



JOHN M. LEWIS, JR.
Chief Executive Officer

June 2008

Dear Riders,

As we all are aware, the recent hike in gas prices has had a significant impact on not only the Greater Richmond region, but on the nation as a whole. Just as rising gas prices have affected individual commuters, public transportation has felt the effects as well. Like other transit systems across the country, GRTC Transit System has seen a significant increase in overall ridership as a direct result of these rising gas prices.

GRTC understands the needs of our riders and we want to help. We are working to provide the most efficient public transportation possible for our customers; however, we are struggling to match these recent growth demands due to the constraints of our current fleet along with increased operational costs due to the exponential rise in diesel fuel prices. Just as our customers pay at the pumps, so do we here at GRTC Transit System.

Unlike the automobile industry, public transportation buses are made-to-order, and take anywhere from twelve to sixteen months to build. Over the next eight years, GRTC Transit System plans to replace our current fleet of buses as funding becomes available. Our first replacement buses will arrive by the end of this year.

As we wait for these new additions to our fleet to arrive, GRTC is continuing to address the maintenance needs of our oldest vehicles. However, as demand for public transportation continues to rise, we have realized that GRTC will need to continue to utilize its older model vehicles, along with our new buses, in order to continue to provide transit service to our customers. Therefore we ask for your patience as we realize these older models may have maintenance issues, such as air conditioning and so forth. Our Maintenance Department continues to work overtime to keep up with the demands of these older vehicles. We will continue to do our best to strive for excellence and to meet your expectations.

I wanted to personally write this letter to you to express the challenges we here at GRTC Transit System are facing - the increasing costs of operations coupled with increased demand for public transportation service, with limited funding options. I am committed to continuing serving you in the best possible manner and I want to thank each and every one of our customers for their understanding and continued support of GRTC Transit System during this time.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Lewis, Jr.", is positioned above the printed name.

John M. Lewis, Jr.
Chief Executive Officer