



2013 ANNUAL REPORT



APTA Chair Flora Castillo speaks during the Legislative Conference.



the commitment to
adapt
ENGAGE
and invest
is at the core of every
successful
ORGANIZATION



APTA President & CEO Michael Melaniphy met with Rep. Bill Shuster (R-PA), incoming chair of the House Transportation and Infrastructure Committee.

MESSAGE FROM THE PRESIDENT & CEO



APTA is an international association representing more than 1,500 public and private sector organizations that employ more than 400,000 people and serve tens of millions of people every day. We've maintained this noteworthy position for more than 131 years by adhering to some

basic principles that guided us during the last year and are introduced in this Annual Report.

Under the leadership of APTA Chair Flora Castillo, we strengthened our legacy during a year when it was important both to stay the course and set higher goals - to educate and advocate - and to learn and lead.

The implementation of MAP-21 was a major focus of our efforts, along with the appropriations bills and the Passenger Rail Investment and Improvement Act. Thanks to the diligent work of the Authorization Task Force and the Legislative Committee - and valuable input from our members - APTA is well-positioned to work with Congress on a multi-year bill.

We also created a Finance Committee comprised of members representing a cross-section of our industry. The committee conducted a thorough review of the association's finances, created a long-term plan to achieve financial goals, developed the FY 2014 budget, and began updating the association's financial policies. These important initiatives will strengthen APTA's financial foundation, increase transparency, and help ensure a sound and stable future.

APTA undertook a restructuring of staff responsibilities with the goal of ensuring a timely and effective focus on our members' priorities. These changes were guided by a recent membership survey that identified members' top issues and needs as well as APTA's most valued services.

We worked to take our many conferences and workshops to the next level by featuring speakers and sessions that you asked for. From the Bus & Paratransit Conference to the Rail Conference and the Annual Meeting, thousands of you attended our events, refined your skills, adopted new practices and networked with colleagues. That commitment is what keeps APTA strong and makes all our accomplishments possible.

I am grateful to all of you who welcomed me and told me your stories throughout the past year. In every public transit system or business I visited, I learned important lessons, discovered innovative practices and was inspired by your passion.

I would like to extend my sincere thanks to the hard-working and enthusiastic members of the Executive Committee, our Board of Directors, all APTA members, and the exceptional APTA staff who gave so much to make 2012 - 2013 another successful year.



FROM THE CHAIR...QUERIDOS AMIGOS:



I have been honored to serve as APTA chair for the past year. As I prepare to turn over the gavel to the next chair, I do so knowing that 2013 has been a year marked by many successes for our association.

APTA has made great strides on many fronts both internally and externally. These achievements reflect the strength of our mission; the unwavering commitment of staff and volunteers who answer the call to serve on the Board of Directors, committees, and task forces; and the core value of putting you—our members—first. A few noteworthy achievements follow:

"It's All About the People." These five words summarize one big idea: Public transportation is by, for, and about people—especially the people we serve and the people we employ.

This idea is at the heart of APTA's commitment to workforce development. As we face a wave of retirements, we must recruit the next generation of public transit employees, create career paths, and engage and promote women and ethnically diverse individuals who offer us new and fresh perspectives.

APTA launched the Early Career Program, a year-long, focused effort that provides young professionals with the knowledge and networks they need to succeed. This program, which complements Leadership APTA, is off to a great start, due in part to public transit agency and business executives who nominated their rising stars to this innovative initiative.

APTA has also made impressive progress in developing partnerships that support the industry, serve members, and strengthen the association with such groups as the U.S. Conference of Mayors, Operation Lifesaver, the International Association of Public Transport (UITP) based in Belgium, and the Bus Industry Federation in Australia. We've also worked with the American Public Health Association, the office of Surgeon General of the U.S., and others to strengthen public transportation's role in ensuring access to health care for our riders. The Authorization Task Force and its five co-chairs have been particularly diligent in synthesizing members' recommendations to strengthen the next iteration of MAP-21.

Finally, it's been my privilege to work closely with the APTA Board of Directors and Executive Committee, President & CEO Michael Melaniphy, and our awesome APTA staff, who so ably support volunteers and the membership as a whole.

It takes each of us to make a difference in all of us! I am proud of the progress we've achieved together, and I am confident that there's no limit to the positive, lasting difference APTA can and will make for its members, the industry, and the communities we serve and who depend on us. De mi corazón. Gracias.



"It's All About the People" was APTA Chair Flora Castillo's theme for her term.

THE COMMITMENT TO ADAPT, ENGAGE, AND INVEST IS AT THE CORE OF EVERY SUCCESSFUL ORGANIZATION.

IN 2012 - 2013, THOSE THREE PRINCIPLES GUIDED APTA'S WORK TOWARD A STRONGER FUTURE - FOR APTA MEMBERS AND THE COMMUNITIES WE REPRESENT AND SUPPORT.

Putting those principles into practice required exceptional people. APTA Chair Flora Castillo began her tenure by reminding us of this reality when she said, "It's all about the people ... the people we serve and the people we employ."

The people of public transportation continued to step up, serve, and shape tomorrow despite a slow economic recovery and uncertainty at the federal level.

With the implementation of MAP-21, the start of the Obama Administration's second term, and the convening of a new Congress that largely resembled the one before it, the year was a mix of "the familiar" and "the future."



The numbers told our proud story:

- ▶ Nearly 80 percent of all public transportation ballot initiatives were approved last year - a record number of successful initiatives.
- ▶ Ridership totaled 10.5 billion trips in 2012 - the seventh consecutive 10+ billion-trip year.
- ▶ Approximately 4 in 5 Americans told us public transportation delivers "affordable mobility" and "opportunities for all," while 3 in 4 favor using tax dollars to fund more public transit.
- ▶ Even with mandated federal budget cuts, Congress approved more than \$10 billion a year in MAP-21 dedicated funding for 2013 and 2014 and additional monies to repair public transit infrastructure damaged by Hurricane Sandy.

This annual report highlights the important work that helped produce these and other positive outcomes for our industry.

We remain steadfastly focused on meeting the needs of our members while continuing to anticipate and plan for the next opportunities and challenges. In this regard, 2012 - 2013 underscored the adage "Our past is prologue." That which we perceive to be "the future" will ultimately become "the familiar."

Thanks to our collective commitment to adapt to constant change, engage with new stakeholders, and invest in our people, we have much to celebrate.



APTA Chair Flora Castillo engages members in an interactive session.

LEFT: APTA Vice Chair Peter Varga testified this spring before the House Transportation and Infrastructure Committee.

RIGHT: Members of the APTA Executive Committee and senior staff met with White House officials in March.



ADVOCACY

MAP-21 TAKES EFFECT: FOLLOWING THE JULY 2012 ENACTMENT OF A NEW AUTHORIZING LAW, "MOVING AHEAD FOR PROGRESS IN THE 21ST CENTURY" [MAP-21], APTA SEAMLESSLY TRANSITIONED FROM ADVOCACY TO IMPLEMENTATION. THIS MARKED THE BEGINNING OF A YEAR-LONG EFFORT TO PROTECT AUTHORIZED FUNDING LEVELS AND INFLUENCE MAP-21'S RULES AND REGULATIONS.

As approved, MAP-21 authorized \$10.6 billion in FY 2013 and \$10.7 billion in FY 2014, a new high-water mark for the federal transit program. It also preserved dedicated funding for transit programs from the Mass Transit Account of the Highway Trust Fund, permitted small systems in large urban areas to use formula funds for operating purposes, continued formula programs for New Starts, and required new initiatives for safety, performance measures, and asset management.

Educating Members: APTA sponsored several meetings, presentations, and webinars, many involving congressional staffers and the Federal Transit Administration (FTA), to help familiarize our members with the new law. These programs were a staple of our conferences.

Influencing Implementation: Well before the formal rulemaking process began, APTA took steps to ensure implementation of MAP-21 would take into account the wisdom and experience of our members. We helped define key provisions, submitted written comments, testified at hearings, and met with FTA officials who were crafting the agency's first safety program. Of special note, Peter Varga, APTA vice chair and CEO of the Interurban Transit Partnership (The Rapid), testified before the House Transportation and Infrastructure Subcommittee on Highways and Transit about our industry's implementation issues.

Protecting Federal Funds: Congress failed to agree on how to reduce spending last year, which triggered mandatory across-the-board budget cuts in every federal agency. Although programs financed by the Highway Trust Fund were not affected, other initiatives funded with general revenues were reduced by five percent, leading to decreases in the New Starts program, research, and FTA administrative support. Congress ultimately approved a "Continuing Resolution" that funds transit programs near MAP-21 authorized levels.

Funding for the Future

Securing adequate, predictable, multi-year funding for our industry is APTA's number one goal. In addition to focusing on implementation of MAP-21, APTA also was planning for the next investment bill. APTA's Authorization Task Force of the Legislative Committee began meeting in late 2012 to develop recommendations on post-2014 funding, program structure, and other long-term issues. The task force was working toward a final set of recommendations by the end of 2013.

APTA's Authorization Task Force, appointed by APTA Chair Flora Castillo and Legislative Committee Chair Jeff Nelson, included a wide spectrum of APTA members. Co-chairs of the task force are:

- ▶ Randall Chrisman, board member of Dallas Area Rapid Transit.
- ▶ Nuria Fernandez, COO of the New York Metropolitan Transportation Authority;
- ▶ Carolyn Flowers, CEO of the Charlotte Area Transit System;
- ▶ Sharon Greene, principal of HDR/Sharon Greene + Associates; and
- ▶ Carl Sedoryk, general manager and CEO of Monterey-Salinas Transit;



From left, Authorization Task Force co-chairs: Carl Sedoryk, Nuria Fernandez, Randall Chrisman, Sharon Greene, and Carolyn Flowers.



APTA has been quick to establish working relationships with the new U.S. Secretary of Transportation Anthony Foxx and the new House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA). As a former mayor of the transit-friendly city of Charlotte, NC, and as a 13-year veteran of the Transportation Committee respectively, we believe Secretary Foxx and Rep. Shuster understand the importance of a dynamic, healthy, and growing public transportation industry.

Castillo, APTA President & CEO Michael Melaniphy, APTA Vice President of Policy, Arthur Guzzetti, and APTA Vice President of Government Affairs, Robert Healy, met with Secretary Foxx, FTA Administrator Peter Rogoff and other members of the secretary's senior staff.

Finally, we continued to strengthen our connection to the White House. In March, Castillo, Melaniphy, and our Executive Committee met with senior officials from the National Economic Council, Domestic Policy Office, Office of Management and Budget, Council on Environmental Quality, and Vice President Biden's office. Rogoff and Deputy Administrator Therese McMillan also participated in the meeting, which addressed public transportation's critical relevance to economic growth, health care, and energy efficiency. This was just one of several meetings with White House officials on matters ranging from health care to technology.

Favorable Tax Provisions

In early 2013, Congress passed two important tax provisions for APTA member organizations. One measure increased the transit commuter tax benefit from \$125 per month to \$240 per month, thereby creating parity with tax treatment for parking costs. The other measure extended the tax credit refund for costs associated with alternative fuel used by public transit systems. Enactment of these favorable tax changes were important victories for public transportation. Since both tax benefits are due to expire at the end of 2013, APTA is working to extend these provisions into 2014 and beyond.

Disaster Relief

Following Hurricane Sandy, Congress approved disaster relief that included assistance for public transit systems in the northeast and for Amtrak. At the start of 2013, \$10.9 billion in FTA grants was appropriated to repair damaged infrastructure and make enhancements to affected public transit systems. Active support from APTA and our members helped ensure this funding.

New Rail Legislation

The APTA Legislative Subcommittee on Commuter and Intercity Passenger Rail, working with the High-Speed and Intercity Passenger Rail Committee, developed legislative principles for a Federal High Speed and Intercity Passenger Rail Program. These principles are intended to provide guidance for the Passenger Rail Infrastructure and Investment Act, which expires on September 30, 2013 (and is not expected to be renewed by this deadline), and could also address Positive Train Control implementation. Melaniphy testified before the House Transportation and Infrastructure Subcommittee on Railroads, Pipelines and Hazardous Materials on the need for a robust federal rail program that is inclusive of high-speed rail.

Commuter Rail Issues

APTA influenced a variety of regulatory issues beyond MAP-21 rulemaking. Through a combination of written comments and consistent advocacy within the Rail Safety Advisory Committee process, we advocated on behalf of the commuter railroads about the impact of installing Positive Train Control. This action was done in conjunction with ongoing legislative advocacy efforts to modify the current implementation deadlines.

Successful Proactive Litigation

APTA and its Legal Affairs Committee acted decisively to protect our industry from ArrivalStar, an aggressive patent assertion entity (PAE). Dozens of public transit systems had been subject to frivolous claims and lawsuits by ArrivalStar in the past.

In June, APTA sued ArrivalStar stating that its patents related to arrival and status messaging systems were invalid and unenforceable. We also asserted that the 11th Amendment prohibits state and regional entities from being subject to such suits. As a result of APTA's legal action, ArrivalStar agreed not to make any future patent infringement claims against any of APTA's public transportation agency members or their vendors.

APTA's successfully-resolved lawsuit has been applauded in the media and by Washington officials as a bold move against an ever-growing threat to all industries.



Secretary of Transportation Anthony Foxx with APTA Chair Flora Castillo and APTA President & CEO Michael Melaniphy.

LEFT: Rehana Moosajee, who oversaw the transformation of the transportation system in Johannesburg, South Africa, greeted Charles Wochele before speaking at a 2012 Annual Meeting session sponsored by APTA's business members.

CENTER: APTA President & CEO Michael Melaniphy testified in June before the House Transportation and Infrastructure Committee.

RIGHT: Indy 500 champ Dario Franchitti addressed the Closing General Session of the 2013 APTA Bus & Paratransit Conference in Indianapolis.



REGULATORY MATTERS

▷ **SECURITY AND SAFETY:** APTA SUBMITTED TESTIMONY TO HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEES ON FY 2014 TRANSPORTATION AND HOMELAND SECURITY FUNDING FOR PUBLIC TRANSPORTATION. APTA EXECUTIVE VICE PRESIDENT KATHRYN WATERS TESTIFIED BEFORE THE SENATE COMMERCE, SCIENCE, AND TRANSPORTATION COMMITTEE ON PASSENGER RAIL SAFETY.

▷ **Tax Issues:** APTA urged the tax-writing committees in the House and Senate to provide adequate dedicated funding for programs that rely on the Highway Trust Fund. We also advocated for the preservation of municipal bond financing, which communities use for transportation infrastructure investments.

▷ **Regulatory Issues:** APTA worked with its members and coalition partners to weigh in on the Obama Administration's new interpretation of the "Buy America" law relating to utility relocation. We also worked with our members on issues such as bus axle weight limits, and the use of funds under the Federal Highway Administration Congestion Mitigation and Air Quality program.

MEMBER SERVICES

CONFERENCES: APTA'S LEGACY OF TOP-QUALITY CONFERENCES CONTINUED IN 2012 - 2013. THROUGHOUT THE YEAR, MORE MEMBERS FOUND VALUE IN THESE EDUCATIONAL AND NETWORKING EVENTS. CONTINUING EDUCATION UNITS [CEUS] BY THE AMERICAN INSTITUTE OF CERTIFIED PLANNERS, THE AMERICAN INSTITUTE OF ARCHITECTS AND THE NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS WERE OFFERED AT NUMEROUS CONFERENCES AND WORKSHOPS.

Annual Meeting (Seattle, WA):

More than 1,700 people attended sessions and heard speakers that included Sen. Patty Murray (D-WA) and FTA Administrator Rogoff. APTA's Business Member Board of Governors sponsored an address by Rehana Moosajee of Johannesburg, South Africa, who led efforts to build Africa's first Bus Rapid Transit system.

Legislative Conference (Washington, DC):

Retiring U.S. Transportation Secretary Ray LaHood spoke to an enthusiastic, standing-room only crowd of nearly 700, urging members to "march up [to Capitol Hill] and talk about what public transit really does – it serves your friends and neighbors." Former Rep. Steve LaTourette (R-OH) spoke at a session sponsored by APTA business members. Many attendees took time to



More than 1,400 people attended the Rail Conference.



meet with their members of Congress, and the C-SPAN television network broadcast the entire first day of the conference.

Bus & Paratransit Conference and International Bus Roadeo (Indianapolis, IN):

The city that gives its name to one of motor racing's most prestigious events hosted more than 700 attendees who heard Indy 500-winner Dario Franchitti discuss the importance of high-performing teams. Educational sessions on safety, operations, industry standards, accessibility, and customer service were featured. Other highlights included the Products & Services Showcase, the Bus Display, and the International Bus Roadeo.

Rail Conference (Philadelphia, PA):

FRA Administrator Joseph Szabo, FTA Administrator Rogoff, and Philadelphia Mayor Michael Nutter were among those who welcomed more than 1,400 guests. National Transportation Safety Board Chairman Deborah A.P. Hersman spoke about her agency's role in investigating rail accidents. The event featured former Pennsylvania Gov. Ed Rendell of Building America's Future, the International Rail Rodeo, APTA's first Rail Safety & Security Excellence Awards, and "Hiring Our Heroes," our job fair for veterans.

Workshops, Meetings, Webinars:

APTA expanded its educational offerings in 2012 - 2013 by sponsoring 14 presentations and workshops on issues that ranged from sustainability and risk management to light rail and marketing and communications. We also supported our industry's current and future leaders by hosting seminars for transit CEOs and board members, and by creating a series of 10 webinars for Transit Board Members on management topics such as succession planning, conflict resolution, improved productivity, and leadership skills.

APTA Standards Development Program

In 2012 - 2013, the APTA Standards Development Program produced 33 standards documents with funding from the FTA and APTA members. These documents help support APTA members in achieving operational efficiencies and safety improvements. The program, which includes working groups focused on rail, bus, procurement, information technology,

security, sustainability and urban development, and state of good repair, has generated a total of 276 published standards documents since its inception. The State of Good Repair Working Group was launched this year and we have begun to disseminate information about asset management and other best practices under this program.

Security standards and its working groups on infrastructure security, security risk management, emergency management and cyber security that are funded through grants from the

**THE APTA STANDARDS DEVELOPMENT PROGRAM
PRODUCED 33 STANDARDS DOCUMENTS.**

Transportation Security Administration have amassed a total of 38 published standards documents to date. These working groups continue to generate a high level of activity in providing standards to support the security needs of transit agencies.

TSA provided \$1.1 million to support APTA's expanded Public Transit Information Sharing and Analysis Center (PT-ISAC), a cost-free service to public transit agencies, private bus carriers, and state transportation departments. The APTA Security Standards Program also received a \$400,000 TSA grant.

Safety

During the past year, 11 safety-themed sessions were incorporated into major conferences, including the new "Safety Roundabout" at the Bus Conference. Among the many safety initiatives, APTA sponsored day-long safety seminars at the Bus and Rail conferences, a four-day Risk Management Seminar, a four-day Safety workshop, and a Clear Signal for Action Workshop. We also helped organize the joint FTA/FRA conference on Trespasser Fatalities. Most importantly, we recognized the contributions of APTA members with the annual Bus Safety Awards and we launched the new Rail Safety and Security Awards.

LEFT: The 48 participants in the APTA Youth Summit visited Capitol Hill.

RIGHT: The first class of the Early Career Program will graduate in 2014.



Security

APTA and the Transportation Security Administration (TSA) continued to collaborate on security issues. For example, the APTA Security Affairs Steering Committee, chaired by Michael DePallo, chief executive officer of the Southern California Regional Rail Authority, recommended important revisions and updates to the TSA's Baseline Security Inspection Program.

Peer Reviews

APTA's Peer Review service continued to be in high demand with the scope of reviews expanded to include emergency preparedness, tunnel construction, operations service delivery and practices, information technology strategies, and management of fare collection processes. This year 22 peer reviews were undertaken.

Workforce Development and Succession Planning

APTA's mission to help our members attract, develop, and retain a diverse, high-performance workforce was an important part of our work in 2012 - 2013 in several ways.

Transit CEOs and C-Suite Executives:

APTA enhanced a new format and program at this year's Transit CEOs Seminar aimed at Deputy CEOs. The agenda included sessions on leadership, communications, and management styles, and was targeted also to the needs of other C-Suite executives, for example, COOs, CFOs, and CAOs.

Early Career Program:

Building upon the recommendations of the Workforce Development Task Force chaired by Castillo, we launched the Early Career Program designed for rising public and private sector members of the public transportation industry. The program provides the skills, knowledge, insights, and networks needed to grow and succeed in our industry. The first class of 25 individuals will be mentored by industry leaders and will graduate at the 2014 Bus & Paratransit Conference. This complements the successful Leadership APTA Program for higher-level managers, which has graduated a total of 383 members.

Mid-Level Managers:

APTA continued to expand the Mid-Level Managers Magnification Program at 2012 - 2013 conferences and meetings. In addition to the Mid-Level Managers networking breakfasts, we

sponsored a series of professional development training and educational programs, including communications and presentation skills. At our Bus and Rail conferences, we sponsored National Transit Institute (NTI) training sessions on leadership and management skills for more than 200 mid-level professionals.

Workforce Development Grant:

APTA and a team of like-minded organizations received a \$660,000 grant from the FTA's Innovative Workforce Development Grants Program. The team is working on a cost-effective, field-tested, national website to attract young people to blue-collar jobs in the public transportation industry and provide recruitment and training tools to transit agencies. The project, called "The Transit Virtual Career Network," is led by Rutgers University and includes APTA, the American Association of Community Colleges, and the National Association of Workforce Boards.

Youth Summit and Other Youth-Oriented Programming:

APTA hosted its third Youth Summit for 48 high school students from 19 states. During the four-day event, students participated in workshops at Trinity Washington University, toured the Washington Metropolitan Area Transit Authority, met with then-U.S. DOT Secretary Ray LaHood, FTA Administrator Rogoff and other officials, and attended a briefing on Capitol Hill. At the end of the Summit, participants delivered presentations on sustainability, technology, advocacy, and careers in public transportation, as well as ways to advance transit in their communities. Private sector members supported the summit, providing \$20,000 and other in-kind support. APTA business members also participated in other ways, with students visiting Jacobs Engineering for presentations highlighting careers in engineering and planning.

Throughout the year, APTA sponsored other initiatives to involve young people in our industry. The Garrett A. Morgan Sustainable Transportation Program allowed middle schoolers to learn about public transit, National Public Transportation Career Day encouraged APTA members to visit local schools, and the Student Ambassador Program invited students from colleges, universities, community colleges, and technical schools to make presentations at our Bus & Paratransit and Rail conferences and Annual Meeting. As part of the program, APTA worked on a video in conjunction with its highway partners. Additionally, APTA hosted 40 University of Lagos students at the 2012 Annual Meeting in Seattle, where they attended sessions, participated in tours, and networked with industry leaders.



**APTA ENHANCED A NEW
FORMAT AND PROGRAM
AT THIS YEAR'S TRANSIT
CEOS SEMINAR AIMED
AT DEPUTY CEOS.**

COLLABORATION AND OUTREACH

APTA CONTINUED TO BUILD RELATIONSHIPS WITH NEW ALLIES, WHO CARRIED OUR MESSAGES TO BROADER AUDIENCES. HERE ARE A FEW EXAMPLES OF APTA'S COLLABORATIVE ACHIEVEMENTS.

Americans for Transportation Mobility (ATM) Coalition:

APTA participates in the ATM Coalition, a national coalition organized by the U.S. Chamber of Commerce that includes business, labor, transportation stakeholders and concerned citizens advocating for increased federal investment in the nation's aging and overburdened transportation system. The coalition members reflect the broad support for increased investment and a dedicated revenue stream at the federal level, all led by the U.S. Chamber of Commerce, a conservative, pro-business voice in Washington. Coalition members have been urging members of Congress to restore dedicated funding that supports federal investment in the nation's transportation infrastructure.

The Free Congress Foundation:

The Free Congress Foundation, a politically conservative think tank, released a report sponsored by APTA titled "Transportation and the Economic Health and Attractiveness of Metropolitan Regions." The study, which was released at a Capitol Hill event featuring House Highways and Transit Subcommittee Chair Tom Petri (R-WI), shows that 21st Century metro areas require high-quality public transportation to attract vibrant businesses and younger residents.

National Association of Realtors:

APTA and the National Association of Realtors (NAR), the world's largest professional association, collaborated on a report showing that proximity to public transportation positively impacts property values. The study, "The New Real Estate Mantra: Location Near Public Transportation," was released publicly at a Capitol Hill event and disseminated to NAR's more than 1,400 local associations in 54 states and territories. The release garnered coverage in *U.S. News & World Report*, *Politico*, *Chicago Business Journal*, and *Washington City Paper*, as well as real-estate journals and local newspapers.

U.S. Conference of Mayors:

Castillo and Melaniphy worked with Philadelphia Mayor Michael Nutter on two resolutions – on Complete Streets and Transit-Oriented Development – that were adopted by the U.S. Conference of Mayors. APTA's Art Guzzetti drafted these resolutions and worked closely with these two entities. Work is underway for APTA-generated resolutions on sustainability and the Millennial Generation.

Veterans:

Helping veterans return to civilian life and find jobs in the public transportation industry is an important issue for our members and leaders, and one which is supported by Castillo.

**THE EARLY CAREER PROGRAM IS DESIGNED FOR
RISING PUBLIC AND PRIVATE SECTOR MEMBERS OF THE
PUBLIC TRANSPORTATION INDUSTRY.**

APTA is committed to recruiting veterans to careers in the public transit industry and connecting them, by public transit, to available services and resources. In collaboration with the U.S. Chamber of Commerce, APTA hosted the first Veterans' Job Fair at our Rail Conference. We also developed an online toolkit to help our members reach out to veterans and let them know how public transit can connect them to many services and resources. Local television network affiliates of NBC, ABC and CBS broadcast stories about the fair prior to the event, which led to strong attendance and follow-up news coverage. Melaniphy and Phillip Washington, general manager and CEO, Denver Regional Transportation District, a veteran, participated in a White House event hosted by First Lady Michelle Obama focusing on veterans.

APTA President & CEO Michael Melaniphy, left, and Secretary General of the International Association of Public Transport Alain Flausch, signed a new cooperative agreement at the UITP World Congress in Geneva.

RIGHT: APTA leaders attended a special briefing with Philadelphia Mayor Michael A. Nutter, center, president, U.S. Conference of Mayors, and other Philadelphia leaders to discuss public transportation's role in community and economic development.



U.S. Surgeon General and Preventive Healthcare:

In conjunction with the APTA Chair's focus on access to health care, U.S. Surgeon General Regina Benjamin invited Melaniphy and other stakeholders to the White House to help develop ideas for a National Prevention Strategy. The industry was credited with having a role that is central to healthy living and access to health care. This year, we also developed a new relationship with the U.S. Public Health Association.

Alliance to Save Energy:

APTA joined the Alliance to Save Energy's Commission on National Energy Efficiency Policy in supporting its goal to double U.S. energy productivity by 2030. The commission's report, "Energy 2030: Doubling U.S. Energy Productivity," outlined recommendations to achieve this goal, of which public transportation plays a critical role. The group is chaired by Sen. Mark Warner (D-VA) and Tom King, president of the National Grid. Melaniphy serves as a commissioner on the bipartisan panel.

SMARTER GOVERNANCE AND MANAGEMENT

GOOD GOVERNANCE: DURING 2012 - 2013, APTA ENTERED THE THIRD YEAR UNDER THE NEW GOVERNANCE MODEL. APTA'S GOVERNANCE TASK FORCE, CO-CHAIRLED BY PETER VARGA AND ANGELA IANNUZZIELLO, CONFIRMED THAT THE GOVERNANCE CHANGES ARE ALREADY MEETING GOALS AND IT IDENTIFIED OPPORTUNITIES TO LEVERAGE THE VALUE OF APTA'S MEMBERSHIP THROUGH ENHANCED INFORMATION-SHARING OPPORTUNITIES ESPECIALLY VIA COMMITTEE STRUCTURE AND GREATER EMPHASIS ON THE ANNUAL NOMINATING PROCESS FOR OFFICERS AND BOARD MEMBERS OF THE ASSOCIATION.

Financial Stability

Last year, the APTA Executive Committee established a Finance Committee to consolidate the work of the investment, budget, and pension committees. Castillo asked Secretary/Treasurer Doran Barnes, executive director of Foothill Transit, West Covina, CA, to chair the new body, and named the following members:

- ▷ Christopher P. Boylan, Director, Governmental & Strategic Partnerships
The General Contractors Association of NY, Inc., New York, NY
- ▷ Joseph M. Casey, General Manager
Southeastern Pennsylvania Transportation Authority, Philadelphia, PA
- ▷ Joseph G. Costello, Executive Director
Regional Transportation Authority, Chicago, IL
- ▷ Frederick L. Daniels, Chairman
Metropolitan Atlanta Rapid Transit Authority, Atlanta, GA
- ▷ Michael Lihvarcik, Acting Chief Financial Officer
New Jersey Transit Corporation, Newark, NJ
- ▷ Rosa Navejar, President
The Rios Group, Inc., Fort Worth, TX
- ▷ Kathleen M. Sharman, Chief Financial Officer & Treasurer
New Jersey Transit Corporation, Newark, NJ
- ▷ Paul P. Skoutelas, Senior Vice President & Market Leader, Transit and Rail
Parsons Brinckerhoff, Pittsburgh, PA
- ▷ Peter Varga, Chief Executive Officer
Interurban Transit Partnership (The Rapid), Grand Rapids, MI
- ▷ Evalynn Williams, President/Chief Executive Officer
Dikita Engineering, Dallas, TX

In its first year, the Finance Committee conducted a thorough review of the association's finances, created a long-term plan to achieve financial goals, oversaw the development of the FY 2014 budget and began updating the association's financial policies.

These important initiatives will strengthen APTA's financial foundation, create increased transparency, and help secure a sound and stable future.



THE ASSOCIATION CONTINUED FOSTERING PARTNERSHIPS IN THE U.S. AND THROUGHOUT THE WORLD.

Sharper Focus on Member Priorities

To ensure the most timely and effective focus on our members' priorities, APTA undertook a restructuring of staff responsibilities. The changes aligned with the FY 2014 budget and were guided by a recent membership survey that identified members' top issues and needs as well as APTA's most valued services.

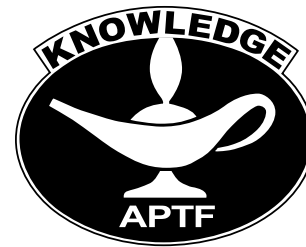
Keeping APTA smart, efficient, responsive and relevant is at the heart of the streamlining. It reduced the overall size of the APTA staff in the areas of administrative and back office resources while also redeploying resources to bring in new skill sets to adapt to ways members interact with the association.

By expanding our website and technological capabilities, better coordinating meeting and technical services and using new communication tools, the association will be better able to engage and serve all members.

A stronger focus on workforce development is a major component of the restructuring as this is the key to the industry's future. We created a dedicated Workforce Development and Educational Services Department, which will expand leadership and career development programs and training for public transit's workforce.

American Public Transportation Foundation

The department also has responsibility for the American Public Transportation Foundation. The foundation has put an emphasis on increasing the number and level of scholarship awards. This year a newly named scholarship was endowed. The Business Member Board of Governors/Janie Wulkan Memorial Scholarship will award a female applicant who is committed to a career in public transportation.



As part of APTA's commitment to be a "continuous learning organization," we established a new program to provide mentoring opportunities for APTA staff. Areas of interest included effective leadership practices, transit operations, and transit management practices.

KEEPING APTA SMART, EFFICIENT, RESPONSIVE AND RELEVANT IS A TOP PRIORITY.

GLOBAL PERSPECTIVE

TO MEET CURRENT NEEDS AND PREPARE FOR FUTURE OPPORTUNITIES, APTA STAYS CONNECTED TO PUBLIC TRANSPORTATION RESOURCES AROUND THE WORLD. HERE ARE SOME EXAMPLES OF HOW GLOBALIZATION IS HELPING US REMAIN COMPETITIVE.

US-China Transportation Forum Urban Congestion Working Group:

APTA Executive Vice President of Member Services, Kathryn Waters participated in the United States - China Transportation Forum Urban Congestion Working Group meeting in China with the Chinese Academy of Transportation Sciences. The next forum will take place in October 2013 in Chicago.

Meetings with Partners:

APTA continued to collaborate with public transit systems throughout the world and was invited to make presentations as well as participate in high-value events in Spain, Germany, and France, and at the UITP World Congress in Geneva, Switzerland. In addition to learning from the experiences of other transit professionals beyond our borders, many of APTA's business partners have interests in foreign transportation companies and organizations.

Oxy Gene, the clean air superhero mascot of Community Transit in Snohomish County, WA, spread the word about Dump the Pump Day.

APTA met with many members throughout the year to keep up to date on issues, including Metra in Chicago.



MOUs:

Following APTA's MOU with the Chinese Academy of Transportation Sciences in 2012, this year we signed a memorandum of understanding with the Australasian Bus Association and renewed our collaborative agreement with UITP, the International Association of Public Transport.

Virtual Trade Missions:

In partnership with the U.S. DOT, the U.S. Commercial Service, and the U.S. Trade and Development Agency, APTA sponsored three webinars with transportation professionals in Colombia, China, and Mexico. These events were offered to our members at no cost and are available on the APTA website.

International Speakers:

By inviting speakers from other countries to participate in APTA conferences, our members had the opportunity to learn about new innovations – without the time and expense of travel. Last year, Bus and Rail Conference attendees benefited from the insights of 10 international speakers from Europe, Australia, and Singapore. Among our guests were the United Kingdom's Minister of State for Transport, the Honorable Simon Burns, and Australia's former Deputy Prime Minister Tim Fischer, who participated in the APTA Rail Conference in Philadelphia.

COMMUNICATING OUR STORY

AS THE VOICE OF PUBLIC TRANSPORTATION, APTA CONTINUED TO INFORM, INSPIRE, AND INFLUENCE OPINION LEADERS AND EXTERNAL AUDIENCES BY TELLING COMPELLING STORIES ABOUT OUR INDUSTRY AND ITS ACHIEVEMENTS. WITHOUT THESE INITIATIVES, MUCH OF OUR WORK – AND OUR IDEAS AND OPINIONS – WOULD NEVER REACH A BROADER PUBLIC.

Here are some examples of APTA's communications activities that help our members achieve their goals.

Passenger Transport:

Passenger Transport continued to be a valuable resource as the "voice of public transportation." Throughout the year it featured stories about and from our members, and tracked breaking news in Congress and the industry. The publication also remained a resource for profiling members and APTA staff in recurring columns and accompanying videos.

In his second State of the Industry article, Melaniphy released new information about voters' views on public transportation. A nationwide survey conducted in November 2012 showed overwhelming support for public transportation. These results were successfully publicized in national and local media, and used on Capitol Hill to promote the need for more investment in our industry.

Dump the Pump:

With support from the Sierra Club and the Natural Resources Defense Council, APTA's 8th annual "Dump the Pump" event continued to attract media attention, raise national awareness, and encourage **drivers** to become **riders** by using public transportation to save money.

Ridership:

Public transportation continued to receive national media attention when APTA announced that 2012 ridership was the second highest since 1957 and the seventh consecutive year to top 10 billion trips. National Public Radio, *USA Today*, *The Los Angeles Times*, *CNN.com*, the *Wall Street Journal* blog, and the Reuters and McClatchy wire services all covered the news, which created additional media interest among local and regional news organizations. Washington-based political trades such as *Politico*, *BNA*, *Congressional Quarterly*, *The Hill*, *National Journal*,



PUBLIC TRANSPORTATION CONTINUED TO RECEIVE NATIONAL MEDIA ATTENTION WHEN APTA ANNOUNCED THAT 2012 RIDERSHIP WAS THE SECOND HIGHEST SINCE 1957.

and *Climate Wire* also published stories. Among social media, the *CNN.com* story was re-tweeted more than 200 times and “liked” on Facebook more than 1,300 times.

Social Media / Other Communications Tools:

APTA continued to strengthen its presence on social media sites. We have obtained more than 130,000 “likes” on Facebook and have more than 8,000 followers on Twitter. This year, we created a blog, which features short essays by APTA leaders on various topics. As we prepared to advocate for a new funding bill, APTA began to use these tools to support a grassroots campaign. For example, Facebook and other social/news sites offer APTA the opportunity to display ads, messages, facts, and other influential information to help solicit support and political action.

We also placed increasing emphasis on the use of video this past year. Several promotional segments were created highlighting upcoming APTA conferences. In addition, we asked members at the Bus and Rail conferences about their perspectives on the future of the industry. Those videos are hosted on APTA’s YouTube Channel at www.youtube.com/APTAtv.

Advocacy Outreach:

To communicate APTA’s important advocacy messages beyond the nation’s capital, we conducted a radio media tour during the Legislative Conference in March in Washington, DC. This year’s initiative was the most successful to date. On-air interviews with local general managers and APTA leaders resulted in more than 16.3 million impressions and over 4,700 airings on 2,382 radio stations.

Mineta Institute Survey:

During the APTA Rail Conference, we held a press conference call to discuss the data from the Mineta Institute’s latest survey supporting public transportation funding. The call, which featured Melaniphy, Castillo, Rogoff, former Pennsylvania Gov. Ed Rendell, and SEPTA General Manager Joseph Casey, generated stories in *The Philadelphia Inquirer*, *Transportation Nation*, various other trade publications and on CBS radio.

Earth Day:

Five APTA members – Lee County Transit, Omnitrans, Flint Mass Transportation Authority, Los Angeles Metro, and RUSH CleanTech – were prominently featured in a *USA Today* feature story about the growing number of buses powered by alternative fuels. The article appeared on Earth Day 2013 and helped educate the nation about public transportation’s contribution to a cleaner environment.

SUSTAINABILITY MILESTONE

APTA secured its 100th Sustainability Commitment from members this year. These APTA members have signed a commitment signifying they will implement practices to sustain our environment and our economy. The Los Angeles County MTA received APTA’s first platinum recognition award.

MOBILITY MANAGEMENT GRANT

On June 20, the FTA awarded a grant to APTA, Easter Seals Project ACTION, and the Community Transportation Association of America to promote local public transit. The grant provides technical assistance to help community organizations establish mobility management programs. APTA’s share of the grant is approximately \$250,000.

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