

# VRE OPERATIONS BOARD MEETING

February 16, 2024

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

Meeting materials are available at  
[vre.org/about/board/board-agenda-minutes/2024/February](https://vre.org/about/board/board-agenda-minutes/2024/February)



# 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



Tom Gordy  
Prince William County



Lori Hayes  
Spotsylvania County



Jannan Holmes  
Fredericksburg



Takis Karantonis  
Arlington 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 Moment
4. Approval of the Agenda
5. Approval of Minutes from the December 15 and January 29, 2024 VRE Operations Board Meetings
6. Chair's Comments
7. Chief Executive Officer's Report
8. VRE Riders' and Public Comment
9. Action Items
  - A. Authorization to Execute a Sole Source Contract for Locomotive Data Recording System-Video Upgrades
  - B. Authorization to Amend the Construction Contract for the Fredericksburg Station Rehabilitation Project
9. Action Items (Continued)
  - C. Authorization to Issue a GEC VIII Task Order for Final Design Services for Franconia-Springfield Station Improvements Project
  - D. Authorization to Extend the Lease Agreement for Parking at the Rippon VRE Station
  - E. Authorization to Provide a Letter of Support for the City of Manassas Park's FFY25 Congressionally Directed Spending Request for Park Central Complete Streets Improvements
10. Information Item
  - A. Spending Authority Report
11. Closed Session
12. Operations Board Members' Time

# APPROVAL OF MINUTES

**December 15, 2023**

Meeting with YouTube Livestream

**Members Present**

- Sarah Bagley (NVTC)
- Andrea Bailey (PRTC)
- Meg Bohmke (PRTC)
- Margaret Franklin (PRTC)
- Monica Gary (PRTC)
- Lori Hayes (PRTC)
- Takis Karantonis (NVTC)
- Michael McLaughlin (VPRA)
- Alanna Mensing (PRTC)
- Dan Storck (NVTC)
- James Walkinshaw (NVTC)

**Members Absent**

- Matt Kelly (PRTC)
- Jeannine Lawson (PVTC)
- Ralph Smith (PRTC)

**Jurisdiction**

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

**Jurisdiction**

- City of Fredericksburg
- Prince William County
- City of Manassas



**Meg Bohmke**  
VRE Operations Board Chair  
from Stafford County



# APPROVAL OF MINUTES

**January 29, 2024**

Virtual Meeting with YouTube Livestream

**Members Present**

- Sarah Bagley (NVTC)
- Andrea Bailey (PRTC)
- Meg Bohmke (PRTC)
- Margaret Franklin (PRTC)
- Monica Gary (PRTC)
- Tom Gordy (PRTC)
- Lori Hayes (PRTC)
- Jannan Holmes (PRTC)
- Takis Karantonis (NVTC)
- Michael McLaughlin (VPRA)
- Alanna Mensing (PRTC)
- Ralph Smith (PRTC)
- Dan Storck (NVTC)
- James Walkinshaw (NVTC)

**Jurisdiction**

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



**Meg Bohmke**  
VRE Operations Board Chair  
from Stafford County



# CHAIR'S COMMENTS

- Welcome to the February Operations Board meeting
- The Finance Committee will meet following this meeting
- VRE float to appear in the Greater Manassas St. Patrick's Day Parade on Saturday, March 9.



**Meg Bohmke**  
VRE Operations Board Chair  
from Stafford County





# CHAIR'S COMMENTS - COMMITTEES

## Current Members

### Audit & Executive



Sarah Bagley



Ralph Smith

### CEO/CLO Evaluation



Andrea Bailey

### Finance



Sarah Bagley

### Legislative



Andrea Bailey

### Nominating



Alanna Mensing



Andrea Bailey



Dan Storck



Alanna Mensing



Meg Bohmke



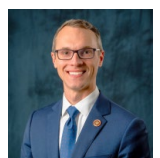
Takis Karantonis



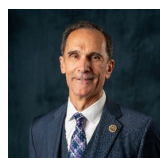
James Walkinshaw



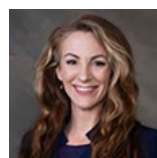
Meg Bohmke



James Walkinshaw



Dan Storck



Monica Gary



Dan Storck

# CEO REPORT

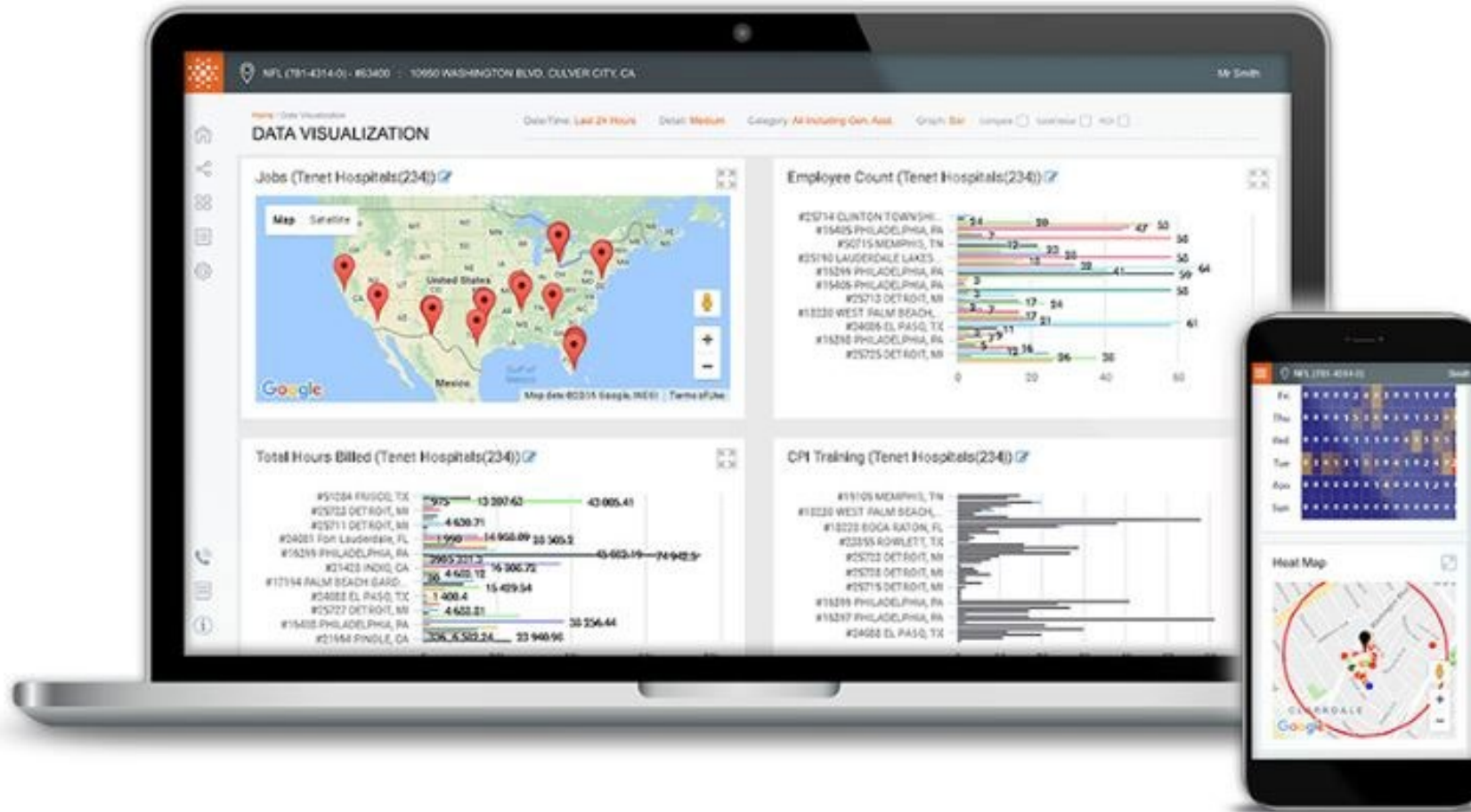
- **Safety**
- **Performance**
- **Ridership**
- **New Staff Member**



**Rich Dalton**  
VRE CEO

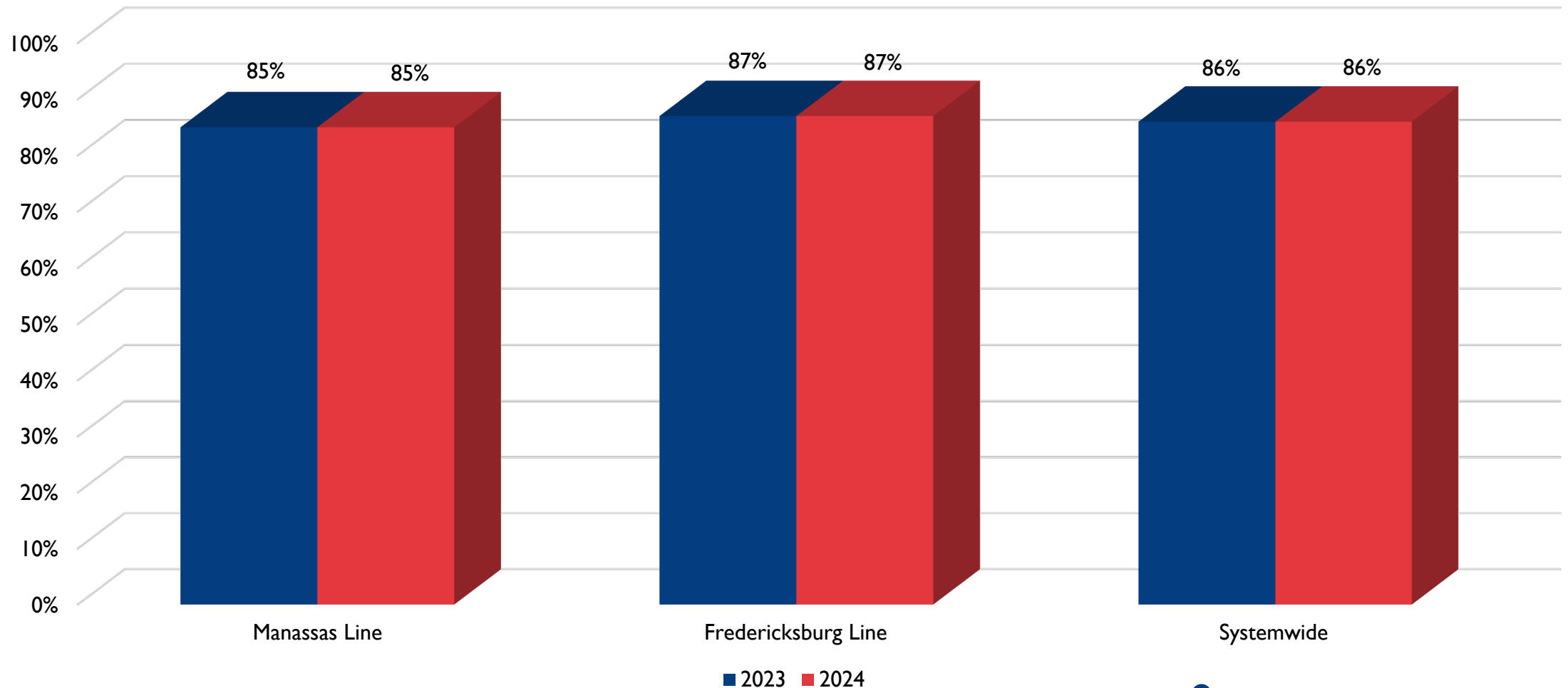


# CEO REPORT – SAFETY

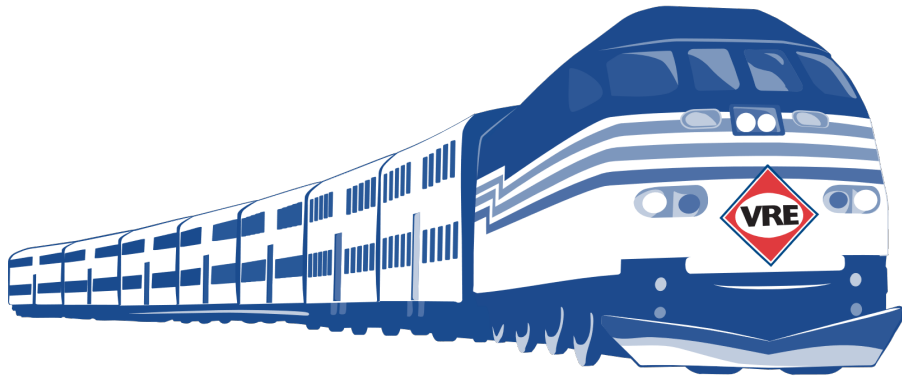


# CEO REPORT – ON-TIME PERFORMANCE

January Comparisons



# CEO REPORT – ON-TIME PERFORMANCE

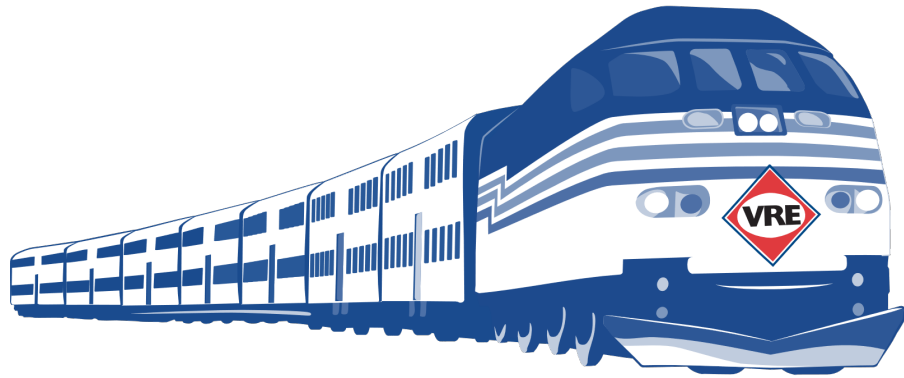


	NOV 2023	DEC 2023*	JAN 2024
	21 Days	20 Days	20 Days
<i>LATE TRAINS</i>			
Manassas	52	49	50
Fredericksburg	30	39	44
Systemwide	82	88	94
<i>AVERAGE MINUTES DELAYED</i>			
	16	17	17
<i># TRAINS 30+ MINUTES LATE</i>			
	13	10	12
<i>OTP</i>			
Manassas	83%	83%	85%
Fredericksburg	91%	86%	87%
Systemwide	87%	85%	83%

\*Includes four "S" service days



# CEO REPORT – ON-TIME PERFORMANCE



NOV	DEC	JAN	TOTAL #	TOTAL %
21 Days	20 Days	20 Days	60 Days	

CAUSE		# OF TRAINS DELAYED				
Congestion		51	41	44	136	51.5%
Switch/Signal Issue		6	23	21	50	18.9%
Police Activity		5*	9**	7***	21	7.9%
Dispatcher		9	3	2	14	5.3%
Mechanical	Primary	2	3	3	8	5.3%
	Cascading	1	3	2	6	
Maintenance of Way		1	1	11	13	4.9%
Trespasser		4	2	-	6	2.3%
Weather		-	-	3	3	1.1%
Crew		1	-	-	1	0.4%
Crowding		-	1	-	1	0.4%
Leaf Oil (Wheel Slip)		1	-	-	1	0.4%
Passenger Issue		-	-	1	1	0.4%
Positive Train Control	Primary	1	-	-	1	0.4%
	Cascading	-	-	-	-	
Speed Restrictions		-	1	-	1	0.4%
Tree Strike		-	1	-	1	0.4%
<b>Total Delays</b>		<b>82</b>	<b>88</b>	<b>94</b>	<b>264</b>	<b>100.0%</b>

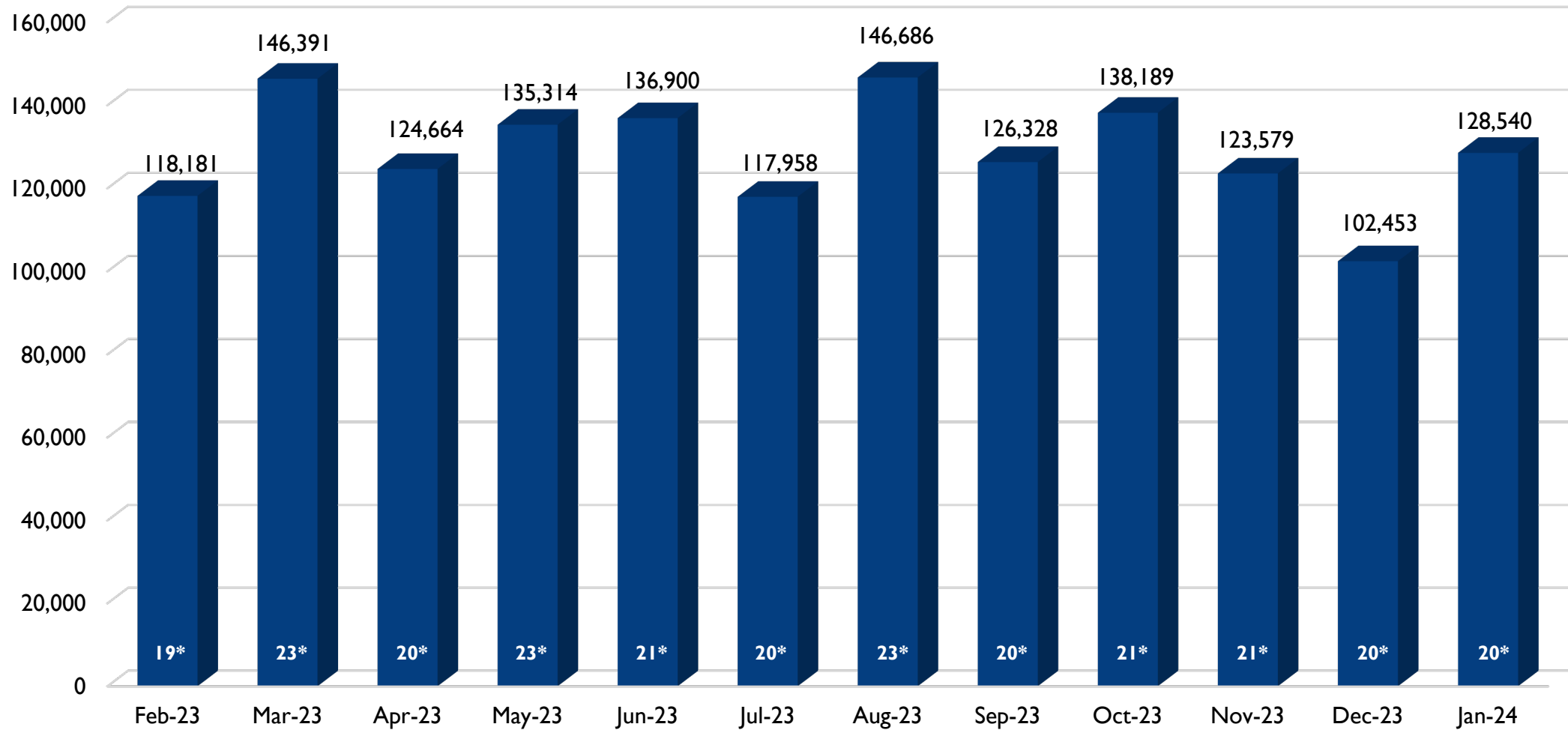
\*3 trains, 11/7, car on tracks; 2 trains, 11/22, disabled CSX421 (fire in trash car)

\*\*2 trains, 12/08, vehicle strike; 1 train, 12/18, car on tracks; 2 trains, 12/27, vehicle strike; 3 trains, 12/28, car on tracks

\*\*\*4 trains, 01/05, Amtrak vehicle strike; 3 trains, 01/19, first responders address potential tie fires from switch heaters.

# CEO REPORT – MONTHLY RIDERSHIP

Exclusive of Boardings at Alexandria and Crystal City

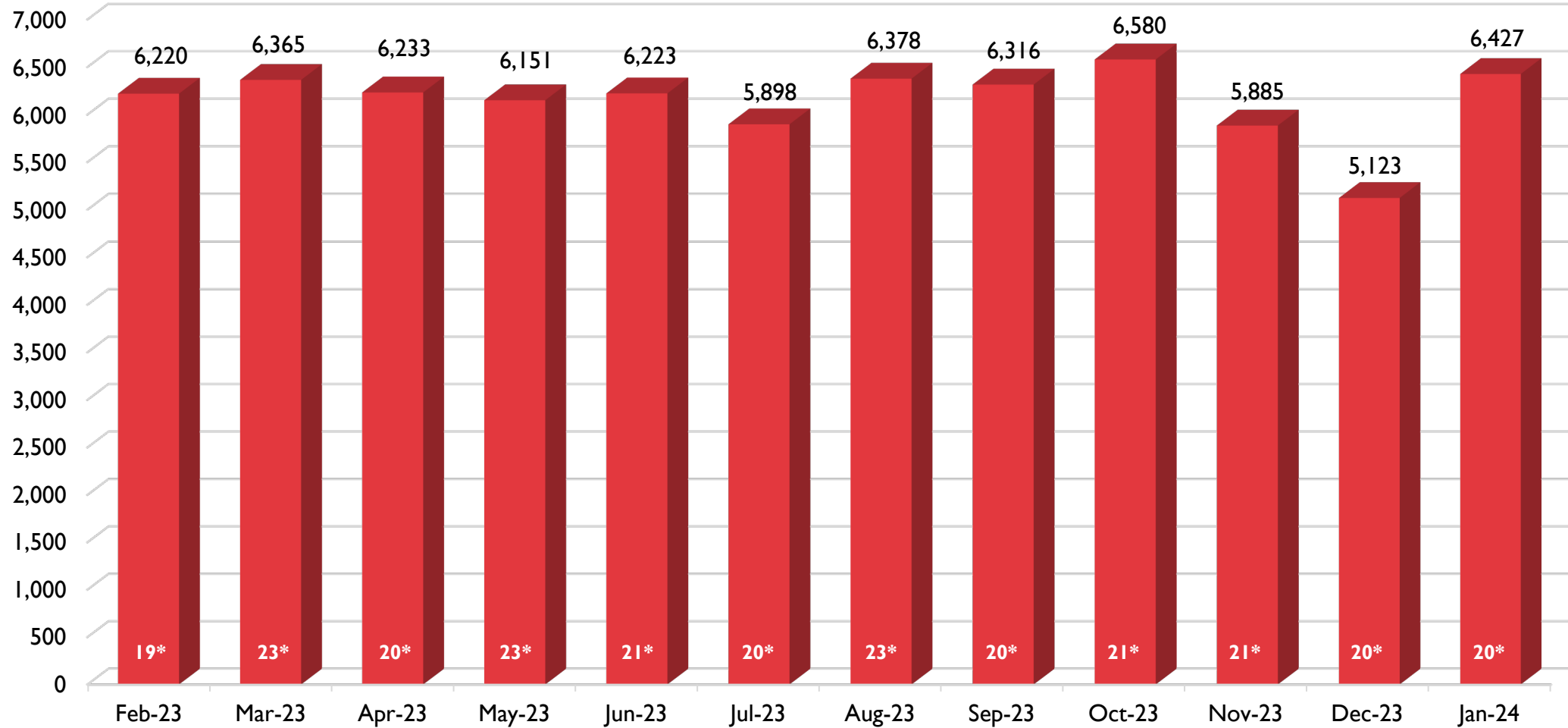


\*service days per month



# CEO REPORT – AVERAGE DAILY RIDERSHIP

Exclusive of Boardings at Alexandria and Crystal City



\*service days per month





# CEO REPORT – NEW STAFF MEMBER



Christian Adoma  
*Senior Staff Accountant*

# CEO REPORT – COMMENTS



# VRE RIDERS' & PUBLIC COMMENT



**Meg Bohmke**  
VRE Operations Board Chair  
from Stafford County



# AUTHORIZATION TO EXECUTE A SOLE SOURCE CONTRACT FOR LOCOMOTIVE DATA RECORDING SYSTEM-VIDEO UPGRADES

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to execute a sole source contract with Wabtec Railway Electronics for locomotive data recording system-video upgrades in the amount of \$795,288, plus a 10 percent contingency of \$79,529, for a total amount not to exceed \$874,817.

## Summary:

The current video data recording systems onboard VRE's fleet of locomotives and cab cars are reaching the end of their useful life. Additional video storage capacity, faster processors, and the latest cybersecurity enhancements are needed to ensure VRE's fleet of locomotives and cab cars meet future performance requirements and mandates under the Fixing America's Surface Transportation Act.



**Meg Bohmke**

VRE Operations Board Chair  
& Stafford County Supervisor



**Rich Dalton**

VRE CEO



# AUTHORIZATION TO EXECUTE A CONTRACT AMENDMENT FOR CONSTRUCTION OF THE FREDERICKSBURG STATION REHABILITATION PROJECT

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to execute an amendment to the contract with Clark Construction Group, LLC of Bethesda, Maryland for construction of the Fredericksburg Station Rehabilitation Project, in the amount not to exceed \$1,292,393, plus a 10 percent contingency of \$129,239, for a total amount not to exceed \$1,421,632. This will increase the authorization for this contract from \$8,710,439 to a total amount not to exceed \$10,132,071.

## Summary:

Rehabilitation efforts at the Fredericksburg station have required more extensive demolition, repair, and restoration than anticipated following the original site survey, which was completed prior to soliciting bids and beginning construction. In keeping with the intent of the rehabilitation project, extra demolition, support, repair and coatings have been needed at each work location, along with corresponding impacts to schedule. Authorization of additional funds will allow for work to be completed, including the extra effort required to accomplish more extensive repairs and restoration, with the least impact to schedule.



**Meg Bohmke**  
VRE Operations Board Chair  
& Stafford County Supervisor



**Rich Dalton**  
VRE CEO



South Side of Station – Ground Level – Looking South



# West Side on Princess Anne Street Looking East



**East Side on Charles Street  
Looking West**





# AUTHORIZATION TO ISSUE A GEC VIII TASK ORDER FOR FINAL DESIGN SERVICES FOR FRANCONIA-SPRINGFIELD STATION IMPROVEMENTS

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to issue a general engineering consulting services (GEC) VIII task order to HDR Engineering, Inc. for final design services for Franconia-Springfield Station Improvements in the amount of \$323,000, plus a 10 percent contingency of \$32,300, for a total not to exceed \$355,300.

## Summary:

This task order includes final design services required to advance the existing 90% Franconia-Springfield Station Improvements design to a final biddable set of construction documents, including incorporation of the platform extensions and associated improvements, as well as a pedestrian underpass, into a single set of documents. Design of the pedestrian underpass, which is advancing under a separate task order, will be coordinated with this task order. This task order will ensure these separate design efforts are unified to facilitate a single construction procurement.



**Meg Bohmke**  
VRE Operations Board Chair  
& Stafford County Supervisor



**Rich Dalton**  
VRE CEO



# AUTHORIZATION TO EXTEND THE LEASE AGREEMENT FOR PARKING AT THE RIPPON VRE STATION

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to extend the lease agreement with RCKF Riverside PLP LLC, formerly KP Big Crest Lane, LLC, for parking at the Rippon station in the amount of \$197,042 for one year.

## Summary:

The lease agreement is for 320 parking spaces to serve riders boarding at the Rippon station. An agreement for these parking spaces has been in place since 2004, and the current extension of the agreement runs through the end of February 2024. A proffer statement / development plan executed in 2011 between Prince William County and KP Big Crest Lane, LLC, now RCKF Riverside PLP LLC, stipulates an annual 2 percent increase in the lease amount. Factoring in this increase, the annual cost is \$197,042 for 12 months beginning March 2024. Funding for this lease is provided in both the FY 2024 and FY 2025 budgets.



**Meg Bohmke**  
VRE Operations Board Chair  
& Stafford County Supervisor



**Rich Dalton**  
VRE CEO



# AUTHORIZATION TO PROVIDE A LETTER OF SUPPORT FOR THE CITY OF MANASSAS PARK'S FFY25 CONGRESSIONALLY DIRECTED SPENDING REQUEST FOR PARK CENTRAL COMPLETE STREETS IMPROVEMENTS

## Recommendation:

The VRE Operations Board is asked to authorize the CEO to provide a letter of support for the City of Manassas Park's request to Virginia's U.S. Senate delegation for federal fiscal year (FFY) 25 Congressionally Directed Spending (CDS) funds for the Park Central Complete Streets Improvements Project.

## Summary:

The City of Manassas Park has requested VRE provide a letter of support for its request to U.S. Senators Mark Warner and Tim Kaine for FFY25 CDS funds. If awarded, the CDS funds will be used to implement a series of safety initiatives in the Park Central area within the city to improve roadway safety for pedestrians and bicyclists including improvements in the vicinity of the VRE Manassas Park station.



**Meg Bohmke**  
VRE Operations Board Chair  
& Stafford County Supervisor



**Rich Dalton**  
VRE CEO



# 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 January 10, 2024, VRE executed an agreement with Stroz Friedberg, LLC, an Aon company, for a one-year license at a cost of \$115,000 to utilize ReliaQuest GreyMatter, a security operations platform/software solution that VRE IT will employ to help detect, investigate and respond to cybersecurity risks, including continuous monitoring of open, deep and dark web sources to isolate legitimate threats and provide remediation. The platform also includes the capability to simulate attacks as a means of testing response and remediation measures.



**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



Tom Gordy  
Prince William County



Lori Hayes  
Spotsylvania County



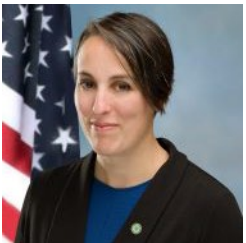
Jannan Holmes  
Fredericksburg



Takis Karantonis  
Arlington County



Mike McLaughlin  
Commonwealth of Virginia



Alanna Mensing  
Manassas Park



Ralph Smith  
Manassas



Dan Storck  
Fairfax County



James Walkinshaw  
Fairfax County



**THE FEBRUARY 16, 2024 MEETING OF THE  
VRE OPERATIONS BOARD HAS  
CONCLUDED**



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



**FEBRUARY 16, 2024 MEETING OF THE  
VRE FINANCE COMMITTEE**



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



# AGENDA

- I. Review and Discuss FY 2025-2030 Financial Forecast
  - a) Overview and Purpose
  - b) Key Forecast Assumptions
  - c) Impact of Alternative Projections on 2030 Outcomes
  - d) Funding Opportunities



# OVERVIEW AND PURPOSE

*How can the Operations Board impact VRE's financial trajectory over the next six years?*

## Control

- Level of Service
- Fares
- Jurisdictional Funding Support

## Influence

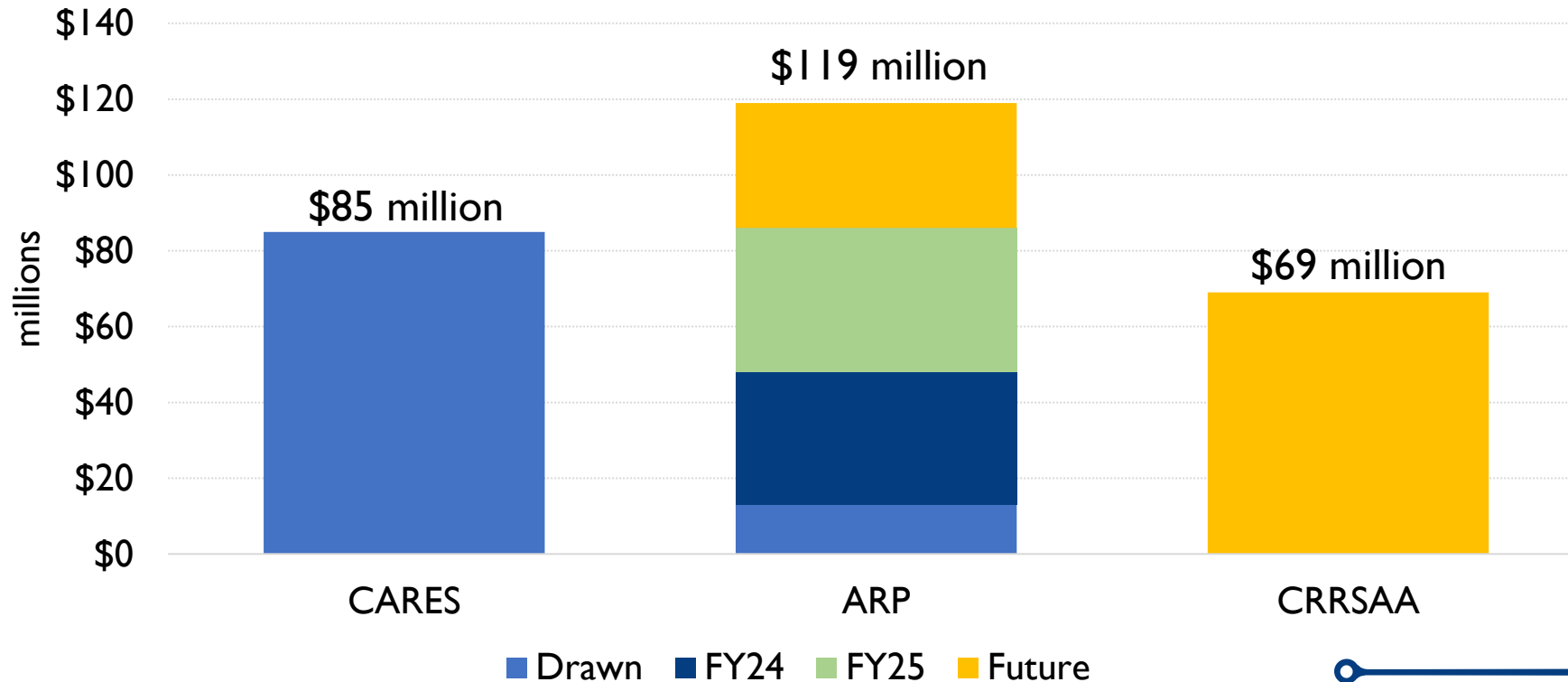
- Jurisdictional Land Use and Transportation Policy
- State Funding Support

## Plan For

- Cost of Service
- Macroeconomic Trends
- Federal Funding Support

# OVERVIEW AND PURPOSE

*How can VRE transition from the pandemic relief funding while sustaining and growing service?*



# KEY FORECAST ASSUMPTIONS

Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>Number of Trains in Daily Weekday Service</b>	32	32	32	32	32	32	32
Manassas Line Weekdays	16	16	16	16	16	16	16
Fredericksburg Line Weekdays	16	16	16	16	16	16	16
<b>Number of Trains in Daily Weekend Service</b>	-	12	12	12	12	12	12
Manassas Line Weekends	-	6	6	6	6	6	6
Fredericksburg Line Weekends	-	6	6	6	6	6	6
<b>Average Weekday Daily Ridership (ADR)</b>	10,000	8,500	9,400	10,500	11,700	13,000	13,300
<b>Average Weekend Daily Ridership (ADR)</b>	-	1,000	1,400	1,550	1,750	1,950	2,000
<b>Average Fare Price</b>	11.50	10.50	10.76	11.03	11.31	11.59	11.88
<b>Potential Operating Ratio</b>	<b>30%</b>	<b>22%</b>	<b>24%</b>	<b>27%</b>	<b>30%</b>	<b>33%</b>	<b>33%</b>
<b>Use of Funds for Operations</b>							
<b>Net Operating Expenses</b>	27,932,059	29,251,070	30,128,602	31,032,460	31,963,434	32,922,337	33,910,007
<b>Budgeted Operating Reserves</b>	58,000	106,000	335,585	346,481	357,736	369,364	381,376
<b>Insurance</b>	7,300,000	7,700,000	8,008,000	8,328,320	8,661,453	9,007,911	9,368,227
<b>Amtrak</b>	4,726,000	6,230,000	6,479,200	6,738,368	7,007,903	7,288,219	7,579,748
<b>Contracted Train Operations</b>	19,129,000	20,318,000	20,927,540	21,555,366	22,202,027	22,868,088	23,554,131
<b>Maintenance of Equipment</b>	9,556,500	10,240,500	10,547,715	10,864,146	11,190,071	11,525,773	11,871,546
<b>Fuel</b>	5,185,000	5,944,000	6,181,760	6,429,030	6,686,192	6,953,639	7,231,785
<b>Track Lease Expense</b>	21,339,000	24,920,000	25,916,800	26,953,472	28,031,611	29,152,875	30,318,990
<b>Debt Service</b>	13,720,929	13,715,660	11,791,975	11,791,575	11,787,847	11,790,028	11,788,084
<b>Total Operating Costs</b>	<b>108,946,488</b>	<b>118,425,230</b>	<b>120,317,178</b>	<b>124,039,219</b>	<b>127,888,273</b>	<b>131,878,234</b>	<b>136,003,894</b>
<b>Sources of Funds For Operations</b>							
<b>Fare Revenue</b>	28,640,000	23,010,000	26,200,000	30,000,000	34,200,000	39,000,000	40,900,000
<b>Interest Income</b>	1,000,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
<b>Other Income</b>	150,000	194,000	194,000	194,000	194,000	194,000	194,000
<b>Other</b>	-	-	-	-	-	-	-
<b>State CROC Dedicated Funding (Operating)</b>	7,496,000	7,495,000	7,499,500	7,499,000	7,498,500	7,497,750	7,496,500
<b>State Operating Support</b>	5,000,000	8,280,792	8,494,944	8,821,360	9,153,772	9,493,828	9,840,095
<b>State Operating Grant (Incl. Track Access &amp; Debt Fu</b>	18,904,897	21,912,254	22,441,056	23,311,877	24,216,997	25,159,328	26,138,754
<b>Federal Grants:</b>							
Track Access Lease Funding	-	-	-	-	-	-	-
Federal Operating Funds (Debt service & loans)	4,900,686	4,897,271	3,354,722	3,354,802	3,352,220	3,354,565	3,354,010
Other Federal Revenues	520,000	520,000	520,000	520,000	520,000	520,000	520,000
Federal Pandemic Relief Funds	31,779,054	34,949,753	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>98,390,637</b>	<b>105,009,070</b>	<b>72,454,223</b>	<b>77,451,040</b>	<b>82,885,489</b>	<b>88,969,471</b>	<b>92,193,359</b>

# KEY FORECAST ASSUMPTIONS

Driver	Assumption
Service Levels	Maintain FY25 levels of 32 weekday trains and 12 Saturday trains
Ridership	Weekday average increase to 13,300 by 2030 (Saturdays to 2000)
Fares	Grow with inflation (estimated at 2.5%)
Jurisdictional Contribution	Grow with inflation (2.5%)
State Funds (3.5% MTF)	Increase ~2% per year
Major Expense Areas	Most grow at CPI or more (3-4%) – insurance, access fees, contract ops/maint. in particular; diesel fuel highly uncertain



# “BIG PICTURE” OUTCOMES

- Operating ratio (farebox recovery) at 33% in FY 2030
- Pandemic relief funds fully utilized by mid-FY 2028
- Gap of \$25-\$30 million in FY 2030\*

***Must identify sustainable revenues going forward***

*\* Operating gap can vary depending on use of dedicated state funds and local jurisdictional contributions for operating vs. capital*



# ALTERNATIVE PROJECTIONS: WHAT CAN MOVE THE NEEDLE?

- **Ridership:** Each additional 1,000 weekday ADR results in approximately \$3 million in additional fare revenue
  - ✓ Farebox recovery of 45% in 2030 if return to pre-pandemic ridership level
  - ✓ Much better but not sufficient on its own – need additional operating support
- **Fares:** Don't want to leave money on the table (i.e., federal transit benefit) but must also stay competitive
- **Jurisdictions:** Current level is below where it “would be” without the pandemic by ~\$4 million, also no change for Saturday service; but must acknowledge that jurisdictions face competing pressures

# FUNDING OPPORTUNITIES

- ✓ Seek additional % of MTF revenue or overall increase to MTF
- ✓ Identify alternative capital funds for VPRA  
→ free up CROC funds
- ✓ Identify alternative capital funds for federal match → free up MTF funds or jurisdictional contribution for operations
- ✓ Identify permanent operating funding source for existing and new services

