Support cost per hour is calculated by dividing support expense by all service

$$\frac{\text{Modal Expense}}{\text{Modal Service}} = \text{Modal Cost per Service Hour}$$
$$\frac{\text{Support Expense}}{\text{All Service}} = \text{Support Cost per Service Hour}$$
$$\text{Modal Cost per Service Hour} + \text{Support Cost per Service Hour} = \text{Total Cost per Service Hour}$$



FY2024 PRELIMINARY OPERATING BUDGET REVENUE ASSUMPTIONS & COST DRIVERS

gohrt.com



FY2024 PRELIMINARY OPERATING REVENUE

gohrt.com

REVENUE BUDGET ASSUMPTIONS:

- ① **Farebox revenue** calculated at \$9.1M based on FY24 ridership projections and 28-month fare-per-rider data.
- ② **Contract revenue** of \$2.7M is reflective of the funding needed to cover Elizabeth River Crossing (ERC) related operating expenses. Any contribution variances are held to fund future capital investments i.e., bus repowers and purchases.
- ③ **Auxiliary (advertising) revenue** of \$.8M is level with prior year.
- ④ **Other non-transportation revenue** of \$60,000 includes estimates for Crown tower lease & scrap sale disposal.
- ⑤ **American Rescue Plan (ARP) Federal funding** of \$18.4M is earmarked to cover the net operating expense gap created by continuing losses at the farebox.
- ⑥ **ARP Federal funding** of \$2.5M also covers the net operating expense gap but is strategically allocated to keep individual locality operating contributions to a minimal increase of 5.2%.
- ⑦ **Traditional Federal Formula Funds of \$23.4M** (5307-\$21.5M and 5337-\$1.9M) is reserved for use in the operating budget to cover 80% of preventative maintenance expenses.
- ⑧ **Hampton Roads Regional Transit Fund (HRRTF) contribution** is projected at \$10.1M, a decrease of 2.4% compared to prior year. This decrease is attributed to the revised implementation plan for Group B regional service.
- ⑨ **State Operating Assistance** of an estimated \$21.4M is a decrease of 31.9% as compared to prior year. Final state assistance numbers will be available in the spring of 2023.
- ⑩ **Local Operating contribution** of \$47.8M is carrying an escalation of 5.2% over FY2023.

FY2024 PRELIMINARY OPERATING BUDGET – REVENUE SUMMARY

CATEGORY (Dollars in Thousands)	FY2023 ADOPTED BUDGET	FY2024 PRELIMINARY BUDGET	\$ VARIANCE + / (-)	% VARIANCE + / (-)
REVENUE				
Operating Revenue				
① Farebox Revenue	\$ 8,694.8	\$ 9,081.3	\$ 386.5	4.4%
② ERC Contract Revenue	\$ 2,158.9	\$ 2,705.4	\$ 546.5	25.3%
③ Auxiliary Revenue (Advertising)	\$ 800.0	\$ 800.0	\$ -	0.0%
④ Other Non-Transportation Revenue	\$ 60.0	\$ 60.0	\$ -	0.0%
Total Operating Revenue:	\$ 11,713.7	\$ 12,646.7	\$ 933.0	8.0%
Non-Operating Revenue				
⑤ Federal Aid-ARP	\$ 7,172.3	\$ 18,361.6	\$ 11,189.3	156.0%
⑥ Federal Aid-ARP (Strategic)	\$ 2,500.0	\$ 2,500.0	\$ -	0.0%
⑦ Federal Aid-5307/5337	\$ 17,021.7	\$ 23,358.4	\$ 6,336.7	37.2%
⑧ Regional HRRTF Funding	\$ 10,319.0	\$ 10,075.0	\$ (244.0)	(2.4%)
⑨ State Operating Assistance	\$ 31,464.9	\$ 21,438.3	\$ (10,026.6)	(31.9%)
⑩ Local Share-Operating	\$ 45,396.5	\$ 47,766.4	\$ 2,369.9	5.2%
Total Non-Operating Revenue:	\$ 113,874.4	\$ 123,499.7	\$ 9,625.3	8.5%
TOTAL REVENUE:	\$ 125,588.1	\$ 136,146.4	\$10,558.3	8.4%



FY2024 PRELIMINARY OPERATING EXPENSE

gohrt.com

OPERATING BUDGET COST DRIVERS – VARIANCE ANALYSIS

PRIMARY COST DRIVERS BY CATEGORY	COST TYPE	\$ VARIANCE + / (-) (in thousands)	DESCRIPTION
PERSONNEL			
BUS - UNION STAFF	DIRECT	\$ 2,706.1	Collective Bargaining Unit (CBU) wage increase of 3% plus \$3.50 attendance premium
LIGHT RAIL - UNION STAFF	DIRECT	\$ 220.0	Collective Bargaining Unit (CBU) wage increase of 3% plus \$3.50 attendance premium
3% MERIT - NON-UNION STAFF	DIRECT/ SUPPORT	\$ 665.7	Direct supervisors of union personnel and support staff: merit of 3% for retainage and to attract new recruits
FRINGE BENEFITS-HEALTH INSURANCE	ALL	\$ 2,210.0	Anticipating a minimum of 5% insurance premium escalation
FINANCE-ADDED POSITION	SUPPORT	\$ 72.3	Accounting Supervisor: added layer of leadership over the A/P & A/R functions
MANAGEMENT SERVICES-ADDED POSITIONS	SUPPORT	\$ 219.7	Sr. Grants Program Analyst, Civil Rights/Grants Program Manager: with the ever expanding grant/project base, additional resources are needed for oversight
MARKETING & STRATEGIC COMMUNICATIONS-ADDED POSITIONS	SUPPORT	\$ 156.1	Marketing Communications Strategist, Executive Assistant: will enhance communications throughout the agency and to the general public
LIGHT RAIL MAINTENANCE-ADDED POSITION	DIRECT	\$ 160.8	Director of Maintenance Rail & Facilities: expanded oversight for light rail and facilities maintenance functions
SECURITY-ADDED POSITION	SUPPORT	\$ 96.6	Manager of Emergency Preparedness: additional layer of management for expanding security staff
TECHNOLOGY-ADDED POSITIONS	SUPPORT	\$ 354.0	Manager of Infrastructure, Client Tech Specialist, Fare Technology Service Manager: added positions in the area of technology infrastructure and fare technology
MISCELLANEOUS EXPENSE	ALL	\$ (7.4)	
① TOTAL PERSONNEL:		\$ 6,853.9	

OPERATING BUDGET COST DRIVERS – VARIANCE ANALYSIS (cont.)

PRIMARY COST DRIVERS BY CATEGORY	COST TYPE	\$ VARIANCE + / (-) (in thousands)	DESCRIPTION
SERVICES			
TECHNOLOGY - PROFESSIONAL FEES/CONTRACT SERVICES	SUPPORT	\$ 1,583.1	Primary driver is cost escalations to support PeopleSoft HCM and Microsoft Dynamics 365
FACILITIES - CONTRACT SERVICES	SUPPORT	\$ 806.8	Facility and amenity cleaning contract increase
SECURITY-CONTRACT SERVICES	SUPPORT	\$ 453.8	Increase in contracted services to expand security presence
BUS MAINTENANCE-CONTRACT SERVICES	DIRECT	\$ 114.4	Cost escalations in bus maintenance contracts (body work, e-bus maintenance)
SAFETY & RISK-CONTRACT SERVICES	SUPPORT	\$ 230.0	Escalations in insurance broker services, ADS safety support services
LIGHT RAIL MAINTENANCE-CONTRACT SERVICES	DIRECT	\$ 216.6	Contract escalations in LRT Systems Maintenance and LRT Maintenance Training
PLANNING-CONTRACT SERVICES	SUPPORT	\$ 125.0	Primarily General Planning Consulting services for annual TSP and CIP update
HUMAN RESOURCES-EMPLOYEE ONBOARDING COSTS	ALL	\$ 14.8	Increase in onboarding costs such as DOT physicals, drug tests, background screenings, etc.
MISCELLANEOUS EXPENSE	ALL	\$ (3.2)	
② TOTAL SERVICES:		\$ 3,541.3	
MATERIALS & SUPPLIES			
GASOLINE	DIRECT	\$ (264.3)	Estimated contractual lock price per gallon decrease from \$4.30 to \$2.38
DIESEL FUEL	DIRECT	\$ (2,598.7)	Estimated contractual lock price per gallon decrease from \$4.75 to \$3.16
CONTRACTORS FUEL USAGE	DIRECT	\$ (774.7)	Estimated contractual lock price per gallon decrease from \$4.30 to \$2.38
FARE MEDIA COST INCREASE	SUPPORT	\$ 94.3	Estimated increase in contractual cost for fare media production
MISCELLANEOUS EXPENSE	ALL	\$ (1.6)	
③ TOTAL MATERIALS & SUPPLIES:		\$ (3,545.0)	

OPERATING BUDGET COST DRIVERS – VARIANCE ANALYSIS (cont.)

PRIMARY COST DRIVERS BY CATEGORY	COST TYPE	\$ VARIANCE + / (-) (in thousands)	DESCRIPTION
UTILITIES			
TELEPHONE	SUPPORT	\$ 36.1	Escalation in cell phone contract
④ TOTAL UTILITIES:		\$ 36.1	
CASUALTIES & LIABILITIES			
INSURANCE PREMIUM	SUPPORT	\$ 1,623.4	Escalation based on 12-14% market price increase and additional insurance requirements
⑤ TOTAL CASUALTIES & LIABILITIES:		\$ 1,623.4	
PURCHASED TRANSPORTATION			
PARATRANSIT - RIVER NORTH	DIRECT	\$ 1,781.8	Estimated trip growth of 8.8% coupled with a \$5 increase in contracted rate per trip
FERRY - NORFOLK BY BOAT	DIRECT	\$ 40.0	Estimating a 7% increase with ferry contract renewal in July 2023
⑥ TOTAL PURCHASED TRANSPORTATION:		\$ 1,821.8	
MISCELLANEOUS EXPENSE			
BUS & LRT - EDUCATION & TRAINING	DIRECT	\$ 108.4	Required training to maintain licenses and certifications primarily in maintenance
SUPPORT STAFF - EDUCATION & TRAINING	SUPPORT	\$ 91.6	Required training to maintain license and certifications primarily in technology, audit, safety & security
FACILITIES - LEASES & RENTALS	SUPPORT	\$ 17.5	Escalation in facility related leases and rentals
HUMAN RESOURCES-EMPLOYEE RECOGNITION	SUPPORT	\$ 7.9	Certificates, plaques and incentives for employee recognition and retention
MISCELLANEOUS EXPENSE	ALL	\$ 1.6	
⑦ TOTAL MISCELLANEOUS EXPENSE:		\$ 227.0	
TOTAL CATEGORICAL COST DRIVERS:			
		\$ 10,558.5	

FY2024 PRELIMINARY OPERATING BUDGET – EXPENSE SUMMARY

CATEGORY (Dollars in Thousands)	FY2023 ADOPTED BUDGET	FY2024 PRELIMINARY BUDGET	\$ VARIANCE + / (-)	% VARIANCE + / (-)
EXPENSE				
① Personnel Services	\$ 75,134.6	\$ 81,988.5	\$ 6,853.9	9.1%
② Services	\$ 12,006.7	\$ 15,548.0	\$ 3,541.3	29.5%
③ Materials & Supplies	\$ 18,313.1	\$ 14,768.1	\$ (3,545.0)	(19.4%)
④ Utilities	\$ 1,308.9	\$ 1,345.0	\$ 36.1	2.8%
⑤ Casualties & Liabilities	\$ 4,085.1	\$ 5,708.5	\$ 1,623.4	39.7%
⑥ Purchased Transportation	\$ 13,385.3	\$ 15,207.1	\$ 1,821.8	13.6%
⑦ Miscellaneous Expense	\$ 1,354.4	\$ 1,581.4	\$ 227.0	16.8%
TOTAL EXPENSE:	\$ 125,588.1	\$ 136,146.6	\$10,558.5	8.4%



FY2024 PRELIMINARY LOCAL CONTRIBUTION & TSPs

gohrt.com

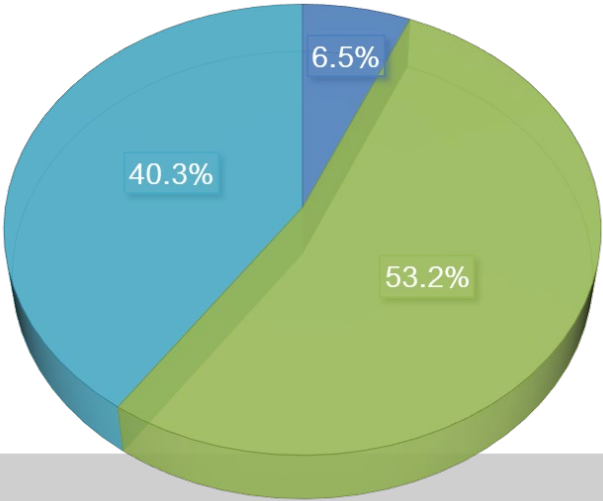
FY2024 PRELIMINARY BUDGET – LOCAL CONTRIBUTION

LOCAL CONTRIBUTION OPERATING & ACC	FY2023 ADOPTED BUDGET	FY2024 PRELIMINARY BUDGET	\$ VARIANCE + / (-)	% VARIANCE + / (-)
OPERATING				
Chesapeake	\$ 2,723.7	\$ 2,866.8	\$ 143.1	5.3%
Hampton	\$ 4,722.4	\$ 4,971.8	\$ 249.4	5.3%
Newport News	\$ 7,492.8	\$ 7,886.7	\$ 393.9	5.3%
Norfolk	\$ 19,709.4	\$ 20,722.5	\$ 1,013.1	5.1%
Portsmouth	\$ 2,880.2	\$ 3,027.4	\$ 147.2	5.1%
VA Beach	\$ 7,868.0	\$ 8,291.1	\$ 423.1	5.4%
TOTAL OPERATING:	\$ 45,396.5	\$ 47,766.3	\$ 2,369.8	5.2%
ACC				
Chesapeake	\$ 140.5	\$ 140.6	\$ 0.1	0.1%
Hampton	\$ 238.7	\$ 237.4	\$ (1.3)	(0.5%)
Newport News	\$ 370.8	\$ 369.9	\$ (0.9)	(0.2%)
Norfolk	\$ 726.3	\$ 735.0	\$ 8.7	1.2%
Portsmouth	\$ 135.1	\$ 138.7	\$ 3.6	2.7%
VA Beach	\$ 388.6	\$ 378.4	\$ (10.2)	(2.6%)
TOTAL ACC:	\$ 2,000.0	\$ 2,000.0	\$ (0.0)	(0.0%)
OPERATING+ACC				
Chesapeake	\$ 2,864.2	\$ 3,007.4	\$ 143.2	5.0%
Hampton	\$ 4,961.1	\$ 5,209.2	\$ 248.1	5.0%
Newport News	\$ 7,863.6	\$ 8,256.6	\$ 393.0	5.0%
Norfolk	\$ 20,435.7	\$ 21,457.5	\$ 1,021.8	5.0%
Portsmouth	\$ 3,015.3	\$ 3,166.1	\$ 150.8	5.0%
VA Beach	\$ 8,256.6	\$ 8,669.5	\$ 412.9	5.0%
TOTAL OPERATING+ACC:	\$ 47,396.5	\$ 49,766.3	\$ 2,369.8	5.0%

FY2024 PRELIMINARY TSP – LOCAL SUMMARY

Local Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus	669,084	\$ 80,233,503	\$ 5,536,410	6.9%	\$ 44,190,003	55.1%	\$ 30,507,090	38.0%
Trolley	21,353	\$ 2,560,554	\$ 146,929	5.7%	\$ 1,410,269	55.1%	\$ 1,003,356	39.2%
Special Service	1,749	\$ 209,733	\$ -	0.0%	\$ 115,514	55.1%	\$ 94,219	44.9%
Total Bus:	692,186	\$ 83,003,790	\$ 5,683,339	6.8%	\$ 45,715,786	55.1%	\$ 31,604,665	38.1%
Total Light Rail:	29,836	\$ 13,239,538	\$ 967,584	7.3%	\$ 5,696,994	43.0%	\$ 6,574,960	49.7%
Total Ferry:	6,601	\$ 1,603,687	\$ 287,699	17.9%	\$ 713,497	44.5%	\$ 602,491	37.6%
Total Paratransit:	193,383	\$ 22,237,655	\$ 1,038,747	4.7%	\$ 11,032,154	49.6%	\$ 10,166,754	45.7%
Local Modal Total:	922,006	\$ 120,084,670	\$ 7,977,369	6.6%	\$ 63,158,431	52.6%	\$ 48,948,870	40.8%
Commission Expense							\$ 1,317,504	
Advanced Capital Contribution							\$ 2,000,000	
Federal Aid-Strategic Allocation							\$ (2,500,000)	
Local Contribution:							\$ 49,766,374	

Source of Funds	Funding \$	Funding %
Farebox Revenue	\$ 7,977.4	6.5%
Federal & State	\$ 65,658.4	53.2%
Local Funding	\$ 49,766.4	40.3%
Total Funding:	\$ 123,402.2	100.0%



FY2024 PRELIMINARY TSP – CITY OF CHESAPEAKE

Chesapeake City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
6 Chesapeake	5,960	\$ 714,696	\$ 45,572	6.4%	\$ 393,631	55.1%	\$ 275,493	38.5%
12 Chesapeake	2,015	\$ 241,630	\$ 15,572	6.4%	\$ 133,082	55.1%	\$ 92,976	38.5%
13 Chesapeake	7,427	\$ 890,619	\$ 73,928	8.3%	\$ 490,524	55.1%	\$ 326,167	36.6%
14 Chesapeake	9,996	\$ 1,198,617	\$ 46,519	3.9%	\$ 660,159	55.1%	\$ 491,939	41.0%
15 Chesapeake	5,129	\$ 614,977	\$ 71,587	11.6%	\$ 338,710	55.1%	\$ 204,680	33.3%
24 Chesapeake	5,014	\$ 601,217	\$ 18,015	3.0%	\$ 331,131	55.1%	\$ 252,071	41.9%
44 Chesapeake	1,373	\$ 164,680	\$ 8,249	5.0%	\$ 90,700	55.1%	\$ 65,731	39.9%
57 Chesapeake	4,711	\$ 564,933	\$ 40,445	7.2%	\$ 311,147	55.1%	\$ 213,341	37.8%
58 Chesapeake	8,326	\$ 998,458	\$ 26,778	2.7%	\$ 549,918	55.1%	\$ 421,762	42.2%
Bus Total:	49,951	\$ 5,989,827	\$ 346,665	5.8%	\$ 3,299,002	55.1%	\$ 2,344,160	39.1%
Paratransit:	14,863	\$ 1,709,181	\$ 80,092	4.7%	\$ 847,929	49.6%	\$ 781,160	45.7%
Chesapeake Modal Total:	64,814	\$ 7,699,008	\$ 426,757	5.5%	\$ 4,146,931	53.9%	\$ 3,125,320	40.6%
Commission Expense							\$ 219,584	
Advanced Capital Contribution							\$ 140,593	
Federal Aid-Strategic Allocation							\$ (478,097)	
Chesapeake Local Contribution:							\$ 3,007,400	

FY2024 PRELIMINARY TSP – CITY OF HAMPTON

Hampton City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
101 Hampton	5,876	\$ 704,653	\$ 58,579	8.3%	\$ 388,100	55.1%	\$ 257,974	36.6%
102 Hampton	4,226	\$ 506,780	\$ 29,036	5.7%	\$ 279,118	55.1%	\$ 198,626	39.2%
103 Hampton	9,934	\$ 1,191,208	\$ 56,982	4.8%	\$ 656,079	55.1%	\$ 478,147	40.1%
105 Hampton	3,049	\$ 365,642	\$ 28,221	7.7%	\$ 201,384	55.1%	\$ 136,037	37.2%
109 Hampton	5,260	\$ 630,695	\$ 30,609	4.9%	\$ 347,366	55.1%	\$ 252,720	40.1%
110 Hampton	11,263	\$ 1,350,664	\$ 63,927	4.7%	\$ 743,902	55.1%	\$ 542,835	40.2%
111 Hampton	2,507	\$ 300,638	\$ 8,891	3.0%	\$ 165,582	55.1%	\$ 126,165	42.0%
114 Hampton	16,259	\$ 1,949,764	\$ 133,215	6.8%	\$ 1,073,867	55.1%	\$ 742,682	38.1%
115 Hampton	11,595	\$ 1,390,396	\$ 38,096	2.7%	\$ 765,785	55.1%	\$ 586,515	42.2%
117 Hampton	814	\$ 97,616	\$ 25,902	26.5%	\$ 53,764	55.1%	\$ 17,950	18.4%
118 Hampton	10,994	\$ 1,318,347	\$ 79,726	6.0%	\$ 726,103	55.1%	\$ 512,518	38.9%
120 Hampton	1,111	\$ 133,203	\$ 32,752	24.6%	\$ 73,364	55.1%	\$ 27,087	20.3%
Enhancements	692	\$ 82,982	\$ -	0.0%	\$ 45,704	55.1%	\$ 37,278	44.9%
Bus Total:	83,580	\$ 10,022,588	\$ 585,936	5.8%	\$ 5,520,118	55.1%	\$ 3,916,534	39.1%
Paratransit:	25,854	\$ 2,973,007	\$ 137,602	4.6%	\$ 1,474,916	49.6%	\$ 1,360,489	45.8%
Hampton Modal Total:	109,434	\$ 12,995,595	\$ 723,538	5.6%	\$ 6,995,034	53.8%	\$ 5,277,023	40.6%
Commission Expense							\$ 219,584	
Advanced Capital Contribution							\$ 237,383	
Federal Aid-Strategic Allocation							\$ (524,797)	
Hampton Local Contribution:							\$ 5,209,193	

FY2024 PRELIMINARY TSP – CITY OF NEWPORT NEWS

Newport News City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
101 Newport News	5,220	\$ 625,910	\$ 52,036	8.3%	\$ 344,731	55.1%	\$ 229,143	36.6%
103 Newport News	7,141	\$ 856,338	\$ 40,982	4.8%	\$ 471,643	55.1%	\$ 343,713	40.1%
104 Newport News	14,599	\$ 1,750,626	\$ 51,177	2.9%	\$ 964,188	55.1%	\$ 735,261	42.0%
105 Newport News	9,014	\$ 1,080,871	\$ 83,424	7.7%	\$ 595,309	55.1%	\$ 402,138	37.2%
106 Newport News	19,237	\$ 2,306,811	\$ 148,665	6.4%	\$ 1,270,517	55.1%	\$ 887,629	38.5%
107 Newport News	13,000	\$ 1,558,917	\$ 137,981	8.9%	\$ 858,601	55.1%	\$ 562,335	36.1%
108 Newport News	12,460	\$ 1,494,164	\$ 115,964	7.8%	\$ 822,937	55.1%	\$ 555,263	37.2%
111 Newport News	14,049	\$ 1,684,731	\$ 49,729	3.0%	\$ 927,895	55.1%	\$ 707,107	42.0%
112 Newport News	37,426	\$ 4,487,952	\$ 302,302	6.7%	\$ 2,471,816	55.1%	\$ 1,713,834	38.2%
114 Newport News	3,396	\$ 407,284	\$ 27,830	6.8%	\$ 224,319	55.1%	\$ 155,135	38.1%
Enhancements	642	\$ 76,986	\$ -	0.0%	\$ 42,401	55.1%	\$ 34,585	44.9%
Bus Total:	136,184	\$ 16,330,590	\$ 1,010,090	6.2%	\$ 8,994,357	55.1%	\$ 6,326,143	38.7%
Paratransit:	34,400	\$ 3,955,774	\$ 183,492	4.6%	\$ 1,962,469	49.6%	\$ 1,809,813	45.8%
Newport News Modal Total:	170,584	\$ 20,286,364	\$ 1,193,582	5.9%	\$ 10,956,826	54.0%	\$ 8,135,956	40.1%
Commission Expense							\$ 219,584	
Advanced Capital Contribution							\$ 370,029	
Federal Aid-Strategic Allocation							\$ (468,817)	
Newport News Local Contribution:							\$ 8,256,752	

FY2024 PRELIMINARY TSP – CITY OF NORFOLK

Norfolk City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
1 Norfolk	26,026	\$ 3,120,856	\$ 308,247	9.9%	\$ 1,718,866	55.1%	\$ 1,093,743	35.0%
2 Norfolk	19,730	\$ 2,365,937	\$ 113,785	4.8%	\$ 1,303,081	55.1%	\$ 949,071	40.1%
3 Norfolk	24,378	\$ 2,923,305	\$ 331,815	11.4%	\$ 1,610,061	55.1%	\$ 981,429	33.6%
4 Norfolk	5,994	\$ 718,824	\$ 77,761	10.8%	\$ 395,905	55.1%	\$ 245,158	34.1%
5 Norfolk	3,666	\$ 439,649	\$ 40,532	9.2%	\$ 242,144	55.1%	\$ 156,973	35.7%
6 Norfolk	7,714	\$ 925,004	\$ 59,199	6.4%	\$ 509,462	55.1%	\$ 356,343	38.5%
8 Norfolk	16,806	\$ 2,015,305	\$ 177,986	8.8%	\$ 1,109,964	55.1%	\$ 727,355	36.1%
9 Norfolk	16,988	\$ 2,037,140	\$ 101,148	5.0%	\$ 1,121,991	55.1%	\$ 814,001	40.0%
11 Norfolk	4,350	\$ 521,645	\$ 22,556	4.3%	\$ 287,305	55.1%	\$ 211,784	40.6%
12 Norfolk	667	\$ 79,924	\$ 5,153	6.4%	\$ 44,019	55.1%	\$ 30,752	38.5%
13 Norfolk	6,453	\$ 773,832	\$ 64,802	8.4%	\$ 426,202	55.1%	\$ 282,828	36.5%
15 Norfolk	19,301	\$ 2,314,543	\$ 270,310	11.7%	\$ 1,274,775	55.1%	\$ 769,458	33.2%
18 Norfolk	5,293	\$ 634,724	\$ 19,070	3.0%	\$ 349,585	55.1%	\$ 266,069	41.9%
20 Norfolk	24,495	\$ 2,937,332	\$ 305,606	10.4%	\$ 1,617,787	55.1%	\$ 1,013,939	34.5%
21 Norfolk	26,817	\$ 3,215,825	\$ 218,788	6.8%	\$ 1,771,172	55.1%	\$ 1,225,865	38.1%
23 Norfolk	27,532	\$ 3,301,527	\$ 160,386	4.9%	\$ 1,818,374	55.1%	\$ 1,322,767	40.1%
25 Norfolk	3,233	\$ 387,683	\$ 16,998	4.4%	\$ 213,523	55.1%	\$ 157,162	40.5%
44 Norfolk	915	\$ 109,684	\$ 5,465	5.0%	\$ 60,411	55.1%	\$ 43,808	39.9%
45 Norfolk	7,503	\$ 899,751	\$ 59,302	6.6%	\$ 495,553	55.1%	\$ 344,896	38.3%
Enhancements	415	\$ 49,765	\$ -	0.0%	\$ 27,409	55.1%	\$ 22,356	44.9%
Bus Total:	248,276	\$ 29,772,255	\$ 2,358,909	7.9%	\$ 16,397,589	55.1%	\$ 11,015,757	37.0%

FY2024 PRELIMINARY TSP – CITY OF NORFOLK (cont.)

Norfolk City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus Total:	248,276	\$ 29,772,255	\$ 2,358,909	7.9%	\$ 16,397,589	55.1%	\$ 11,015,757	37.0%
801 Light Rail	29,836	\$ 13,239,538	\$ 967,584	7.3%	\$ 5,696,994	43.0%	\$ 6,574,960	49.7%
Light Rail Total:	29,836	\$ 13,239,538	\$ 967,584	7.3%	\$ 5,696,994	43.0%	\$ 6,574,960	49.7%
Ferry:	3,369	\$ 818,456	\$ 146,643	17.9%	\$ 364,139	44.5%	\$ 307,674	37.6%
Paratransit:	57,347	\$ 6,594,417	\$ 314,663	4.8%	\$ 3,271,506	49.6%	\$ 3,008,248	45.6%
Norfolk Modal Total:	338,828	\$ 50,424,666	\$ 3,787,799	7.5%	\$ 25,730,228	51.0%	\$ 20,906,639	41.5%
Commission Expense							\$ 219,584	
Advanced Capital Contribution							\$ 734,980	
Federal Aid-Strategic Allocation							\$ (403,712)	
Norfolk Local Contribution:							\$ 21,457,491	

FY2024 PRELIMINARY TSP – CITY OF PORTSMOUTH

Portsmouth City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
41 Portsmouth	8,539	\$ 1,023,936	\$ 55,107	5.4%	\$ 563,950	55.1%	\$ 404,879	39.5%
43 Portsmouth	2,996	\$ 359,296	\$ 25,255	7.0%	\$ 197,888	55.1%	\$ 136,153	37.9%
44 Portsmouth	4,779	\$ 573,047	\$ 28,699	5.0%	\$ 315,615	55.1%	\$ 228,733	39.9%
45 Portsmouth	12,823	\$ 1,537,643	\$ 101,329	6.6%	\$ 846,883	55.1%	\$ 589,431	38.3%
47 Portsmouth	10,035	\$ 1,203,342	\$ 51,839	4.3%	\$ 662,761	55.1%	\$ 488,742	40.6%
50 Portsmouth	5,256	\$ 630,255	\$ 30,651	4.9%	\$ 347,124	55.1%	\$ 252,480	40.1%
57 Portsmouth	2,523	\$ 302,589	\$ 21,425	7.1%	\$ 166,656	55.1%	\$ 114,508	37.8%
Bus Total:	46,951	\$ 5,630,108	\$ 314,305	5.6%	\$ 3,100,877	55.1%	\$ 2,214,926	39.3%
Ferry:	3,232	\$ 785,231	\$ 141,056	18.0%	\$ 349,358	44.5%	\$ 294,817	37.5%
Paratransit:	13,736	\$ 1,579,566	\$ 72,407	4.6%	\$ 783,627	49.6%	\$ 723,532	45.8%
Portsmouth Modal Total:	63,919	\$ 7,994,905	\$ 527,768	6.6%	\$ 4,233,862	53.0%	\$ 3,233,275	40.4%
Commission Expense							\$ 219,584	
Advanced Capital Contribution							\$ 138,652	
Federal Aid-Strategic Allocation							\$ (425,457)	
Portsmouth Local Contribution:							\$ 3,166,054	

FY2024 PRELIMINARY TSP – CITY OF VIRGINIA BEACH

VA Beach City Routes	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
1 VA Beach	6,542	\$ 784,473	\$ 78,041	9.9%	\$ 432,063	55.1%	\$ 274,369	35.0%
12 VA Beach	6,840	\$ 820,177	\$ 52,859	6.4%	\$ 451,727	55.1%	\$ 315,591	38.5%
15 VA Beach	2,065	\$ 247,620	\$ 28,879	11.7%	\$ 136,381	55.1%	\$ 82,360	33.3%
20 VA Beach	26,382	\$ 3,163,626	\$ 328,614	10.4%	\$ 1,742,423	55.1%	\$ 1,092,589	34.5%
22 VA Beach	7,817	\$ 937,347	\$ 54,421	5.8%	\$ 516,260	55.1%	\$ 366,666	39.1%
24 VA Beach	7,231	\$ 866,975	\$ 25,981	3.0%	\$ 477,502	55.1%	\$ 363,492	41.9%
25 VA Beach	7,859	\$ 942,445	\$ 41,331	4.4%	\$ 519,068	55.1%	\$ 382,046	40.5%
26 VA Beach	5,330	\$ 639,172	\$ 28,778	4.5%	\$ 352,035	55.1%	\$ 258,359	40.4%
27 VA Beach	6,765	\$ 811,286	\$ 76,845	9.5%	\$ 446,830	55.1%	\$ 287,611	35.5%
29 VA Beach	7,805	\$ 935,951	\$ 62,375	6.7%	\$ 515,491	55.1%	\$ 358,085	38.3%
33 VA Beach	12,498	\$ 1,498,719	\$ 68,584	4.6%	\$ 825,446	55.1%	\$ 604,689	40.3%
36 VA Beach	8,757	\$ 1,050,077	\$ 73,797	7.0%	\$ 578,348	55.1%	\$ 397,932	37.9%
Bus Total:	105,891	\$ 12,697,868	\$ 920,505	7.2%	\$ 6,993,574	55.1%	\$ 4,783,789	37.7%
Trolley								
30 VA Beach	11,212	\$ 1,344,513	\$ 122,283	9.1%	\$ 740,514	55.1%	\$ 481,716	35.8%
31 VA Beach	3,243	\$ 388,856	\$ -	0.0%	\$ 214,169	55.1%	\$ 174,687	44.9%
34 VA Beach	1,512	\$ 181,311	\$ 1,236	0.7%	\$ 99,860	55.1%	\$ 80,215	44.2%
35 VA Beach	3,871	\$ 464,202	\$ 23,410	0.0%	\$ 255,667	55.1%	\$ 185,125	39.9%
Enhancements	1,515	\$ 181,672	\$ -	0.0%	\$ 100,059	55.1%	\$ 81,613	44.9%
Trolley Total:	21,353	\$ 2,560,554	\$ 146,929	5.7%	\$ 1,410,269	55.1%	\$ 1,003,356	39.2%
Paratransit:	47,183	\$ 5,425,710	\$ 250,491	4.6%	\$ 2,691,707	49.6%	\$ 2,483,512	45.8%
Virginia Beach Modal Total:	174,427	\$ 20,684,132	\$ 1,317,925	6.4%	\$ 11,095,550	53.6%	\$ 8,270,657	40.0%
Commission Expense							\$ 219,584	
Advanced Capital Contribution							\$ 378,363	
Federal Aid-Strategic Allocation							\$ (199,120)	
Virginia Beach Local Contribution:							\$ 8,669,484	



NEXT STEPS

gohrt.com

FY2024 BUDGET CALENDAR

DATE	TASK TYPE	TASK
09/28/2022	Local TSP	FY2024 Transportation Service Plans (TSPs) submitted to Localities
11/18/2022	Local TSP	Deadline for Localities to respond with change requests to the FY2024 TSP
12/05/2022	Regular Meeting	Review FY2024 Draft Operating Budget & TSPs with MFAC
01/09/2023	Special Meeting	MFAC meeting to review FY2024 Service and Draft TSPs
02/14/2023	Local TSP	Deadline for Localities to make final service changes to FY2024 TSPs
02/21/2023	Regular Meeting	Review FY2024 Preliminary Operating Budget with MFAC
02/23/2023	Regular Meeting	Review FY2024 Preliminary Operating Budget with Commission
05/01/2023	Budget	Distribute FY2024 Final Operating Budget & TSPs to MFAC
05/22/2023	Regular Meeting	Review FY2024 Final Operating Budget with Audit & Budget/MFAC
05/25/2023	Regular Meeting	Commission vote on FY2024 Final Operating Budget

Quarterly Grants/Projects Update

	Grant Award Amount	Expensed as of 1/31/2023	Encumbered as of 1/31/2023	Balance
Bus Projects				
Bus Mid-Life Repower	\$ 705,000	\$ 515,489	\$ -	\$ 189,511
Bus Purchases	\$ 47,456,496	\$ 14,033,883	\$ 2,421,870	\$ 31,000,743
Bus Simulator	\$ 350,000	\$ 255,070	\$ -	\$ 94,930
Bus Technology Fare Payment Upgrade	\$ 3,098,238.00	\$ 52,618.80	\$ 1,929,804.21	\$ 1,115,814.99
Bus Video Surveillance Equipment	\$ 4,729,234	\$ 600,145	\$ 1,890,632	\$ 2,238,457
Onboard Network Infrastructure SGR	\$ 265,000	\$ 205,312	\$ 58,248	\$ 1,440
Purchase and Installation of APC System for Light Rail	\$ 497,958.00	\$ -	\$ -	\$ 497,958.00
RTS Bus Expansion (Group A)	\$ 13,246,000	\$ 12,969,132	\$ -	\$ 276,868
RTS Bus Expansion (Group B)	\$ 6,637,152.00	\$ -	\$ 6,606,601.00	\$ 30,551.00
Trolley Bus Purchases	\$ 1,134,733	\$ -	\$ -	\$ 1,134,733
Bus Projects Total	\$ 78,119,811	\$ 28,631,650	\$ 12,907,155	\$ 36,581,005
Cash Capital Projects				
Security Equipment	\$ 43,000	\$ 34,400	\$ 1,664	\$ 6,936
Cash Capital Projects Total	\$ 43,000	\$ 34,400	\$ 1,664	\$ 6,936
Electric Bus Projects				
Workforce Development for Electric Buses	\$ 154,840	\$ 87,296	\$ 64,700	\$ 2,844
Electric Bus Projects Total	\$ 154,840	\$ 87,296	\$ 64,700	\$ 2,844
Extension Study Projects				
Naval Station Norfolk Transit Corridor Study	\$ 7,100,000	\$ 3,369,051	\$ 2,107,425	\$ 1,623,524
Regional Fixed Guideway Studies - Peninsula BRT	\$ 4,656,994	\$ 2,192,182	\$ 302,565	\$ 2,162,246
Extension Study Projects Total	\$ 11,756,994	\$ 5,561,233	\$ 2,409,990	\$ 3,785,771
Facility Projects				
Hampton Renovation Phase II	\$ 4,381,213	\$ 2,412,010	\$ 294,644	\$ 1,674,559
New Southside Facility Design	\$ 4,600,001	\$ 3,511,522	\$ 1,038,478	\$ 50,001
Facility Projects Total	\$ 8,981,214	\$ 5,923,532	\$ 1,333,122	\$ 1,724,560
Ferry Projects				
Ferry Boats	\$ 6,731,504	\$ 5,649,785	\$ 1,008,365	\$ 73,354
Ferry Dock Amenities	\$ 275,134	\$ -	\$ -	\$ 275,134
Ferry Dock Construction	\$ 3,295,488	\$ 2,856,617	\$ 50,645	\$ 388,226
Ferry Projects Total	\$ 10,302,126	\$ 8,506,402	\$ 1,059,009	\$ 736,715
Light Rail Projects				
Light Rail Radio	\$ 210,000.00	\$ -	\$ 38,640.00	\$ 171,360.00
Light Rail Train Video Surveillance Equipment	\$ 112,803	\$ 46,323	\$ 11,441	\$ 55,039
Rail Cars SGR	\$ 1,938,966.00	\$ 1,360,919.35	\$ 102,644.00	\$ 475,402.65
Rail Infrastructure SGR	\$ 726,614	\$ 134,062	\$ -	\$ 592,552
Replace Ticket Vending Machines for Light Rail	\$ 2,231,001.00	\$ -	\$ 582,733.41	\$ 1,648,267.59
TIDE SCADA Upgrade	\$ 6,411,998.00	\$ -	\$ 4,358.76	\$ 6,407,639.24
Light Rail Projects Total	\$ 11,631,382	\$ 1,541,304	\$ 739,817	\$ 9,350,261
Mobility Projects				
Regional Microtransit Demo Project	\$ 1,997,000	\$ 1,608,493	\$ 361,086	\$ 27,421
Mobility Projects Total	\$ 1,997,000	\$ 1,608,493	\$ 361,086	\$ 27,421
Origin and Destination Survey Project				
System-Wide Origin and Destination Survey	\$ 625,000	\$ -	\$ -	\$ 625,000
Origin and Destination Survey Project Total	\$ 625,000	\$ -	\$ -	\$ 625,000

Quarterly Grants/Projects Update

	Grant Award Amount	Expensed as of 1/31/2023	Encumbered as of 1/31/2023	Balance
Paratransit Van Projects				
Paratransit Vans	\$ 1,024,369.00	\$ -	\$ 998,222.40	\$ 26,146.60
Paratransit Van Projects Total	\$ 1,024,369.00	\$ -	\$ 998,222.40	\$ 26,146.60
Passenger Amenities Projects				
Passenger Shelters	\$ 302,200	\$ 227,884	\$ -	\$ 74,317
RTS Amenities	\$ 8,591,000	\$ 4,205,459	\$ 1,403,033	\$ 2,982,508
Passenger Amenities Projects Total	\$ 8,893,200	\$ 4,433,342	\$ 1,403,033	\$ 3,056,824
Shop Equipment Projects				
Shop Tool Equipment	\$ 188,000.00	\$ 49,978.47	\$ 124,806.75	\$ 13,214.78
Shop Equipment Projects Total	\$ 188,000	\$ 49,978	\$ 124,807	\$ 13,215
Support Vehicle Projects				
Forklifts	\$ 144,356.00	\$ -	\$ 144,356.00	\$ -
Support Vehicles	\$ 3,012,553	\$ -	\$ 128,385	\$ 2,884,168
Support Vehicle Projects Total	\$ 3,156,909	\$ -	\$ 272,741	\$ 2,884,168
Technology Projects				
Enterprise Access Control System Upgrade	\$ 700,000	\$ 26,964	\$ 15,410	\$ 657,626
Enterprise Asset Management (EAM) System	\$ 1,842,352	\$ 632,816	\$ 443,167	\$ 766,368
Enterprise Asset Management (EAM) System Phase 2	\$ 1,936,609.00	\$ -	\$ -	\$ 1,936,609.00
Financial Software System Phase II Assessment & HRMS Phase II Assessment	\$ 469,800.00	\$ 268,407.74	\$ 191,000.00	\$ 10,392.26
Regional Transit System Technology	\$ 598,000	\$ 281,346	\$ 42,122	\$ 274,533
Technology Infrastructure SGR	\$ 610,800.00	\$ 31,981.42	\$ -	\$ 578,818.58
Triennial Risk Assessment	\$ 258,283.00	\$ -	\$ 189,982.50	\$ 68,300.50
Technology Projects Total	\$ 6,415,844	\$ 1,241,516	\$ 881,681	\$ 4,292,647
Transfer Center Projects				
HTC Construction	\$ 2,404,346	\$ 2,202,913	\$ 108,047	\$ 93,385
NNTC Construction	\$ 2,568,949	\$ 2,274,666	\$ 97,639	\$ 196,644
Orcutt Ave Transfer Center Projects	\$ 62,000	\$ 61,869	\$ 131	\$ -
Transfer Center Projects Total	\$ 5,035,295	\$ 4,539,449	\$ 205,817	\$ 290,029
Active Projects Total	\$ 148,324,983	\$ 62,158,596	\$ 22,762,846	\$ 63,403,542

Contract No.: 22-00215	Title: Interactive Voice Response System (Renewal)	Contract Amount: Base Year: \$ 221,402.40 Four Option Years: \$ 885,609.60 Total: \$1,107,012.00
----------------------------------	---	---

Acquisition Description: Enter into a sole source renewal contract with DiRAD Technologies, Inc. (DiRAD) to provide hardware, software, warranty, and maintenance support of Hampton Roads Transit's (HRT's) Interactive Voice Response (IVR) system.

Background: HRT's IVR system was developed and implemented by DiRAD in 2018 to provide bus, rail, and ferry schedule information via telephone. The IVR system has supported the Customer Service department in the management of high call volumes by providing automated route, schedule, and general customer service information to HRT customers. Under the terms of this agreement, the Contractor shall host the IVR System utilizing the Contractor's facilities, hardware, and infrastructure. Additionally, the Contractor shall provide support twenty-four (24) hours a day, seven (7) days a week, 365 days a year and expand the call handling capacity of the IVR system as call volume grows, without a significant re-engineering or redesign effort.

Contract Approach: FTA and Virginia Public Procurement Act guidelines allow non-competitive procurements when only one (1) source is available, and the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals. Due to the specific requirements of this solicitation and the proprietary nature of the system software, full and open competition was not a feasible method of procurement. Sole Source procurements are accomplished through solicitation and acceptance of a proposal from only one (1) source.

A solicitation was issued on January 25, 2023, and DiRAD provided a responsive proposal on February 1, 2023. Upon review and evaluation by HRT staff of the proposal submitted and based on the results of a price analysis performed utilizing historical data, DiRAD's pricing is deemed fair and reasonable. A contractor responsibility review confirmed that DiRAD is both technically and financially capable of performing the work.

DiRAD is located in Clifton Park, NY, and currently provides these services to HRT satisfactorily.

The Contract period of performance is one (1) base year, with four (4) additional one-year options.

Cost/Funding: This Contract will be funded with operating funds.

Project Manager: Kamlesh Chowdhary, Director of ITS Services

Contracting Officer: Jason Petruska, Senior Contract Specialist

Contract No.: 22-00215	Title: Interactive Voice Response System (Renewal)	Contract Amount: Base Year: \$ 221,402.40 Four Option Years: <u>\$ 885,609.60</u> Total: \$1,107,012.00
----------------------------------	---	--

Recommendation: It is respectfully recommended that the Commission approve the award of a contract to DiRAD Technologies, Inc. to provide hardware, software, warranty, and maintenance support of HRT's Interactive Voice Response system in the not-to-exceed amount of \$1,107,012.00 for five (5) years.

DiRAD Technologies, Inc's Proposal Summary

Base Year	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Total Price
\$221,402.40	\$221,402.40	\$221,402.40	\$221,402.40	\$221,402.40	\$1,107,012.00

Contract No.: 22-00218	Title: Origin and Destination Study	Contract Amount: \$524,272.77
----------------------------------	---	---

Acquisition Description: Enter into a contract with a qualified Consultant to provide a system-wide origin-destination study of travel patterns, transit use, and other aspects of transportation information.

Background: Hampton Roads Transit (HRT) has a requirement to complete an Origin and Destination study in order to gather updated travel behavior data from transit users to complete the federally mandated Title VI analyses, STOPS modeling, and various other analyses. Under the terms of this agreement, the Contractor shall perform the survey on HRT's sixty-nine (69) weekday fixed transit routes, including bus, ferry, and rail modes system wide. The study includes an on-to-off survey and an on-board survey to collect transit passenger information by route and geographical area for origin, boarding, alighting, destination, trip purpose, access and egress modes, and passenger demographic information. Additionally, the Consultant is responsible for collecting data from transit riders throughout the HRT system in a manner that is consistent with current industry on-board survey best practices.

Contract Approach: A Request for Proposals (RFP) was issued on December 22, 2022, and one (1) proposal was received on February 2, 2023 from ETC Institute (ETC). A post-solicitation survey of vendors solicited concluded that most were focusing on other projects and procurements and/or they did not have the staffing, qualifications, or expertise to conduct the work. There was no indication that a re-solicitation to pursue more competition would have resulted in greater participation.

Upon a review and evaluation of the proposal received, ETC was deemed qualified to meet the requirements of the Scope of Work. In order to obtain more favorable pricing, ETC was invited to discuss their proposal and to conduct negotiations. Negotiations focused on clarifying pricing proposed, clarifying survey collection and additional information provided by ETC, and reducing proposed pricing. Items proposed by ETC that were not included in the original price schedule includes Saturday Park-n-Ride survey collection, on-to-off counts for low volume routes, full-trip path weekend surveys (which includes capturing and geocoding origin boarding, all transfer locations, alighting, and destination), and a data visualization dashboard. At the conclusion of negotiations, a Best and Final Offer (BAFO) was requested which included those items not initially requested in the original RFP.

ETC's BAFO reflects a \$10,000.00 reduction in the cost of the data visualization dashboard pricing, which was discussed during negotiations. As a result, HRT staff determined that ETC provided the best value based on a combination of technical capability and price. Based on the result of the negotiations, and a price analysis conducted utilizing the Independent Cost Estimate and historical pricing, ETC's pricing is deemed fair and reasonable. A contractor responsibility

Contract No.: 22-00218	Title: Origin and Destination Study	Contract Amount: \$524,272.77
----------------------------------	---	---

review performed confirmed that ETC is both technically and financially capable to perform the work.

ETC, headquartered in Olathe, KS has provided similar services to the Atlanta Regional Commission in Atlanta, GA; the Southeast Michigan Council of Governments in Detroit, MI; and Central Ohio Transit Authority in Columbus, OH. ETC also completed HRT's system-wide origin-destination study in 2016 satisfactorily.

The period of performance for this contract is twelve (12) months.

No DBE goal was established for this solicitation.

Cost/Funding: This contract will be funded with a Technical Assistance Grant (VDRPT) and ACC funds.

Project Manager: Robert Lee, Regional Transit System Program and Special Projects Manager

Contracting Officer: Sonya Luther, Director of Procurement

Recommendation: It is respectfully recommended that the Commission approve the award of a contract to ETC Institute to provide HRT's origin-destination study services in the not-to-exceed amount of \$524,272.77.

Solicitation Results

Offeror	Original Offer	Best and Final Offer
ETC Institute	\$449,713.47	\$524,272.77*

***BAFO includes additional services not contemplated in the initial solicitation and proposed by the Consultant.**

TRAC Board Report

March 2023

HRT's Transit Riders Advisory Committee (TRAC) met on March 1, 2023, in Norfolk at 6 P.M. TRAC members in attendance were Chairperson Denise Johnson, Robert Neely, Melissa Osborne, Ben Grau, Kenneth Moore and Heather Cutrone. HRT staff in attendance were Rodney Davis, Henry Ryto, Linda Carroll, Sherri Dawson, Kevin Brown, and Jonathan Greene.

Sherri Dawson, Director of Transit Development, briefed TRAC on the public meetings pertaining to the proposed light rail extension.

The January minutes were approved as submitted. The motion was by Robert Neely, seconded by Kenneth Moore.

During his Director's Remarks, Rodney Davis reviewed customer compliments pertaining to TRAC as well as CAFs filed by TRAC members. Mr. Davis provided a report on the number of shelters requested by TRAC. Afterwards, he went on to discuss several upcoming key dates.

In her Chair's remarks, Denise Johnson thanked HRT staff for their support and expressed her gratitude to the committee.

During the Roundtable:

- Mr. Moore informed the committee about a bus operator who went above the call to help a wheelchair customer.

- Ms. Cutrone asked for clarification about the rule pertaining to passenger round trips. Ms. Carroll explained the rule.

- Mr. Kevin Brown, Manager of Bus Training, asked Ms. Johnson how the TRAC chooses the routes they ride. Ms. Johnson informed him that most committee members ride every day, but to let her know if there were specific routes that the Operations Department wanted members of the committee to ride.

The meeting was adjourned at 6:42pm. The next meeting will be May 3, 2023, in Hampton.