



Alexandria Transit Company
116 South Quaker Lane
Alexandria, VA 22314

703-370-3274 (DASH)
703-370-3404 (fax)
www.dashbus.com

W.S.
2-26-08

February 15, 2008

NOTICE OF ANNUAL MEETING

The Annual Meeting of the stockholders will be held on February 26, 2007, at 6:45 P.M., at City Hall, for the following purposes:

1. Election of members of the Board of Directors.
2. Selection of an independent outside auditor.
3. Such other business as may come before the meeting.

MEMORANDUM for the Honorable Mayor and Members of City Council.

There are 7 members of the Board of Directors, who are elected for one-year terms. The present members are:

Paul Abramson
Byron Dixon
Ann Dorman
James K. Hartmann
Sean Kumar
Sandra Wiener
David Max Williamson

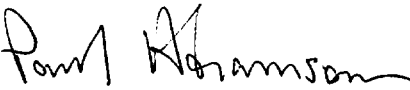
OUTSIDE AUDITOR

By agreement with the City of Alexandria, ATC accounts are maintained by the City's Department of Finance and are audited as a part of the City's annual audit. If the City's outside auditor is also ATC's outside auditor, the ATC audit can be done without duplication of effort or cost.

It is therefore recommended that the City's outside auditor, when it is selected, be designated ATC's outside auditor.

2009 TRANSIT DEVELOPMENT PROGRAM

There is enclosed for your information ATC's 2009 Transit Development Program, which was adopted by the Board of Directors on January 30, 2008, after a public hearing, at which three persons appeared. The Board also adopted a peak period fare increase of 25¢, to be effective July 2008.


Paul Abramson
Chairman

Enclosure: 2009 TDP



Alexandria Transit Company
 116 South Quaker Lane
 Alexandria, VA 22314

703-370-3274 (DASH)
 703-370-3404 (fax)
 www.dashbus.com

February 19, 2008

REPORT TO THE STOCKHOLDERS

Second Quarter, Fiscal Year 2008

Overall DASH patronage for the quarter (including weekends) was 65,509 (7.4%) over the same quarter of last year. Weekday patronage was 7% over the same period last year, with a weekday average of 13,083 riders.

Period	Total Passengers	Weekday	Average Saturday	Sunday	Psgrs/ Rev Mile	Psgrs/ Rev Hour
Fiscal Year 1984	195,916	2,228	763	278	1.2	16.1
Fiscal Year 1985	923,504	3,332	1,029	416	1.8	24.6
Fiscal Year 1986	1,176,091	4,247	1,283	490	2.2	30.3
Fiscal Year 1987	1,174,597	4,251	1,338	538	2.2	30.6
Fiscal Year 1988	1,174,470	4,246	1,305	508	2.2	30.1
Fiscal Year 1989	1,292,787	4,680	1,417	612	2.2	30.4
Fiscal Year 1990	1,352,503	4,899	1,508	660	2.4	32.0
Fiscal Year 1991	1,405,662	5,021	1,664	785	2.4	30.8
Fiscal Year 1992	1,533,932	5,456	1,884	911	1.9	24.6
Fiscal Year 1993	1,985,422	6,890	2,890	1,654	2.2	29.1
Fiscal Year 1994	2,195,738	7,604	3,209	1,893	2.3	31.9
Fiscal Year 1995	2,238,266	7,723	3,371	1,976	2.4	31.7
Fiscal Year 1996	2,235,647	7,815	3,351	1,842	2.4	31.6
Fiscal Year 1997	2,241,739	7,749	3,380	1,838	2.3	31.4
Fiscal Year 1998	2,293,493	7,935	3,360	1,853	2.3	30.6
Fiscal Year 1999	2,406,609	8,354	3,568	1,893	2.3	30.6
Fiscal Year 2000	2,521,925	8,689	3,810	2,053	2.3	30.3
Fiscal Year 2001	2,640,420	9,144	3,887	2,168	2.5	31.4
Fiscal Year 2002	2,736,719	9,308	4,611	2,689	2.5	31.7
Fiscal Year 2003	2,986,631	10,235	4,819	2,812	2.5	32.1
Fiscal Year 2004	3,131,284	10,684	5,302	3,010	2.6	31.7
Fiscal Year 2005	3,323,021	11,288	5,421	3,166	2.7	32.1
Fiscal Year 2006	3,556,486	12,175	5,596	3,285	2.9	34.5
Fiscal Year 2007	3,743,499	12,785	6,033	3,575	2.9	34.0
1 st Quarter	980,447	12,909	7,254	4,285	3.0	35.4
2 nd Quarter	884,457	12,228	5,693	3,329	2.7	32.4
3 rd Quarter	870,860	12,194	5,342	2,895	2.7	32.2
4 th Quarter	1,007,735	13,574	6,437	3,950	3.0	35.7
Fiscal Year 2008						
1 st Quarter	1,044,078	14,034	7,173	4,167	3.2	37.6
2 nd Quarter	949,966	13,083	6,072	3,672	2.9	34.2

SERVICE RELIABILITY

On time performance for the quarter was 89.2%.

The interval between road calls for mechanical failure for the quarter was 8,609 miles. An accepted industry standard is about 4,000 miles between road calls.

SAFETY

DASH operated 360,852 bus miles for the quarter. There were a total of 8 revenue vehicle accidents, of which 5 were deemed preventable on the operator's record. Miles per preventable vehicle accident were 72,170.

DASH FACILITY UPDATE

The City gave preliminary approval of the design-build contract for the new DASH facility to Hensel Phelps on December 18, 2007. The contract award will be considered for approval by the Commonwealth Transportation Board (CTB) on January 16, 2008.

SMARTRIP UPDATE

SmarTrip has been operating on all DASH buses since February 3, 2007. During the quarter, SmarTrip usage was over 22% of the total trips taken on DASH, with weekday averages exceeding 25% throughout the quarter. The AT3 and AT4 routes exceeded over 55% usage for trips taken on those routes.

REAL-TIME BUS INFORMATION UPDATE

Final approval of the funding for the project is expected in the third quarter of fiscal year 2008, with an RFP ready to be issued shortly after that approval. When completed, the system will provide real-time bus information for both DASH and Metrobus routes in the City from one source.

STREET SMART CAMPAIGN SAFETY TRAINING

On October 23 and 31, Alexandria's Pedestrian and Bicycle Coordinator, Yon Lambert conducted a number of hour long training sessions with all DASH bus operators on bicycle and pedestrian safety throughout the City. The class also led up to a regional campaign on improved pedestrian and bicycle safety awareness.

FIRST NIGHT ALEXANDRIA

For the thirteenth consecutive year, DASH provided shuttle service for the Alexandria First Night celebration on New Year's Eve in Old Town and Del Ray. Over 10,000 festival attendees were transported to and from King Street Metrorail Station and the George Washington Masonic Temple to a variety of performance venues in Old Town, Del Ray and Carlyle. All regular DASH buses operated free between 5:00 p.m. to 1:00 a.m., for passengers boarding on King Street between King Street Metro and Market Square.

PTO LUNCH LOOP SERVICE

During the second quarter of this fiscal year the *Lunch Loop* transported 12,918 passengers, an average of 208 passengers per day.

DASH ABOUT WEEKEND SERVICE

Dash About ridership for the quarter totaled approximately 25,979 passengers.

ACCESSIBLE TRANSIT SERVICE

DASH transported 766 passengers requesting lift assistance during the quarter.

FINANCIAL RESULTS

ATC had an operating ratio (percentage of operating costs coming from transit revenues) of 27.2% against a budget estimate of 28.8%. During the same period, the operating deficit was \$28,187 over the budget estimate.

- Revenues were \$49,318 (6.4%) under budget.
- Operating costs were \$21,131 (.8%) under budget.

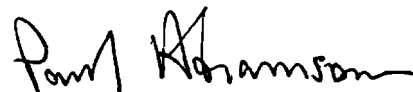
The following table covers the second quarter of fiscal year 2008:

	Actual	Budget	+ / -
Operating Revenue	\$715,401	\$764,719	(\$49,318)
Operating Expenses	\$2,631,003	\$2,652,134	(\$21,131)
Operating Deficit	\$1,915,602	\$1,887,415	\$28,187
Operating Ratio	27.2%	28.8%	

Unaudited

The following table shows the distribution of ATC operating expenses by budget line item during the second quarter of the fiscal year:

Transportation	70%
Maintenance	17
Administration	9
Insurance	3
Marketing	<u>1</u>
	100%



Paul R. Abramson
Chairman

Alexandria Transit Company

Fiscal Year 2009 Discretionary Supplemental Budget Request

Priority #1

AT6 Service Enhancements

Service: Increased midday frequency from 60 minutes to 30 minutes and new 60 minute Saturday service on the DASH AT6 route.

Background: Service on the midday AT6 (King St. – NVCC) route has been experiencing overcrowding on a number of trips, primarily generated by the Northern Virginia Community College (NVCC). The 2001 Regional Bus Study also identified 30 minute midday frequency as the minimum desirable level of service for this type of route. The City and DASH have also received a number of requests from the Stonegate and Park Center communities for Saturday service to their communities.

Program Results: Frequency will be increased on the midday AT6 to every 30 minutes which will help alleviate overcrowding generated by NVCC and bring the midday AT6 service within the desired standards as described in the 2001 Regional Bus Study. New service will be added on the AT6 on Saturdays operating every 60 minutes, providing Saturday service to the Park Center and Stonegate communities.

Estimated Operating Costs:

Weekday Service	\$ 62,000
Saturday Service	\$ 34,000

Alternate Funding Options: None

Alexandria Transit Company

Fiscal Year 2009 Discretionary Supplemental Budget Request

Priority #2

AT1 - AT2 Saturday Service Enhancements

Service: Increased Saturday frequency to 30 minutes.

Background: Service on the AT2 route is the second most productive DASH route next to the AT8 (Duke Street). On January 20, 2008, the AT 2 will be split into two routes to reduce overcrowding and improve on-time performance. Passengers per mile and passengers per hour are consistent throughout the entire route and both the AT2 and the new AT1 routes are expected to be at the top of the system in productivity once the split takes effect. The 2001 Regional Bus Study also identified 30 minute Saturday frequency as the minimum desirable level of service for this type of route.

Program Results: Frequency will be increased on the Saturday AT1 and AT2 to every 30 minutes, which is expected to attract new riders to transit. In every case where DASH frequencies have been increased, passengers per mile and passengers per hour have increased once the service is established. This indicates that improving service levels and convenience on highly productive routes will generate additional transit riders.

Estimated Operating Costs:

Saturday Service	\$ 98,000
------------------	-----------

Alternate Funding Options: None

Alexandria Transit Company

Fiscal Year 2009 Discretionary Supplemental Budget Request

Priority #3

Crosstown Service

Service: A new DASH route operating from Landmark Mall to Potomac Yard Shopping Center via Beatley Library, Foxchase, Alexandria Hospital, Bradlee, Parkfairfax and Arlandria.

Background: The 2001 Regional Bus Study, the 2002 Crystal City/Potomac Yard Transit Alternatives Analysis, and the 2005 DASH Comprehensive Operational Analysis all identified the need for crosstown service in Alexandria. The DASH bus system was initially set-up to primarily feed Metrorail Stations and provide for neighborhood circulation. However, there is a lack of crosstown connections that would improve mobility within the City and reduce travel time necessitated by having to transfer between various routes to complete certain trips. In addition, the need for improved connectivity within the City has increased as the City has experienced significant growth in residential, commercial, and office development.

Program Results: Hourly service will be provided during both peak and off-peak periods. Since this route will not service any Metrorail Stations, it will be possible to start with only hourly service in the peak periods with the intent that more frequent service will be added as the demand for service increases. This new service will significantly improve transit travel time in the areas served by 30 to 60 minutes. It is anticipated that this route will attract new transit riders who currently do not use transit to make these trips due to the time penalty.

Estimated Operating Costs:

Full Weekday Service	\$327,000
Weekday Midday Only Service	\$164,000
Saturday Service	\$ 67,000
Sunday Service	\$ 49,000

Alternate Funding Options: None

Alexandria Transit Company

Fiscal Year 2009 Discretionary Supplemental Budget Request #4

AT10 Service Enhancements

Service: Increased midday and Saturday frequency from 60 minutes to 30 minutes.

Background: Service on the AT10 (King St. Metro – Potomac Yard) route has proved to be more productive than originally anticipated. Passengers per mile and passengers per hour frequently place the AT10 as the third most productive route in the entire DASH system. The 2001 Regional Bus Study also identified 30 minute midday and Saturday frequency as the minimum desirable level of service for this type of route.

Program Results: Frequency will be increased on the midday and Saturday AT10 to every 30 minutes which is expected to attract new riders to transit. In every case where DASH frequencies have been increased, passengers per mile and passengers per hour have increased once the service is established. This indicates that improving service levels and convenience on highly productive routes will generate additional transit riders.

Estimated Operating Costs:

Weekday Service	\$ 70,000
Saturday Service	\$ 33,000

Alternate Funding Options: None