



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA OCTOBER 16, 2009

**VIRGINIA RAILWAY
EXPRESS**

BOARD MEMBERS

CHRIS ZIMMERMAN
CHAIRMAN

PAUL MILDE
VICE-CHAIRMAN

WALLY COVINGTON
TREASURER

SHARON BULOVA
SECRETARY

MAUREEN CADDIGAN
PATRICK HERRITY
JOHN JENKINS
MATTHEW KELLY
SUHAS NADDONI
KEVIN PAGE
GEORGE SCHWARTZ
PAUL SMEDBERG
JONATHAN WAY

ALTERNATES

MARC AVENI
CHARLES BADGER
HARRY CRISP
MARK DUDENHEFER
BRAD ELLIS
JAY FISETTE
FRANK JONES
TIMOTHY LOVAIN
MICHAEL MAY
JEFF McKAY
MARTIN NOHE
JOHN STIRRUP

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
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
Suhas Naddoni (PRTC)	City of Manassas Park

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Charles Badger	DRPT
Brad Ellis	City of Fredericksburg
Harry Crisp (PRTC)	Stafford County
Mark Dudenhefer (PRTC)	Stafford County
Jay Fisetto (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
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
John Stirrup (PRTC)	Prince William County

STAFF AND GENERAL PUBLIC	
Michelle Basch – WTOP Radio	Steve MacIsaac – VRE counsel
Laura Bateman – PWHD/Bombardier	April Maguigad – VRE
William Bates – United Transp. Union	Greg Marston – IBT
Donna Boxer – VRE	Betsie Massie – PRTC staff
Jennifer Buske – Washington Post	Sirel Mouchantaf – VRE
Nancy Collins – Stafford County	Peyton Onks – Sup. Herrity's Office
Rich Dalton – VRE	Lynn Rivers – Arlington County
John Duque – VRE	Mark Roeber – VRE
Kelly Hannon – Free Lance-Star	Mike Schaller - citizen
Al Harf – PRTC staff	Jennifer Straub – VRE
Herbert Harris – BLET	Rick Taube – NVTC staff
Ann King – VRE	Mark Thomas – Sup. Bulova's Office
Uriah Kiser – News and Messenger	Keisha Ware – DC Examiner
Mike Lake -- Fairfax DOT	Kyle Weis –
Lezlie Lamb - VRE	Walter Yeatts – United Transp. Union
Bob Leibbrandt – Prince William County	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 Zimmerman called the meeting to order at 9:33 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Without objection, the Board accepted the agenda as presented.

Minutes of the September 18, 2009, VRE Operations Board Meeting – 4

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

Chairman's Comments – 5

Chairman Zimmerman stated that he participated in the inaugural run on September 30th of the "Amtrak Virginia," which is an intercity rail service from Washington, DC to Lynchburg being sponsored by the Commonwealth of Virginia. He stated that it is an important step in the overall restoration of rail service in the Commonwealth's future, as well as the entire country's future. VRE helped to make the service possible by providing some of its train slots. Chairman Zimmerman also reported that he attended the recent APTA Conference and there was tremendous interest in high speed rail throughout the country.

[Mr. Covington and Mr. Smedberg arrived at 9:35 A.M.]

Chief Executive Officer's Report – 6

Mr. Zehner pointed out that pictures are on display of the Woodbridge second platform construction project, which should be completed by December 2009. He also introduced a new VRE employee, Rich Dalton, who has joined VRE as Director of Rail Equipment and Services. Mr. Dalton has 20 years of locomotive maintenance experience.

Mr. Zehner stated that in response to a request from Mr. Milde, a satellite connected clock will be installed at the Brooke VRE station as a pilot project. If successful, staff will look at installing more clocks at other stations.

Mr. Zehner reported that ridership through September is up one percent. Compared to other systems in the commuter rail industry, this is still good news. On October 14th ridership hit 18,000 for the first time in VRE's history. On-time performance for September was 95 percent on the Fredericksburg line and 93 percent on the Manassas line. VRE parking demand is also up and five out of 13 origination stations are at critical levels for parking capacity: Broad Run (117%), Leeland (111%), Fredericksburg (110%),

Manassas Park (110%), and Rolling Road (95%). This means that these five station parking lots completely fill up and people are parking on streets around the station. Mr. Zehner stated that there are two major parking initiatives underway at Leeland Road and a potential garage deck at Broad Run. FTA notified VRE that the Environmental Analysis (EA) for Leeland Road should be approved this month. Final design would begin as soon as the EA is officially approved. Prince William County is providing \$1 million to start the Environmental Analysis and potential design of the Broad Run parking deck.

Mr. Way expressed his concern that there is a safety hazard with the parking situation at the Broad Run station. The parking lots are filled to capacity and people are parking on feeder streets and have to walk on the streets to get to the station. He observed that the Gainesville extension, if it happens, could alleviate some of this problem, but it is at least eight years away. VRE needs to find an interim solution.

Mr. Zehner also announced that VRE has received 18 comments to date concerning discontinuing the youth fare discount. VRE will continue to receive comments and a recommendation will be made at the next Board meeting. He also reported that Clifton Day on October 11th was a success, with VRE running excursion trains.

Ms. Bulova stated that she also enjoyed riding the “Amtrak Virginia” inaugural train, but there are still a few kinks that need to be worked out. People are receiving conflicting information when they call DRPT and/or Amtrak about whether there is a stop at Burke Centre station, which there is. There is also some confusion about the step-up fare. She has already talked with Secretary of Transportation Pierce Homer, but asked VRE staff to work with DRPT and help resolve these issues. Mr. Page explained that the Burke Centre station was added as a step-up station at the request of VRE. Amtrak has been formally asked to add this station to its national system. There may be some minor schedule adjustments that need to be made. Also, DRPT is looking at adding ticket vending machines at the station. Mr. Page stated that there has been strong interest in this train service already. Chairman Zimmerman observed that the farther south the inaugural train traveled, the more people turned out for the festivities at each station. This shows how significant this service is to those communities.

VRE Riders’ and Public Comment – 7

William Bates, Legislative Director (Washington, DC) for the United Transportation Union, explained that he represents VRE’s train conductors. He stated that since VRE’s inception in 1992, Amtrak employees have been manning VRE trains and have done a fantastic job, especially in the area of safety. He provided statistics on performance and safety. He concluded by reviewing the benefits of keeping Amtrak as VRE’s contractor.

Herbert Harris, Chairman and State Representative (Washington, DC) for the Brotherhood of Locomotive Engineers and Trainmen (BLET), stated that he represents the engineers that operate VRE trains. He stated that VRE’s selection of a contract provider will signal two important things: a commitment to safety, as well as a potential for growth and expansion into new communities and counties. Therefore, he stated in

their view only one bidder, Amtrak, can partner with VRE to meet these expectations. Also, there is a renewed commitment to safety and improvement at Amtrak under the new leadership of President/CEO Joseph Boardman. Mr. Harris provided a written copy of his statement to the Board.

Chairman Zimmerman thanked Mr. Bates and Mr. Harris for their comments and asked them to extend the Board's appreciation to the train crews for their hard work and dedication to VRE.

Authorization to Award a Contract for the VRE Electronic Newsletter - 8A

Mr. Zehner stated that the VRE Operations Board is being asked to authorize him to award a contract for the VRE electronic newsletter to TransitTalk, LLC in an amount not to exceed \$60,000 over a five year period. Resolution #8A-10-2009 would accomplish this.

Mr. Zehner explained that Train Talk, VRE's e-mail announcement system, is an essential tool that provides VRE passengers with the latest information on VRE service. The e-mails provide real-time information during major service disruptions as well as information on safety, courtesy, possible weather related issues, policy changes and other information that might affect one's commute. Train Talk has proven to be VRE's most successful method for disseminating information to passengers and is an indispensable customer service tool.

Mr. Zehner further explained that VRE's current contract for these services expires in January of 2010. VRE issued a RFP and two proposals were received on September 18, although only one was deemed responsive. Following an evaluation committee review and negotiations, a recommendation for award is being made to TransitTalk, LLC of Atlanta, Georgia. The contract will be for five years, a base year plus four options years, with the CEO exercising the option years at his discretion. The base year and the option years include upgrades requested as part of the RFP as well as annual maintenance, archiving, communications infrastructure and personnel support. Upgrades include a passenger vacation deferral setting and additional rider preference options. The new contract reflects an annual cost reduction of \$3,000 as compared to the existing contract.

Mr. Jenkins moved, with a second by Ms. Caddigan, to approve Resolution #8A-10-2009. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Execute a Right of Way Agreement with Dominion Virginia Power for a Utility Easement – 8B

Mr. Zehner stated that Resolution #8B-10-2009 would authorize VRE's CEO to execute a Right of Way Agreement with Dominion Virginia Power for a utility easement at the Leeland Road radio tower site. He explained that the Mid-Atlantic Tower Holding

Company is under contract with VRE to construct a radio communication tower at the Leeland Road VRE station. Dominion Virginia Power will be providing the power to operate the dish antennae and other equipment at the power site. The tower site is located on the southeastern corner of the parcel owned by PRTC at the station site. The proposed easement is entirely on this parcel and measures 15' wide by 170' long. As the PRTC property is land-locked from Leeland Road, with access to the site coming across a Stafford County owned parcel to the east, additional easement applications have been made to Stafford County by both VRE and Dominion Virginia Power.

Mr. Zehner stated that all installation work is expected to be complete by December 2009 and will not disturb the existing parking configuration. VRE will not incur any expense for installation and operations at this site. The work is being performed in close coordination with the Leeland parking expansion project.

Mr. Smedberg moved, with a second by Mr. Schwartz, to approve Resolution #8B-10-2009. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herry, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Amend the Contract for the VRE Woodbridge Station Expansion Project
- 8C

Mr. Zehner stated that the Operations Board is being asked to authorize him to execute a change order with Costello Construction for a temporary Kiss and Ride lot at the Woodbridge VRE station, increasing the contract value by \$300,744, for a total contract value not to exceed \$4,545,660.

Mr. Zehner explained that the Woodbridge VRE station expansion project will construct a platform on the west side of the tracks along with an overhead pedestrian bridge connecting into the existing parking garage on the east side. The project was originally designed to include a Kiss and Ride facility serving the new elevator/stair tower, with access to and from Route 1. While VRE worked to coordinate construction of the Kiss and Ride with the proposed Route 1/123 interchange project, VDOT has postponed the proposed interchange construction date, due to a lack of funding, until at least 2015.

Mr. Zehner further explained that the property adjacent to the elevator/stair tower currently consists of broken asphalt pavement and remains of structures that have been demolished. Until such time as a formal Kiss and Ride facility can be constructed, VRE recommends providing temporary passenger car and bus access at this location. In response to a question from Mr. Way, Mr. Mouchantaf explained that work would include paved drive lanes and an ADA-accessible concrete sidewalk along the driveway, leading to the tower entrance. Lighting, fencing and basic landscaping are also included in the scope.

In response to a question from Mr. Milde, Mr. Zehner stated that this project had an original budget but the cost of this construction project is much less than anticipated, allowing these funds to be used for this purpose, which was not part of the original design. The original design assumed that the Route 1/123 interchange would be

completed before VRE completed the second platform. Federal funds are being used for the local match, which is eight percent of the total (\$24,000).

Mr. Milde asked who owns the property. Mr. Zehner explained that the property is owned by the VRE system, but all property is held in the name of the commissions, in this case by PRTC. Mr. Milde also asked if VRE reviewed this proposal with the MPO and Mr. Zehner responded that it was discussed with the local jurisdictions. Mr. Zehner stated that this project has a unique history and pre-dates the VRE policy change where parking projects now must have a local match by the local jurisdictions. Mr. Milde observed that this work is an addition to the original project. Mr. Mouchantaf stated that Prince William County provided the local match for the entire project, including the Kiss and Ride. It is not costing the other member jurisdictions anything because it is a federal earmark and being matched with state funds, and funding from Prince William County.

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

Ms. Caddigan stated that this is the busiest parking lot in the Route 1 corridor and the improvements to the Kiss and Ride will be beneficial.

Mr. Kelly stated that he will support this because it is a good project, but expressed his frustration that there are critical parking situations shared by other jurisdictions. Parking is a critical issue especially as VRE continues to grow and, therefore, VRE needs to look at how it will deal with parking issues. In response to Mr. Milde, Mr. Jenkins stated that parking costs have always been the responsibility of the jurisdiction. Ms. Straub further explained that in this situation the 2003 federal grant is frozen and can only be used for the Woodbridge project. So VRE can do this additional work and have it funded by the grant, or the funds need to be returned. Mr. Milde observed that there are no savings to VRE if this work is not done.

Mr. Harf clarified that PRTC does not intend to have buses use this temporary Kiss and Ride lot because it would be considered hazardous to cross Route 1. The permanent Route 1/123 interchange, which has been delayed until 2015, was designed for bus use.

The Board then voted on Resolution #8C-10-2009. The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

Authorization to Modify the Contract for a New Locomotive Purchase – 8D

Mr. Zehner stated that Resolution #8D-10-2009 would recommend that the Commissions authorize him to modify the contract with Motive Power, Inc., for the purchase of locomotives so that the base order is increased from 12 to up to 15 locomotives, increasing the contract value by \$10,997,829, plus a 10% contingency of \$1,099,783, for a total contract value up to \$60,579,992.

Mr. Zehner explained that two of these locomotives would be purchased using bonus obligation funding provided through the Commonwealth of Virginia and VRE formula funds. Match for the bonus obligation grant will be provided using proceeds from the sale of the Mafersa railcars and state matching funds. VRE formula funds are matched via state and proceeds from the Mafersa railcar sale. The third unit will be purchased pending approval of a FY 2010 federal earmark, with match being provided from the same sources. Senator Warner and Senator Webb are sponsors of this earmark.

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

Closed Session – 9

Chairman Zimmerman moved, with a second by Ms. Bulova, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (6) and (7) of the Code of Virginia), the VRE Operations Board authorizes a Closed Session for the purposes of consultation with legal counsel concerning the requirements of the Public Procurement Act and discussion of a matter involving the expenditure of public funds where competition and bargaining is involved and where discussion in public would adversely affect VRE's financial interest and its bargaining position and negotiation strategy.

The vote in favor was cast by Board Members Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Milde, Page, Schwartz, Smedberg, Way and Zimmerman.

The Board entered into Closed Session at 10:21 A.M. The Operations Board returned to Open Session at 12:19 P.M.

Chairman Zimmerman moved, with a second by Ms. Bulova, 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 Chapter 37, Title 2.2 of the Code of Virginia 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 Bulova, Caddigan, Covington, Herrity, Jenkins, Kelly, Milde, Schwartz, Smedberg, Way and Zimmerman. Mr. Page abstained.

Ms. Bulova moved, with a second by Mr. Way, to approve Resolution #9A-10-2009, which recommends that the Commissions approve an award of a contract with Keolis Rail Services of America for VRE operation and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011, and to authorize the VRE CEO to execute the contract on behalf of the Commissions.

Ms. Bulova stated that this was a long Closed Session with a thorough discussion regarding VRE's positive experience with Amtrak employees, including conductors and engineers. Many of them have been part of the VRE family since the beginning. Part of the discussion was to make sure that they are treated fairly and equitably. She is pleased to see portability of all benefits, including seniority, retirement and insurance for these workers who want to transfer to Keolis. Mr. Milde stated that this has been a healthy and competitive process. VRE's goal is to improve the experience of riding VRE and to making it a "standout" amongst passenger rail services in the country. This decision brings VRE closer to that goal. Mr. Herrity stated that it is important to note that it was not just about cost, but also about better service for VRE riders. He commended staff for running a tight procurement process, which includes a vision for VRE. Mr. Way stated that this has been a good process, a good result, and a good future for VRE.

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

Adjournment

Without objection, Chairman Zimmerman adjourned the meeting at 12:25 P.M.

Approved this 20th day of November, 2009.

Christopher Zimmerman
Chairman

Sharon Bulova
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the October 16, 2009 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest