



**Virginia Railway
Express**

Gary Skinner
Chairman

Paul Smedberg
Vice-Chairman

Maureen Caddigan
Secretary

Sharon Bulova
Treasurer

John C. Cook
Katie Cristol
John Jenkins
Matt Kelly
Paul Milde
Jennifer Mitchell
Suhas Naddoni
Martin Nohe
Bob Thomas
Jonathan Way

Alternates

Marc Aveni
Pete Burrus
Jay Fisette
Todd Horsley
Frank Jones
Jeanine Lawson
Jeff McKay
Wendy Maurer
Paul Trampe
Billy Withers

Doug Allen
Chief Executive Officer

**1500 King Street, Suite 202
Alexandria, VA 22314-2730**

M I N U T E S

**VRE Operations Board Meeting
PRTC Headquarters - Prince William County, Virginia
July 15, 2016**

Members Present	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
John C. Cook (NVTC)	Fairfax County
Katie Cristol (NVTC)	Arlington County
Matt Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Martin Nohe (PRTC)	Prince William County
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
Bob Thomas (PRTC)	Stafford County
Jonathan Way (PRTC)	City of Manassas

Members Absent	Jurisdiction
John D. Jenkins (PRTC)	Prince William County
Jennifer Mitchell	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park

Alternates Present	Jurisdiction
Pete Burrus	DRPT
Jeanine Lawson (PRTC)	Prince William County
Billy Withers (PRTC)	City of Fredericksburg

Alternates Absent	Jurisdiction
Marc Aveni (PRTC)	City of Manassas
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Jeff McKay (NVTC)	Fairfax County
Wendy Maurer (PRTC)	Stafford County
Paul Trampe (PRTC)	Spotsylvania County

Staff and General Public	
Doug Allen - VRE	Mike Lake - Fairfax County
Donna Boxer - VRE	Lezlie Lamb - VRE
Alex Buchanan - VRE	Bob Leibbrandt - Prince William County
Rich Dalton - VRE	Steve MacIsaac - VRE legal counsel
James Davenport - Prince William County	Eric Marx - PRTC staff
Patrick Durany - Prince William County	Matthew McDermott - Amec Foster Wheeler
Oscar Gonzalez - VRE	Kristen Nutter - VRE
Patricia Happ - NVTC Staff	Lynn Rivers - Arlington County
Chris Henry - VRE	Sonali Soneji - VRE
Christine Hoeffner - VRE	Alex Sugatan - VRE
Scott Kalkwarf - NVTC Staff	Joe Swartz - VRE
Maggie Kasperski - VRE	

* Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.

Chairman Skinner called the meeting to order at 9:02 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

Mr. Kelly moved, with a second by Ms. Bulova, to approve the Agenda. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Approval of the Minutes of the June 17, 2016 Operations Board Meeting – 4

Ms. Caddigan moved, with a second by Mr. Kelly, to approve the Minutes. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Kelly, Milde, Nohe, Skinner, Thomas and Way. Mr. Burrus and Mr. Smedberg abstained.

Chairman's Comments – 5

Chairman Skinner announced the memorial service for Dick Peacock will be held on July 30th at 2:00 P.M. at the Fairfax Station Railroad Museum. He also reminded Board Members there is no Operations Board meeting in August.

Chairman Skinner led the Board in a moment of silence for the police officers who recently lost their lives in the line of duty in Dallas, Texas.

[Ms. Lawson arrived at 9:08 A.M.]

Chief Executive Officer's Report –6

Mr. Allen reported on safety and security activities for the month of June, including:

- Various training events with fire and rescue responders from the District of Columbia, Prince William County, Spotsylvania County and the City of Fredericksburg.
- Training hosted by CSXT on safe operations in work zones.
- Safety blitzes to educate the public regarding rail crossings.

Mr. Allen reported overall on-time performance (OTP) for the month of June was 86 percent and Average Daily Ridership was just under 19,000. Mr. Allen stated he will be giving a presentation at the July 28th Commonwealth Transportation Board (CTB) meeting on VRE's financial and strategic plans. DRPT has hired a contractor to review VRE's plans and report back to the CTB in September.

Mr. Allen gave an update on VRE's activities in response to WMATA's SafeTrack work which began on June 4th. VRE saw a significant increase in ridership when Surge #3 closed segments of the Blue and Yellow Lines. On Tuesday, July 12th, VRE saw record breaking ridership of 23,319. VRE also has had a significant increase in its Mobile App downloads. VRE also expects the surge scheduled for the end of August to impact VRE ridership.

Mr. Smedberg asked about the impact of the WMATA shutdowns and if VRE has received any feedback regarding if new riders' commuting patterns will change permanently after riding VRE. Mr. Henry stated based on rider's comments, VRE does expect to see ridership growth. New riders do seem pleased with VRE's service, especially the clean trains and bathroom facilities. Mr. Allen stated one of the challenges VRE is facing is capacity.

Mr. Allen reported Governor McAuliffe held a press event at the King Street station on July 8th to announce Virginia was awarded \$165 million in a federal FASTLANE grant for the Atlantic Gateway program, which brings together a grand total of \$1.4 billion in road and rail projects. Mr. Allen explained VRE will benefit from this project, including construction of about six miles of a fourth main-line track from the south side of the Potomac River, by the Long Bridge, to Alexandria, and the construction of a third track along about eight miles of the main line between the Franconia-Springfield VRE station and the Occoquan River.

In response to a question from Ms. Cristol, Mr. Allen explained the Long Bridge project is the key to unlocking the rail corridor between the north and the south. The Atlantic Gateway program, in addition to adding a fourth track on the south side of the bridge, finances engineering work that will eventually lead to added capacity on the bridge and uncorking the bottleneck for freight, commuter and long-distance passenger rail service south of the District. In response to a question from Chairman Skinner, Mr. Allen stated this project will also restore the allotted trains slots "loaned" from the Commonwealth back to VRE. This will allow VRE to add two more round-trip trains to its service. VRE is working with VDOT, DDOT, CSXT, and DRPT to coordinate this project Mr. Burrus stated the entire eight-mile stretch from Long Bridge helps create a footprint for the long-term viability of this crucial project which will connect the north to the south.

Mr. Smedberg asked how far the fourth track project will extend and he expressed concerns about constrained areas around Alexandria. He asked if coordination is occurring with Arlington County and the City of Alexandria. Mr. Burrus replied DRPT had an initial meeting with Arlington and Alexandria on July 25th to begin discussions about coordination.

In response to a question from Ms. Caddigan, Mr. Allen stated VRE is coordinating with the Potomac Shores developer on the third track work. Ms. Caddigan asked if the completion date is still expected for 2017. Mr. Allen replied VRE and the developer are working on the timetable for the Potomac Shores station.

VRE Riders' and Public Comment – 7

There were no comments.

Consent Agenda – 8

On a motion by Mr. Kelly and a second by Mr. Way, the Board unanimously approved the following Consent Agenda Items:

- Resolution #8A-07-2016: Authorization to Issue a Request for Proposals for Hosted Back Office Services for Positive Train Control

- Resolution #8B-07-2016: Authorization to Issue an Invitation for Bids for the Purchase of Replacement Railcar Batteries

The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

FY 2018 Key Budget Issues – 9A

Mr. Allen asked the Operations Board to direct staff to develop the FY 2018 Budget and CIP in accordance with the Board's direction. Resolution #9A-07-2016 would accomplish this.

Ms. Boxer reviewed the key budget assumptions for the FY 2018 budget. Staff will return with a draft budget in September. Mr. Kelly stated it is important to know how many new slots VRE will receive through the negotiations of the CSXT Operating Access Agreement following all the improvements in the rail corridor. VRE needs this information as it plans for service enhancements and future expansion. Mr. Allen stated these issues are being discussed. The Long Bridge is the key to creating capacity. Without the Long Bridge improvements, the other improvements are not creating the needed capacity. VRE is working with consultants on capacity modeling.

Mr. Smedberg also noted there could be significant decreases in state funding during key years for VRE expansion and he asked about what VRE modeling has been done. Ms. Boxer stated VRE had conversations with DRPT about state funding assumptions. VRE should estimate no net increase over time as funding will balance out over the long term. On the federal level, VRE's financial consultant PFM has reached out to other rail systems to see how they model federal dollars. She stated without a dedicated funding source, there are many factors that affect funding.

The Board discussed fare and subsidy increases. Mr. Cook noted a three percent fare and subsidy increases alternating every other year will not meet VRE's needs to sustain current operations much less support growth and expansion. Board Members discussed the merits of percentage amounts and frequency of the increases, as well as the elasticity of those increases. Mr. Kelly reminded the Board whatever decisions are made about fares and subsidies, it will not fill the gap in what VRE needs for operations and expansion.

Mr. Kelly moved, with a second by Mr. Smedberg, to approve Resolution #9A-07-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Authorization to Execute a Contract for Federal Relations Services – 9B

Mr. Allen asked the Operations Board to authorize him to execute a contract with Ann Warner, LLC of Alexandria, Virginia for Federal Relations Services in the amount of \$564,000, plus a 10 percent contingency of \$56,400, for a total amount not to exceed \$620,400, for a three-year base period and two option years, with the CEO exercising the option years at his discretion. This contract is for a monthly retainer of \$9,000 per month for the three-year base period and \$10,000 per month for the two option years. Resolution #9B-07-2016 would accomplish this.

Mr. Kelly moved, with a second by Mr. Smedberg, to approve Resolution #9B-07-2016.

Mr. Smedberg asked how VRE plans to make annual assessments of the services provided and the value added to VRE. Mr. Allen stated VRE's Legislative Agenda can be used as part of the evaluation to make sure legislative initiatives are advancing. Ms. Nutter explained the contract includes options allowing VRE to discontinue the contract if it is not satisfied with the firm's performance.

Several Board Members had questions about the amount of the contract, if the firm has the breadth of personnel to cover VRE's needs, and how this contract compares to VRE's previous legislative contracts. Mr. Swartz provided more information. Mr. Way noted the service is needed because VRE has significant state and federal legislative issues and the price is reasonable. He noted the written report provides detailed information on how the firm was selected through a competitive procurement process. Ms. Caddigan noted VRE has options to get out of the contract if it is not satisfied. Mr. Smedberg also affirmed this service has value.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Authorization to Execute a Contract for Environmental and Design Services for a Midday Train Storage Facility – 9C

Mr. Allen asked the Operations Board to authorize him to execute a contract with Vanasse Hangen Brustlin, Inc. (VHB) of Vienna, Virginia, to provide environmental and design services for midday storage facility in the amount of \$2,883,272, plus a 10 percent contingency of \$288,372, for a total amount not to exceed \$3,171,599. Resolution #9C-07-2016 would accomplish this.

Ms. Cristol moved, with a second by Ms. Bulova, to approve Resolution #9C-07-2016.

Ms. Cristol asked about the District of Columbia's plans for a potential deck over the rail yard for pedestrian access. Mr. Allen stated VHB would include options in the design that would not preclude future decking. With real estate at a premium in the District of Columbia, having an option to utilize space over the midday storage area may make economic sense for the future.

The Board then voted unanimously to approve Resolution #9C-07-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Authorization to Execute a Contract for Engineering and Environmental Services for the VRE Penta-Platform Corridor Improvement Project – 9D

Mr. Allen asked the Operations Board to authorize him to execute a contract with STV Incorporated dba STV Group Incorporated (STV), of Fairfax, Virginia to provide engineering and environmental services for the VRE Penta-Platform Corridor Improvement Project in the amount of \$1,983,300, plus a 10 percent contingency of \$198,330, for a total amount not to exceed \$2,181,630. Resolution #9D-07-2016 would accomplish this.

Mr. Allen stated the platform improvements are for five Fredericksburg Line stations (Franconia-Springfield, Lorton, Rippon, Brooke and Leeland Road) in order to improve safety, provide flexibility for railroad operations, and accommodate ridership growth and longer trains proposed in the System Plan 2040. The second platforms at Lorton, Rippon, Brooke and Leeland Road are specified as improvements needed as a prerequisite for adding the new Potomac Shores Station in the MOU with CSXT, DPRT and VRE.

Ms. Bulova moved, with a second by Ms. Caddigan, to approve Resolution #9D-07-2016.

Mr. Way observed all these improvements are on the Fredericksburg Line and asked if there are comparable improvements to the Manassas Line. Mr. Allen replied there is work being done on the Manassas Line as well, including a similar project for the Rolling Road Station. Mr. Burrus asked VRE to be in close coordination with DRPT on the Arkendale/Powell's Creek Third Track project and the Atlantic Gateway project.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Recommend Authorization to Submit VRE Projects to the Commonwealth Transportation Board for Evaluation under Smart Scale – 9E

Mr. Allen asked the Operations Board to recommend the Commissions authorize him to submit, on behalf of the Commissions, the Gainesville-Haymarket Extension (GHX) Project and the Fredericksburg Line Capacity Expansion Project to the CTB for evaluation under the Smart Scale (formerly known as HB2) scoring process and funding considerations in the FY 2022-23 Program, make any necessary corrections to project amounts or descriptions in the applications and execute all project funding agreements that may result from consideration of the projects. Resolution #9E-07-2016 would accomplish this.

Mr. Kelly moved, with a second by Ms. Caddigan, to approve Resolution #9E-07-2016.

Mr. Way noted GHX is one of several projects VRE might want to submit for federal funding. There are also the Ivy City storage and the Long Bridge projects. He asked if this action would preempt some of these other projects seeking funding. Mr. Allen replied it would not preempt other projects. As opportunities present themselves, VRE wants to take

advantage to progress different projects. VRE is also contemplating seeking federal New Starts funding for the GHX project, as well as NVTAF funding. In response to a question from Ms. Lawson, Mr. Allen stated all three GHX station areas are being submitted for consideration.

Mr. Kelly stated as chair of FAMPO, he thanked the VRE Operations Board for considering projects for the southern end of the system. They also met with DRPT on SmartScale issues. He stated it is important to look at VRE in its totality and to not look at it jurisdictionally since improvements need to be made throughout the entire system.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Spending Authority Report – 10A

Mr. Allen reported on the following expenditures described in the written report, including a Supplemental Task Order to NV Enterprises for \$50,000 for general on-call task services, a Task Order to STV Inc., for \$84,077 to support work on a parking count solution; and a Task Order to STV Inc. for \$53,870 to prepare a technical specification to contract PTC Back Office Services.

Draft 2016-2017 Legislative Agenda – 10B

Mr. Allen stated the Legislative Agenda has been prepared for Board comment. The Operations Board will be asked to take action in September recommending a Legislative Agenda to the Commissions.

Mr. Way stated Issue #1 “Protective Floor for the Regional 2.1 Percent Motor Fuels Tax” should express the severity of the situation. He suggested adding “...tax generates far less revenue than expected due to the drop in fuel prices and an existential threat to PRTC and serious operational constraints for VRE.” There were no objections to adding this language.

Gainesville-Haymarket Extension Study Work Session – 10C

Christine Hoeffner introduced Ken Sislak from AECOM. Ms. Hoeffner stated VRE is in the early stages of the study, gathering information and data to help the decision making process move forward. The timeline includes selecting an alternative by summer 2017. Mr. Sislak reviewed the major milestones on the study timeline.

In response to a question from Ms. Cristol about dedicated funding for operations, Mr. Allen stated getting funding for the extension is key. VRE’s Financial Plan shows the need for a dedicated funding source. Mr. Cook stated VRE will need \$40 million annually to just stay in business and \$60 million a year to be able to expand the System Plan, which would include the GHX extension.

Mr. Nohe asked about the analysis of ridership and how it relates to the number of riders versus number of new riders. Mr. Sislak explained part of this process is to make sure the GHX Extension makes sense from an economic point of view. In response to a question

from Mr. Marx, Mr. Sislak explained the process of estimating ridership and costs will continue through the process until final engineering is completed and VRE goes to FTA for a full funding grant agreement.

Mr. Cook reminded the Board VRE cannot do the projects without state funding for operations. The drop dead date is April 2018 because if the General Assembly doesn't approve operating funds, VRE cannot go to the federal government for funding. VRE has two General Assembly Sessions to get legislation passed for dedicated state operating assistance.

Ms. Cristol suggested adding language to VRE's Legislative Agenda. Mr. Cook replied it is in there but not explicit. Mr. Allen stated staff can expand the language and bring it back in September.

Closed Session – 10

Mr. Smedberg moved, with a second by Mr. Nohe, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (1) of the Code of Virginia), the VRE Operations Board authorizes a Closed Session for the purpose of discussing a personnel matter.

The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

The Board entered into Closed Session at 11:01 A.M. and returned to Open Session at 12:07 P.M.

Mr. Smedberg moved, with a second by Ms. Caddigan, the following certification:

The VRE Operations Board certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session:

1. Only public business matters lawfully exempted from open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia were discussed; and
2. Only such public business matters as were identified in the motion by which the Closed Session was convened were heard, discussed or considered.

The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Kelly, Lawson, Milde, Nohe, Skinner, Smedberg, Thomas and Way.

Mr. Smedberg moved, with a second by Ms. Caddigan, to recommend the Commissions amend the VRE Chief Executive Officer's contract based on the recommendation discussed in Closed Session.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Lawson, Milde, Nohe, Skinner, Smedberg and Way. Mr. Kelly and Mr. Thomas voted in opposition.

Operations Board Members Time – 11

There were no comments.

Adjournment

Without objection, Chairman Skinner adjourned the meeting at 12:08 P.M.

Approved this 16th day of September 2016.

Gary F. Skinner
Chairman

Maureen Caddigan
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the July 15, 2016 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest