

# VRE OPERATIONS BOARD MEETING

July 21, 2023

*The meeting will  
begin at 9 a.m.*

Meeting materials are available at  
[vre.org/about/board/board-agenda-minutes/2023/July](https://vre.org/about/board/board-agenda-minutes/2023/July)



# PLEDGE OF ALLEGIANCE



# ROLL CALL



Sarah Bagley  
Alexandria



Andrea Bailey  
Prince William County



Meg Bohmke  
Stafford County



Margaret Franklin  
Prince William County



Monica Gary  
Stafford County



Lori Hayes  
Spotsylvania County



Takis Karantonis  
Arlington County



Matt Kelly  
Fredericksburg



Jeanine Lawson  
Prince William County



Mike McLaughlin  
Commonwealth of Virginia



Alanna Mensing  
Manassas Park



Ralph Smith  
Manassas



Dan Storck  
Fairfax County



James Walkinshaw  
Fairfax County



# SAFETY MOMENT





# APPROVAL OF AGENDA

1. Pledge of Allegiance
2. Roll Call
3. Safety Briefing
4. Approval of the Agenda
5. Approval of Minutes from June 16, 2023  
VRE Operations Board Meeting; and  
Approval of Minutes from the May 19, 2023  
VRE Operations Board Meeting
6. Chair's Comments
7. Chief Executive Officer's Report
8. VRE Riders' and Public Comment
9. Action Items (continued)
  - A. Authorization to Execute a Sole- Source  
Contract for Wabtec Cloud PTC  
Hosting and WabtecOne™ PTC  
Performance Analytics
  - B. Authorization to Execute a Contract for  
Security Camera Installation
10. Information Items
  - A. FY 2025 Budget Key Issues
  - B. Spending Authority Report
11. Closed Session
12. Operations Board Members' Time

# APPROVAL OF MINUTES

**June 16, 2023**

Meeting with YouTube Livestream

**Members Present**

Walter Alcorn (NVTC)  
Sarah Bagley (NVTC)  
Meg Bohmke (PRTC)  
Margaret Franklin (PRTC)  
Monica Gary (PRTC)  
Takis Karantonis (NVTC)  
Matt Kelly (PRTC)  
Jeanine Lawson (PRTC)  
Michael McLaughlin (VPRA)  
Alanna Mensing (PRTC)  
Ralph Smith (PRTC)  
Dan Storck (NVTC)  
James Walkinshaw (NVTC)

**Members Absent**

Andrea Bailey (PRTC)  
Lori Hayes (PRTC)

**Alternates Present**

Deborah Frazier (PRTC)

**Jurisdiction**

Fairfax County  
City of Alexandria  
Stafford County  
Prince William County  
Stafford County  
Arlington County  
City of Fredericksburg  
Prince William County  
Commonwealth of Virginia  
City of Manassas Park  
City of Manassas  
Fairfax County  
Fairfax County

**Jurisdiction**

Prince William County  
Spotsylvania County

**Jurisdiction**

Spotsylvania County



**James Walkinshaw**  
VRE Operations Board Chair  
Fairfax County



# CHAIR'S COMMENTS

- Welcome to the VRE Operations Board July meeting.
- A reminder that immediately following today's business meeting there will be a Legislative Committee meeting.
- I'd like to thank board members for participating in the June planning workshop. Additional info and responses to questions posed will be brought back to the September or October meeting by the System Plan 2050 team.
- I'd also like to thank the Executive Committee and board members Bailey, Hayes and McLaughlin for attending last month's open house at the new Lifecycle Overhaul and Upgrade Facility.



**James Walkinshaw**  
VRE Operations Board Chair  
Fairfax County



# CEO REPORT

- **Performance**
- **Ridership**
- **LOU Open House**
- **Manassas Park Parking Garage Groundbreaking**
- **APTA Ridership Data**
- **Customer Service Survey**
- **New Staff**



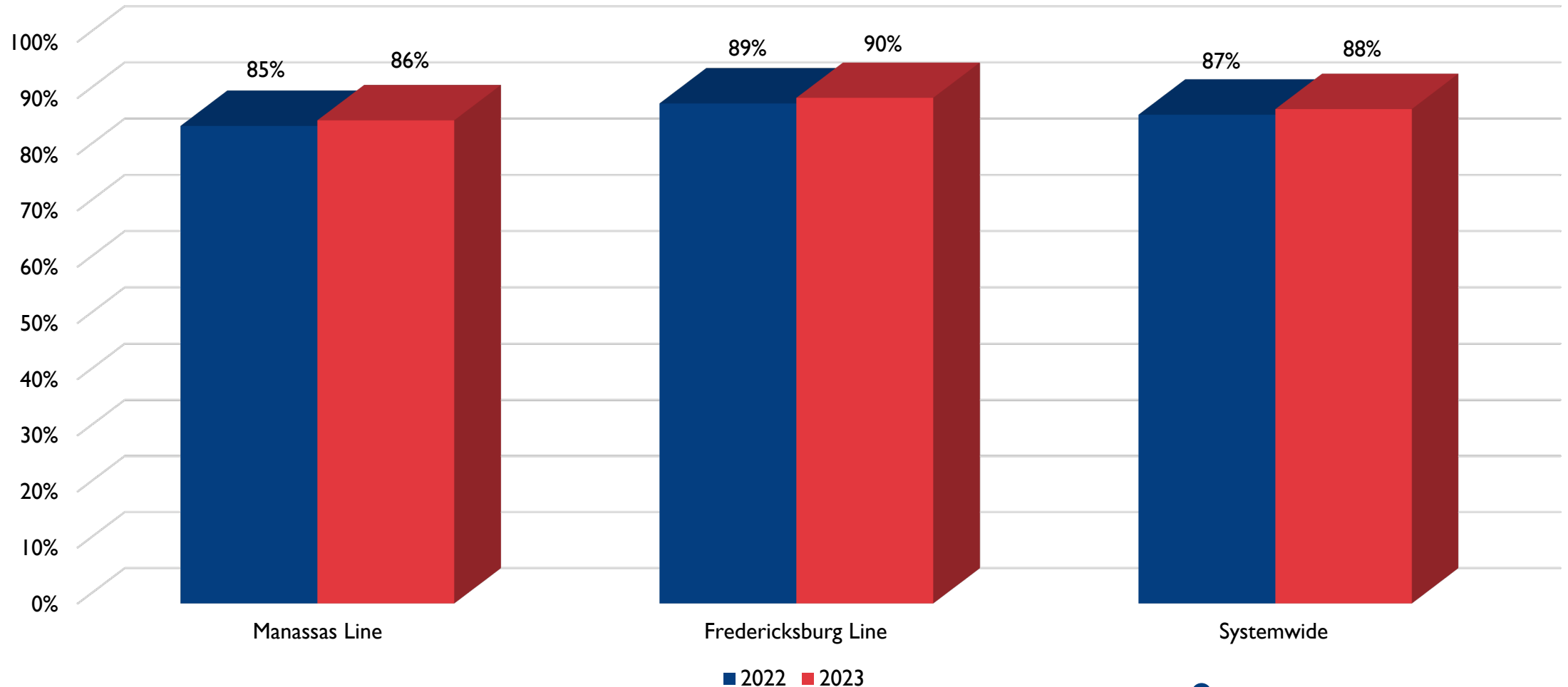
**Rich Dalton**  
VRE CEO



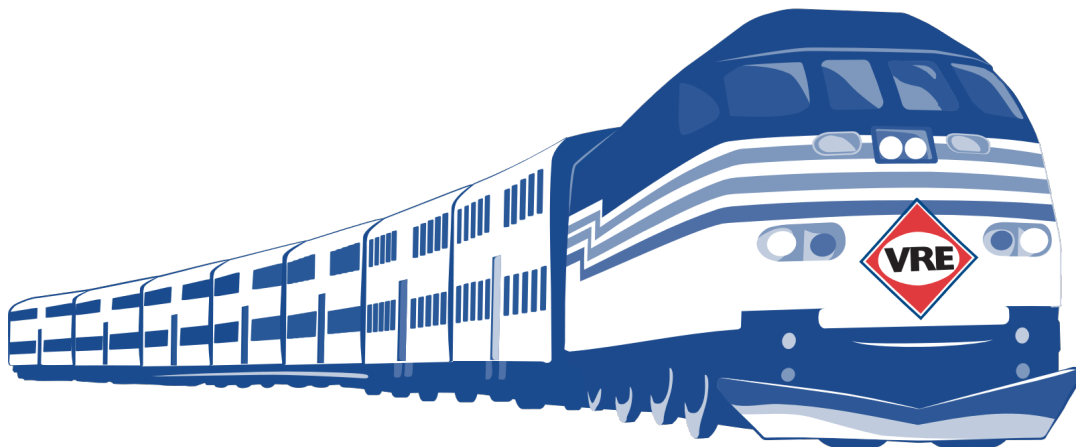


# CEO REPORT – ON-TIME PERFORMANCE

June Comparisons



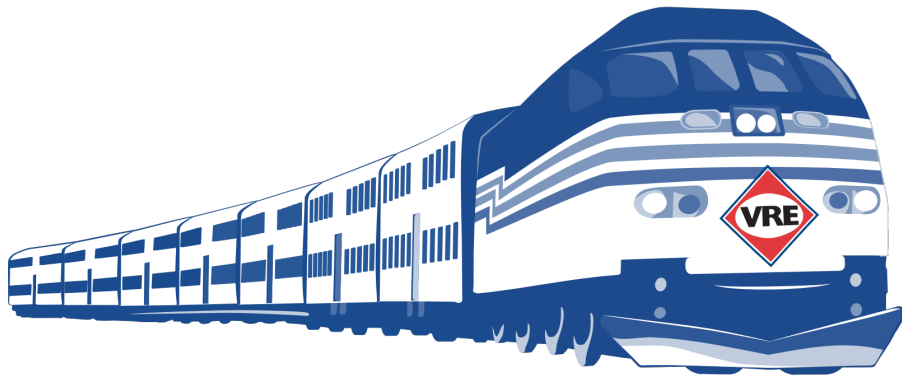
# CEO REPORT – ON-TIME PERFORMANCE



	APRIL 2023	MAY 2023	JUNE 2023
	20 Days	23 Days	21 Days
<i>LATE TRAINS</i>			
Manassas	37	45	48
Fredericksburg	60	36	34
Systemwide	97	81	82
<i>AVERAGE MINUTES DELAYED</i>			
	14	19	14
<i># TRAINS 30+ MINUTES LATE</i>			
	5	6	4
<i>OTP</i>			
Manassas	88%	83%	86%
Fredericksburg	81%	87%	90%
Systemwide	85%	85%	88%



# CEO REPORT – ON-TIME PERFORMANCE

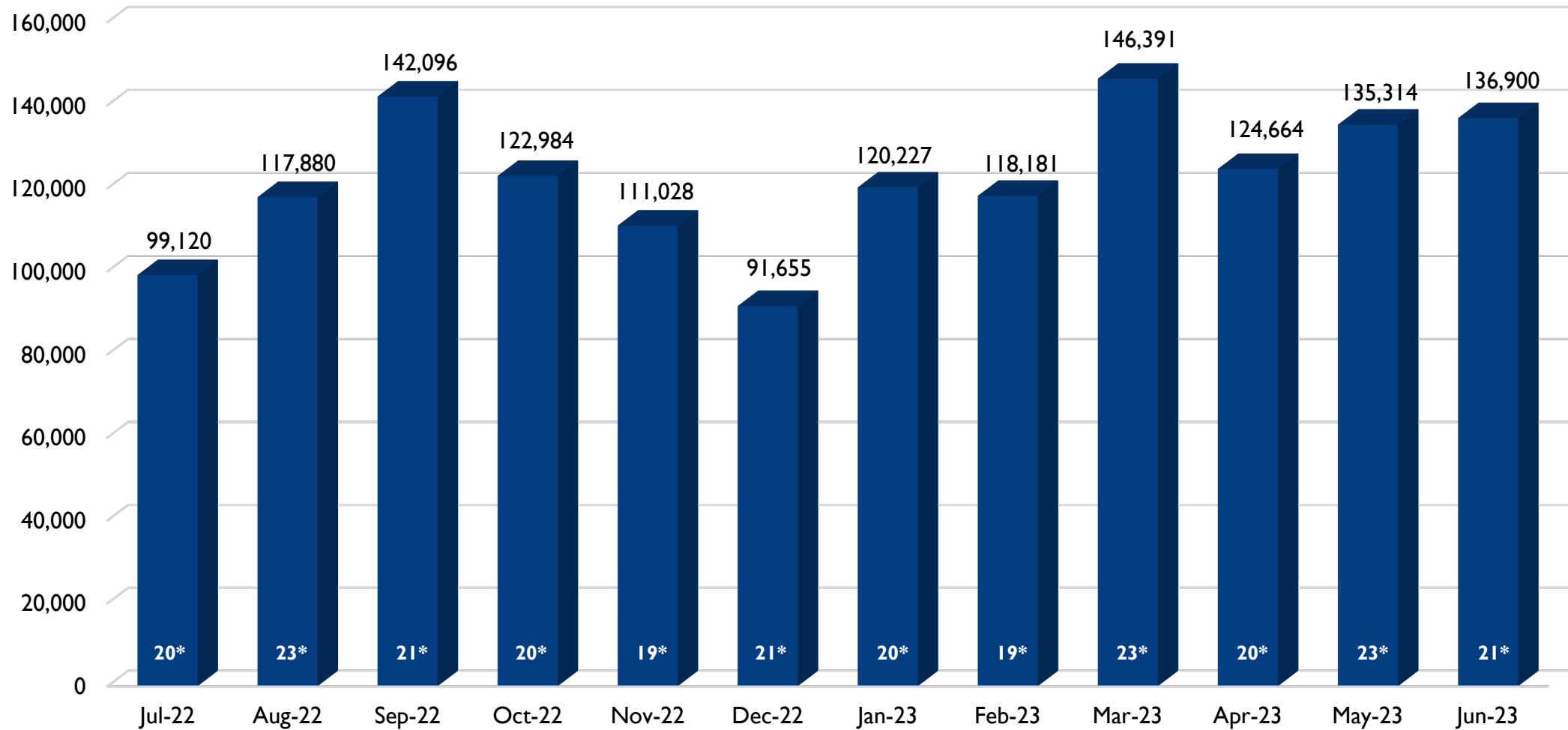


		APRIL	MAY	JUNE	TOTAL #	TOTAL %
		20 Days	23 Days	21 Days	64 Days	
CAUSE		# OF TRAINS DELAYED				
Congestion		52	80	63	195	68.2%
Speed Restrictions		22	8	3	33	11.5%
Switch/Signal Issue		11	3	4	18	6.4%
Police Activity		6*	2**	1***	9	3.2%
Mechanical	Primary	1	3	2	6	2.4%
	Cascading	-	1	-	1	
Positive Train Control	Primary	1	3	2	6	2.4%
	Cascading	1	-	-	1	
Weather/Tree		-	-	6	6	2.1%
Dispatcher		-	5	-	5	1.7%
Crew (Hours of Service)		-	2	-	2	0.7%
Maintenance of Way		2	-	-	2	0.7%
Trespasser		1	-	1	2	0.7%
<b>Total Delays</b>		<b>97</b>	<b>107</b>	<b>82</b>	<b>286</b>	<b>100.0%</b>

\*Trespasser incident on Accotink Bridge (4/10) and investigation at Manassas station (4/26) – \*\*Unruly passenger on Amtrak 91 at Alexandria station – \*\*\*Police pursued and caught a trespasser near Backlick Road station

# CEO REPORT – MONTHLY RIDERSHIP

Exclusive of Boardings at Alexandria and Crystal City



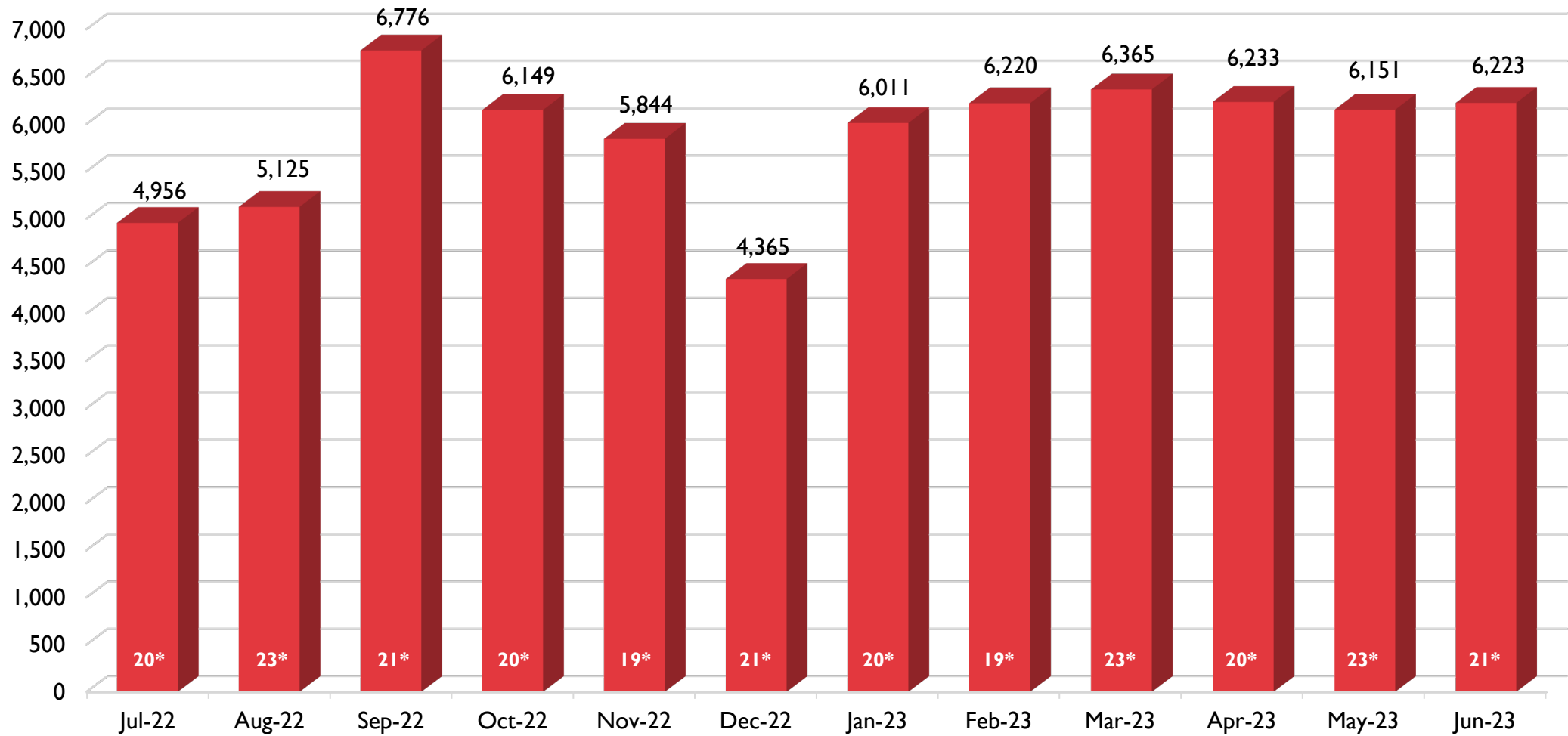
\*service days per month





# CEO REPORT – AVERAGE DAILY RIDERSHIP

Exclusive of Boardings at Alexandria and Crystal City



\*service days per month



# CEO REPORT – APTA RIDERSHIP DATA



[ABOUT US](#)
[2023 ELECTIONS](#)
[GET INVOLVED](#)
[ADVERTISE](#)
[SUPPORT US](#)




SEARCH

## With soaring Metro, DC Streetcar, and VRE ridership, Washington region leads transit recovery in US

TRANSIT ANALYSIS By [Dan Malouff](#) (Editorial Board) July 6, 2023

Commuter Rail Service	Q1 2022	Q1 2023	% Change
VRE	179.9	384.8	113.9
New Mexico Rail Runner	69.7	133.4	91.4
Sonoma-Marín Area Rail	84.7	149.4	76.4
MBTA (Boston)	3,308.7	5,651.6	70.8
MARC (Baltimore)	506.6	853.5	68.5

Ridership #s in thousands



# CEO REPORT – LOU OPEN HOUSE





# CEO REPORT – MANASSAS PARK PARKING GARAGE GROUNDBREAKING





# CEO REPORT – CUSTOMER SERVICE SURVEY

## Major Categories

*Percent of Responses Marked “Excellent” or “Very Good”*

Category	2022	2023
Overall Crew Performance	96%	97%
Overall Service Quality	94%	93%
Overall Communication with Passengers	82%	78%

# CEO REPORT – MAY 2023 CUSTOMER SERVICE SURVEY

## Highest Ranked Sub-Categories

*Percent of Responses Marked “Excellent” or “Very Good”*

Category	2022	2023
Cleanliness of Trains	97%	97%
Seat Availability	97%	97%
Train Crew - Knowledge of VRE	96%	97%
Train Crew - Professional Appearance	98%	97%
Train Crew - Helpful & Courteous	96%	95%

## Opportunities for Improvement

*Percent of Responses Marked “Excellent” or “Very Good”*

Category	2022	2023
Convenience of Schedules	71%	67%
Timeliness of Platform Info	77%	69%
On-Time Performance	79%	70%
Quality of Platform PA System	78%	74%
Quality of Train PA System	81%	77%



# CEO REPORT – NEW STAFF



**Niomi Barton**  
*Associate  
Accountant*



**Alper Kutlug**  
*Engineering Intern*



**Erica Patterson**  
*Communications  
Specialist*



**Natalia Portillo**  
*Marketing Intern*



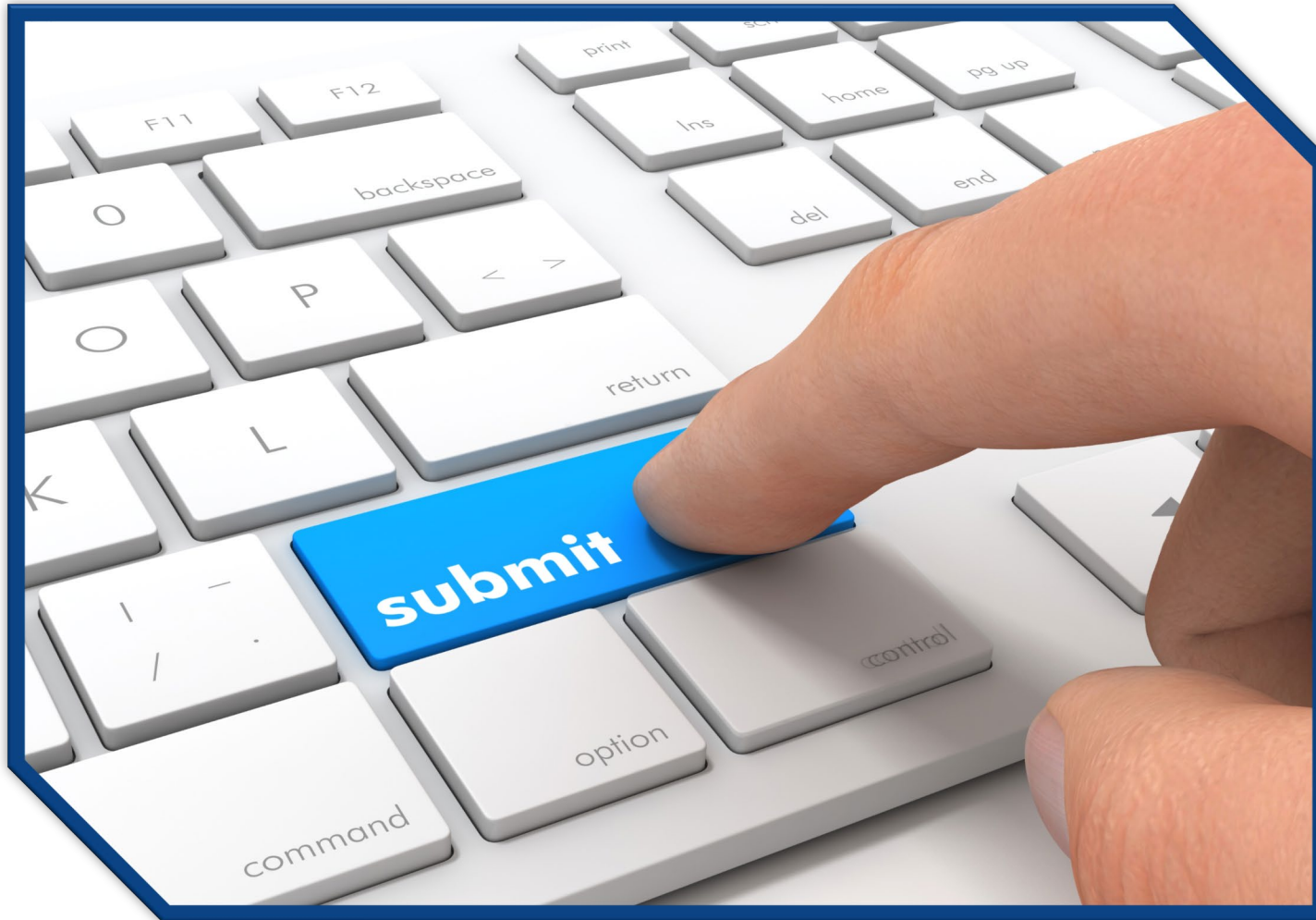


# CEO REPORT – COMMENTS





# VRE RIDERS' & PUBLIC COMMENT



**James Walkinshaw**  
VRE Operations Board Chair  
Fairfax County



# AUTHORIZATION TO EXECUTE A SOLE-SOURCE CONTRACT FOR WABTEC CLOUD PTC HOSTING AND WABTECONE™ PTC PERFORMANCE ANALYTICS

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to execute a sole-source contract with Wabtec Corporation of Cedar Rapids, Iowa for Cloud Positive Train Control (PTC) Hosting and WabtecOne™ PTC Performance Analytics in the amount of \$4,454,930, plus a 10 percent contingency of \$445,493, for a total amount not to exceed \$4,900,423, for a five-year term.

## Summary:

VRE's current contract for hosted back-office services for PTC will expire in September 2023. Wabtec Corporation offers a cloud-based back-office solution that incorporates WabtecOne™ performance analytics. WabtecOne™ is a complete turnkey hosted back-office solution for I-ETMS-based PTC systems, complete with both onboard and office software. An important component of the turnkey system is the One Help Desk, which provides a single point of contact to answer questions, troubleshoot and to find solutions for issues within the PTC system.



**James Walkinshaw**  
VRE Operations Board Chair  
Fairfax County



**Rich Dalton**  
VRE CEO



# AUTHORIZATION TO EXECUTE A CONTRACT FOR SECURITY CAMERA INSTALLATION

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to execute a contract with Genesys Impact, LLC of Washington, DC for security camera installation in the amount of \$494,769, plus a 10 percent contingency of \$49,477, for a total amount not to exceed \$544,246.

## Summary:

The VRE Operations Board previously authorized the purchase of security camera equipment for use at VRE's stations. The proposed contract will allow VRE to continue the effort of modernizing its security camera system through installation of the cameras previously acquired under a separate contract and will also achieve the goal of standardizing the security camera equipment at each of VRE's station locations. Additionally, this contract will enable VRE to acquire some additional equipment to augment VRE's security camera inventory.



**James Walkinshaw**  
VRE Operations Board Chair  
Fairfax County



**Rich Dalton**  
VRE CEO



# FISCAL YEAR 2025 BUDGET KEY ISSUES

## Summary

Staff will lead a discussion with Operations Board members about key issues for the VRE fiscal year (FY) 2025 budget. Staff will also review the budget development timeline. This informational discussion is the first step in the annual budget process and offers board members an opportunity to provide guidance and direction to staff. The preliminary FY 2025 operating and capital budgets will be presented in September 2023, and final recommendation of the FY 2025 budget to the commissions will occur in December 2023.

Key issues include:

- Weekday and Weekend Service Levels
- Jurisdictional Subsidy
- Staffing Needs
- Ridership and Remote Work
- Passenger Fares
- Status of Pandemic Relief Funds
- Inflation
- State Subsidy



**Rich Dalton**  
VRE CEO





# FY 2025 BUDGET TIMELINE

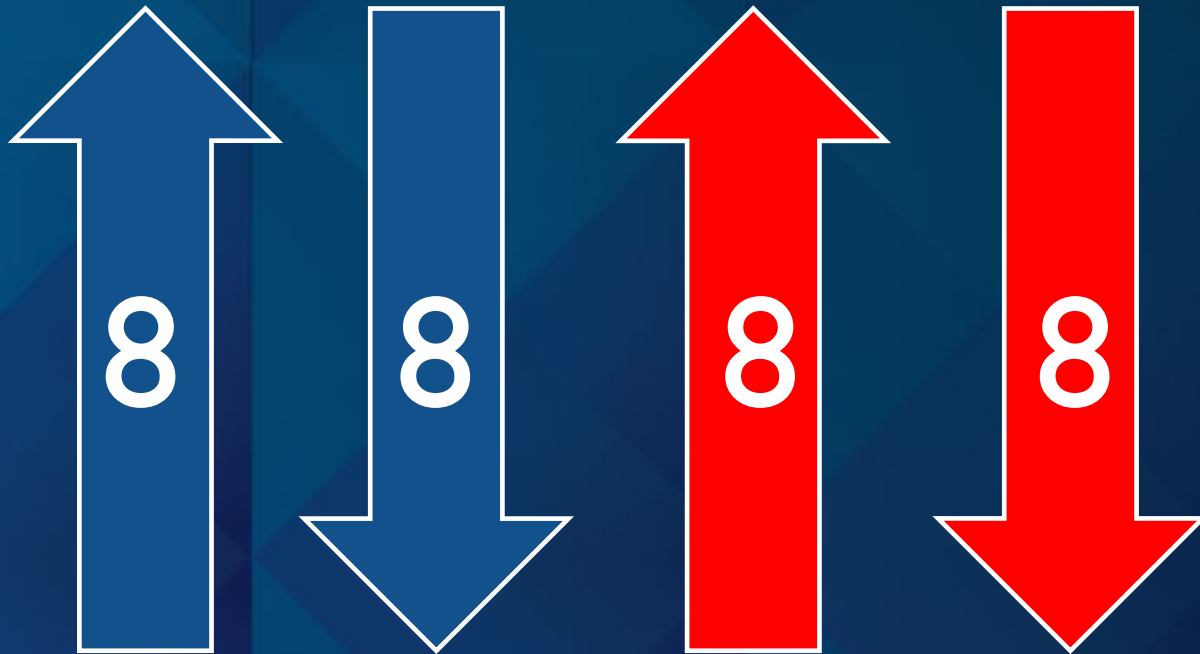
- **July 2023**: Budget Key Issues (no formal action)
- **September 2023**: Preliminary Budget presented to Board for referral to Commissions
- **October/November 2023**: Budget updates and discussion as needed
- **December 2023**: Recommended Budget presented to Board for referral to Commissions
- **January 2024**: Commissions adopt budget and forward to jurisdictions
- **Spring 2024**: Individual jurisdictional budget processes and appropriation of VRE subsidy



# SERVICE LEVELS

## Current Weekday Service

Washington Union Station



Broad Run Station

Spotsylvania Station

**32 Daily Trains**

**8 Northbound and 8 Southbound Per Line**





# SERVICE LEVELS: FY 2025 OPPORTUNITIES

- **Weekend Service**
  - ✓ One day or both days?
- **Additional Weekday Service**
  - ✓ Commuter peak focus?
  - ✓ Schedule enhancements?
- **Most “Bang for Our Buck” for Ridership**
  - ✓ Incremental cost may vary significantly



# PASSENGER FARES

## Recent History of Fare Increases

- Informal policy of fare increases and jurisdictional subsidy increases in alternate years
- COVID-19 put that policy on hold – what to do now?
- Potentially conflicting priorities – encouraging ridership vs. raising revenue

Fiscal Year	Increase
2014	4%
2015	0%
2016	4%
2017	0%
2018	3%
2019	0%
2020	3%
2021	0%
2022	0%
2023	0%
2024	0%
2025	?





# PASSENGER FARES

What is the impact of the pandemic pause in fare increases?

**If Fares Increased Bi-Annually at 3%**

Fiscal Year	Increase Rate	\$10.00
2021	0.0%	\$10.00
2022	3.0%	\$10.30
2023	0.0%	\$10.30
2024	3.0%	<b>\$10.61</b>

**If Fares Tied to Inflation Rates (CPI-U)**

Fiscal Year	Inflation Rate	\$10.00
2021	2.1%	\$10.21
2022	1.2%	\$10.32
2023	6.8%	\$11.03
2024	7.1%	<b>\$11.81</b>

*Note: Fare in both examples is the FY 2020 Zone 1 to Zone 6 Single-Ride Ticket at \$10.00*

# STAFFING

Several factors to evaluate:

- New or expanded rail service
- New facilities (e.g., LOU, Potomac Shores station, expanded parking)
- Safety and security, regulatory compliance, etc.
- Financially responsible operations
- Cost savings vs. contracting out of critical work

Fiscal Year	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total Authorized FTE's	49	49	50	50	55	56	56	56

*Note: Total includes CEO and CLO Commission Contract Positions*



# INFLATION & COST GROWTH

- Operating costs are driven by service levels, not by ridership
- Major contracts linked to inflation indices:
  - Consumer Price Index
  - Association of American Railroads (AAR) Index
  - Passenger Rail Investment and Improvement Act of 2008 (PRIIA) cost-sharing model drives access fees at Washington Union Station
- Suppliers adjusting prices regularly due to inflation, supply chain issues and more, with limited suppliers in passenger rail industry
- Material costs (ex. steel) affected by global economic factors

Calendar Year	CPI Increase	Fiscal Year Effect
2013	1.0%	2015
2014	1.7%	2016
2015	0.2%	2017
2016	1.6%	2018
2017	2.0%	2019
2018	2.5%	2020
2019	1.8%	2021
2020	1.2%	2022
2021	6.2%	2023
2022	7.8%	2024
2023	TBD	2025

Example: Consumer Price Index (CPI-U), Cost Driver for Keolis Rail Services Operations and Mechanical Contracts



# JURISDICTIONAL SUBSIDY



- FY21 subsidy of \$18.3 million (21% of operating budget)
- Reduced to \$4.8 million in FY22 (6% of operating budget), backfilled with pandemic relief funds (CARES Act)
- Increased to \$13.5 million in FY23 and \$16.0 million in FY24
- As ridership continues to recover:
  - ✓ Jurisdictional allocation of subsidy is also changing
  - ✓ Every dollar not earned in fare revenue or provided by jurisdictional or state subsidy requires another dollar of pandemic relief funds



# JURISDICTIONAL SUBSIDY



Fiscal Year	Subsidy Amount	Change
2014	\$16,428,800	0%
2015	\$16,428,800	0%
2016	\$16,428,800	0%
2017	\$17,250,240	5%
2018	\$17,250,240	0%
2019	\$17,767,748	3%
2020	\$17,767,748	0%
2021	\$18,300,780	3%
2022	\$4,756,658	-74%
2023	\$13,544,122	185%
2024	\$16,000,000	18%
2025	?	?

# JURISDICTIONAL SUBSIDY

Where would jurisdictional subsidy be if it had grown with inflation?

If Subsidy Level Tied to Inflation Rates (CPI-U)

Fiscal Year	Actual Subsidy	Inflation Rate	
			\$18,300,780
2022	\$4,756,658	1.2%	\$18,514,900
2023	\$13,544,122	6.8%	\$19,775,764
2024	\$16,000,000	7.1%	\$21,181,821
2025 (Rate Est.)	?	4.0%	\$22,029,094

*Note: Starting subsidy level is actual FY2021 total jurisdictional subsidy of \$18.3 million*

# RIDERSHIP



- Pandemic may be over, but post-pandemic equilibrium for mass transit remains uncertain
- Projecting ridership is challenging:
  - ✓ Return-to-work initiatives, especially within federal agencies
  - ✓ VRE service levels, including possible service expansion and schedule changes
  - ✓ VRE service quality and reliability
  - ✓ Impact of advertising/marketing initiatives and ability for VRE to reach new markets and new riders
  - ✓ Local road conditions and competing travel options

# GROWTH IN VRE RIDER TELEWORK

Telework Days Per Week – VRE Annual Survey Data

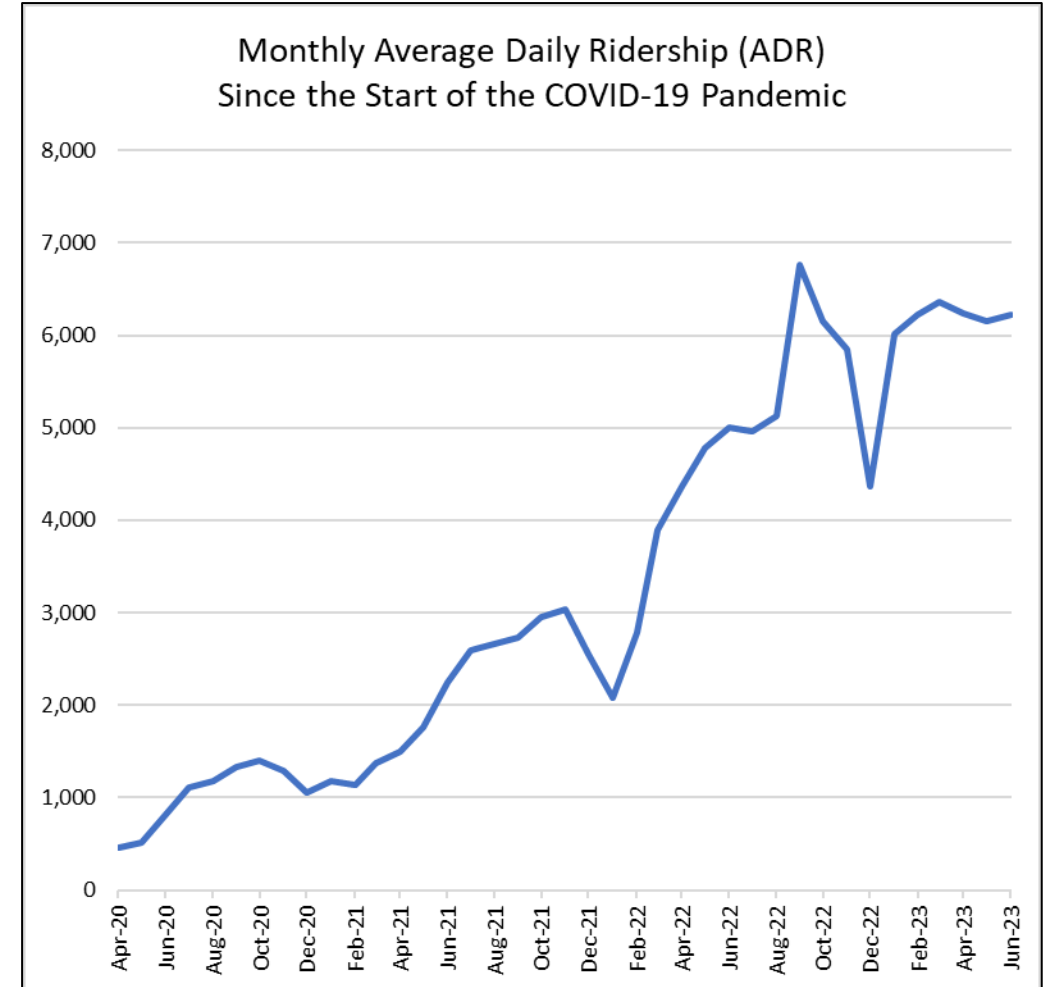
Year of Survey	Telework Days					Total	Avg. Days of Telework
	0	1	2	3	4		
2012	78%	17%	5%	1%	0%	100%	0.29
2013	76%	17%	6%	1%	0%	100%	0.32
2014	71%	19%	7%	2%	0%	100%	0.40
2015	71%	19%	8%	2%	0%	100%	0.43
2016	67%	21%	10%	3%	0%	100%	0.48
2017	66%	20%	11%	2%	1%	100%	0.51
2018	65%	20%	12%	2%	1%	100%	0.54
2019	60%	24%	12%	3%	1%	100%	0.60
2022	37%	13%	22%	17%	12%	100%	1.53
2023	32%	11%	25%	17%	15%	100%	1.72





# RIDERSHIP RECOVERY

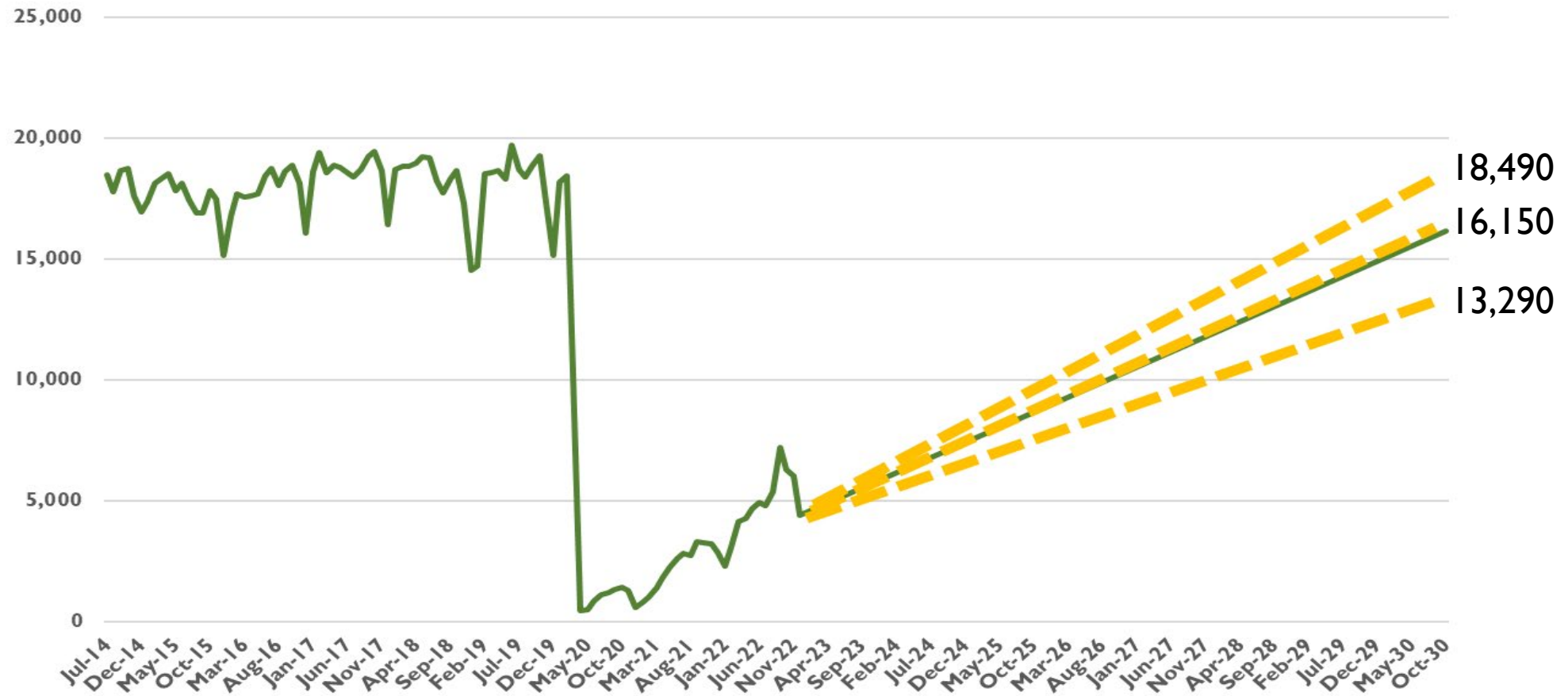
Month	FY2020	FY2021	FY2022	FY2023
	Monthly ADR	Monthly ADR	Monthly ADR	Monthly ADR
July	19,001	1,109	2,589	4,956
August	18,665	1,177	2,625	5,125
September	19,201	1,333	2,726	6,767
October	19,593	1,399	2,949	6,149
November	17,581	1,291	3,036	5,844
December	15,335	1,057	2,557	4,366
January	18,462	1,179	2,083	6,011
February	18,692	1,131	2,785	6,220
March	8,764	1,379	3,889	6,365
April	460	1,498	4,366	6,233
May	508	1,762	4,777	6,151
June	825	2,247	5,009	6,223
<b>Annual Avg.</b>	<b>12,992</b>	<b>1,389</b>	<b>3,314</b>	<b>5,866</b>



# RIDERSHIP PROJECTION

## 2030 Ridership Forecast: No Build (2023 Service)

2030 average daily ridership with no change to VRE service pattern



# COMMONWEALTH FUNDING

- FY 2024 is the final year VRE will be in the MERIT program
- As of FY 2025, VRE will now receive up to 3.5% of the Commonwealth Mass Transit Fund (MTF)
- This dedicated amount will cover both operating subsidy and capital grant matching
- Does not include track access fee reimbursement, now managed through VPRA

Fiscal Year	Op. Subsidy (Budget)	Op. Subsidy (Actual)	Cap. Match* (Budget Only)	Total
2016	\$8,100,000	\$9,200,000	\$20,048,630	\$29,248,630
2017	\$9,000,000	\$10,550,679	\$10,912,925	\$21,463,604
2018	\$10,000,000	\$9,616,202	\$10,623,535	\$20,239,737
2019	\$9,500,000	\$9,978,879	\$13,849,046	\$23,827,925
2020	\$9,500,000	\$10,702,373	\$11,067,243	\$21,769,616
2021	\$9,700,000	\$12,030,000	\$9,682,151	\$21,712,151
2022	\$10,000,000	\$20,397,259	\$9,809,878	\$30,207,137
2023	\$11,000,000	\$24,476,892	\$16,766,145	\$41,243,037
2024	\$5,000,000	\$6,737,550	\$15,259,052	\$21,996,602
2025	TBD Est.	TBD	TBD	\$16,000,000



# PANDEMIC RELIEF FUNDS

- **Coronavirus Aid, Relief, and Economic Security (CARES) Act**

- \$86.1 million fully utilized as of Q1 of FY 2023

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- **American Rescue Plan (ARP) Act**

- \$118.7 million currently being utilized, with approximately \$13.1 million drawn through the end of FY 2023

- \$31.8 million of ARP funds budgeted to be utilized in FY 2024

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- **Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)**

- \$70.1 million available to VRE after ARPA is utilized

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All relief funds have been fully obligated





# PANDEMIC RELIEF FUNDS PROJECTION

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL	Remaining
CARES	\$7.0							\$7.0	\$0.0
ARP	\$13.1	\$31.8	\$24.1	\$22.2	\$20.4	\$5.9		\$117.5	\$0.0
CRRSAA						\$11.4	\$14.3	\$25.7	\$43.7
<b>TOTAL</b>	<b>\$20.1</b>	<b>\$31.8</b>	<b>\$24.1</b>	<b>\$22.2</b>	<b>\$20.4</b>	<b>\$17.3</b>	<b>\$14.3</b>		



# QUESTIONS & DISCUSSION



# SPENDING AUTHORITY REPORT

On September 18, 2020, the VRE Operations Board approved increasing the CEO's delegated spending authority from \$100,000 to \$200,000. It was resolved as part of that increased delegation that any purchase or contract award in the range of \$50,000 to \$200,000 would be communicated to the Board as an information item.

- On June 14, 2023, VRE issued a task order in the amount of \$107,136 to Hill International, Inc. under the program management consulting services contract to complete an evaluation of the cost and schedule estimating approaches and methodologies VRE currently utilizes to gauge efficiency, reliability, and predictability of project cost and project delivery time.
- On June 20, 2023, VRE issued a task order in an amount not to exceed \$200,000 to Siddall Communications, Inc. to provide direct advertising and support for VRE marketing campaigns on an as-needed basis, including photography and videography services, media buying, development of social media campaigns, and graphic design services. This task order was issued by utilizing the cooperative purchasing provision of the existing contract between Siddall and DRPT for general communications and marketing consultant services.
- On June 29, 2023, VRE issued a task order in the amount of \$198,000 to Keolis Rail Services Virginia, LLC under the maintenance services for commuter rail contract for the replacement of passenger railcar carbody signage.



**Rich Dalton**  
VRE CEO





## SPENDING AUTHORITY REPORT (CONTINUED)

- On June 29, 2023, VRE issued a task order in an amount not to exceed \$71,337 to Keolis Rail Services Virginia, LLC under the maintenance services for commuter rail contract to complete repairs on an as-needed basis to the facilities at Crossroads and Broad Run during fiscal year (FY) 24.
- On June 29, 2023, VRE issued a task order in an amount not to exceed \$177,580 to Keolis Rail Services Virginia, LLC under the maintenance services for commuter rail contract to complete repairs on an as-needed basis to the track at the Crossroads and Broad Run Maintenance and Storage facilities during FY 24.
- On June 29, 2023, VRE issued a task order in an amount not to exceed \$115,500 to Keolis Rail Services Virginia, LLC under the maintenance services for commuter rail contract to replace ties on an as-needed basis at the Crossroads and Broad Run Maintenance and Storage facilities during FY 24.



**Rich Dalton**  
VRE CEO





# OPERATIONS BOARD MEMBERS' TIME



Sarah Bagley  
Alexandria



Andrea Bailey  
Prince William County



Meg Bohmke  
Stafford County



Margaret Franklin  
Prince William County



Monica Gary  
Stafford County



Lori Hayes  
Spotsylvania County



Takis Karantonis  
Arlington County



Matt Kelly  
Fredericksburg



Jeanine Lawson  
Prince William County



Mike McLaughlin  
Commonwealth of Virginia



Alanna Mensing  
Manassas Park



Ralph Smith  
Manassas



Dan Storck  
Fairfax County



James Walkinshaw  
Fairfax County



**THE JULY 21, 2023 MEETING OF THE VRE  
OPERATIONS BOARD HAS CONCLUDED**

**THE LEGISLATIVE COMMITTEE MEETING  
WILL BEGIN SHORTLY**



[VRE.ORG](https://vre.org)



# VRE LEGISLATIVE COMMITTEE MEETING

July 21, 2023

