



**Virginia Railway
Express**

Paul Smedberg
Chairman

Maureen Caddigan
Vice-Chairman

Katie Cristol
Secretary

Paul Milde
Treasurer

Sharon Bulova
John C. Cook
John D. Jenkins
Matt Kelly
Jennifer Mitchell
Suhas Naddoni
Martin Nohe
Pamela Sebesky
Gary Skinner
Bob Thomas

Alternates

Ruth Anderson
Pete Candland
Hector Cendejas
Libby Garvey
Todd Horsley
Jeremy Latimer
Jeanine Lawson
Tim Lovain
Wendy Maurer
Jeff McKay
Michael McLaughlin
Paul Trampe
Billy Withers
Mark Wolfe

Doug Allen
Chief Executive Officer

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

MINUTES

**VRE Operations Board Meeting
PRTC Headquarters – Prince William County, Virginia
December 15, 2017**

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
John D. Jenkins (PRTC)	Prince William County
Matt Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Suhas Naddoni (PRTC)	City of Manassas Park
Martin Nohe (PRTC)	Prince William County
Pamela Sebesky (PRTC)	City of Manassas
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
Bob Thomas (PRTC)	Stafford County
Members Absent	Jurisdiction
Jennifer Mitchell	DRPT
Alternates Present	Jurisdiction
Ruth Anderson (PRTC)	Prince William County
Libby Garvey (NVTC)	Arlington County
Michael McLaughlin	DRPT
Jeanine Lawson (PRTC)	Prince William County
Alternates Absent	Jurisdiction
Pete Candland	Prince William County
Hector Cendejas (PRTC)	City of Manassas Park
Todd Horsley	DRPT
Jeremy Latimer	DRPT
Tim Lovain (NVTC)	City of Alexandria
Wendy Maurer (PRTC)	Stafford County
Jeff McKay (NVTC)	Fairfax County
Paul Trampe (PRTC)	Spotsylvania County
Billy Withers (PRTC)	City of Fredericksburg
Mark Wolfe (PRTC)	City of Manassas
Staff and General Public	
Doug Allen – VRE	Naquana Jenkins – VRE
Paolo Belita – Prince William County	Cindy King – VRE
Nydia Blake – Prince William County	Mike Lake – Fairfax County DOT
Alex Buchanan – VRE	Lezlie Lamb – VRE
Colin Burch – DRPT	Bob Leibbrandt – Prince William County
Matt Cheng – NVTC	Steve MacIsaac – VRE Legal Counsel
Rich Dalton – VRE	Kate Mattice – NVTC
Andrew D’huyvetter – NVTC	Kristen Nutter – VRE
Curtis Duncan – STV	Mark Schofield – VRE
Julie Elliott – Stafford County	Cindy Shelton – Stafford County Board
Jeremy Flores – VRE	Steve Sindiong – City of Alexandria
Paul Garnett – Keolis	Alex Sugatan – VRE
Robert Gibbons – Citizen	Joe Swartz – VRE
Rhonda Gilchrest – NVTC	Norine Walker – VRE
Chris Henry – VRE	Ciara Williams – DRPT
Christine Hoeffner – VRE	Detrius Williams – VRE
Pierre Holloman – Arlington County	Jennifer Young – VRE
Robert Hostelka – VRE	

Chairman Smedberg called the meeting to order at 9:13 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

Chairman Smedberg suggested Agenda Item #9B “Recommend Approval to Refinance VRE RRIF Loan” be moved to the end of the Agenda after a Closed Session. There were no objections.

Ms. Caddigan moved, with a second by Ms. Bulova, to approve the Amended Agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Approval of the Minutes of the November 17, 2017 Operations Board Meeting – 4

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

Chairman’s Comments –5

Chairman Smedberg announced Governor-Elect Northam has reappointed Jennifer Mitchell to continue to serve in her role as DRPT Director.

Chairman Smedberg announced this is the last Operations Board meeting for Mr. Thomas and Mr. Milde. He stated Mr. Thomas has represented the Stafford County Board of Supervisors since 2011 and has served on PRTC and VRE since 2013. Mr. Thomas is the presumptive Delegate-Elect to represent the 28th District in the House of Delegates. Chairman Smedberg stated VRE looks forward to continuing to work with Mr. Thomas in his new role. He presented a plaque and framed VRE photograph to Mr. Thomas in appreciation of his service on the Operations Board. Mr. Thomas thanked the Board and observed the VRE Operations Board works well together because it is a collaborative and non-partisan. He looks forward to continuing a good relationship with VRE in his role in the General Assembly.

Chairman Smedberg stated Mr. Milde has served on the VRE Operations Board for the past 11 years and has served as an officer for seven of those years. Mr. Milde served as chairman in 2010 and 2014 and under his leadership VRE operations transitioned from Amtrak to Keolis; four locomotives were purchased; the System 2040 Plan was developed; the Corridor Improvement Project MOU was amended to add the Potomac Shores Station; the Master Agreement was amended to comply with legislation giving DRPT a weighted vote; and the Board Member Recognition Program was established. Chairman Smedberg presented Mr. Milde with a plaque and framed VRE photograph in appreciation of his service to VRE.

Mr. Milde thanked Robert Gibbons, an founding early member of the Operations Board, for attending today’s meeting since he was instrumental in bringing Mr. Milde onto the

Operations Board and took him under his wing. Mr. Milde stated the Operations Board is one of his favorite boards because of the way members work together, as well as seeing all the progress VRE has made over the years.

Board Members had an opportunity to express their appreciation to Mr. Thomas and Mr. Milde. Mr. Allen concluded by thanking them both for their service.

Chief Executive Officer's Report –6

Mr. Allen recapped VRE's recent safety and security activities for the past month, including a perimeter fencing upgrade at the Broad Run Station and continued training of multiple first responders. He stated VRE puts an emphasis on safety and emergency training and it is good to see it has an impact. VRE recently received a letter from a family whose son had a medical emergency at the Burke Centre Station. VRE crews and other passengers assisted with first aid. This young man has fully recovered and his family credits the availability of the emergency medical equipment and the training of VRE crews with being a factor in his positive outcome.

Mr. Allen reported on-time performance for November was 91 percent system wide and average daily ridership was 19,700. He also gave a brief update on the December 9th Operation Lifesaver Santa Trains and the associated Toys for Tots campaign. Weeks of planning, coordinating and preparing went into this annual event involving 13 trains from five different stations throughout the day. He gave special recognition to several members of VRE's Communication and Operations Department, including Jennifer Young, Jeremy Flores, Cindy King and Naquana Jenkins for their hard work to make the event a success. He also acknowledged the rest of the VRE staff, Keolis crews, CSX, Norfolk Southern, and the City of Manassas City Manager Pat Pate, as well as the police department, for their enhanced safety during the event.

Mr. Allen also reported the Lorton Station Platform Extension project was completed and opened for use on December 11th. Rolling Road is the next extension project.

Chairman Smedberg acknowledged Cindy Shelton, who was elected to the Aquia District seat on the Stafford County Board of Supervisors, replacing Mr. Milde.

VRE Riders' and Public Comment – 7

There were no rider comments.

Consent Agenda – 8

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

- Resolution #8A-12-2017: Authorization to Issue an Invitation for Bids for the Purchase and Delivery of Seat Bottoms for Passenger Railcars
- Resolution #8B-12-2017: Authorization to Issue a Request for Proposals for Construction Management Services for the Lifecycle Overhaul and Upgrade Facility

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Referral of the Amended FY 2018 and Recommended FY 2019 VRE Operating and Capital Budgets to the Commissions and Localities – 9A

Chairman Smedberg stated the Operations Board is asked to adopt the revised FY 2018 and recommended FY 2019 VRE Operating and Capital budgets and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption; and to recommend the Commissions authorize the executive directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding. Resolution #9A-12-2017 would accomplish this.

Mr. Buchanan reviewed the budget process and key budget assumptions. The recommended FY 2019 Operating and Capital Budget totals \$149.5 million (\$88.5 million in operating and \$60.9 million in capital). The budget is balanced and includes funding for the highest priority capital projects. Service levels will remain at 32 daily revenue trains. The jurisdictional subsidy will increase by three percent, with no fare increase except for a \$1 increase in the Amtrak Step-Up ticket. Moderate fuel costs are projected and average daily ridership is projected at 19,000. The budget includes one new FTE position (grant accountant).

Mr. Buchanan thanked the CAO Task Force for working with VRE on the budget, especially co-chairs Bob Leibbrandt and Mike Lake. The CAO Task Force supports the three percent subsidy increase, the Amtrak Step-Up increase, and one additional staffing position. The Capital Committee also reviewed the capital program in November.

Mr. Buchanan stated the FY 2018 Amended Budget has a net increase of \$0.4 million in operating and a net increase of \$16 million in capital, representing SmartScale and REF grants that were not yet committed at this time last year and capital reserve funding to keep projects moving forward.

Mr. Schofield reviewed the FY 2019 Capital Budget totaling \$60.9 million. He gave an update on the Washington Union Terminal. VRE has been budgeting future federal funds for investments for the Washington Union Terminal. Looking ahead through 2022, construction and design projects have been identified. The preliminary ask for VRE's share over the six-year period is \$25-30 million (before potential credits). Mr. Schofield reviewed the 2019-2024 CIP and the capital funding challenges facing VRE in the coming years. If not addressed, the state transit fiscal cliff will impact key capital projects like mid-day storage and matching of federal formula grants.

Mr. Schofield stated the fiscal cliff will also impact operating as funds for track access fee reimbursement will decline substantially. VRE stands to lose \$30 million over six years if the state match falls to eight percent. If access fee support drops from 84 percent to 50 percent, VRE faces a loss of an additional \$19 million over six years. He stated if the fiscal cliff is not addressed this General Assembly Session, VRE could "muddle through" for a year or two but sustained decline in access fee funding could force reduction in service. This could result in a "death spiral" if riders seek other options. He reminded the Board

discretionary funding for expansion (NVT, SmartScale, I-66 Outside the Beltway) cannot be repurposed, which will not solve core funding issues.

Mr. Schofield outline the six-year CIP and broke down the active and future projects, and the associated expected funding. Chairman Smedberg asked when the Long Bridge project will get elevated to “active” status. Mr. Allen stated he considers it an active project in that the project is in the Environmental Impact Statement phase, even though funding has not been committed. Funding starts to ramp up when design starts. Mr. McLaughlin stated there was a public meeting on the EIS last night. He stated when preliminary engineering begins is, generally speaking, when the real money starts being spent.

Mr. Schofield stated Resolution #9A-12-2017 has been amended to delete the last resolve clause to remove language no longer needed.

Mr. Cook expressed his opinion using capital reserve funds to respond to the fiscal cliff is not a good practice. VRE needs to be prepared if the General Assembly does not address the fiscal cliff this Session. If it is not addressed, the Operations Board should consider in April 2018 asking staff to put together a shutdown plan. He stated this is a serious issue because in 2022 VRE would not have a sustainable budget. VRE’s messaging needs to include this. Mr. Schofield agreed dipping into capital reserves is bad practice. Mr. Cook stated VRE will need to look at its legal obligations regarding committed funds if service needs to shut down.

Ms. Cristol stated VRE’s legislative strategy and message should use the words “death spiral” and be clear about how the fiscal cliff impacts VRE. Ms. Bulova stated the Governor’s budget is being released December 18th and it is anticipated it will address Metro funding and the fiscal cliff. She stated it is critical for VRE to be clear on how VRE is impacted if the General Assembly does not address the fiscal cliff. She suggested putting together easy to understand factoids to include in VRE’s legislative strategy to help convey this message to legislators. Mr. Nohe stated he is optimistic on General Assembly action to address the fiscal cliff, but expressed some concern WMATA issues may cause some problems for VRE. Ms. Cristol stated Board Members need to be unified in the message that addressing the fiscal cliff is necessary but not sufficient. Mr. Kelly expressed his concern the General Assembly will not permanently fix the issue. If VRE needs to use its capital reserves to address the fiscal cliff, it means the 2040 expansion is off the table. There needs to be a long-term solution.

Mr. Kelly moved, with a second by Ms. Bulova, to approve Resolution #9A-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Authorization to Execute an Agreement with Amtrak to Conduct Ground Surveys for the Mid-Day Storage Facility Project – 9C

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to execute an agreement with the National Passenger Railroad Corporation (Amtrak) allowing collection of ground surveys for a mid-day storage facility in an estimated amount of \$278,881, plus a 10 percent contingency of \$27,888, for a total not to exceed \$306,769. Resolution #9C-12-2017 would accomplish this.

Mr. Allen explained the agreement will provide access, flagging, and other support activities during the collection of field data in support of the proposed Mid-Day Storage Replacement Facility.

Mr. Kelly moved, with a second by Mr. Skinner, to approve Resolution #9C-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Authorization to Execute Contract Options for Purchase and Delivery of Locomotive Fuel to VRE Yards – 9D

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to execute a fourth option year for the purchase and delivery of locomotive fuel contracts with James River Solutions of Ashland, Virginia for fuel at the Crossroads Yard and Griffith Energy Services, Inc. of Manassas, Virginia for fuel at the Broad Run Yard for the year ending June 30, 2019. The contract option with James River Solutions is being recommended in an amount not to exceed \$2,507,500, for a period of one year. The contract option with Griffith Energy Services, Inc. is being recommended in an amount not to exceed \$1,742,500, for a period of one year. Resolution #9D-12-2017 would accomplish this.

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9D-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Authorization to Extend the Lease Agreement for Parking at the Rippon Station – 9E

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to extend a Lease Agreement with KP Big Crest Lane, LLC for parking at the Rippon Station in the amount of \$178,466 for one year. Resolution #9E-12-2017 would accomplish this.

Ms. Caddigan moved, with a second by Mr. Naddoni, to approve Resolution #9E-12-2017.

In response to a question from Mr. Nohe, Mr. Allen explained the proffer statement/development plan stipulates until the parking garage is constructed and available for use, VRE must lease the surface parking. Once the parking facility is built by the developer, parking for VRE will be embedded in the development. Mr. Nohe understands VRE's hands are tied with the agreement, but the original intent of the proffer was for VRE to gain parking and not have to lease it long-term.

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

Authorization to Execute an Agreement for Project Controls Software License and Related Integration and Training – 9F

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to execute an agreement to acquire e-Builder project controls software licenses and related training in the amount of \$202,028, plus a 10 percent contingency of \$20,203, for a total not to exceed \$222,231. Resolution #9F-12-2017 would accomplish this.

Mr. Allen explained this software will provide a centralized, consistent, and comprehensive tool for staff to organize, monitor and manage VRE capital improvement projects through planning, design and construction.

Mr. Thomas asked about initial costs versus future annual costs. Mr. Hostelka explained the initial costs are for acquisition of the software package and requisite licenses for its use, assistance with integrating it into VRE's system, and training. Annual costs are expected to be approximately \$50,000.

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9F-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Authorization to Amend the Mechanical Engineering Consulting Services Contract (MEC VI) – 9G

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to amend the Mechanical Engineering Consulting Services Contract (MEC VI) in accordance with the revised Virginia Public Procurement Act (VPPA). Resolution #9G-12-2017 would accomplish this.

Mr. Allen explained the VPPA was amended on October 1, 2016 to increase the allowable maximum aggregate value of all Task Orders initiated to \$6,000,000 per year for Professional Engineering contracts. This action would amend the MEC VI contract's annual limit to \$6,000,000 as well as the total not to exceed amount to \$23,000,000 over the five-year term of the contract.

Ms. Bulova moved, with a second by Ms. Caddigan, to approve Resolution #9G-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Resolution of Support for Prince William County's Application for Route 28 Corridor Improvements Funding for the NVTa FY 2018-2023 Six Year Program – 9H

Chairman Smedberg stated the Operations Board is asked to support Prince William County's application for the Route 28 Corridor Improvements (Fitzwater Drive to Pennsylvania Avenue) project for funding consideration in the Northern Virginia Transportation Authority's FY 2018-2023 Six Year Program (SYP). Resolution #9H-12-2017 would accomplish this.

Ms. Caddigan moved, with a second by Mr. Milde, to approve Resolution #9H-12-2017.

Mr. Nohe gave some background on the Route 28 project, which is a longstanding project and in theory fully funded. It has become clear the project needs to be modified because of VRE's Manassas Line Rail Capacity Enhancement project. The two projects complement each other in support of future VRE growth. Chairman Smedberg noted this action has no fiscal impact to VRE.

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

Resolution of Support for Arlington County's Application for Crystal City Metrorail Station East Entrance and Intermodal Connections Funding for the NVTA FY2018-2023 Six Year Program –9I

Chairman Smedberg stated the Operations Board is asked to support Arlington County's application for the Crystal City Metrorail Station East entrance and Intermodal Connections for funding consideration in NVTA's FY 2018-2023 Six Year Program. Resolution #9I-12-2017 would accomplish this.

Mr. Allen explained Arlington County has asked for a resolution of support from the VRE Operations Board as an interested stakeholder in the project, which will provide connectivity with VRE and the Crystal City Potomac Yard Transitway. The new Metrorail station entrance is aligned with the preferred site for the proposed VRE Crystal City Station. Ms. Cristol observed synchronicity to Metro is important and Arlington County appreciates VRE's support. Chairman Smedberg noted this action has no fiscal impact to VRE.

Ms. Cristol moved, with a second by Ms. Bulova, to approve Resolution #9I-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Approval of 2018 VRE Officers – 9J

Chairman Smedberg asked Ms. Caddigan and Ms. Bulova, who served as the Nominating Committee, to give a report. Ms. Caddigan reminded the Board the office of chairman is rotated each year between the two Commissions. She is unable to serve as chairman next year but since she has a vested interest in the Potomac Shores Station, she would like to continue as an officer in the role of secretary. She thanked Mr. Nohe for agreeing to be nominated as chairman. The Nominating Committee recommends the following slate of officers for 2018:

Chairman:	Martin Nohe (PRTC)
Vice-Chairman:	Katie Cristol (NVTC)
Secretary:	Maureen Caddigan (PRTC)
Treasurer:	John Cook (NVTC)
Immediate Past Chairman:	Paul Smedberg (NVTC)

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9J-12-2017, which approves the recommended slate of officers.

Mr. Kelly observed Mr. Nohe will make a great chairman; however, the southern jurisdictions' priorities are often different than the northern jurisdictions so it is important to have the southern jurisdictions represented. He suggested updating the By-Laws to include an At-Large Member on the Executive Committee. Mr. Thomas observed a Stafford County member was positioned to fill an officer spot but these are unique circumstances in which both Stafford County representatives on VRE will be replaced with new members. It did not seem fair to the Operations Board to replace that position with a newly appointed member.

Mr. Nohe stated his intent, as the chair of VRE and NVT, to meet with FAMPO to discuss and align regional issues important to the southern jurisdictions. Chairman Smedberg also noted officers are receptive to hear about any issues or concerns a jurisdiction may have. Mr. Skinner expressed his opinion it is important Ms. Caddigan remain on the Executive Committee for her involvement with the Potomac Shores Station. Mr. Cook stated Mr. Kelly makes a good point but noted the Executive Committee meetings are open meetings so any member can participate. Chairman Smedberg also noted there are several committees (Capital Committee, Legislative Committee) where Board Members can participate.

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

Chairman Smedberg stated the new officers will be sworn in at the January 19th meeting.

Spending Authority Report –10A

Chairman Smedberg stated the written report provides details on the following expenditures to report for November 2017:

- Task Order for \$59,771 to Vanasse Hangen Brustlin, Inc. for preliminary site investigations and development of a project implementation plan for L'Enfant Station and track improvements.
- Task Order for \$75,000 to Kensington Consulting, LLC for Facility Design Consulting and Assessment.
- Task Order for \$88,776 to RPI Group, Inc. for Management of Inventory of Security Camera and Access Control Components.
- Amended Blanket Purchase Order with Digilink, Inc from \$50,000 to an amount not to exceed \$100,000 for printing services.

There were no questions.

Departing Staff Recognition

Mr. Allen recognized Jeremy Flores, who will be leaving VRE to take a new job at the Federal Transit Administration. Mr. Allen thanked him for Mr. Flores for his years of service and wished him well in his new position.

Closed Session – 11

Chairman Smedberg moved, with a second by Ms. Cristol, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711.A (1) and (8) of the Code of Virginia), the VRE Operations Board authorized a Closed Session for the purpose of discussing one personnel matter involving a contractor employed by VRE, and one matter requiring consultation with legal counsel and necessary staff concerning the terms and conditions of a proposed Virginia Resources Authority refinancing of an existing Railroad and Rehabilitation Improvement Financing loan.

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

The Board entered into Closed Session at 10:53 A.M. Mr. Skinner left at 11:01 A.M. during the Closed Session and did not return. The Board returned to Open Session at 11:30 A.M.

Chairman Smedberg moved, with a second by Ms. Bulova, 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, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Smedberg and Thomas.

Recommended Approval to Refinance VRE RRIF Loan – 9B

Chairman Smedberg stated the Operations Board is asked to recommend the Commissions approve a debt financing agreement with the Virginia Resources Authority (VRA) for the purpose of achieving debt service savings through a refinancing of VRE's existing Railroad Rehabilitation and Improvement Financing (RRIF) loan that was used to purchase railcars. Resolution #9B-12-2017 would accomplish this.

Mr. Nohe moved, with a second by Ms. Cristol, to approve Resolution #9B-12-2017 with the following amendments:

- Add a fifth whereas clause: "The VRE Operations Board recognizes the value of the VRA refinancing option to the VRE, due to the estimated savings of 12 percent of net present value, and also recognizing the need to move forward quickly in order to accommodate VRA's schedule."

- Amend the existing resolve clause to add “Draft” prior to “VRA Term Sheet” and to add the following wording to the end of the sentence: “subject to reasonable and responsible resolution of issues currently under negotiation.”

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Smedberg and Thomas.

Operations Board Member Time – 12

Ms. Caddigan wished everyone a Merry Christmas and Happy Holidays.

Adjournment

Mr. Milde moved, with a second by Mr. Thomas, to adjourn. Without objection, Chairman Smedberg adjourned the meeting at 11:33 A.M.

Approved this 16th day of February 2018.

Signature on File

Martin Nohe
Chairman

Signature on File

Maureen Caddigan
Secretary

CERTIFICATION

This certification hereby acknowledges the minutes for the December 15, 2017 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest