**M I N U T E S**

**VRE Operations Board Meeting**  
PRTC Headquarters – Prince William County, Virginia  
December 20, 2013

<table>
<thead>
<tr>
<th>Members Present</th>
<th>Jurisdiction</th>
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<tr>
<td>Sharon Bulova (NVTC)</td>
<td>Fairfax County</td>
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<td>Maureen Caddigan (PRTC)</td>
<td>Prince William County</td>
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<td>John Cook (NVTC)</td>
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<td>Wally Covington (PRTC)</td>
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<td>John D. Jenkins (PRTC)</td>
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<td>Matt Kelly (PRTC)</td>
<td>City of Fredericksburg</td>
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<td>Paul Milde (PRTC)</td>
<td>Stafford County</td>
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<td>Suhas Naddoni (PRTC)*</td>
<td>City of Manassas Park</td>
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<td>Kevin Page</td>
<td>DRPT</td>
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<td>Gary Skinner (PRTC)</td>
<td>Spotsylvania County</td>
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<td>Paul Smedberg (NVTC)</td>
<td>City of Alexandria</td>
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<td>Bob Thomas (PRTC)</td>
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<td>Jonathan Way (PRTC)</td>
<td>City of Manassas</td>
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<td>Christopher Zimmerman (NVTC)</td>
<td>Arlington County</td>
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<th>Members Absent</th>
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<td>Marc Aveni (PRTC)</td>
<td>City of Manassas</td>
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<td>David Awbrey</td>
<td>DRPT</td>
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<td>Brad Ellis (PRTC)</td>
<td>City of Fredericksburg</td>
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<td>Jay Fisette (NVTC)</td>
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<td>Frank C. Jones (PRTC)</td>
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<td>Tim Lovain (NVTC)</td>
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<td>Michael C. May (PRTC)</td>
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<td>Jeff McKay (NVTC)</td>
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<td>Martin E. Nohe (PRTC)</td>
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<td>Benjamin T. Pitts (PRTC)</td>
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<td>Susan Stimpson (PRTC)</td>
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<tr>
<th>Staff and General Public</th>
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<tr>
<td>Doug Allen – VRE</td>
<td>Mike Lake – Fairfax County</td>
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<td>Gregg Baxter – Keolis</td>
<td>Lezlie Lamb – VRE</td>
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<td>Donna Boxer – VRE</td>
<td>Bob Leibrandt – Prince William County</td>
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<td>Nancy Collins – Stafford County</td>
<td>Steve Maclsaac – VRE counsel</td>
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<td>Kelley Coyner – NVTC staff</td>
<td>Betsy Massie – PRTC staff</td>
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<td>Rich Dalton – VRE</td>
<td>Dick Peacock – Citizen</td>
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<td>Patrick Durany – Prince William County</td>
<td>Lynn Rivers – Arlington County</td>
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<td>Rhonda Gilchrest – NVTC staff</td>
<td>Mike Schaller – Citizen</td>
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<td>Steven Grant – LTK Engineering</td>
<td>Scott Schenk – Free Lance Star</td>
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<td>Al Harf – PRTC staff</td>
<td>Brett Shorter – VRE</td>
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<td>Chris Henry – VRE</td>
<td>Alex Sugatan – VRE</td>
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<td>Gerri Hill – VRE</td>
<td>Joe Schartz – VRE</td>
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<td>Christine Hoefner – VRE</td>
<td>Walter Tejada – Arlington County Board</td>
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<td>Ann King – VRE</td>
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* Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.
Chairman Smedberg called the meeting to order at 9:38 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

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

Approval of the Minutes of the November 15, 2013 Operations Board Meeting – 4

Mr. Zimmerman moved approval of the minutes and Ms. Bulova seconded. The vote in favor was cast by Board Members Bulova, Cook, Covington, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Thomas, Way and Zimmerman. Ms. Caddigan abstained.

Chairman’s Comments – 5

Chairman Smedberg announced that this is Mr. Zimmerman’s last Operations Board meeting as he is retiring from public service as an Arlington County Board Member and transitioning to full-time work in the private sector at Smart Growth America. Chairman Smedberg observed that VRE will miss Mr. Zimmerman’s ability to take apart complex issues, articulate key points and positions, and then reassemble them into clear choices for consideration. Other Board Members also expressed their appreciation to Mr. Zimmerman for his service to VRE. Ms. Bulova introduced Walter Tejada, Arlington County’s Board Chairman, who will be replacing Mr. Zimmerman on NVTC and the VRE Operations Board.

Mr. Zimmerman thanked everyone for the kind words. He stated he had a great experience in local government and he is leaving very satisfied about what he has been able to accomplish personally as well as what has been accomplished working with others. He stated his work on the Operations Board was an unexpected pleasure. When he started on the Board, he was only an alternate. He observed that VRE is an example of how things can work during a time when politics are so contentious. The VRE Operations Board truly operates as a bipartisan effort. He stated he is leaving when VRE is at a high point where customer satisfaction, ridership, and performance are all at an all time high. He is grateful to have been part of the process.

Chairman Smedberg presented Mr. Zimmerman with a few departing gifts to thank him for his service over these many years.

[Mr. Naddoni arrived at 9:44 A.M.]

Chairman Smedberg reviewed VRE’s accomplishments during 2013. Several highlights include holding a legislative reception in Richmond in February; completing the
Comprehensive Compensation Study; awarding a construction contract for the Spotsylvania Station; amending the By-Laws; receiving NVTA funding for nine additional railcars, the Alexandria Pedestrian Tunnel, the Lorton Station second platform, and the Gainesville-Haymarket extension study, for a total commitment of over $30 million in new projects; conducting a System Plan Workshop in July; approving the award of a Mobile Ticketing System contract; forming the Capital Committee and the Audit Committee; and receiving additional federal funding to purchase more railcars. Chairman Smedberg stated that in his opinion it has been a smooth transition as Mr. Allen has served as VRE’s Chief Executive Officer for a full year.

Chief Executive Officer’s Report – 6

Mr. Allen stated on behalf of the VRE staff, he also acknowledged Mr. Zimmerman’s important contribution to VRE, as well as the rest of the Operations Board Members. He reported that on-time performance (OTP) for the month of December is at 97 percent and ridership remains strong. Mr. Allen stated he along with Mr. Swartz, VRE’s new Chief of Staff, attended the Governor’s Transportation Conference at the beginning of the month and Mr. Swartz had an opportunity to meet with Secretary of Transportation Designee Aubrey Layne.

Mr. Allen also reported that there have been discussions with DRPT Director Drake, Mr. Page and Mr. Pittard, about a potential series of multi-years agreements to resolve the track access funding issue. The six-year agreements would commit 34 percent funding from the Commonwealth under the new TSDAC tiering structure. Fifty percent would be funded by the federal government and would bring the total funding to 84 percent, which is slightly better than the VRE FY 2015 budget projection of 82 percent. He thanked Mr. Page and the rest of the DRPT staff for their assistance in helping resolve this issue.

Mr. Allen stated that VRE is working to schedule another legislative reception in Richmond sometime during January for General Assembly members to tour a VRE train at the Main Street Station. He also reported VRE participated in the annual Marine Corps Toys for Tots campaign and raised $17,000 in cash contributions and collected 25 large bags of toys. VRE also ran its annual Santa trains on December 14th and it was a huge success and tickets had quickly sold out.

Mr. Allen reported that the pre-construction agreement has been signed for the Spotsylvania Station. A pre-construction meeting for the third track project was held and the CSX agreement has also been signed.

Mr. Allen stated that VRE continues to work on the Mobile Ticketing project but there have been legal issues with another bidder. VRE continues to monitor this situation. In response to a question from Mr. Cook, Mr. MacIsaac explained that VRE is not a defendant in the lawsuit filed by Bytemark against Globe Sherpa. However, the lawsuit does impact VRE’s contract, so VRE will need to determine how to proceed. VRE has not yet executed the contract with Globe Sherpa.
VRE Riders’ and Public Comment – 7

Dick Peacock expressed his opinion that more Amtrak trains need to stop at the Woodbridge Station, because Woodbridge has a greater population than Quantico. It is inconvenient for Woodbridge residents to travel to Quantico to get on an Amtrak train. Mr. Peacock stated that for a minimal cost, VRE could provide more service to the Woodbridge area.

Approval of 2014 VRE Officers – 8A

Chairman Smedberg reported that Ms. Bulova and Ms. Caddigan served as the Nominating Committee. Ms. Bulova reported that the Nominating Committee proposes the following slate of officers for 2014:

- Chairman: Paul Milde (PRTC)
- Vice-Chairman: John Cook (NVTC)
- Secretary: Gary Skinner (PRTC)
- Treasurer: Paul Smedberg (NVTC)

Ms. Caddigan stated the nominees agreed to having their names submitted for consideration. There were no other nominations.

Ms. Bulova moved, with a second by Ms. Caddigan, to approve Resolution #8A-12-2013, which approves the nominations. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Smedberg, Thomas, Way and Zimmerman. Mr. Skinner abstained.

Chairman Smedberg thanked Mr. Way for serving as Treasurer for 2013, as well as the Chairman of the Capital Committee. Mr. Way will continue to serve on the Joint Audit Committee during 2014. Ms. Bulova also thanked Chairman Smedberg for his service as Chair during 2013.

Mr. Milde asked if it was tradition or a requirement that the chairmanship alternate between the two Commissions. Mr. MacIsaac stated that it is required in the VRE By-Laws that each of the Commissions will provide two officers from its Operations Board Members and the office of Chairman will rotate each year between the two Commissions. Installation of 2014 officers will take place at the January 17, 2014 VRE Operations Board meeting.

Referral of the Revised FY 2014 and Recommended FY 2015 VRE Operating and Capital Budgets to the Commissions and Localities – 8B

Mr. Allen explained that the VRE Operation Board is being asked to adopt the revised FY 2014 VRE Operating and Capital Budget and the recommended FY 2015 VRE Operating and
Capital Budget, and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption. Resolution #8B-12-2013 would accomplish this.

Ms. Boxer gave a detailed review of the budget. She stated that the financial and debt management principles created by the Capital Committee are incorporated as a guide for the budget. One new feature of the multi-year CIP is the inclusion of the distinction between “programmed” and “unprogrammed” projects. Programmed projects include those that are funded by reliable sources of funding (e.g., federal formula grants received annually; allocated funds from other programs such as CMAQ and NVTA; or through other expected sources) while unprogrammed projects are those that are pending a discretionary allocation by a funding authority or for which a funding source has not yet been identified. She stated that only programmed funds are included in the Capital Budget and it can be amended when funding is identified for specific projects.

Ms. Boxer stated that some of the major issues that the Operations Board will be looking at over the next few months include non-NVTA jurisdictions funding sources for the railcar procurement; building up the capital reserve; track access funding; and future levels of federal and state funding.

Board Members Cook and Milde had questions about the NVTA funds for the railcars and if it has been determined if non-NVTA jurisdictions pay a proportionate share then the railcars can be used for stops outside the NVTA region. Ms. Boxer stated that although some progress has been made, this issue still needs to be resolved. She explained that the total for 14 railcars needed for expansion to implement Phase I of the System Plan is $34.8 million. NVTA has allocated $19.8 million. VRE is proposing that a request for $10.96 million be submitted to the state for funding at the current 68 percent funding level, which VRE would receive $7.45 million. The remaining funds would need to come from outside system funds.

In response to a question from Mr. Cook, Ms. Boxer confirmed the proposed $10.96 million would be the match for NVTA funding from the non-NVTA jurisdictions. Mr. MacIsaac stated it is analogous to VRE applying for a federal or state grant to fund a station expansion in a particular jurisdiction. Mr. Cook stated that if the state were to give funds to the three jurisdictions that could otherwise come to the entire VRE, it could raise questions. Mr. MacIsaac stated all the VRE jurisdictions would benefit because it allows the railcars to be used the entire length of the corridor, increasing overall system capacity.

Mr. Harf stated that another unresolved issue is whether NVTA funds can be co-mingled with state funding. Mr. Page agreed that NVTA needs to resolve the interpretation of the 70/30 split. If the funds can be co-mingled then it is an opportunity to have NVTA and the state come together to move some of these projects forward. To Mr. Cook’s point, Mr. Page stated that the $7.45 million would reduce the entire pot of funding available throughout the state. He suggested a funding stream plan that has worked for other rail entities on a national level where NVTA could become the “bank” and purchase the railcars and then turn around and asked the jurisdictions to pay a capital use fee to use the railcars outside
the NVTA jurisdictions. Mr. Covington stated he would like to get legal opinion on this suggestion. He expressed his opinion that he would like to see VRE be the lead on the solution and have the three non-NVTA jurisdictions support it. Mr. Skinner observed that whether they accept it or not, the outlying jurisdictions are becoming a part of Northern Virginia. Chairman Smedberg suggested the Capital Committee look at this issue.

Mr. Kelly stated that if VRE is asking the three non-NVTA jurisdictions to come up with $10.96 million, it just won’t happen. If VRE wants the railcars, then all the jurisdictions will need to make some tradeoffs. The City of Fredericksburg is faced with a $153,516 increase in its VRE subsidy, which is an increase of 34.9 percent. This might not seem like a lot to some of the larger jurisdictions, but for the City of Fredericksburg, this is a big deal.

Mr. Milde stated that the outlying jurisdictions have less funding and less population, so VRE has had a history of applying for matching funds to building projects without worrying about how it impacts funding to other jurisdictions. This will most likely be a reoccurring issue so VRE will need to work to resolve it. Mr. Way asked if these issues and concerns raised today prejudice the acquisition of the railcars. Ms. Boxer replied that it will not prejudice using the $19.8 million to buy the nine railcars. It is VRE’s intention that as soon as NVTA provides the funds, VRE can purchase the nine without purchasing the other five railcars. VRE staff will return to the Operations Board for approval to procure the railcars.

Ms. Boxer stated the FY 2014 budget is being amended to add $4.2 million to the capital reserve using surplus funding and beginning in FY 2015 an annual $3 million contribution to the capital reserve will be part of the budget. This will bring the unallocated balance of the reserve to $8.6 million by the end of FY 2015. Ms. Bulova stated that she agrees that contributing to the capital reserve is important. She assumes that the Capital Committee is looking at this issue. It is important to establish a policy as to what percentage of operating costs are targeted as a reserve. It is also important to build up the reserve over a period of years and then maintain it at a certain level, contributing each year into the reserve. Ms. Boxer explained that there is a policy for the operating reserve but staff is not ready to make a specific recommendation on the capital reserve. Mr. Cook stated that his recollection is that there was target percentage. Ms. Boxer stated that there is for the operating reserve. Chairman Smedberg stated that the Board has generally agreed that a capital reserve is a good practice.

Mr. Shorter then gave a detailed review of the FY 2015 budget totaling $128 million, including the major budget assumptions:

- Jurisdictional subsidy of $16,428,800, with no increase compared to the FY 2014 level;
- No fare increase and a projected average daily ridership of 19,200 passengers;
- Addition of a Fredericksburg line train starting in October 2014;
- Opening of the Spotsylvania Station and 1,500 parking facility in October 2014;
- Federal 5307 and 5337 (State of Good Repair) funding equal to the FY 2014 amount;
Tiered capital matching funds from the state of the non-federal share for new projects;  
State operating funds of $10.3 million, which is equivalent to the FY 2014 funding level;  
Fuel estimated at $3.50/gallon for a total cost of $5.9 million (includes new Fredericksburg train);  
Grant funding from all sources for track access costs at 82 percent (VRE is expected to actually receive 84 percent); and  
Addition of two FTE employees to the equipment operations department to replace consultants currently overseeing contract employees at VRE maintenance facilities (cost is neutral).

In response to a question from Chairman Smedberg, Mr. Shorter explained the state funding listed in the budget is exclusively state funding and the federal pass through funding is classified as federal funding.

Mr. Shorter reviewed the projected FY 2015 jurisdictional subsidy changes as a result of the Master Agreement survey. The City of Fredericksburg increased the most by 35.9 percent with an overall subsidy increase of $153,516 and the City of Manassas Park decreased by 30.1 percent, which resulted in a reduction of $172,947.

Mr. Shorter reviewed the four CAO Task Force recommendations, which were agreed to by VRE staff:

- Need for an additional Fredericksburg line train when the Spotsylvania station opens;  
- Need for a reliable estimate on access fee funding during development of the VRE budget;  
- Support for 100 percent ticket checks by conductors to minimize incidents of fare evasion; and  
- Include facility and programmatic costs of capital costs in the Six-Year Plan.

Mr. Way asked staff to provide a list of vulnerabilities and sensitivities regarding issues like longevity of NVTA contributions, ownership/operatorship issues, and how these issues would impact the VRE budget. Mr. Skinner asked if there is a way to show the savings associated with VRE having its own maintenance facility. Mr. Milde replied that there may not be a significant savings, but VRE now has a better maintenance program.

Mr. Cook asked about jurisdictional subsidy increases and fare increases over the last three years. Mr. Shorter replied there has been no overall subsidy increase, in fact it has decreased in the past, and the last fare increase was effective July 1, 2013. A fare increase is budgeted every other year.

Mr. Milde moved, with a second by Mr. Zimmerman, to approve Resolution #8B-12-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.
Approval of a Scope of Services and Recommend Action that the Commissions Issue a Request for Proposals (RFP) for Management Audit Services – 8C

Mr. Allen reported that Resolution #8C-12-2013 would approve the Scope of Services and recommend that the Commissions issue a RFP to procure Management Audit Services. He stated that prior to this meeting the Joint Audit Committee reviewed the Scope of Services and made a few minor changes. He asked Mr. Swartz to read the changes for the record:

- Page 2, Paragraph 3, Line 7: “Its current management structure and practices were designed for a small start up operation and VRE is ‘now’ (strike ‘not’) …”
- Page 2, Paragraph 3, Line 9: “Forth, members of the state government and General Assembly have raised questions regarding VRE’s management practices and the Commissions wish to enlist ‘an expert assessment’ (strike ‘support’) in responding to those questions.”
- Page 4, Task 5: Add to the end of the paragraph “The consultant should also review the role of the Operations Board and its orientation process.”
- Page 12, Proposed Schedule: Add a pre-bid proposal conference in January 2014; date to be determined.

Mr. Cook reminded the Board that the Joint Audit Committee is a committee of the two Commissions. The purpose of the management audit is to have the consultant, as a third party, to look at issues such as how VRE operates, its management structure, job descriptions, processes, how much oversight the Operations Board should have, and oversight by the Commissions. He observed that the timing is good since Mr. Allen has done a significant reorganization of VRE staff, as well as the Operations Board is ready to approve the System Plan. VRE’s System Plan includes significant expansion which will double VRE’s current size within the next 30 years, so it is important to make sure VRE is organized well and has processes in place.

Mr. Cook moved with a second by Mr. Way, to approve Resolution #8C-12-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.
Approval of Submission of VRE Project List to the Northern Virginia Transportation Authority (NVTA) for FY 2014-16 Funding Consideration –8D

Mr. Allen explained that the VRE Operations Board is being asked to recommend that the Commissions approve the list of VRE Projects to NVTA for consideration for funding in its fiscal year 2014-2016 program. Resolution #8D-12-2013 would accomplish this.

Mr. Allen reported that on December 12th NVTA issued a Call for Projects for consideration for funding for the unallocated FY 2014 revenues as well as expected FY 2015-2016 revenues. Project submissions are due to NVTA on January 31, 2014. The NVTA Board will determine the final project list to release for public comment at an as yet to be determined public hearing. The following projects increase VRE capacity, which includes seats on trains as well as station capacity (e.g., parking and platform capacity) and train storage capacity. The costs are preliminary estimates. Detailed budgets will be developed if the project is selected for funding. The list includes:

1. Slaters Lane crossover and signals, $7 million;
2. VRE Rippon platform expansion (expand existing platform and second platform), $15 million;
3. VRE Manassas Park station parking expansion (parking structure and pedestrian connection), $19 million;
4. VRE Crystal City platform expansion study, $2 million;
5. VRE Franconia-Springfield platform expansion, $5 million; and
6. Franconia-Springfield to Woodbridge third track, $50 million.

Mr. Allen stated VRE will continue to seek funding from other sources (e.g., federal, state and other grant opportunities) to best leverage funding for these important projects. In regards to the Crystal City platform expansion study, Mr. Zimmerman noted that “study” can mean a lot of different things and asked what VRE would get for $2 million. Mr. Allen explained that the Crystal City VRE Station is between two curves and the study would include some preliminary engineering to look at safety issues and if the current station can be extended at the current location, and if it can’t, possible relocation sites. Mr. Zimmerman stated that it will be important to identify what the end product will be to the study.

Mr. Cook asked Ms. Coyner to include a discussion at the next NVTC meeting regarding the NVTA issue previously discussed concerning the NVTA railcar funding as it relates to non-NVTA jurisdictions. He stated that in light of the fact that NVTC had a lengthy discussion at its last meeting about compliance of HB 2313, it is important that NVTC Commissioners are aware of the issue. He also noted Mr. Harf may want to do the same at PRTC.

Mr. Naddoni moved, with a second by Ms. Bulova, to approve Resolution #8D-12-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.
Authorization to Award a Contract for Banking Services and a Line of Credit – 8E

Mr. Allen stated the VRE Operations Board is being asked to recommend that the Commissions authorize him to execute a contract for banking services with PNC Bank for a base period of three years, with an option to extend for up to two additional years, with the CEO exercising the option years at his discretion. The total contract value for the five year period will be in an amount not to exceed $20,000, which includes a cushion for higher transaction levels during the contract period or the use of additional services. The contract includes a provision for a $1 million line of credit. Resolution #8E-12-2013 would accomplish this. The resolution also recommends that the Commissions authorize the CEO to extend the current contract with SunTrust Bank for an additional three months or until June 30, 2014, if needed, in order to ensure a seamless transition to PNC Bank.

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

Mr. Milde noted that it is interesting that the current banking firm, SunTrust Bank, did not submit a proposal. Mr. Allen stated SunTrust had an issue with additional requirements but later expressed interest in submitting a proposal: however, the deadline for submission had passed.

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

Authorization to Award a GEC VI Task Order for Design and Construction Management Services for the Alexandria King Street Pedestrian Tunnel Project – 8F

Mr. Allen reported that Resolution #8F-12-2013 would authorize him to award a GEC VI Task Order to Gannett Fleming for Design and Construction Management Services for the Alexandria King Street Tunnel Project in an amount of $1,728,151, plus a five percent contingency of $86,408, for a total amount not to exceed $1,814,559.

Mr. Zimmerman moved, with a second by Mr. Naddoni, to approve Resolution #8F-12-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.

Authorization to Award a GEC VI Task Order to Provide Evaluations of VRE Facilities in Support of VRE’s Transit Asset Management Program – 8G

Mr. Allen explained that the VRE Operations Board is being asked to authorize him to award a GEC VI Task Order to STV/RWA for evaluations of VRE facilities in support of VRE’s Transit Asset Management (TAM) Program in the amount of $174,253, plus a five percent contingency of $8,713, for a total amount not to exceed $182,966. Resolution #8G-12-2013 would accomplish this.
Mr. Allen explained that VRE operates 18 station facilities and two maintenance and storage facilities. As these facilities age, it is imperative that a robust maintenance and rehabilitation strategy be evaluated and implemented to ensure these assets remain in a State of Good Repair. Not only is this in VRE’s best interest, but it is a requirement for any agency that receives FTA funding under the MAP-21 legislation. This Task Order will allow VRE to have an independent evaluation and analysis of VRE’s facilities to use as the baseline evaluation of these assets going forward and provide recommendations for maintenance cycles and rehabilitation projects.

Mr. Skinner moved, with a second by Mr. Jenkins, to approve Resolution #8G-12-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.

**Authorization to Issue an Invitation for Bids (IFB) for the Purchase of Locomotive Fuel Injector Assemblies – 8H**

Mr. Allen explained that Resolution #8H-12-2013 would authorize him to issue an IFB for the purchase of locomotive electronic fuel injector assemblies. In order to maintain compliance with Environmental Protection Agency (EPA) regulations, VRE must replace the electronic fuel injectors during the three year maintenance cycle. VRE staff will return to the Operations Board with a recommendation to award a contract.

In response to a question from Mr. Skinner, Mr. Allen responded that this purchase will include spare parts. Mr. Skinner also asked about the failure rate of VRE’s fuel injectors. Mr. Allen explained that VRE has been able to demonstrate that its injector assembly is reliable for about three years, compared to the two-year industry standard. In response to a question from Mr. Way, Mr. Allen said this procurement is part of VRE’s life cycle maintenance program.

Mr. Zimmerman moved, with a second by Mr. Kelly, to approve Resolution #8H-12-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.

**Discussion of VRE Legislative Agenda – 8I**

Mr. Allen reminded the Board that at the last meeting, the Operations Board approved the 2014 Legislative Agenda, but also indicated that further discussion was warranted with regard to the upcoming changes to the weighted voting formula and whether the pursuit of changes to the legislation should be included in an amended Legislative Agenda. He explained that Resolution #8I-12-2013 was prepared in case the Operations Board wishes to take action, which would approve the 2014 Legislative Agenda with an amendment to seek changes to the weighted voting legislation adopted in the 2013 General Assembly session.
Mr. Zimmerman moved, with a second by Mr. Milde, to approve the resolution.

Mr. Milde expressed his support of this and noted that the wording is easy to understand. Chairman Smedberg stated that Mr. Allen, as well as Ms. Coyner and Mr. Harf, have been actively meeting with General Assembly members.

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

Mr. Skinner asked if the weighted voting legislation will require VRE to change the Master Agreement. Mr. MacIsaac replied that as the legislation is drafted an amendment to the Master Agreement will be needed. It is important that VRE comply on July 1, 2014 but the Master Agreement could be amended at a later date.

Chairman Smedberg suggested moving Operations Board Member Time up in the agenda before the Closed Session. There were no objections.

**Operations Board Members’ Time – 9**

Mr. Skinner stated that when the Spotsylvania Station opens in October 2014, he hopes Mr. Zimmerman will attend the ribbon cutting event, since this project could not have been accomplished without Mr. Zimmerman’s help and the rest of the Operations Board. Mr. Skinner also reported that good progress is being made on the land acquisition for the parking lot. The landowner’s proposed price has gone to VDOT and FHWA for approval.

**Closed Session – 10**

Mr. Kelly moved, with a second by Mr. Skinner, the following motion:

> Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (1) of the Code of Virginia); the VRE Operations Board authorizes a Closed Session for the purpose of discussion of a personnel matter.

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.

The Board entered into Closed Session at 11:26 A.M. and returned to Open Session at 12:00 P.M.

[Ms. Caddigan left the meeting during the Closed Session.]
Mr. Kelly moved, with a second by Mr. Thomas, 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, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Page, Skinner, Smedberg, Thomas, Way and Zimmerman.

Chairman Smedberg reported that the CEO’s performance was discussed during this Closed Session and will be further discussed at the January meeting.

Adjournment

On a motion by Mr. Zimmerman and a second by Ms. Bulova, the Board unanimously agreed to adjourn. Chairman Smedberg adjourned the meeting at 12:01 P.M.

Approved this 17th day of January, 2014.

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Paul Milde
Chairman

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Gary Skinner
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the December 20, 2013 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest