



**VIRGINIA RAILWAY
EXPRESS**

BOARD MEMBERS

DANA KAUFFMAN
CHAIRMAN

DOUG WALDRON
VICE CHAIRMAN

ELAINE MCCONNELL
SECRETARY

PAUL MILDE
TREASURER

MAUREEN CADDIGAN
WALLY COVINGTON
MARV DIXON
BOB GIBBONS
JOHN JENKINS
FRANK JONES
PAUL SMEDBERG
MATT TUCKER
CHRIS ZIMMERMAN

ALTERNATES

HILDA BARG
SHARON BULOVA
MARK DUDENHEFER
JAY FISETTE
MATT KELLY
TIMOTHY LOVAIN
MICHAEL MAY
MARTIN NOHE
KEVIN PAGE
HAL PARRISH
GEORGE SCHWARTZ

DALE ZEHNER
CHIEF EXECUTIVE
OFFICER

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MINUTES

**VRE OPERATIONS BOARD MEETING
PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA
SEPTEMBER 21, 2007**

MEMBERS PRESENT	JURISDICTION
Maureen Caddigan (PRTC)	Prince William County
Wally Covington (PRTC)	Prince William County
Marvin J. Dixon (PRTC)	City of Fredericksburg
Robert Gibbons (PRTC)	Stafford County
John D. Jenkins (PRTC)	Prince William County
Dana Kauffman (NVTC)	Fairfax County
Elaine McConnell (NVTC)	Fairfax County
Paul Milde (PRTC)	Stafford County
Paul Smedberg (NVTC)	City of Alexandria
Doug Waldron (PRTC)	City of Manassas

MEMBERS ABSENT	JURISDICTION
Frank C. Jones (PRTC)	City of Manassas Park
Matthew Tucker	DRPT
Christopher Zimmerman (NVTC)	Arlington County

ALTERNATES PRESENT	JURISDICTION
Hilda Barg (PRTC)	Prince William County
Sharon Bulova (NVTC)	Fairfax County
Kevin Page	DRPT

ALTERNATES ABSENT	JURISDICTION
L. Mark Dudenhefer (PRTC)	Stafford County
Jay Fisette (NVTC)	Arlington County
Matthew Kelly (PRTC)	City of Fredericksburg
Timothy Lovain (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Martin E. Nohe (PRTC)	Prince William County
Hal Parrish, II (PRTC)	City of Manassas
George H. Schwartz (PRTC)	Stafford County

STAFF AND GENERAL PUBLIC	
Steve Edwards – Sup. McConnell’s staff	April Maguigad – VRE
Anna Gotthardt – VRE	Betsy Massie – PRTC staff
Al Harf – PRTC staff	Sirel Mouchantaf – VRE
Christine Hoeffner – VRE	Dick Peacock – citizen
Ann King – VRE	Mark Roeber – VRE
Mike Lake – Fairfax County	Jennifer Straub – VRE
Trinh Lam – VRE	Rick Taube – NVTC staff
Dennis Larson – VRE	Alan Tobias – HNTB
Bob Leibbrandt – Prince William County	Dale Zehner – VRE
Steve Maclsaac – VRE counsel	

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

Chairman Kauffman called the meeting to order at 9:41 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Ms. Caddigan moved, with a second by Mr. Jenkins, to approve the agenda. The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Minutes of the August 17, 2007, VRE Operations Board Meeting – 4

Mr. Gibbons moved, with a second by Mr. Dixon, to approve the minutes. The vote in favor to approve the minutes was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Chairman's Comments – 5

Chairman Kauffman explained that Board Members have been provided with a wallet size card that lists contact information for Board Members and key personnel.

Chief Executive Officer's Report -- 6

Mr. Zehner announced that on October 18th, VRE and the City of Manassas will hold a ground-breaking ceremony to commemorate the initiation of the parking garage project. Board Members will be receiving invitations in the mail.

Mr. Zehner reported that system-wide ridership has increased 4.9 percent year-to-date from the previous year. The Fredericksburg Line ridership has increased by 5.1 percent and the Manassas Line by 4.6 percent. These increases can be attributed to improved on-time performance over the summer months, with only six days affected by heat restrictions. VRE is also watching the locomotives closely to prevent any major mechanical problems. Changes in maintenance procedures and processes at both Virginia yards have reduced the number of mechanical failures.

Mr. Zehner reported that VRE has initiated a new radio and print campaign. VRE is trying to attract a new demographic of young riders as VRE is experiencing the loss of some long-time riders due to retirement.

Mr. Zehner announced that he toured the rail plant in Chicago to see the progress being made on the railcars. So far there are 20 railcars that have left Japan and are on their way to Chicago where the interior work will be completed. VRE expects to start receiving five new gallery coaches per month starting in December 2007 and ending in

October 2008. By November 2008 all 50 new gallery coaches will be in service on peak period trains.

Mr. Zehner stated that the Clifton Betterment Association has contracted with VRE again this year to run excursion trains to and from the Clifton Day Antique, Arts & Crafts Festival on October 7, 2007. The excursion ride expenses have been paid for in advance by the Clifton Betterment Association and all proceeds from ticket sales will go to them.

Mr. Jenkins stated that it is impressive to see VRE's on-time performance improve dramatically from 54 percent in July 2006 to 91 percent in July 2007. Mr. Zehner and his staff should be commended for their hard work. Mr. Waldron asked if it would be appropriate for VRE to issue a press release conveying these facts. The Board discussed this and agreed that it would be a good idea. Mr. Kauffman also suggested adding information about the new railcars and Mr. Gibbons requested including information about the new locomotives.

VRE Riders' and Public Comment – 7

Mr. Peacock asked if the storage track work at L'Enfant has been completed. Mr. Zehner replied that he visited the site and it appears to be complete, but he will confirm it with CSXT. Mr. Peacock suggested that VRE's website include information on what VRE is doing to make its locomotive fleet more reliable. He reported that the City of Manassas sends its residents a city newsletter in their utility bill, which includes a page that is dedicated to community information. He suggested that the newsletter could include information promoting VRE. Mr. Waldron stated that he cannot make any commitment at this time without investigating it, but it does sound like a good idea.

Chairman Kauffman recognized Alan Tobias, who now works for HNTB.

Authorization to Sell Five Gallery Railcars – 8A

With the anticipation of the new railcar delivery, the Operations Board previously granted authority to the CEO to sell up to 25 railcars. Since that time, the equipment was posted on VRE's website for public sale and staff received a proposal from Dan Behr, Associates of Chicago, Illinois, to purchase five Gallery cars for \$1.00 each. The sale would also include the buyer placing freight costs into an escrow account to ensure removal of all cars. VRE purchased these five cars for \$1.00 each and invested no money in them. As such, there is no federal, state or local interest in these cars.

Mr. Gibbons moved, with a second by Ms. McConnell, to approve Resolution #8A-09-2007, which would recommend that the Commissions authorize the VRE CEO to sell the five Gallery railcars to Dan Behr Associates for \$1.00 each. The vote in favor was

cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Authorization to Issue a Task Order for Locomotive Top Deck Rebuild Work – 8B

Mr. Gibbons moved, with a second by Ms. Caddigan, to approve Resolution #8B-09-2007, which would authorize the VRE CEO to issue a task order to Transportation Technologies, Inc., (TTI) to perform top deck rebuild work on two locomotives in an amount not to exceed \$450,000, plus a contingency of \$45,000, for a total of \$495,000. The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Authorization to Increase Sounder Authority – 8C

Mr. Zehner reported that the Board is being asked to recommend that the Commissions authorize him to increase the authorization limit by \$500,000, from \$8,226,000 to \$8,726,000, for the continued lease of one set of high capacity rail cars from Sound Transit. Resolution #8C-09-2007 would accomplish this. VRE needs to retain possession of this set until several shipments of the new railcars arrive.

Mr. Gibbons moved, with a second by Ms. Caddigan, to approve the resolution. The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Authorization to Issue a Task Order for Locomotive Main Generator Bearing Repairs – 8D

Mr. Gibbons moved, with a second by Ms. McConnell, to approve Resolution #8D-09-2007, which would authorize the VRE CEO to issue a task order to Transportation Technologies, Inc., (TTI) to perform repairs to locomotive main generator bearings in an amount not to exceed \$242,000. The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Authorization to Exercise Facilities Maintenance Services Contract Option – 8E

Mr. Zehner stated that the VRE Operations Board is being asked to recommend that the Commissions authorize the VRE Chief Executive Officer to exercise the third-year option of the facilities maintenance contract with NV Enterprises, Inc. in an amount not to exceed \$2 million. Resolution #8E-09-2007 would accomplish this.

Mr. Gibbons moved, with a second by Mr. Covington, to approve the resolution. The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

[Mr. Jenkins stepped out of the room at 9:54 A.M.]

Authorization to Extend Personal Service Contract for VRE Contract Employee – 8F

Mr. Zehner stated that Resolution #8F-09-2007 would authorize him to extend the term of a personal service contract with Terri Anomnachi to serve as the project engineer for the fare collection system and SmarTrip integration support for a period not to exceed three years. VRE is proceeding to upgrade its fare collection system software and hardware as an initial step towards SmarTrip integration. Ms. Anomnachi provides day-to-day oversight of the fare collection system maintenance contract. Her current contract is set to expire in November, 2007. No further funding is being requested to extend the agreement for three additional years, since only \$148,242 has been spent from the authorized amount of \$359,169.

Ms. Barg moved, with a second by Mr. Covington, to approve Resolution #8F-09-2007.

Mr. Waldron asked for a point of clarification on alternate members making motions. Ms. Barg explained that she only made the motion because Mr. Jenkins was out of the room and offered to withdraw her motion. Mr. Maclsaac stated that an alternate should serve in a member's place for the entire meeting instead of when members are shifting in and out of the room. In other words, if a member is present and steps out of the room, he is just absent for the vote. Ms. Barg withdrew her motion. Mr. Covington then made the motion to approve the resolution and Ms. Caddigan seconded. The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Kauffman, McConnell, Milde, Smedberg and Waldron.

[Mr. Jenkins returned to the meeting at 9:59 A.M.]

Closed Session – 9

Mr. Smedberg moved, with a second by Ms. Caddigan, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (7) of the Code of Virginia), the VRE Operations Board moved to convene a Closed Session for the purpose of discussing the cases of Moore vs. NVTC pending in the Prince William County Circuit Court and Bledsoe vs. CSXT pending in the District of Columbia Superior Court and one legal matter requiring consultation with counsel concerning the scope and applicability of the VRE Liability Insurance Plan.

The vote in favor was cast by Board Members Caddigan, Covington, Dixon, Gibbons, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron. The Board entered into Closed Session at 9:56 A.M. and returned to Open Session at 10:21 A.M.

[At 10:05 A.M. Mr. Gibbons left the Closed Session meeting and did not return.]

Mr. Smedberg moved, with a second by Ms. Caddigan, 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 the Freedom of Information Act 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 Caddigan, Covington, Dixon, Jenkins, Kauffman, McConnell, Milde, Smedberg and Waldron.

Adjournment

On a motion by Mr. Covington and a second by Mr. Dixon, the Board unanimously voted to adjourn. Chairman Kauffman adjourned the meeting at 10:27 A.M.

Approved this 19th day of October, 2007.

Dana Kauffman
Chairman

Elaine McConnell
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the September 21, 2007 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest