



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA FEBRUARY 15, 2008

**VIRGINIA RAILWAY
EXPRESS**

BOARD MEMBERS

JOHN JENKINS
CHAIRMAN

SHARON BULOVA
VICE-CHAIRMAN

CHRIS ZIMMERMAN
TREASURER

PAUL MILDE
SECRETARY

MAUREEN CADDIGAN
WALLY COVINGTON
MARV DIXON
PATRICK HERRITY
FRANK JONES
KEVIN PAGE
GEORGE SCHWARTZ
PAUL SMEDBERG
DOUG WALDRON

ALTERNATES

MARC AVENI
JAY FISETTE
MATT KELLY
TIMOTHY LOVAIN
MICHAEL MAY
JEFF McKAY
MARTIN NOHE
BRYAN POLK
JOHN STIRRUP
MATT TUCKER

DALE ZEHNER
CHIEF EXECUTIVE
OFFICER

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MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)*	Prince William County
Wally Covington (PRTC)	Prince William County
Patrick Herrity (NVTC)*	Fairfax County
John D. Jenkins (PRTC)	Prince William County
Frank C. Jones (PRTC)	City of Manassas Park
Paul Milde (PRTC)	Stafford County
Kevin Page	DRPT
George H. Schwartz (PRTC)	Stafford County
Paul Smedberg (NVTC)*	City of Alexandria
Christopher Zimmerman (NVTC)*	Arlington County

MEMBERS ABSENT	JURISDICTION
Marvin J. Dixon (PRTC)	City of Fredericksburg
Doug Waldron (PRTC)	City of Manassas

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Jay Fiset (NVTC)	Arlington County
Matthew Kelly (PRTC)	City of Fredericksburg
Timothy Lovain (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
Bryan Polk (PRTC)	City of Manassas Park
John Stirrup (PRTC)	Prince William County
Matthew Tucker	DRPT

STAFF AND GENERAL PUBLIC	
George Billmyer – citizen	Steve MacIsaac – VRE counsel
Heather Diez -- VRE	Betsy Massie – PRTC staff
Dan Gentz – DC Examiner	Sirel Mouchantaf – VRE
Anna Gotthardt – VRE	Peyton Onks – Sup. Herrity's office
Al Harf – PRTC staff	Dick Peacock – citizen
Ann King – VRE	Mark Roeber – VRE
Mike Lake – Fairfax County	Jennifer Straub – VRE
Trinh Lam – VRE	Rick Taube – NVTC staff
Bob Leibbrandt – Prince William County	Sara Wolfenden-Stafford
April Maguigad – VRE	Dale Zehner – VRE

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

Chairman Jenkins called the meeting to order at 9:35 A.M. Following the Pledge of Allegiance, roll call was taken.

[Mr. Smedberg arrived at 9:36 A.M.]

Approval of the Agenda – 3

Ms. Bulova moved, with a second by Mr. Smedberg, to approve the agenda. The vote in favor was cast by Board Members Bulova, Jenkins, Jones, Milde, Page, Schwartz and Smedberg. Mr. Covington abstained.

Minutes of the January 18, 2007, VRE Operations Board Meeting – 4

Ms. Bulova moved, with a second by Mr. Smedberg, to approve the minutes. The vote in favor was cast by Board Members Bulova, Covington, Jenkins, Jones, Milde, Page, Schwartz and Smedberg.

Chairman's Comments -- 5

Chairman Jenkins explained that at the last VRE Operations Board meeting the December minutes were adopted, but they incorrectly state that Paul Milde is VRE's Treasurer and Mr. Zimmerman is the Secretary. However, just the opposite is true; Paul Milde is the Secretary and Chris Zimmerman is the Treasurer. Resolution #5A-02-2008 would amend the December 21, 2007 minutes to reflect this change.

Mr. Covington moved, with a second by Ms. Bulova, to correct the December minutes by adopting Resolution #5A-02-2008. The vote in favor was cast by Board Members Bulova, Covington, Jenkins, Jones, Milde, Page, Schwartz and Smedberg.

Chairman Jenkins also reported that VRE has 10 new railcars in operation with one set running on each line. The five new railcars were put into service this past week operating as trains #301, #304 and #309. He stated that he visited Rippon Station to see the new cars come through the station. Patrons disembarking the trains seemed pleased with the new equipment.

Chairman Jenkins announced that VRE's new radio ad campaign started January 28th and will run through March. VRE's website hits are up 25 percent on the new rider page. Finally, he stated that Board Members received a confidential e-mail message regarding a personnel action, but stated that he wouldn't comment any further on this issue since it is being handled by the CEO.

VRE Riders' and Public Comment – 6

George Billmyer stated that at the beginning, VRE's fare structure seemed based on the same fare structure as the Chicago Metra system. Since then, VRE's fare structure has gotten messed up. Now, the 10-ride ticket has only an eight percent discount, while the five-day pass has a 20 percent discount. There are many people that telecommute and want flexibility with fare media. Mr. Billmyer expressed his opinion that 10-ride ticket passengers should not be treated as second class citizens. In fact, VRE would be in better shape and have twice the ridership if instead of having 100 percent of monthly riders, all riders rode half the time and bought 10-ride tickets.

[Ms. Caddigan entered the room at 9:40 A.M.]

Mr. Billmyer stated that Metro North is beginning to implement hand-held, wireless, computer machines that can print tickets with a debit or credit card. The machines also can receive information on real-time issues, such as schedule changes and delays. It might be possible that this technology can be tied into SmartCard technology.

Ms. Bulova asked staff to respond to Mr. Billmyer's comments about the issue of the discount for the 10-ride ticket versus the five-day pass. Chairman Jenkins directed staff to revisit this issue and report back to the Operations Board.

Dick Peacock stated that last Tuesday was a very bad commuting day for drivers on roads and highways because of the freezing rain. Several highways were actually shut down. However, VRE trains were on-time. The region needs to invest more in rail because VRE is more reliable in bad weather and disaster situations. Chairman Jenkins stated that how VRE responded during the ice storm just proves the value of public transportation.

Mr. Peacock asked for an update on the new parking garage under construction at the Manassas Station. Chairman Jenkins stated that Mr. Zehner is planning to provide a report later in the agenda. Mr. Peacock expressed his opinion that VRE's new railcars will draw more riders to the system. Also, the new parking garages at Manassas and Burke Centre will also have an impact.

Chief Executive Officer's Report -- 7

Mr. Zehner asked Ms. Bulova to provide an update on the Burke Centre parking garage. She reported that the new garage is a beautiful facility. She attended a tour that showed the 1200 space parking facility, which will provide more capacity for growth. The ribbon cutting ceremony is anticipated for 1:00 P.M. on June 28th. The facility also has Little League baseball fields on the site and the Farmer's Market will operate in the parking lot. Mr. Zehner stated that the garage may actually be ready to open in late May or early June, depending on the construction schedule. Some of the concrete work will be contingent on weather conditions. Mr. Zehner reported that for the Manassas garage, it should be open before the end of June. There will be a ribbon cutting ceremony for that facility, but it has not been scheduled yet.

Mr. Zehner reported that ridership on the Fredericksburg Line is over 8,000 daily trips and almost 7,000 on the Manassas Line. He theorized that parking drives ridership so with the upcoming openings of the Manassas and Burke Centre parking garages in June, he stated that it will be interesting to see if there is a surge in ridership on the Manassas Line. Mr. Covington asked how many stations are on each line. Mr. Zehner responded that there are two more stations on the Fredericksburg Line compared to the Manassas Line. Many of the parking lots along the Manassas Line (Broad Run, Manassas, Manassas Park and Burke Centre) are all at capacity.

[Mr. Herrity joined the meeting at 9:47 A.M.]

Mr. Zehner reported that ridership is up four percent and fare revenue is up nine percent. Increased fare revenue can be mainly attributed to two factors, fare enforcement and the change in the Free Ride Certificate (FRC) program. Conductors are checking tickets all the time now and people are not getting away without having valid tickets. Also, VRE is not handing out Free Ride Certificates (FRC's) as often, since the policy was changed from 30 minutes to 60 minutes. VRE hardly ever experiences delays that long. Both of these issues have positively impacted fare revenue.

Mr. Zehner reported that seven public hearings are scheduled regarding the three percent fare increase and fare indexing policy. Board Members are encouraged to attend the hearings. Staff will compile passenger comments and will present them to the Board at its April meeting. To-date, VRE has only received six e-mails with comments. In past years, by this time VRE has received as many as a hundred e-mails.

Ms. Bulova noted that the last of the Sounder railcars are being returned to Seattle. These cars were a real lifesaver during VRE's ridership growth. It is bittersweet to see them go. She suggested that VRE send a letter of appreciation to Seattle. There were no objections and Chairman Jenkins directed staff to draft and send the letter.

Mr. Milde expressed his concern that on-time performance on the Fredericksburg Line has gone down to 81 percent and he wants to make sure that VRE is not losing its momentum. Mr. Zehner responded that the major reasons for the dip in systemwide on-time performance are primarily due to delays on the Fredericksburg Line, which 60 percent of the delays are due to VRE or Amtrak. During January there were three days in a row that the crews did not receive their orders on time, due to a telephone line problem at Union Station. This was not a normal delay and the problem has been corrected. VRE's on-time performance is sliding back up to the 86 percent range. Currently, VRE is dealing with some mechanical issues with locomotive and cabcar train line issues, as well as train congestion between VRE and Amtrak. Mr. Zehner stated that a year ago, the average delay was 30 minutes and now it is 15 minutes. In response to a question from Mr. Milde, Mr. Zehner explained that it is considered a "delay" if the train is five minutes late. Mr. Zehner stated that VRE has very few delays in the morning because VRE, Amtrak and CSX all concentrate on morning on-time performance. Passengers do not want to be late for work. They also don't want to be

late in the evening when they go home, but morning on-time performance is more important.

[Mr. Zimmerman arrived at 9:58 A.M.]

Mr. Milde asked what the Operations Board can do to help improve on-time performance in order to reach the 90 percent goal. Mr. Zehner asked the Board to give him another six months to improve on-time performance. VRE has all the resources, with Amtrak and CSX involved, but if the three entities cannot solve the problem together, then there is probably not much that can be done from that level. VRE has issues with the mechanical problems and Amtrak needs to improve train congestion problems. Schedule may have to be adjusted or other actions taken to correct the problem if necessary. New equipment continues to arrive and VRE is bringing in more mechanics to work on locomotive issues.

Mr. Zehner introduced a new staff member, Heather Diez, hired as a Civil Engineer.

Authorization to Release Draft Fare Indexing Policy for Public Comment – 8A

Chairman Jenkins explained that Resolution #8A-02-2008 would release a draft fare indexing policy for discussion at upcoming public hearings. In response to a question from Mr. Zimmerman, Chairman Jenkins explained that the action would allow for public comment and staff will return to the Operations Board with the comments.

Mr. Milde moved, with a second by Ms. Caddigan, to approve the resolution.

In response to a question from Mr. Zimmerman, Mr. Zehner announced that the public hearing in Crystal City is scheduled for noon on February 22nd. Mr. Zimmerman stated that he would attend.

Ms. Bulova reminded Board Members that staff will be looking at Mr. Billmyer's request to look at the fare discount for the monthly, 10-ride ticket and five day pass.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Jones, Milde, Page, Schwartz, Smedberg and Zimmerman.

Authorization to Issue Request for Proposals for Insurance Brokerage Services – 8B

Mr. Zehner reported that Resolution #8B-02-2008 would authorize the CEO to issue a RFP for insurance brokerage services for a contract term for three years with two, one-year options. The Division of Risk Management (DRM) has been responsible for procuring insurance coverage for the options of VRE, as an adjunct to their duties under the Commuter Rail Operations Liability Insurance Plan. During recent negotiations on changes and clarifications to the Insurance Plan, VRE and DRM agreed that this

function could be more efficiently handled by VRE. Following the RFP process, staff will return to the Board in the spring with a recommendation for award.

Ms. Caddigan moved, with a second by Mr. Milde, to approve the resolution.

In response to a question from Mr. Page, Mr. Zehner clarified that this is just a solicitation for brokerage services and does not alter VRE's relationship with DRM in any way.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Jones, Milde, Page, Schwartz, Smedberg and Zimmerman.

Authorization to Award a Task Order for Environmental and Engineering Work at the Leeland VRE Station – 8C

Mr. Zehner explained that the VRE Operations Board is being asked to authorize him to execute a task order with DMJM Harris for an environmental assessment and preliminary engineering for parking expansion at the Leeland VRE station. This authorization is being requested in an amount not to exceed \$157,000, plus a 10 percent contingency of \$15,700, for a total amount not to exceed \$172,700.

Mr. Schwartz moved, with a second by Mr. Milde, to approve Resolution #8C-02-2008. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Jones, Milde, Page, Schwartz, Smedberg and Zimmerman.

Adjournment

Chairman Jenkins announced that the next Operations Board meeting is scheduled for March 21, 2008.

On a motion by Ms. Bulova, and a second by Ms. Caddigan, the Board unanimously voted to adjourn. Chairman Jenkins adjourned the meeting at 10:04 A.M.

Approved this 21st day of March, 2008.

JOHN D. JENKINS
Chairman

PAUL MILDE
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the February 15, 2008 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest