



GREENE COUNTY TRANSIT, INC.

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TRANSIT ADMINISTRATOR
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October 23, 2013

Transit Service Delivery Advisory Committee
c/o Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

Subject: GCT, Inc. Support for Proposed State Capital Allocation Plan

GCT Transit System has been closely following the proceedings of the TSDAC and would like to offer the following comments regarding aspects of the proposed three tier approach for State capital allocations and the State participation rates based on gross project costs.

Like many other transit systems across the Commonwealth, GCT's capital program of projects is heavily dependent on federal funding. Due to limitations on local matching funds, GCT only pursues capital projects that are eligible for federal funding and that have costs which fall within the budget established by our annual apportionments of Section 5311.

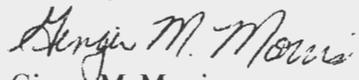
For projects where federal and local funds are available and a higher/gross cost-based state participation rate would be used (compared to existing practice), GCT anticipates being able to distribute existing local funding among more projects. In this respect, a gross cost approach based on the percentages currently proposed for the three tiers would be preferred by GCT as opposed to the current net cost approach.

State of Good Repair, particularly regarding rolling stock, is a significant and ongoing capital concern for GCT. Our six-year capital program prioritizes bus replacements; however, current and projected federal funds do not provide a financial resource adequate for the timely replacement of revenue service vehicles as they reach the end of their service life, resulting in higher maintenance costs associated with running older vehicles.

The higher effective state participation rate for replacement vehicles would be beneficial for State of Good Repair as it could result in our ability to purchase additional replacement buses in a timely manner.

In summary, GCT supports the current three tiered approach and finds it more beneficial for the proposed state percentage matches to be applied to the gross cost of the project as this will allow GCT to better leverage the limited federal and local funds available. This is additionally important because of the lack of local funding available to leverage state funds.

Sincerely,

A handwritten signature in cursive script that reads "Ginger M. Morris".

Ginger M. Morris
Transit Administrator