



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA OCTOBER 17, 2008

VIRGINIA RAILWAY EXPRESS

BOARD MEMBERS

JOHN JENKINS
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ALTERNATES

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BRAD ELLIS
JAY FISETTE
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
John D. Jenkins (PRTC)	Prince William County
Matthew Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Kevin Page	DRPT
George H. Schwartz (PRTC)	Stafford County
Paul Smedberg (NVTC)*	City of Alexandria
Jonathan Way (PRTC)	City of Manassas
Christopher Zimmerman (NVTC)*	Arlington County

MEMBERS ABSENT	JURISDICTION
Patrick Herrity (NVTC)	Fairfax County
Frank C. Jones (PRTC)	City of Manassas Park

ALTERNATES PRESENT	JURISDICTION
Matthew Tucker*	DRPT

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Jay Fiset (NVTC)	Arlington County
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

STAFF AND GENERAL PUBLIC	
James Adams – Channel 4 News	Bob Leibbrandt – Prince William County
Tracy Bell – Stafford Sun	Steve MacIsaac – VRE counsel
George Billmyer – citizen	April Maguigad – VRE
Donna Boxer – VRE	Betsie Massie – PRTC staff
Jennifer Buske – Washington Post	Sirel Mouchantaf – VRE
Otto Clemente – Fairfax County	Peyton Onks – Sup. Herrity's office
Anna Gotthardt – VRE	Dick Peacock – citizen
Kelly Hannon – Free Lance-Star	Mark Roeber – VRE
Al Harf – PRTC staff	Sharmila Samarasinghe – VRE
Christine Hoeffner – VRE	Mike Schaller – citizen
Ann King – VRE	Brett Shorter – VRE
Uriah A. Kiser – Inside NOVA	Jennifer Straub – VRE
Mike Lake – Fairfax County	Rick Taube – NVTC staff
Trinh Lam – 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 9:36 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Mr. Kelly requested that Agenda Item #9I “Discussion Regarding Spotsylvania County Joining VRE” be added to the agenda. There were no objections.

Ms. Bulova moved, with a second by Mr. Kelly, to approve the amended agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Jenkins, Kelly, Milde, Page, Schwartz and Way.

Minutes of the September 19, 2008, VRE Operations Board Meeting – 4

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

Chairman’s Comments – 5

Chairman Jenkins announced that VRE has had a very good month. For the first quarter of FY 2009, VRE has experienced record ridership of 998,329 total passenger trips during July, August and September, which is 12.9 percent higher than the same period last year. He also reported that the second public workshop for the Gainesville-Haymarket Extension project is scheduled for October 22nd at Battlefield High School in Gainesville. An open house will start at 6:30 P.M. and the workshop will follow at 7:30 P.M. Chairman Jenkins reported that Sunday, October 12th was the 41st Annual Clifton Day festival. VRE ran 12 train trips that carried approximately 1,700 passengers.

Chairman Jenkins stated that at its September 11, 2008 meeting, the Northern Virginia Transportation Authority (NVTA) passed a resolution commending VRE staff members for their outstanding support and service to NVTA. A special thanks was expressed to Donna Boxer, Christine Hoeffner, Jennifer Straub and Dale Zehner.

[Mr. Smedberg arrived at 9:42 A.M.]

Chief Executive Officer’s Report – 6

Mr. Zehner reported that VRE has had record on-time performance during the first quarter of FY 2009, with on-time performance for September at 91 percent systemwide. VRE is currently running 89 percent for October. VRE has made some significant improvements that will sustain on-time performance, including the third track at L’Enfant and Slater’s Lane, new railcars, Quantico Bridge, AF Interlocking and CSX dispatching moving to Baltimore. A new engine house and car washer have been built and are

currently being tested at the Crossroads Yard. This will allow VRE to do more of its own equipment maintenance. Design work at the Broad Run Yard is also underway. Mr. Zehner also reported that staff and crew attended training on October 13th for customer service issues, particularly on how to deal with disgruntled passengers.

[Mr. Covington arrived at 9:46 A.M.]

VRE Riders' and Public Comment – 7

George Billmyer expressed his opinion that VRE needs to limit the fare increase to seven percent. VRE has many new riders and the price of gasoline has dipped down and he would hate to see riders scared off the trains. Mr. Billmyer stated that service cuts are a bad move. Also, VRE needs more powerful locomotives. He suggested multi-decking the Rolling Road parking lot.

Dick Peacock stated that he supports a reasonable fare increase of seven percent rather than service cuts. He stated that he hopes the Board will approve the locomotive purchase in Agenda Item #9A.

[Mr. Zimmerman arrived at 9:51 A.M.]

Consent Agenda – 8

Ms. Caddigan moved, with a second by Mr. Milde, to approve the following Consent Agenda items:

Resolution #8A-10-2008: Authorization to Amend the Task Order for Track Maintenance and Inspections

Resolution #8B-10-2008: Authorization to Amend the Task Order for On-Call Engineering Services

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

Authorization to Modify the Contract for New Locomotive Purchase – 9A

Mr. Zehner reported that the Operations Board is being asked to authorize him to modify the contract with Motive Power, Inc., for the purchase of locomotives so that the base order is increased from two to five locomotives, increasing the contract value to \$18,474,610, plus a 10 percent contingency of \$1,847,461, for a total amount not to exceed \$20,322,071. Resolution #9A-10-2008 would accomplish this.

Mr. Zehner explained that at the time of the initial locomotive order, VRE was unable to exercise more than the base due to the loss of matching funds expected from HB 3202. In the interim, additional funding sources have been made available which allow VRE to increase the base order from two to five locomotives. The contract is structured so that the unit price decreases when additional units are added to the base order. Consequently, the original price per unit, when ordering two locomotives, was \$4,379,271. If VRE increases the base order to five locomotives, the unit price is \$3,694,922. Board members had no questions or comments.

Ms. Bulova moved, with a second by Ms. Caddigan, to approve Resolution #9A-10-2008. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Issue a Task Order for Locomotive Top Deck Rebuild Work – 9B

Mr. Zehner stated that Resolution #9B-10-2008 would authorize him to issue a task order to Transportation Technologies, Inc. (TTI) to perform top deck rebuild work on three locomotives in an amount not to exceed \$810,000, plus a contingency of \$81,000, for a total of \$891,000. These are the last three locomotives that need rebuild work.

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

Authorization to Issue a Task Order for Construction Engineering and Inspection Services for the Purchase and Manufacture of Passenger Railcars – 9C

Mr. Zehner reported that the VRE Operations Board is being asked to authorize him to issue a task order to STV, Inc., under the MEC IV contract, for construction engineering and inspection services for the purchase and manufacture of passenger railcars in the amount not to exceed \$1,009,956. Resolution #9C-10-2008 would accomplish this.

Mr. Zehner explained that back in August 2008, VRE awarded a contract to Sumitomo Corporation of America for the manufacture of 10 passenger railcars to replace the Kawasaki railcars sold to Maryland. VRE needs construction engineering support and is required to provide on-site inspection services for the duration of the construction period. STV will also be responsible for the acceptance of each car before it is put into service.

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

[Mr. Tucker joined the discussion at 9:56 A.M.]

Authorization to Award a Contract for Security Services – 9D

Mr. Zehner stated that the current contract for security services for VRE expires on November 30, 2008. Following a competitive bid process, the technical evaluation team recommends that the contract be awarded to New Horizons Security Services, Inc., of Woodbridge. Resolution #9D-10-2008 would authorize the Chief Executive Officer to enter into a contract with New Horizons Security Services, Inc. for security services for VRE rail yards as well as selected VRE station locations. The amount of the contract will not exceed \$250,000 per year, for a period of five years, for a total amount not to exceed \$1.25 million. There was no discussion from Board Members.

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

Authorization to Award a Contract for Exterior Washing of the VRE Fleet – 9E

Mr. Zehner stated that the current contract for exterior fleet washing expires in November 2008. A procurement was issued for a new contract and VRE received two proposals. The contract award is being recommended to East Coast Power Washing of Kill Devil Hills, North Carolina. Resolution #9E-10-2008 would authorize the CEO to enter into a contract with this firm for the exterior washing of the VRE fleet in the amount of \$450,000 over a three year period.

In response to a question from Mr. Smedberg, Mr. Zehner replied that the firm has a very good environmental record. In response to a question from Mr. Zimmerman, Mr. Zehner explained that fleet washing usually occurs on the weekends so contracting with an out of state firm is not an issue.

Mr. Smedberg moved, with a second by Ms. Bulova, to approve Resolution #9E-10-2008. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Approve the 2008 Legislative Agenda – 9F

Mr. Zehner reviewed the proposed VRE Legislative Agenda. Congress has already started examining alternatives for reauthorization of SAFETEA-LU's transportation bill for next year. VRE will continue to pursue funding for all elements on VRE's reauthorization package, which has the support of Governor Kaine and the Northern Virginia General Assembly delegation. It includes seeking funding for 15 new locomotives, the Gainesville-Haymarket extension, parking expansion and platform extensions/additions, for a total of \$375 million. Mr. Zimmerman observed that APTA adopted a set of principles regarding the reauthorization and asked if VRE should endorse the APTA position. He suggested using the term authorization instead of reauthorization.

Mr. Schwartz observed that VRE has a state legislative initiative to encourage the Commonwealth to meet the statutory goal of 95 percent funding for eligible transit capital and operating costs from the Mass Transit Fund. Mr. Zehner stated that VRE has never been reimbursed 95 percent from the state. Currently, VRE receives approximately 50 percent of the eligible amount. This legislative initiative has been in VRE's Legislative Agenda for several years.

Mr. Schwartz also noted that his suggestions from the last meeting are not included in the Legislative Agenda. Ms. Straub asked if he could be referring to the discussion at the last PRTC meeting since VRE did not have a legislative item on its last month's agenda. Mr. Harf explained that at the October PRTC meeting, the PRTC Board directed its staff to prepare PRTC's Legislative Agenda and to include support for state participation at the 95 percent eligibility level, but with the realities of the current financial situation, to include a provision to move a step in that direction if 95 percent was not attainable. In that context, Stafford County suggested encouraging the General Assembly to supplement state assistance to make VRE and its members whole for the absence of Fauquier, Spotsylvania and Caroline counties' participation in VRE. Mr. Harf stated that PRTC's Legislative Agenda will capture this sentiment. Chairman Jenkins stated that this could be included in VRE's Legislative Agenda. In response to a question from Chairman Jenkins, Mr. Taube stated that NVTC's Legislative Committee will meet in November to prepare NVTC's Legislative Agenda and if VRE and/or PRTC adopt certain legislative initiatives, NVTC would consider them as well.

Mr. Milde observed that it was not necessarily a Stafford initiative, but it originated from FAMPO. Mr. Schwartz stated that Fredericksburg City Council also supports it. Mr. Kelly stated that when the Master Agreement was rewritten, in exchange for dropping jurisdictions' request for impact fees, VRE agreed to assist Fredericksburg and Stafford County with certain projects for parking and station improvements. He stated that this is an opportunity for VRE to request specific funding for these projects in its Legislative Agenda.

In response to a question from Mr. Way, Mr. Zehner explained that VRE will seek to enact a legislative remedy to amend the Virginia Code to allow for increased fines and penalties to an individual deliberately trying to defraud VRE when boarding VRE trains by using a counterfeit ticket. Currently, the Code only addresses invalid or no ticket violations. Within the last six months, VRE has found three fraudulent tickets and it is becoming a more widespread problem throughout the industry. Mr. MacIsaac explained that VRE is seeking to make using a counterfeit ticket or a VRE ticket which has been altered in any way, a low level felony that would result in a higher monetary fine (with no jail time).

Mr. Page stated that as a state employee, he will abstain from voting on the Legislative Agenda.

Mr. Covington moved, with a second by Ms. Caddigan, to recommend the VRE 2008 Legislative Agenda, as amended, to the Commissions and to authorize VRE's CEO to actively pursue its elements. Mr. Milde asked for clarification if the amended version includes improvements at Brooke, Leeland and Fredericksburg. Mr. Zehner stated that

it is his understanding that it includes the projects Mr. Kelly mentioned that were part of the Master Agreement amendments. Mr. Zehner reported that the environmental work for Brooke and Leeland should be completed in early spring, 2009.

Mr. Taube observed that VRE is seeking a Code change to allow VRE to choose an independent third party administrator. He asked if VRE staff expects the Commonwealth to support or oppose this legislative change. Mr. Tucker stated that DRPT has not taken a position yet. It is important to have further discussions to come to a mutual understanding of the options. This issue should be resolved within a month.

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

Authorization to Award a Contract for Banking Services and Line of Credit – 9G

Mr. Zehner reported that Resolution #9G-10-2008 would recommend that the Commissions authorize him to enter into a contract for banking services with SunTrust Bank for a period of three years, with an option to extend for up to two additional years. The contract includes a provision for a \$1 million line of credit. The total contract value for banking services will not exceed \$60,000 over the five year period. Ms. Bulova observed that VRE has previously had this service.

Ms. Bulova moved, with a second by Ms. Caddigan, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Update and Recommendation on FY 2009 Mid-Year Fare Increase -- 9H

Mr. Zehner explained that due to a budget shortfall for FY 2009 of \$1.6 million and a projected deficit of about \$8.6 million in the FY 2010 budget, the Board discussed potential fare increases at its last meeting. VRE solicited public comment via e-mail, public hearings, letters and faxes on a mid-year FY 2009 fare increase of up to 15 percent and a FY 2010 fare increase of up to 10 percent.

Mr. Zehner stated that the good news is that ridership, fares and on-time performance are all up; fuel prices are down; all 61 new railcars are in operation; two new parking garages are open; and customer satisfaction is high, based on a recent VRE survey.

Mr. Zehner explained that the FY 2009 budget shortfall can be addressed with a seven percent fare increase in January 2009, rather than up to 15 percent as advertised during the public hearings. The FY 2010 budget deficit has been reduced to less than \$1 million and VRE staff expects to eliminate the remaining shortfall before the December Board meeting. Assuming another seven percent fare increase mid-year, fare revenue will exceed the budget by \$2.8 million, which could be used to replenish operating

reserves which were nearly depleted in FY 2007 and 2008, mainly because of rising fuel prices.

In response to a question from Mr. Kelly, Mr. Zehner stated that ridership may dip following the fare increase in January, but it is hard to predict because VRE has never had a fare increase greater than six percent. Mr. Kelly observed that fuel prices have gone down and asked if this could also be a factor in potential ridership loss. Mr. Zehner stated that fuel prices are still volatile and probably will increase. Also, roads are still congested. Chairman Jenkins stated that VRE is taking 17,000 trips off the roads each day. Commuters who were forced out of their cars because of fuel prices, love VRE. In response to a question from Mr. Milde, Mr. Zehner stated that VRE's budget projections are based on a slight drop in ridership resulting from the fare increase.

Ms. Bulova observed that riders seem willing to accept an increase in fares as long as there are no service cuts. She stated that the second fare increase would help replenish VRE's operating reserve and she is supportive of this approach. It is important to replenish these funds. Chairman Jenkins stated that it is VRE's goal to keep the reserve at \$10 million, but due to the recent fuel expenditures, it has dropped dangerously low. Ms. Caddigan reported that she has heard wonderful comments about VRE service from riders. She also stated that local jurisdictions are having to make cuts in their budgets during these difficult financial times, so they are not in the position to have their subsidies increased. Therefore, a seven percent fare increase is reasonable.

In response to a question from Mr. Zimmerman, Mr. Zehner stated that a second fare increase of up to 10 percent was also presented at the public hearings for the FY 2010 budget. Mr. Zimmerman observed that there could be three fare increases over a 13 month period. He asked what is staff's assumption on price elasticity as it impacts ridership. Mr. Zehner stated that the best guess is that VRE would lose 500 trips per day with a 15 percent fare increase and only 150-200 trips per day with a seven percent increase. Mr. Zimmerman stated that it does not seem that VRE has any choice but to initiate a fare increase and the public seems to understand. However, it is important to let the public know that there will be a fare increase again in another six months. Mr. Kelly agreed that it is important to let the public know this is the first of two fare increases. He does not want to be faced with a possible subsidy increase in 2010. Fredericksburg cannot afford an increase in its subsidy. VRE needs to be as honest and upfront as possible with the public. He agreed that a seven percent fare increase is reasonable.

Mr. Kelly observed that without the second fare increase there would be a potential deficit of \$2-3 million in FY 2010. Mr. Zehner stated that jurisdictional staff has made it very clear that there must be no subsidy increase. Mr. Milde stated that Stafford County experienced an almost doubling of its subsidy when the Master Agreement was changed, which was fair; however, his Board will revolt against any subsidy increase. He supports the seven percent fare increase. Mr. Covington also expressed his support for the motion. He stated that VRE's growth pains are difficult. VRE has future opportunities, such as the Gainesville-Haymarket extension, which is an area with

different demographics. As VRE expands its service, it will make it more attractive for other jurisdictions to join VRE.

Ms. Bulova suggested that the resolution should reflect the discussion about local subsidies. After some discussion, Board Members agreed to amend the resolution to add the following wording: "Whereas VRE recognizes that local governments cannot support an increase in the FY 2010 subsidy."

Mr. Covington moved, with a second by Mr. Milde, to approve the amended resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Discussion Regarding Spotsylvania County Joining VRE – 9I

In response to a recent newspaper article, Mr. Kelly stated that he was not aware that the VRE Operations Board has made a policy decision regarding negotiating with potential members. He suggested that the Board may want to have a Closed Session in the near future to address this and come up with a plan on how VRE will approach Spotsylvania County. Mr. Milde stated that some aspects of the Master Agreement are not negotiable but there are other issues that may be. VRE needs to convey the message that VRE wants Spotsylvania to join VRE. Chairman Jenkins stated that the door has always been open to Spotsylvania County and other jurisdictions. He has already asked VRE staff to informally send the County a list of requirements for membership.

Mr. Milde expressed his interest in seeing VRE's next press release include a quote from Chairman Jenkins stating that VRE is ready and willing to negotiate with Spotsylvania County. Chairman Jenkins stated that VRE wants the county to join VRE. The two percent motor fuels tax can also be used for many other improvements, which will benefit the county and its residents. Mr. Zehner stated that VRE has reached out to Spotsylvania County and he has had discussions with the county executive. DRPT has also met with them to discuss funding issues.

Mr. Kelly concluded that VRE's official position is that VRE is waiting for Spotsylvania County to come and VRE is looking forward to negotiating their entry into VRE. There were no objections to this position.

[Board Members Kelly and Smedberg left the meeting at 10:55 A.M.]

DRPT Presentation on the Recommended Passenger Rail Plan for Virginia – 10

Mr. Tucker gave a presentation on the proposed Passenger Rail Plan for Virginia. He reviewed the plan's vision, which includes:

- Doubling intercity passenger rail in the Commonwealth by 2015 and tripling passenger rail ridership by 2030 to over 1.4 million riders;
- Increasing mobility throughout the Commonwealth to Washington, D.C., as well as New York and Boston by providing connectivity to destinations along the I-95 Urban Crescent Corridor and the US 29 TransDominion Express Corridor;
- Utilizing intercity passenger rail service as express trains by having limited stops that provide dual mobility for commuter service;
- Adding capacity to VRE on a marginal basis, supporting high-end targeted ridership in the I-95 and US 29 corridors;
- Increasing land-use and multi-modal connectivity by encouraging increased density and mixed-use transit oriented development; and
- Minimizing ongoing operating costs by leveraging current and future capital investments with current operating advantages of Amtrak operations.

Mr. Tucker stated that a key issue that will come back to the VRE Operations Board for action in November is that DRPT will ask VRE to make certain modifications to the MOU agreements related to two train slots operated along the I-95 and Route 29 corridors. The Commonwealth wants to use these rail time slots for intercity rail service, with the commitment that they would be returned back to VRE as additional MOU projects are completed. VRE does not currently have funding to use these slots. The Commonwealth has invested \$100 million in rail corridor improvements and it is important to show that the investment of public funds are being fully utilized. DRPT is planning to contract with Amtrak to operate one round-trip between Richmond and Washington and one round-trip between the Lynchburg and Washington.

In response to a question from Ms. Bulova, Mr. Zehner stated that he has requested that the Lynchburg-Washington train stop in Manassas in the late morning, with another stop at the Burke Centre station. For the Richmond-Washington Corridor, an early morning train is preferred with stops at Fredericksburg, Quantico and Woodbridge. VRE riders would pay the same amount as a VRE fare to ride these trains.

Mr. Covington asked if this project will take funding away from key VRE expansion, such as the Gainesville-Haymarket extension. He also asked if the Commonwealth plans to build stations in other jurisdictions, such as Fauquier or Spotsylvania Counties, which would take away the incentive to join VRE. Mr. Tucker replied that jurisdictions would be responsible for funding stations. He stated that the intercity rail plan

harmonizes with VRE plans. Mr. Way asked how many unused slots does VRE have. Mr. Zehner stated that a slot is considered a round-trip slot and VRE has two unused slots with two more coming available when additional capital projects are finished. Mr. Way asked if the reliability of the schedule for longer haul rail blends well with commuter rail traffic or if it is negatively impacted by more trains running in the corridor. Mr. Zehner stated that this is a challenge. Mr. Tucker stated that the difference is that trains will be originating within the Commonwealth and not out of state which provides more schedule control. The key is to harmonize everything in the corridor to meet both local and intercity rail needs.

In response to a question from Mr. Harf, Mr. Tucker explained that eventually it is anticipated that five intercity trains would run in the corridor, but initially it would be just one train. Mr. Harf stated that VRE and the commissions are hopeful that the intercity train subsidies will not end up being a qualifying expense for the mass transit account, because it would dilute a finite amount of funding that would be stretched even further. Mr. Tucker stated that a new source of funding is being sought for intercity rail. Mr. Covington stated that he hopes that there are operational funds for VRE to make VRE whole from those jurisdictions not participating in VRE. Mr. Milde stated that it is important for DRPT and the Commonwealth to intervene and resolve the insurance issue with the railroads, which will also affect intercity rail service.

Other VRE Item

Chairman Jenkins reported that Prince William County's Chief of Police, Charlie Dean, has noted that there may be some space available at VRE's Woodbridge station for a patrol post. Chairman Jenkins asked staff to contact Chief Dean concerning this issue. There were no objections.

Adjournment

Without objection, Chairman Jenkins adjourned the meeting at 11:26 A.M.

Approved this 21st day of November, 2008.

JOHN D. JENKINS
Chairman

PAUL MILDE
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the October 17, 2008 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest