



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA MARCH 21, 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
Wally Covington (PRTC)	Prince William County
Marvin J. Dixon (PRTC)	City of Fredericksburg
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
Kevin Page	DRPT
George H. Schwartz (PRTC)	Stafford County
Christopher Zimmerman (NVTC)*	Arlington County

MEMBERS ABSENT	JURISDICTION
Maureen Caddigan (PRTC)	Prince William County
Patrick Herrity (NVTC)	Fairfax County
Frank C. Jones (PRTC)	City of Manassas Park
Paul Smedberg (NVTC)	City of Alexandria
Doug Waldron (PRTC)	City of Manassas

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Jay Fisetite (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	
John Duque – VRE	Betsy Massie – PRTC staff
Anna Gotthardt – VRE	Greg McFarland – NVTC staff
Al Harf – PRTC staff	Sirel Mouchantaf – VRE
Christine Hoeffner – VRE	Peyton Onks – Sup. Herrity's office
Mike Lake – Fairfax County	Lynn Rivers – Arlington County
Bob Leibbrandt – Prince William County	Nicole Robinson – citizen
Steve Maclsaac – VRE counsel	Jennifer Straub – VRE
April Maguigad – VRE	Sara Woolfenden-Stafford County

** 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 9:32 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Chairman Jenkins noted that Board Members were provided with a new blue copy of the revised agenda, which includes the removal of two action items (#9B and #9G).

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

Minutes of the February 15, 2008, VRE Operations Board Meeting – 4

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

Chairman's Comments -- 5

Chairman Jenkins stated that the Board expresses its condolences to Mr. Zimmerman on the unexpected death of his father. He requested that a sympathy card be sent on behalf of the Operations Board. He also announced that Mr. Zehner is unable to attend the meeting due to illness. In fact, 20% of the VRE staff is out with the flu.

Chairman Jenkins introduced Nicole Robinson, a student at Brentsville High School, who is shadowing him throughout the month as she works on the Girls Scout Gold Award.

Chairman Jenkins announced that VRE conducted seven public hearings on the proposed fare increase and indexing policy. Twenty-one citizens attended the hearings and VRE received 73 e-mails or other correspondence. Passengers are understanding of the need for a fare increase.

Chairman Jenkins announced that another five railcars were delivered on March 20th and when put into service, there will be two full train consists of new railcars running one on each line. Another five railcars will be delivered in April.

[Mr. Zimmerman arrived at 9:38 A.M.] Chairman Jenkins expressed the Board's condolences to Mr. Zimmerman.

Chairman Jenkins stated that VRE was prepared to send a letter to the Governor, Speaker of the House and Majority Leader expressing concern about the invalidation of the NVTA taxes that had been legislated by HB3202 and asking their help in any way possible to restore this funding. A copy of the draft letter was distributed to all Board

members for their review. Mr. Zimmerman urged VRE to use every opportunity it can in the next several weeks to communicate to the Governor and legislators that they need to act on this, otherwise there will be serious problems. The situation VRE faces is actually fairly desperate because without additional funding it is going to be very hard for VRE to continue to make progress in recovering service.

Chief Executive Officer's Report – 6

Ms. Straub reported that ridership continues to increase with just over 8,000 daily trips on the Fredericksburg Line and about 6,800 on the Manassas Line. VRE's cumulative daily average ridership for the year is the highest it has been since the end of FY 2006. On-time performance remains approximately the same as it was last month, but the length of the delays are shorter.

Ms. Straub stated that CSX has started doing track work, but it should not affect VRE service since the work is not being done during VRE service hours. Next month, staff will provide a report on how increased fuel costs are impacting VRE. She also announced that Dave Snyder has resigned and is no longer an employee of VRE.

VRE Riders' and Public Comment – 7

There were no comments.

Consent Agenda Items – 8

Mr. Dixon moved, with a second by Mr. Schwartz, to approve the following Consent Agenda items:

Resolution #8A-03-2008: Authorization to Issue a Request for Proposals for Locomotives and Railcar Exterior Washing

Resolution #8B-03-2008: Authorization to Issue a Request for Proposals for Interior Cleaning of Railcars

Resolution #8C-03-2008: Authorization to Issue a Request for Proposals for Septic Tank Pumping and Flushing Services

Resolution #8D-03-2008: Authorization to Solicit Proposals for Available Lease Space at the Quantico VRE Station

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

Authorization to Award a Contract for Engineering and Environmental Services for the Cherry Hill Third Track Project – 9A

Ms. Straub explained that the VRE Operations Board is being asked to recommend that the Commissions authorize VRE's Chief Executive Officer to award a contract to STV/RWA for engineering and environmental services for the Cherry Hill Third Track project in the amount of \$1,833,373, plus a seven percent contingency of \$128,336, for a total amount not to exceed \$1,961,709. The Board is also being asked to recommend that the Commissions authorize the CEO to execute any related documents necessary to implement the project. This would be accomplished by Resolution #9A-03-2008. This work is being funded through the Rail Enhancement Fund, with a match from the Cherry Hill developer.

Mr. Covington moved, with a second by Mr. Dixon, to approve Resolution #9A-03-2008. The vote in favor was cast by Board Members Bulova, Covington, Dixon, Jenkins, Milde, Page, Schwartz and Zimmerman.

Authorization to Execute a License Agreement for Leasing Tower Space for a VHF Radio Communications System – 9C

Ms. Straub reported that VRE received Department of Homeland Security funding to install a VHF two-way radio system that will allow VRE to listen into railroad transmissions in the event of an emergency and even to communicate if other forms of communication are not available. The system requires the utilization of three tower locations: VRE Alexandria Communications headquarters, Leeland Road VRE Station and Fairfax Station, Virginia. This authorization allows the use of cell tower space in Fairfax Station. The remaining two locations will be brought forth to the Operations Board for separate action once lease details have been finalized. In response to a question from Mr. Page, Ms. Straub answered that there are back-up provisions in the leasing agreement.

Resolution #9C-03-2008 would authorize the VRE Chief Executive Officer to execute a five-year license agreement with American Tower Corporation for leasing space on the Fairfax Station Tower site in the amount of \$138,113.

Ms. Bulova moved, with a second by Mr. Zimmerman, to approve Resolution #9C-03-2008. The vote in favor was cast by Board Members Bulova, Covington, Dixon, Jenkins, Milde, Page, Schwartz and Zimmerman.

Authorization to Amend Emergency Procurement Policy – 9D

Ms. Straub explained that the Operations Board is being asked to approve an amendment to the policy on emergency procurement, which substitutes \$50,000 for \$30,000 in regards to the CEO's spending authority. She reminded Board Members that back in November 2004, the Board approved an emergency procurement policy that allows purchases to be made in excess of the CEO's authority without prior

Operations Board/Commission approval in the event of emergencies, subject to certain conditions. At the time of the approval, the CEO's authority was \$30,000. Since that time, the CEO's authority has been increased to \$50,000 and the policy must, therefore, be amended. Resolution #9D-03-2008 would accomplish this. In response to a question from Mr. Zimmerman, Chairman Jenkins stated that this action is just ratifying the decision that was already made so it is just a housekeeping issue.

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

Authorization to Advertise the Sale of Kawasaki Railcars and Issue a RFP for the Procurement of Gallery Cars – 9E

Ms. Straub stated that Resolution #9E-03-2008 would authorize VRE's CEO to advertise the sale of 13 Kawasaki railcars and to issue a RFP for the procurement of 10 Gallery-style cars. VRE was recently approached by two commuter rail agencies regarding the potential sale of the Kawasaki railcars. While not actively in the market to sell the cars, this interest presented an opportunity that VRE staff felt was important to consider, since it would provide an opportunity for VRE to standardize its fleet as well as avoid some major investments that would have to be made in the future with this aging Kawasaki fleet. As such, a request to advertise the sale of these cars is being requested. In addition, since offers cannot be fully considered without information on how (schedule and price) the cars could be replaced, the Operations Board is also being asked to allow the issuance of a procurement for replacement railcars. A complete package of information would be brought back to the Operations Board at a future meeting.

Mr. Milde asked about the age of the Kawasaki railcars and how that compares to the age of the cars that VRE recently sold. Ms. Straub replied that the Kawasaki railcars were purchased brand new in 1999. The railcars that VRE recently sold were manufactured in the 1950-1960's. Ms. Bulova observed that there are considerable costs to refurbishing older railcars. Chairman Jenkins stated that a real benefit would be to standardize VRE's fleet, which would result in significant savings in maintenance costs. Mr. Zimmerman noted that WMATA's goal is to have railcars last 35 years with a mid-life overhaul. He asked what is the life expectancy of the Kawasaki railcars and since they are relatively young, why has VRE determined that it is more cost efficient to replace them as opposed to refurbish them. Ms. Straub stated that this has not been determined yet, but staff is open to consider it for the three primary reasons. The first is that there will probably not be the same scenario of multiple agencies interested in these railcars in 10-15 years when VRE would normally think about selling them. VRE could sell them now at a greater market value compared to selling them years later at a salvage price. Secondly, a significant investment will need to be made to overhaul these railcars in the future. Finally, it would provide an opportunity for VRE to standardize its fleet. Mr. Zimmerman stated that it would be helpful to see a cost benefit analysis. Ms. Straub stated that this will be included in the information that comes back to the Operations Board. Mr. Zimmerman stated that it is important to look

at the value today of a sale 10 years from now as it compares to selling them today. Chairman Jenkins stated that this is an information gathering process to be able to do this type of analysis.

Ms. Bulova asked if this action will be forwarded to the two Commissions. Ms. Straub replied that it is a request for a solicitation and does not require Commission action. Ms. Bulova observed that the resolution does not address the cost benefit analysis.

Ms. Bulova moved, with a second by Mr. Zimmerman, to approve the resolution, with the following addition: "Be it further resolved that staff is directed to gather proposals and perform a cost benefit analysis of replacing the Kawasaki railcars." The Board then voted on the amended Resolution #9D-03-2008 and it passed. The vote in favor was cast by Board Members Bulova, Covington, Dixon, Jenkins, Milde, Page, Schwartz and Zimmerman.

Authorization to Award a Task Order for Engineering Services for the Burke Centre Platform Extension Project – 9F

Ms. Straub reported that Resolution #9F-03-2008 would authorize VRE's CEO to award a task order under the General Engineering Consulting contract to HDR for engineering services for the Burke Centre Platform Extension project in the amount of \$91,600, plus a 10 percent contingency of \$9,160, for a total amount not to exceed \$100,760. She explained that the Burke Centre station has an existing platform with partial canopy coverage. Due to significant increases in ridership, VRE has initiated a platform extension project in order to accommodate the additional passengers waiting at the station. Ridership is expected to further increase after the opening of the new parking garage later this summer. The platform would be extended another 200 feet, which will accommodate eight-car train sets. Upon issuance of a Notice to Proceed, the design work will be completed in approximately four months. After which, a solicitation for construction bids will be issued and brought to the Operations Board for separate action.

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

Adjournment

Chairman Jenkins announced that the next Operations Board meeting is scheduled for April 18, 2008.

On a motion by Ms. Bulova, and a second by Mr. Milde, the Board unanimously voted to adjourn. Chairman Jenkins adjourned the meeting at 9:58 A.M.

Approved this 18th day of April, 2008.

JOHN D. JENKINS
Chairman

PAUL MILDE
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the March 21, 2008 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest