



**VIRGINIA RAILWAY  
EXPRESS**

**OPERATIONS BOARD  
MEMBERS**

**DANA KAUFFMAN**  
CHAIRMAN

**DOUG WALDRON**  
VICE CHAIRMAN

**ELAINE MCCONNELL**  
SECRETARY

**PAUL MILDE**  
TREASURER

**HILDA BARG**

**SHARON BULOVA**

**MAUREEN CADDIGAN**

**WALLY COVINGTON**

**ROBERT GIBBONS**

**JOHN D. JENKINS**

**MATTHEW KELLY**

**MATT TUCKER**

**CHRISTOPHER  
ZIMMERMAN**

**DALE ZEHNER**  
CHIEF EXECUTIVE  
OFFICER

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# MINUTES

**VRE OPERATIONS BOARD MEETING  
PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA  
JANUARY 19, 2007**

<b>MEMBERS PRESENT</b>	<b>JURISDICTION</b>
Sharon Bulova (NVTC)	Fairfax County
Elaine McConnell (NVTC)**	Fairfax County
Paul Milde (PRTC)	Stafford County
John D. Jenkins (PRTC)	Prince William County
Dana Kauffman (NVTC)	Fairfax County
Alan Tobias	VDRPT
Doug Waldron (PRTC)	City of Manassas

<b>ALTERNATES PRESENT</b>	<b>JURISDICTION</b>
Hilda Barg (PRTC)	Prince William County
Maureen Caddigan (PRTC)	Prince William County
Wally Covington (PRTC)	Prince William County
Robert Gibbons (PRTC)	Stafford County
Matthew Kelly (PRTC)	City of Fredericksburg
Christopher Zimmerman (NVTC)**	Arlington County

<b>STAFF AND GENERAL PUBLIC</b>	
George Billmyer – citizen	Steve MacIsaac – VRE counsel
Donna Boxer – VRE	April Maguigad – VRE
Marv Dixon – City of Fredericksburg	Betsy Massie – PRTC staff
Steve Edwards – Supervisor	Sirel Mouchantaf – VRE
McConnell’s Office	Bob Owolabi – Fairfax County
Anna Gotthardt – VRE	Dick Peacock – citizen
Al Harf – PRTC staff	Lloyd Robinson – FAMPO
Christine Hoeffner – VRE	Mark Roeber – VRE
Angela Horan – PW County Attorney	Larry Sternbane – VRE
Ann King – VRE	Jennifer Straub – VRE
Mike Lake – Fairfax County	Rick Taube – NVTC staff
Trinh Lam – VRE	Dale Zehner – VRE
Bob Leibbrandt – Prince William County	

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

Chairman Caddigan called the meeting to order at 9:32 A.M. Following the Pledge of Allegiance, roll call was taken.

### Approval of the Agenda – 3

Mr. Jenkins moved, with a second by Ms. Bulova, to approve the agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Gibbons, Kauffman, Tobias and Waldron.

### Minutes of the December 15, 2006, VRE Operations Board Meeting – 4

Ms. Barg moved, with a second by Ms. Bulova, to approve the minutes. The vote in favor to approve the minutes was cast by Board Members Bulova, Caddigan, Gibbons, Kauffman, Tobias and Waldron.

### Chairman Caddigan's Closing Remarks – 5

Chairman Caddigan stated that she'd had "big shoes" to fill as VRE Operations Board Chairman following Ms. McConnell's term as Chairman in 2005. Ms. McConnell has been integrally involved with VRE since before its inception and has played a big role in its success. Chairman Caddigan also thanked Mr. Zehner and his staff for their outstanding work. During 2006, the VRE Operations Board had to deal with some tough issues as well as look at ways to expand the system. She stated that one of the biggest accomplishments of 2006 was the new railcars. The Christening ceremony introducing the first two new railcars was held on January 17<sup>th</sup> in Alexandria. Congressmen Davis and Moran attended the event. Other accomplishments included completion of the Broad Run parking expansion, initiation of construction of the Burke Centre parking deck, completion of site plans and land acquisition for the Manassas parking deck, the Quantico Bridge, and progress made on moving maintenance to the rail yards. She thanked the Board for giving her the opportunity to serve as Chairman. Mr. Zehner presented a gift to Chairman Caddigan for her dedicated service to VRE.

### Installation of New Officers – 6

Board Members Bulova, Caddigan, McConnell and Waldron served as the Nominating Committee. The committee recommends the following slate of officers and Board Members for 2007:

## 2007 Officers

Dana Kauffman, Chairman  
Doug Waldron, Vice Chairman  
Elaine McConnell, Secretary  
Paul Milde, Treasurer

### Board Members

Sharon Bulova (NVTC)  
John Jenkins (PRTC)  
Dana Kauffman (NVTC)  
Elaine McConnell (NVTC)  
Paul Milde (PRTC)  
Matt Tucker (VDRPT)  
Doug Waldron (PRTC)

### Alternates

Hilda Barg (PRTC)  
Maureen Caddigan (PRTC)  
Wally Covington (PRTC)  
Robert Gibbons (PRTC)  
Matthew Kelly (PRTC)  
Chris Zimmerman (NVTC)

There were no further nominations. Mr. Gibbons moved, with a second by Ms. Bulova, to approve the slate of officers. The vote in favor was cast by Board Members Bulova, Caddigan, Gibbons, Kauffman, Tobias and Waldron.

### New Chairman's Comments – 7

Chairman Kauffman thanked Ms. Caddigan for her outstanding efforts as Chairman during 2006. He looks forward to serving as VRE's Chairman and going to Richmond to seek funding for VRE. Ridership may be down, but on-time performance has increased and he firmly believes that ridership will also increase and then the Board will be challenged with addressing capacity issues.

Ms. Bulova commended Ms. Caddigan for the outstanding job she did as Chairman during a very pivotal year with the purchase of the railcars and dealing with the governance issues. Ms. Bulova stated that she is also pleased to see the gavel pass to Mr. Kauffman, who will do a great job as Chairman.

[Mr. Zimmerman arrived at 9:49 A.M.]

### Chief Executive Officer's Report – 8

Mr. Zehner reported that overall on-time performance (OTP) for December was at 92 percent, with Manassas at 90 percent and Fredericksburg at 94 percent, which is the highest it's been for many years. For January, OTP has been 95 percent systemwide. VRE is reaching its goal of 92 percent. He also reported that Ms. Maguigad recently

visited the CSX dispatching center in Jacksonville, Florida and will visit the Greenville center in the near future.

Mr. Zehner stated that ridership is climbing, with average daily ridership at 15,100, which is slightly higher than the previous year at the same time. This morning VRE put its two new railcars into service for the first time on Manassas trains #324 and #328. Next week two new railcars will debut on the Fredericksburg Line.

Mr. Zehner reported that construction of the Quantico Bridge is complete and now signal and track work needs to be done. There will be two two-week periods during which VRE will have to run restricted service while the work is being done. The work is scheduled for February 12 – 23, 2007 and March 26 – April 6, 2007. VRE will publicize this information to its passengers. Mr. Zehner explained that although VRE will have to cancel two trains, it will lengthen its other trains to accommodate more riders. Also double locomotives will be included on each train to insure no mechanical failures. VRE will do everything possible to minimize delays. Mr. Zehner predicts that once the bridge is totally completed, it will eliminate 20-30 percent of delays. In response to Mr. Gibbons, Mr. Zehner stated that he will provide the Board with the temporary modified schedule. Mr. Gibbons suggested that the Free Lance Star be asked to publish the temporary service changes.

Mr. Gibbons requested that at the next Operations Board meeting a progress report be provided regarding the third rail project. He stated that there is support for getting this project started instead of just continuing with studies.

#### VRE Rider's Comments – 9

Mr. Billmyer stated that VRE's arrival times are not listed on the electronic display board at Union Station. It only shows departure times. However, both arrival and departure times are listed for MARC trains. He asked that VRE look into correcting this. He also stated that ridership patterns are changing across the county. Trends are showing that riders are moving to mid-day and reverse trains. Commuter service should not be rush hour service only but should be a frequent service.

[Ms. McConnell arrived at 9:53 A.M.]

Mr. Billmyer objected to VRE's proposed benefit reductions, stating that in the past they have resulted in loss of ridership. Although he has never been a big fan of Free Ride Certificates (FRC's) if VRE eliminates them, riders may react negatively. Regarding the proposed Amtrak step-up increase, he stated that for those riders who use 10-trip tickets, it will be like paying double. Amtrak provides service on government holidays and weekends and VRE should not sock riders with the step-up fares on these days. Mr. Zehner stated that there will be a public hearing on the proposed changes to step-up fares and FRC's.

Mr. Peacock expressed his concern about ridership on the Manassas Line. In this region, people tend to leave the area every 3-4 years. New people might think the Manassas parking lots are full if they don't know about the additional parking available at ABC Photo. VRE needs more signage directing people to the additional parking.

Mr. Peacock observed that the progress report on VRE's capital projects does not include some of the projects Mr. Westbrook has mentioned at previous Operations Board meetings. Mr. Zehner explained the projects on that list are only projects managed by VRE and do not include projects managed by DRPT such as L'Enfant, third track, Franconia Hill and the third track in Fredericksburg. Mr. Peacock suggested including these projects in the report as an addendum so that riders know what new projects are moving forward.

Chairman Kauffman suggested the Board discuss Agenda Item #10A, which will be a lengthy discussion, after the other action items. There were no objections.

#### Authorization to Conduct Public Hearings Related to Proposed Tariff Amendments – 10B

Chairman Kauffman reported that the VRE Operations Board is being asked to authorize the CEO to solicit comments through public hearings related to the proposed increase in the Amtrak Step-Up fare and elimination of the FRC service guarantee program. Public hearings will be conducted in February and comments will be brought back to the Board in March. Resolution #10B-01-2007 would accomplish this.

Mr. Waldron moved, with a second by Ms. Bulova, to approve the resolution. The vote in favor was cast by Board Members Bulova, Jenkins, Milde, Kauffman, McConnell, Tobias and Waldron.

#### Authorization to Acquire Easements and Relocate Utilities for the Manassas Parking Garage Project -- #10C

Chairman Kauffman stated that Resolution #10C-01-2007 would authorize the CEO to acquire utility easements and relocate utilities owned by Dominion Virginia Power as part of the Manassas Parking Garage project in an amount not to exceed \$416,000.

Mr. Waldron moved, with a second by Mr. Jenkins, to approve the resolution. The vote in favor was cast by Board Members Bulova, Jenkins, Milde, Kauffman, McConnell, Tobias and Waldron.

### Authorization to Enter into an Agreement with Rappahannock Electric for Purchase of Electrical Power at the Crossroads Yard – 10D

Chairman Kauffman stated that the VRE Operations Board is being asked to authorize the CEO to enter into an agreement for the purchase of electrical power at the Crossroads storage yard with Rappahannock Electric Cooperative (REC). The agreement would be for five years, with a total value of \$52,500. Resolution #10D-01-2007 would accomplish this.

Mr. Milde moved, with a second by Mr. Waldron, to approve the Resolution. The vote in favor was cast by Board Members Bulova, Jenkins, Milde, Kauffman, McConnell, Tobias and Waldron.

### Authorization to Refer the Governance Proposal to the Commission for Approval – 10A

Chairman Kauffman reported that the VRE Operations Board Subcommittee on Governance met on January 11<sup>th</sup> to discuss the issues identified for additional analysis at the November Operations Board and December Commission meetings.

Mr. Jenkins moved, with a second by Ms. Bulova, to move the proposal forward to the Commissions.

Mr. Zehner then gave a presentation on the governance proposal that responds to the issues raised at the Commission meetings. The first issue the Subcommittee looked at was crediting nonjurisdiction fare revenue to outlying jurisdiction as a means of recognizing the cost of nonmember riders using these stations. The Subcommittee recommends against including this because both the current and proposed allocation formulas already apply a higher per passenger fare revenue credit to the outer jurisdictions; currently there is no evidence of financial hardship to outer jurisdictions; and jurisdictions face different challenges (i.e. riders from inner jurisdictions do not always have seats).

Mr. Zehner stated that the second issue was whether a method should exist to protect the number of Board Members even if ridership growth causes a jurisdiction's ridership to drop below 15 percent and therefore permit only one Board Member. The Subcommittee recommends against this proposal as it is contrary to the principle of Board membership being linked to ridership.

Another issue discussed by the Subcommittee was regarding a jurisdiction with ridership substantially above 15 percent of total system ridership that is not recognized as such for purposes of Board membership even while paying a substantially higher subsidy. The Subcommittee recommends an additional Board Member if a jurisdiction reaches 25 percent of total system ridership, with the membership as follows:

Ridership of less than 15% = 1 Board Member  
Ridership of 15-24% = 2 Board Members  
Ridership of 25% of more = 3 Board Members

Mr. Zehner stated that as a result of a concern raised at the NVTC meeting about the initial proposal of no voting privileges for both Arlington and Alexandria in the event of a weighted vote, the Subcommittee recommends that when weighted voting is required, the weighting should be based on subsidy rather than ridership. An affirmative vote would still require approval by jurisdictions with at least 60 percent of the total subsidy. Under this proposal and based on current contributions, Arlington would receive 1.2 percent of the total vote and Alexandria would receive 0.8 percent of the total vote.

Mr. Zehner stated that another issue is when weighted voting is in effect, votes could be cast by jurisdiction or individual Board Members. The subcommittee recommends each Board Member cast an individual vote based on a prorata share of their jurisdictional percentage of subsidy, which would be analogous to TPB's practice.

Mr. Zehner stated that the final issue is what level of authority should the Commissions delegate to the Operations Board. The Subcommittee recommends formally including the delegation of authority plan in Appendix B of the Master Agreement, as well as examination as to if further delegation beyond the current plan is advisable. Delegation would not include items such as approval of the annual budgets, debt, disposition of property, legislative agendas, strategic plans and other major policy issues. Those items would be approved by the Commissions.

Mr. Tobias stated that VDRPT has serious concerns about this proposal because it basically disenfranchises the Commonwealth and has left VDRPT as the only Board Member without a weighted vote. The Commonwealth is a major funding partner of VRE and it is essential that the state continue to have a vote. Mr. Zehner observed that VDRPT would continue to have a vote at both Commissions, which has oversight over VRE. Mr. Gibbons stated that when one looks at the federal and state contribution, it's a substantial part of the budget. VDRPT's concerns should be addressed. If it has to be elected officials on the Board then a Delegate or Senator could serve as a Board Member to represent the Commonwealth. Chairman Kauffman stated that he will work with Mr. Zehner on this issue. Ms. Bulova stated that she wished VDRPT had raised these concerns earlier in the process. She suggested that CTB's Chairman be included in the discussions of this issue.

Mr. Zimmerman stated that the distinction between participating and contributing jurisdictions should be eliminated in the chart, since with the changes it is not needed. The maker and seconder of the motion agreed to include Mr. Zimmerman's comments into the spirit of the motion.

Mr. Jenkins stated that, in the spirit of moving this forward to the Commissions, VDRPT's concerns can be discussed at the Commission level.

Mr. Kelly stated that the City of Fredericksburg sees VRE as an important component of the region's transportation system. Regarding nonjurisdictional credit, the City of Fredericksburg is impacted by the 800+ nonjurisdictional riders boarding at Fredericksburg. The City agrees with the concept that currently Fairfax County is bearing an enormous share of the budget and that the subsidy should be changed. He asked for financial help for at least the first year and suggested Fairfax County work with the southern jurisdictions and possibly defer 20 percent to the other jurisdictions. The City needs some financial assistance, especially for the first year. Mr. Milde stated that the subsidy is also a concern for Stafford County, because the County's subsidy would increase to above \$2 million. It's a huge jump and the County would also like some relief. Chairman Kauffman stated that this is the reason for the phased-in approach to help lessen the increase to other jurisdictions. Fairfax County has been supporting VRE from the beginning and has paid its costs out of general funds, not out of the gas tax.

In response to a question from Mr. Milde, Mr. Zehner explained that the weighted voting technically only matters if there is a split vote. Mr. Milde observed that weighted voting is based on subsidy but membership is based on ridership. He stated that this seems biased toward some jurisdictions. He asked why not do it all on subsidy. Chairman Kauffman explained that the change was made to give Arlington and Alexandria a vote. Mr. Zehner stated that if membership is based on subsidy, it would change the Board membership (Fairfax would have 3, Prince William 3 and Stafford 2). The proposed plan has Board membership based on ridership to represent who is riding the trains. Mr. Zimmerman questioned what would be the problem with the change in Board membership since the votes are weighted.

Ms. McConnell observed that if the subsidy is based on ridership, why would a jurisdiction want to promote ridership. Ms. Caddigan stated that Prince William County has stepped up to the plate and will now pay the biggest share of the VRE budget, but it needs to get something in return. Ms. Barg also asked what incentive Prince William County would have to increasing ridership if it means an increase in subsidy and the County already has the most votes on the Operations Board.

Mr. Zehner stated that 20 percent of ridership comes from outside VRE jurisdictions. If 100 percent of ridership came from VRE jurisdictions, subsidy and ridership would basically be the same. He recommended that if Board membership were changed to be based on subsidy, the threshold should be changed to 30% for another member.

Ms. Bulova stated that when the Subcommittee first started looking at this issue, the goal was to find a governance system that was fair and simple as possible. The more you deviate from that, the less fair it is and the harder it is to understand. Her inclination would be to stick with the original concept to base subsidy on ridership. Mr. Kelly agreed and stated that under the original proposal, Fairfax and Prince William Counties would have 50 percent of the vote, but if it changed they would have 65.7 percent and basically control the Board.

Mr. Zehner stated that the Strategic Plan indicates that system growth in the future will occur at the ends of the lines, which is currently restricted because of no parking and stations. Chairman Kauffman asked what the consequences would be as more jurisdictions join the system. Mr. Zehner stated that if Spotsylvania County were to join they would have approximately 10 percent of the ridership and have one member. Once a station was built in the county, ridership would substantially increase and the County's representation on the Board would increase. As more jurisdictions join, the power of the Board would also shift to the outer jurisdictions. This makes it attractive to new members who are considering joining VRE. Mr. Kelly stated that in regard to Spotsylvania joining VRE and the future of VRE, it is important to look at CSX and the third rail. Spotsylvania will be watching this issue. He is concerned that localities would have no say in those negotiations.

Mr. Gibbons observed that Arlington and Alexandria get the air quality benefit from VRE service. There is going to be a difference of opinions between PRTC and NVTC and he suggested having a member from each Commission serve as a "go between" to work through these issues and come to an agreement by May or June in order to meet budget deadlines.

Ms. McConnell reminded the new jurisdictions that in 1984 Fairfax County helped to start this system and put substantial amounts of money into VRE. Arlington and Alexandria were also there from the beginning regardless of what they got out of it. They deserve a vote.

Chairman Kauffman suggested that Mr. Milde's comments regarding having the voting and Board membership both based on subsidy be advanced to the Commissions for discussion.

Mr. Tobias again stated that the weighted system of voting is a concern because it doesn't give the Commonwealth a vote. The state has also been there from the beginning and contributed substantial funding for VRE. He was instructed to submit a revision that would provide two votes for the state, but he doesn't know how that would work with the current proposal.

Mr. Tobias moved that the motion be amended to include two votes for the Commonwealth.

Ms. Bulova observed that this issue will be brought to the Commissions for their discussion. There was no second to Mr. Tobias's motion.

Mr. Tobias also moved to have VRE recommend that the budgets move forward without the change in governance proposal.

Chairman Kauffman explained that the resolution would move forward both versions of the budget. Mr. Gibbons stated that he does not want the vote on the budget and vote on governance to be tied together. Mr. Maclsaac explained that the resolution is a

single action that would forward the initial budget based on the current 90/10 formula and at the same time forward the alternate budget based on the new subsidy and governance formula. The condition on the alternate budget is that all the jurisdictions have to approve it. If there isn't unanimous approval, then the original budget carries.

Mr. Tobias stated that with that explanation, he requested that his motion be amended to remove the second "Whereas" clause so that all the resolution would do would forward the existing budget at the current 90/10 formula. There was no second to the motion.

[Ms. Barg left the meeting at 10:13 A.M.]

Mr. Jenkins called the question. Chairman Kauffman asked for a roll call vote. The motion passed with the following Board Members voting in favor: Bulova, Jenkins, Milde, McConnell, Waldron and Kauffman. Mr. Tobias voted no.

Mr. Tobias requested that a meeting with VDRPT and VRE staff be scheduled prior to the Commission meetings to discuss the Commonwealth's concerns.

#### Ridership Analysis by Station – 11A

Chairman Kauffman observed that the agenda item shows data about which stations are experiencing the largest decline in ridership. Board members had no questions.

#### BRAC Update – 11B

Board Members were provided with a white paper on the impact of proposed BRAC actions at Fort Belvoir and the Quantico Marine Corps Base. Board Members had no questions.

#### Adjournment

Chairman Kauffman announced that the next Operations Board meeting is scheduled for February 16, 2007. Ms. Bulova moved, with a second by Ms. Caddigan, to adjourn the meeting. The vote in favor was cast by Bulova, Jenkins, Milde, Kauffman, McConnell, Tobias and Waldron. Chairman Kauffman adjourned the meeting at 11:17 A.M.

Approved this 16<sup>th</sup> day of February 2007.

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Dana Kauffman  
Chairman

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Elaine McConnell  
Secretary

**CERTIFICATION**

This certification hereby acknowledges that the minutes for the January 19, 2007 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

*Rhonda Gilchrest*

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Rhonda Gilchrest