



**Virginia Railway
Express**

Martin E. Nohe
Chairman

Katie Cristol
Vice-Chairman

Maureen Caddigan
Secretary

John C. Cook
Treasurer

Sharon Bulova
Mark Dudenhefer
John D. Jenkins
Matt Kelly
Wendy Maurer
Jennifer Mitchell
Suhas Naddoni
Pamela Sebesky
Gary Skinner
Paul C. Smedberg

Alternates

Ruth Anderson
Pete Candland
Jack Cavalier
Hector Cendejas
Libby Garvey
Jason Graham
Todd Horsley
Jeanine Lawson
Tim Lovain
Jeff McKay
Michael McLaughlin
Cindy Shelton
Paul Trampe
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
November 16, 2018**

Members Present	Jurisdiction
Maureen Caddigan (PRTC)	Prince William County
John Cook (NVTC)	Fairfax County
Katie Cristol (NVTC)	Arlington County
Mark Dudenhefer (PRTC)*	Stafford County
Matt Kelly (PRTC)	City of Fredericksburg
Wendy Maurer (PRTC)	Stafford County
Suhas Naddoni (PRTC)	City of Manassas Park
Martin E. Nohe (PRTC)	Prince William County
Pamela Sebesky (PRTC)	City of Manassas
Paul Smedberg (NVTC)	City of Alexandria

Members Absent	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
John D. Jenkins (PRTC)	Prince William County
Jennifer Mitchell	DRPT
Gary Skinner (PRTC)	Spotsylvania County

Alternates Present	Jurisdiction
Jeanine Lawson (PRTC)	Prince William County
Mike McLaughlin	DRPT

Alternates Absent	Jurisdiction
Ruth Anderson (PRTC)	Prince William County
Pete Candland (PRTC)	Prince William County
Jack Cavalier (PRTC)	Stafford County
Hector Cendejas (PRTC)	City of Manassas Park
Libby Garvey (NVTC)	Arlington County
Jason Graham (PRTC)	City of Fredericksburg
Todd Horsley	DRPT
Tim Lovain (NVTC)	City of Alexandria
Jeff McKay (NVTC)	Fairfax County
Cindy Shelton (PRTC)	Stafford County
Paul Trampe (PRTC)	Spotsylvania County
Mark Wolfe (PRTC)	City of Manassas

Staff and General Public	
Khadra Abdulle – VRE	Todd Johnson – First Transit
Doug Allen – VRE	Lezlie Lamb – VRE
Monica Backmon – NVTA	Bob Leibbrandt – Prince William County
Paolo Belito – Prince William County	Steve MacIsaac – VRE Legal Counsel
Alexander Buchanan – VRE	Betsy Massie – PRTC
Dwight Buracker – PBMAres	Kate Mattice – NVTC
Colin Burch – DRPT	Becky Merriner – PRTC
Matt Cheng – NVTC	Kristin Nutter – VRE
Rich Dalton – VRE	Pat Porzillo – HDR
John Duque – VRE	Renee Rosales – Stafford County
Julie Elliott – Stafford County	Dr. Bob Schneider – PRTC
Lucy Gaddis – VRE	Mark Schofield – VRE
Arnold Gilbo – Keolis	Steve Sindiong – City of Alexandria
Chris Henry – VRE	Sonali Soneji – VRE
Christine Hoeffner – VRE	Joe Swartz – VRE
Pierre Holloman – Arlington County	Michelle Trunam – Prince William County
Xavier Harmony – DRPT	Ann Warner – Ann Warner, LLC
Cindy King – VRE	

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

Chairman Nohe called the meeting to order at 9:11 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

Ms. Cristol moved, with a second by Mr. Kelly to approve the Agenda. The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Approval of the Minutes of the September 21, 2018 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 Caddigan, Cook, Cristol, Dudenhefer, Kelly, McLaughlin, Nohe, Sebesky, and Smedberg. Board Members Lawson, Maurer and Naddoni abstained.

[Mr. Dudenhefer arrived at 9:13 A.M.]

Chairman's Comments –5

Chairman Nohe announced the Audit Committee met with Dwight Buracker, from the audit firm PBMares, to receive the FY 2018 Financial Statements and Audit Report and that Mr. Buracker would report to the rest of the Operations Board later in the meeting.

Chairman Nohe reminded Board Members that the date of the December Operations Board meeting was changed from the third Friday to the second Friday, December 14th, to avoid conflict with members holiday plans.

Chairman Nohe announced he was appointing Ms. Bulova and Ms. Caddigan to the nominating committee for the slate nominees for 2019 Operations Board Officers. The Board will vote on the nominees in December and the Officers will be installed at the January 2019 Operations Board meeting.

Chief Executive Officer's Report –6

Mr. Allen reported VRE participation in Grade Crossing and Trespassing Prevention Summit hosted by FRA Administrator Ron Batory and Department of Transportation Secretary Elaine Chao. Leaders from major freight and commuter carriers were in attendance where experts presented outreach and enforcement programs similar to those employed by VRE.

Mr. Allen asked Mr. Dalton to report on Positive Train Control implementation efforts. Mr. Dalton reported VRE is making good progress toward PTC implantation. He detailed upcoming milestones involved with "interoperability testing" which need to be met over the course of the next six weeks. Mr. Dalton explained VRE has met all the statutory requirements, making it eligible for an "alternative schedule" if implantation slips past the first of the year. VRE is, nevertheless, proceeding with a planned implementation by the end of the year.

Mr. Allen reported ridership for October was around 19,000 daily riders and On-Time Performance was 86 percent. Mr. Allen observed On-time performance is trending up from issues experienced over the summer, but VRE is still being impacted by rail congestion due to the loss of the third track in Alexandria. The repairs to the track and bridge, caused by a freight derailment in May, is expected to be completed by the end of the year.

Mr. Allen reported VRE had taken new NVTC Commissioners on an abbreviated system tour to give them an overview of operations. Mr. Allen briefed the Board on the implications of the Amazon HQ2 announcement for VRE Crystal City Station. He reported VRE will also undertake an update of its System Plan 2040 with this and other recent developments in mind.

Mr. Allen informed the Board on progress being made on development of the Potomac Shores Station. VRE hosted a meeting with the developer and CSX to discuss modifications to the station concept to simplify its construction within railroad requirements. Ms. Caddigan thanked VRE staff for facilitating the coordination.

Mr. Allen announced the upcoming Operation Lifesaver Santa Trains and Toys for Tots holiday events. Onboard collection of new, unwrapped toys will take place on all morning trains on December 5th, and Santa Trains are scheduled for December 8th. Mr. Allen stated tickets would be sold to the public beginning at 9:00 A.M. on Monday, November 19th.

VRE Riders' and Public Comment – 7

There were no rider comments.

Consent Agenda - 8

On a motion by Mr. Kelly and a second by Ms. Maurer, the Operations Board unanimously approved the following Consent Agenda:

- Resolution #8A-11-2018: Authorization to Issue and Invitation for Bids for Delivery of Diesel Fuel for VRE locomotives
- Resolution #8B-11-2018: Approval of Correction to Resolution 9H-09-2017

The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Authorization to Forward the FY 2018 Audited Financial Statements and Auditor's Report to the Commission – 9A

Chairman Nohe stated the Operations Board is asked to accept the FY 2018 Comprehensive Annual Financial Report and associated information from the auditors and to authorize the CEO to forward this information to the Commissions for their consideration. Resolution #9A-11-2018 would accomplish this.

Chairman Nohe invited Dwight Buracker from PBMAres, LLP, who met with the VRE Audit Committee prior to this meeting, to report the findings of the audit to the full Operations Board. Mr. Buracker stated PBMAres has issued an unmodified opinion, which is the best opinion. The opinion letter states the VRE financial statements, in all material respects, fairly and accurately present the financial position of the organization.

Mr. Cook moved to approve Resolution #9A-11-2018 with the following amendment: “and directs staff to report to the Board the recommendations in the auditor’s letter to engage a review of cyber vulnerabilities. Mr. Smedberg seconded the motion as amended. Mr. Buracker followed up by explaining that the recommendation was not a result of findings, but rather a standard recommendation his firm is making to all clients this year. The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Recommend Approval of the 2019 VRE Legislative Agenda – 9B

Mr. Allen stated the Operations Board is being asked to recommend the Commissions approve the 2019 VRE Legislative Agenda and authorize him to actively pursue the elements set forth.

Mr. Swartz reminded the Board that they had a thorough discussion on the development of the Legislative Agenda in October and there had been no changes.

Ms. Cristol stated she appreciated the feedback and thanked staff for their work on the development of the 2019 VRE Legislative Agenda.

Ms. Cristol moved, with a second by Mr. Cook, to approve Resolution #9B-11-2018. The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Authorization to Issue an MEC VI Task Order for National Transit Database and Asset Management Reporting, Phase IV – 9C

Mr. Allen stated the Operations Board is being asked to authorize him to issue a task order with STV, Incorporated, under the Mechanical Engineering Consulting Services contract for National Transit Database and Asset Management Reporting in an amount not to exceed \$452,709.

Mr. Kelly moved, with a second by Ms. Maurer, to approve Resolution #9C-11-2018. The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Authorization to Amend the Contract for the Rehabilitation of Wheelsets and Traction Motor Assemblies – 9D

Mr. Allen stated the Operations Board is being asked to authorize him to increase the amount authorized by \$1,420,101 for the remaining three option years on the contract with UTCRAS, LLC for Rehabilitation of Wheelsets and Traction Motor Assemblies in an amount not to exceed \$1,893,468, for the base year and three option years.

In response to a question from Mr. Smedberg, Mr. Allen stated that the amended authorization was for routine and ongoing maintenance.

Ms. Caddigan moved, with a second by Mr. Smedberg, to approve Resolution #9D-11-2018. The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Authorization to Execute a Contract for Facility Security Services – 9E

Mr. Allen asked the Board to authorize him to execute a contract with Sentry Force Security, LLC for facility security services in an amount not to exceed \$3,104,762 for a base year and for option years, with the CEO exercising the option years at his discretion.

In response to a question from Ms. Maurer, Mr. Allen confirmed that the firm is required to use guards licensed by the Virginia Department of Criminal Justice Services.

Mr. Smedberg moved, with a second by Mr. Naddoni, to approve Resolution #9E-11-2018. The vote in favor was cast by Board Members Caddigan, Cook, Cristol, Dudenhefer, Kelly, Lawson, Maurer, McLaughlin, Naddoni, Nohe, Sebesky, and Smedberg.

Information Items:

FY 2020 Budget Update – 10A

Mr. Allen reminded the Operations Board they will be asked in December to recommend approval of the Proposed FY 2020 Operating and Capital Budget to the Commissions and Localities and asked Mr. Schofield to provide a progress update.

Mr. Schofield reminded the Operations Board that the Preliminary Budget presented in September reflected an operating gap of \$1.9M and asked for a 3 percent fare increase. The Operations Board directed staff to hold public hearings on the proposed fare increase. VRE held ten public hearings and there had not been significant concerns expressed by riders on the proposal.

Mr. Schofield reported that at the time the November Agenda report had been written, the operating budget gap was around \$400K; but noted that at present that gap had been eliminated.

Mr. Schofield stated the Capital budget has not changed materially. Based on discussion at the September Operations Board meeting and in October with the Capital Committee meeting, staff will be proposing the L'Enfant Station and Fourth Track Project receive the first of the Commuter Rail Operating and Capital Fund (C-ROC) monies.

VRE Transit Development Plan Update – 10B

Mr. Allen reminded the Operations Board of VRE's development of an updated Transit Development Plan (TDP) that is required in accordance with the Virginia Department of Rail and Public Transportation Transit Development Plan Minimum Requirements, as a condition of receiving state funding.

Mr. Allen introduced Ms. Soneji to brief the Operations Board on the status of the TDP update. Ms. Soneji noted VRE's updated TDP will encompass two timeframes: A six-year

(FY 2020-2025) fiscally-constrained plan; and, a ten-year minimum (FY 2020-2029) fiscally unconstrained plan identifying longer-term capital and operating needs.

Ms. Soneji detailed the role of the TDP among other VRE planning activities and documents. The fiscally-constrained timeframe serves as an implementation plan for VRE's projects and initiatives, while the longer-term unconstrained plan charts a path toward achieving the vision plan set out in the System Plan 2040.

Ms. Soneji outlined various service needs that presently exist and how demand for VRE service is anticipated to increase in the future. Ms. Soneji's presentation summarized service and capital improvements required to meet existing and forecasted needs.

Spending Authority Report -10C

There was no discussion about the report.

Operations Board Member Time

There were no comments.

Adjournment

Without objection, Chairman Nohe adjourned the meeting at 10:12 A.M.

Approved this 14th day of December 2018.

<Signature on File>_____

Martin Nohe
Chairman

>Signature on File>_____

Maureen Caddigan
Secretary

CERTIFICATION

This certification hereby acknowledges the minutes for the November 16, 2018 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



Lezlie M. Lamb