Agenda Item 8-A
Consent Item

To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Authorization to Issue a Request for Proposals for Engineering and Environmental Services for Platform Improvements at Five Fredericksburg Line Stations

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for Engineering and Environmental Services for platform improvements at five stations on the VRE Fredericksburg Line.

Background:

As determined in accordance with VRE Public Procurement Policies and Procedures, an Invitation for Bids (IFB) is neither practicable, nor fiscally advantageous to VRE; and an RFP is the required method of procurement for this solicitation since there are different approaches to the desired service and an evaluation of technical merit is required.

Upon completion of evaluation of proposals, negotiations are conducted with the two highest ranked firms deemed to be fully qualified and best suited among those submitting Proposals, on the basis of the factors specified in the evaluation criteria. Price will be considered in context of technical performance for this service to achieve a best value determination. After receipt of the best and final offer from the
top-ranked firm, a cost analysis is performed to compare the proposed cost with the independent cost estimate to determine that the proposed cost is fair and reasonable.

VRE is initiating platform improvement projects at five Fredericksburg Line stations (Franconia-Springfield, Lorton, Rippon, Brooke, and Leeland Road) in order to improve safety, provide flexibility for railroad operations, and accommodate the ridership growth and longer trains proposed in System Plan 2040. The second platforms at Lorton, Rippon, Brooke, and Leeland Road are specified as improvements needed as a prerequisite for adding the new Potomac Shores Station in the Second Amendment to the Corridor Improvement Project Memorandum of Understanding, executed between CSX Transportation (CSXT), the Virginia Department of Rail and Public Transportation (DRPT), and VRE, and approved by the Commissions on July 10, 2014. Authority to issue an RFP for Engineering and Environmental Services for Brooke and Leeland Road Stations was previously approved by the VRE Operations Board at its July 2014 meeting and is incorporated into this joint procurement.

Funding is available or pending for preliminary engineering and environmental studies for all five stations. It will be more efficient and a more effective use of staff and consultant services to advance this work through a single procurement. A single consultant can develop a unified set of design criteria, architectural elements, and engineering standards applicable to all five stations. The combined project will reduce duplicative efforts and facilitate establishment of a standardized design approach for future platform improvement projects.

The following table identifies the planned improvements and the source and availability of funding for each of the five subject stations:

<table>
<thead>
<tr>
<th>Station</th>
<th>Improvements</th>
<th>Funding Source(s)</th>
<th>Funding Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franconia-Springfield</td>
<td>Platform widening Platform extension</td>
<td>NVTA</td>
<td>FY 16*</td>
</tr>
<tr>
<td>Lorton</td>
<td>Second platform Platform extension</td>
<td>NVTA, CMAQ, DRPT (State Transit Capital)</td>
<td>Yes</td>
</tr>
<tr>
<td>Rippon</td>
<td>Second platform Platform extension</td>
<td>NVTA, CMAQ, DRPT (State Transit Capital)</td>
<td>Yes</td>
</tr>
<tr>
<td>Brooke</td>
<td>Second platform Platform extension</td>
<td>DRPT (Rail Enhancement Funds)</td>
<td>Yes</td>
</tr>
<tr>
<td>Leeland Road</td>
<td>Second platform Platform extension</td>
<td>DRPT (Rail Enhancement Funds)</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* NVTA funding is pending

Platform improvements will be designed to accommodate an eight-car train (the longest trains VRE presently operates) while ensuring nothing will preclude future
expansion up to ten-car trains when needed. They will include canopies at least 200 feet in length, upgrades to existing lighting system/electrical components, and an accessible, grade-separated pedestrian connection between the two platforms. Station designs will be coordinated with adjacent third track project designs and will comply with CSXT standards and allow for future third track clearances and coordination. Preliminary engineering will be developed for each station to a 30 percent level of design and subjected to environmental scrutiny under the National Environmental Policy Act. Notice to proceed with each station will be coordinated with the availability of funding for that specific station. When complete, each station will be cleared to enter the project implementation stage (final design and construction), either through a design-bid or a design-bid-build process.

Upon receipt and evaluation of the proposals, VRE staff will return to the Operations Board to seek authorization to award the contract for preliminary engineering and environmental services.

**Fiscal Impact:**

Funding for the platform improvements is provided through a combination of Federal, State and regional sources as outlined in the table above. The local match for Brooke and Leeland Road Stations is provided through in-kind services supplied by the private developer in the design and construction of Potomac Shores Station.
Authorization to Issue a Request for Proposals for Engineering and Environmental Services for Platform Improvements at Five Fredericksburg Line Stations

WHEREAS, due to current ridership demand along with future growth projections, VRE has initiated platform improvements that will include Franconia-Springfield, Lorton, Rippon, Brooke and Leeland Road stations; and,

WHEREAS, second and extended platforms will enhance safety, expedite train operations, accommodate ridership growth, and provide increased flexibility for railroad operations; and,

WHEREAS, VRE has specifically committed through the Second Amendment to the Corridor Improvement Project Memorandum of Understanding with CSX Transportation and the Virginia Department of Rail and Public Transportation to add second platforms at Lorton, Rippon, Brooke, and Leeland Road stations; and,

WHEREAS, this authorization and anticipated schedule will allow the design process to begin by initiating field survey and geotechnical evaluations, identification and remediation of environmental concerns, and development of design concepts, alternatives, and details;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby acknowledge the determination made by the VRE Contract Administrator in accordance with the VRE Public Procurement Policies and Procedures, that competitive bidding is not practicable, nor fiscally advantageous to VRE, and that competitive negotiation is the appropriate method to procure these services.

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does authorize the Chief Executive Officer to issue a Request for Proposals for Engineering and Environmental Services for Platform Improvements at Five Fredericksburg Line Stations.

Approved this 20th day of March 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Authorization to Issue a Request for Proposals for System Safety and Security Consultant Services

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for the services of a System Safety and Security Consultant.

Background:

As determined in accordance with VRE Public Procurement Policies and Procedures, an Invitation for Bids (IFB) is neither practicable, nor fiscally advantageous to VRE; and an RFP is the required method of procurement for this solicitation since there are different approaches to the desired service and an evaluation of technical merit is required.

Upon completion of evaluation of proposals, negotiations are conducted with the two highest ranked firms deemed to be fully qualified and best suited among those submitting Proposals, on the basis of the factors specified in the evaluation criteria. Price will be considered in context of technical performance for this service to achieve a best value determination. After receipt of the best and final offer from the top-ranked firm, a cost analysis is performed to compare the proposed cost with the
independent cost estimate to determine that the proposed cost is fair and reasonable.

The scope of work for the RFP includes such tasks as: guidance to staff during updates to critical system safety and security documents; the coordination and planning of internal audits, contractor safety and security audits and disaster drills; support to staff during audits conducted to evaluate VRE safety and security measures, and to coordinate Threat and Vulnerability Assessments (TVA) that help guide VRE’s continuous improvement in safety and security activities.

The FRA and the NTSB continue to emphasize the need for third party perspectives as a component of a truly beneficial and positive safety culture. VRE feels that a program such as this helps us achieve this balance.

On November 12, 2010, VRE awarded a contract to Kensington Consulting L.L.C of Kensington, MD for a base year with four one year options. The last extension of this contract will expire on November 12, 2015. Therefore, VRE must now complete a competitive solicitation for continuation of these services.

Upon receipt and evaluation of the proposals, VRE staff will return to the Board to request authorization to award the contract in an effort to continue the services without interruption.

**Fiscal Impact:**

Funding for the System Safety and Security Consultant is provided for by the Federal Security Enhancement Grant and included as part of the capital improvement program.
Authorization to Issue a Request for Proposals for System Safety and Security Consultant Services

WHEREAS, VRE currently contracts the services of a professional System Safety consultant; and,

WHEREAS, VRE requires continuing support services as recommended by the National Transportation Safety Board and the FRA; and,

WHEREAS, the current contract will expire on November 12, 2015;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does acknowledge the determination made by the VRE Contract Administrator in accordance with the VRE Public Procurement Policies and Procedures, that competitive bidding is not practicable, nor fiscally advantageous to VRE, and that competitive negotiation is the appropriate method to procure these services.

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does authorize the Chief Executive Officer to issue a Request for Proposals for System Safety and Security Consultant Services.

Approved this 20th day of March 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board
From: Doug Allen
Date: March 20, 2015
Re: Authorization to Issue an Invitation for Bids for Elevator Rehabilitation or Replacement at Franconia-Springfield and Rippon Stations

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for elevator rehabilitation or replacement at the Franconia-Springfield and Rippon stations.

Background:

Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made on the basis of price alone without discussions or negotiations with the Bidders. Upon receipt of the bids, VRE will return to the Board with authorization to award the contract.

In recent years, the frequency of failures and required maintenance service calls have increased for the two elevators at the Franconia-Springfield station and the elevator at the Rippon station, creating an inconvenience to VRE riders and WMATA patrons. The failures are due to aging elevator cabs and associated equipment. The scope of work for the IFB includes the rehabilitation or replacement of elevator
cabs, controls, support structures and systems. This effort will be coordinated with the work described in Agenda Item 8A-03-2015 to ensure there will be no duplication of effort.

Upon receipt of the bids, VRE staff will return to the Operations Board to request authorization to award the contract.

**Fiscal Impact:**

The total cost of this project is funded with Federal FY 2016 State of Good Repair formula grants (5337), matched with state and local funds.
Virginia Railway Express
Operations Board

Resolution
8C-03-2015

Authorization to Issue an Invitation for Bids for Elevator Rehabilitation or Replacement at Franconia-Springfield and Rippon Stations

WHEREAS, the elevators at the Franconia-Springfield and Rippon stations have experienced increased failures and required maintenance service calls due to aging elevator cabs and associated equipment; and,

WHEREAS, the scope of work includes the rehabilitation or replacement of elevator cabs, controls, support structures and systems;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for elevator rehabilitation or replacement at the Franconia-Springfield and Rippon stations.

Approved this 20th day of March 2015

John C. Cook
Chairman

Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Authorization to Issue an Invitation for Bids for Replacement of Tactile Warning Strips at Station Platforms

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for replacement of tactile warning strips at fourteen (14) station platforms.

Background:

Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made on the basis of price alone without discussions or negotiations with the Bidders. Upon receipt of the bids, VRE will return to the Board with authorization to award the contract.

The tactile warning strips at VRE stations provide a distinctive surface pattern and color contrast feature used to warn visually impaired riders of both the trackside edge and the ends of the station platforms.
The tactile warning strips at the majority of VRE’s stations were installed many years ago. Due to years of exposure to the elements, they have experienced fading, delamination and chipping. Currently, the tactile warning strips are in need of replacement at 14 stations. Four stations are excluded due to maintenance responsibility by a separate party, pending replacement through a separate project or due to recent replacement. These stations are Washington Union Station, Lorton, Fredericksburg and Broad Run.

The scope of work for the IFB includes removal and replacement of the existing tactile strips, including the installation of intermittently spaced panels displaying text warning all riders to stay clear of the tracks.

Upon receipt of the bids, VRE staff will return to the Operations Board to request authorization to award the contract.

**Fiscal Impact:**

The total cost of this project is funded with Federal FY 2016 State of Good Repair formula grants (5337), matched with state and local funds.
Virginia Railway Express
Operations Board

Resolution
8D-03-2015

Authorization to Issue an Invitation for Bids for Replacement of
Tactile Warning Strips at Station Platforms

WHEREAS, the tactile warning strips at the majority of VRE's stations were installed many years ago; and,

WHEREAS, due to years of exposure to the elements, they have experienced fading, delamination and chipping; and,

WHEREAS, the scope of work includes replacement of the existing tactile strips and the installation of intermittently spaced panels displaying text warning all riders to stay clear of the tracks;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for replacement of tactile warning strips at fourteen (14) station platforms.

Approved this 20th day of March 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board
From: Doug Allen
Date: March 20, 2015
Re: Authorization to Issue an Invitation for Bids for Rehabilitation of Fredericksburg Station Platforms

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for the rehabilitation of the Fredericksburg station platforms.

Background:

Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made on the basis of price alone without discussions or negotiations with the Bidders. Upon receipt of the bids, VRE will return to the Board with authorization to award the contract.

In 2011, concrete modifications and repairs were performed on both platforms at the Fredericksburg station. The current length of each platform is approximately 400 feet. South of these platforms are the original platforms, which are rarely used due to their uneven surfaces, cracking and delamination.
The scope of work for the IFB includes concrete modifications and repairs extending approximately 125 feet to the south of each of the currently-used platforms, increasing the boarding capacity for VRE and Amtrak trains.

Upon receipt of the bids, VRE staff will return to the Operations Board to request authorization to award the contract.

**Fiscal Impact:**

The total cost of this project is funded through federal FY 2016 State of Good Repair formula grants (5337), matched with state and local funds.
Authorization to Issue an Invitation for Bids for Rehabilitation of Fredericksburg Station Platforms

WHEREAS, in 2011, concrete modifications and repairs were performed on both platforms at the Fredericksburg station; and,

WHEREAS, south of these 400-foot platforms are the original platforms, which are rarely used due to their uneven surfaces, cracking and delamination; and,

WHEREAS, the scope of work for the IFB includes concrete modifications and repairs extending approximately 125 feet to the south of each of the currently used platforms, increasing the boarding capacity for VRE and Amtrak trains;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for the rehabilitation of the Fredericksburg station platforms.

Approved this 20th day of March 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Authorization to Issue an Invitation for Bids for Replacement of Platform Canopies, Gutters and Downspouts at the L’Enfant and Leeland Road Stations

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for replacement of platform canopies, gutters and downspouts at the L’Enfant and Leeland Road stations.

Background:

Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made on the basis of price alone without discussions or negotiations with the Bidders. Upon receipt of the bids, VRE will return to the Board with authorization to award the contract.

The platform canopies, gutters and downspouts at several VRE stations were installed many years ago. Due to years of exposure to the elements, these items at the L’Enfant and Leeland Road stations have experienced rusting, leaking, peeling and flaking. The scope of work for the IFB includes the replacement of canopy roofing, gutters and downspouts at both stations. Similar replacements at additional
stations will occur in subsequent years as necessary to maintain optimal performance and appearance.

Upon receipt of the bids, VRE staff will return to the Operations Board to request authorization to award the contract.

**Fiscal Impact:**

The total cost of this project is funded with Federal FY 2016 State of Good Repair formula grants (5337), matched with state and local funds.
Virginia Railway Express
Operations Board

Resolution
8F-03-2015

Authorization to Issue an Invitation for Bids for Replacement of Platform Canopies, Gutters and Downspouts at the L'Enfant and Leeland Road Stations

WHEREAS, the platform canopies, gutters and downspout at several VRE stations were installed many years ago; and,

WHEREAS, these items at the L’Enfant and Leeland Road stations have experienced rusting, leaking, peeling and flaking; and,

WHEREAS, the scope of work includes replacement of canopy roofing, gutters and downspouts at both stations;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for replacement of platform canopies, gutters and downspouts at the L’Enfant and Leeland Road stations.

Approved this 20th day of March 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Authorization to Issue a Purchase Order For Locomotive Wheels

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a Purchase Order to ORX of Tipton, PA in an amount not to exceed $64,890.00.

Background:

As VRE locomotives age, there is a need to replace individual wheels. VRE currently has contracts in place to provide wheel truing and wheel replacement services. These contracts give VRE the flexibility to purchase individual wheels to reduce cost and improve lead times. As such, VRE staff has determined the need to replace locomotive wheels will increase within the next sixteen (16) to twenty (20) months such that our wheel service provider will not be able to supply wheels when needed.

In accordance with the PRTC/VRE Procurement Policy, VRE issued a Request for Quotes (RFQ) to selected suppliers in the business of providing locomotive wheels and through Virginia’s electronic procurement system (eVA) and received the following two (2) responses.
The quote tabulation is as follows:

<table>
<thead>
<tr>
<th>Vendors</th>
<th>Quote Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ORX</td>
<td>$64,890.00</td>
</tr>
<tr>
<td>2. Wabte Global Services</td>
<td>$101,322.80</td>
</tr>
</tbody>
</table>

After review of the quotes, it was determined that ORX returned the lowest quote and is a responsive-responsible vendor. In accordance with the PRTC/VRE Procurement Policy, a Performance Bond is not required under the RFQ process for this type of procurement.

The Purchase Order will be for the purchase of forty (40) wide flange, E40” class B wheels with a 1:20 taper. The wheels will be delivered to VRE’s Contractor for installation onto VRE provided axle assemblies for eventual installation into VRE locomotives.

**Fiscal Impact:**

Funding is provided for in the FY 2015 operating budget for Equipment Operations under the locomotive repair and maintenance line item. The total budgeted amount for this item is $830,000.
WHEREAS, VRE locomotives are aging and in need of wheel replacement; and,

WHEREAS, contracts are currently in place for wheel truing and wheel replacement; and,

WHEREAS, staff has determined the need to replace forty (40) locomotive wheels within the next sixteen (16) to twenty (20) months; and,

WHEREAS, a Request for Quotes (RFQ) was issued in accordance with the PRTC/VRE Procurement Policy; and,

WHEREAS, two (2) responses were received; and,

WHEREAS, VRE has determined ORX returned the lowest quote and is a responsive-responsible vendor;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Purchase Order to ORX of Tipton, PA in an amount not to exceed $64,890.00.

Approved this 20th day of March 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board  
From: Doug Allen  
Date: March 20, 2015  
Re: Authorization to Execute a Contract for Financial Auditing Services

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with (name of firm to be provided at meeting via bluesheet) for financial auditing services. The contract will be for a base period of three years with options to extend for up to four additional years, in two year increments, in an amount not to exceed (cost to be provided at the meeting via bluesheet) for the seven–year period, plus a contingency, for a total not to exceed amount of (total to be provided at the meeting via bluesheet,) with the CEO exercising the option years at his discretion.

Background:

In May 2008, VRE entered into a contract with PBMares (formally PBGH) for the audit of the VRE financial statements, as the result of a joint solicitation issued by the Northern Virginia Transportation Commission (NVTC) for the audits of the VRE and NVTC financial statements. The contract was for a three-year period with options to extend for up to four additional years. The last year of the extension was for the recently completed audit of the FY 2014 financial statements. (PBMares also served as the auditor for the Potomac and Rappahannock Transportation Commission, PRTC, but as the result of a separate procurement.)
As joint owners of VRE, NVTC and PRTC each recognize a portion of VRE as a fund in their audited financial statements. Contracting all three engagements with the same firm is believed to be cost effective and maximizes the opportunity for timely completion of the audits. On December 19, 2014 the VRE Operations Board approved a request for VRE to participate in a joint Request for Proposals (RFP) for financial auditing services to be issued by NVTC on behalf of both Commissions and VRE. In accordance with VRE Public Procurement Policies and Procedures and the Virginia Public Procurement Act, an RFP is the required method of procurement for this solicitation because there are different approaches to the desired service and an evaluation of technical merit is required.

A mailing list of 11 prospective Offerors was established for the solicitation to ensure access to adequate sources of services. On February 2, 2015 NVTC issued a Request for Proposals for financial auditing services on behalf of both Commissions and VRE, with the intention of each organization entering into a separate contract with the mutually selected auditor. Proposals were submitted by five firms on the due date of February 25th.

The proposals were evaluated by a selection committee made up of financial staff from NVTC, PRTC, VRE and the Northern Virginia Transportation Authority.

The selection committee met to discuss and evaluate the Proposals using the following criteria and scoring system:

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifications and government experience of the firm</td>
<td>15 points</td>
</tr>
<tr>
<td>Qualifications and government experience of assigned staff</td>
<td>15 points</td>
</tr>
<tr>
<td>Audit understanding, approach and work plan</td>
<td>20 points</td>
</tr>
<tr>
<td>Ability to complete audit by required deadlines</td>
<td>10 points</td>
</tr>
<tr>
<td>Commitment to provide continuity of audit staff</td>
<td>10 points</td>
</tr>
<tr>
<td>Experience with Virginia localities and the public transit industry</td>
<td>15 points</td>
</tr>
<tr>
<td>References from clients with similar size and complexity</td>
<td>15 points</td>
</tr>
<tr>
<td><strong>TOTAL POINTS</strong></td>
<td><strong>100 points</strong></td>
</tr>
</tbody>
</table>

In accordance with the requirements of state law for the process of competitive negotiation for professional services, cost may not be used as a ranking factor or requested for submission by all Offerors, although a nonbinding estimate of costs may be requested at the interview stage.

Interviews were conducted with the top three firms. It was determined the proposal from *(name of firm to be provided at meeting via bluesheet)* was technically compliant and was awarded the highest rank by the selection committee. Negotiations were successfully conducted with *(name of firm to be provided at meeting via bluesheet)*.
meeting via bluesheet) for the provision of contract services at a price considered fair and reasonable.

Firms who submitted proposals for financial accounting services are listed below:

<table>
<thead>
<tr>
<th>Offerors Listed in Alphabetical Order</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brown, Edwards &amp; Company, Harrisonburg, VA</td>
</tr>
<tr>
<td>Cherry Bekaert, Tysons Corner, VA</td>
</tr>
<tr>
<td>PBMares, Harrisonburg, VA</td>
</tr>
<tr>
<td>Robinson, Farmer, Cox Associates, Fredericksburg, VA</td>
</tr>
<tr>
<td>Rubino &amp; Company, Bethesda, MD</td>
</tr>
</tbody>
</table>

The contract will be for a base period of three years, with two optional two-year extensions with the VRE CEO exercising the option years at his discretion, at the following cost: *(Cost to be provided at the meeting via bluesheet.)*

**Fiscal Impact:** Funding for auditing services is provided in the FY 2016 operating budget for audit and accounting fees in the Finance and Accounting department. Funding for future years will be included in each proposed annual budget.
Virginia Railway Express
Operations Board

Resolution
9A-03-2015

Authorization to Execute a Contract for Financial Auditing Services

WHEREAS, on December 19, 2014 the VRE Operations Board approved a request for VRE to participate in a joint Request for Proposals (RFP) for financial auditing services to be issued by NVTC on behalf of both Commissions and VRE for a base period of three years with options to extend for up to four additional years, in two year increments; and,

WHEREAS, on February 2, 2015 NVTC issued a Request for Proposals for financial auditing services on behalf of both Commissions and VRE; and,

WHEREAS, five proposals were received by NVTC and ranked by the selection committee in accordance with the guidelines established in the RFP; and,

WHEREAS, the selection committee recommends that the contract be awarded to the (name of firm to be provided at meeting via bluesheet,) the highest ranked Offeror; and,

WHEREAS, the VRE Audit Committee has recommended approval of this contract award;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the VRE Chief Executive Officer to execute a contract with (name of firm to be provided at meeting via bluesheet) in the amount of (cost to be provided at the meeting via bluesheet,) plus a contingency, for a total amount not to exceed (total to be provided at the meeting via bluesheet.) The contract will be for a base period of three years with options to extend for up to four additional years, in two year increments, with the VRE Chief Executive Officer exercising the option years at his discretion.

Approved this 20th day of March, 2015

__________________________________________
John C. Cook
Chairman

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Paul Smedberg
Secretary
Agenda Item 9-B  
Action Item

To: Chairman Cook and the VRE Operations Board
From: Doug Allen
Date: March 20, 2015
Re: Authorization to Execute a Contract for Planning and Engineering Consultant Services for the Gainesville-Haymarket Extension

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract to (name of firm to be provided at meeting via bluesheet) for planning and engineering services for the Gainesville-Haymarket Extension project in the amount of (cost to be provided at the meeting via bluesheet) plus a 10% contingency, for a total amount not to exceed (total to be provided at the meeting via bluesheet).

Background:

On April 18, 2014, the Operations Board authorized issuing a Request for Proposals (RFP) for consultant Planning and Engineering Services for the VRE Gainesville-Haymarket Extension. The consultant will assist in undertaking the following planning and engineering activities to advance the project development for the VRE Gainesville-Haymarket extension: update the ridership forecasts, identify potential station locations, refine the operating plan, confirm the necessary railroad infrastructure requirements, update capital and operating cost estimates, and evaluate extension alternatives to select a preferred extension alternative. The environmental effects of the preferred alternative will be assessed as well as the
impact of the extension on system-wide operating and financial capacity. Preliminary engineering design for the preferred alternative will also be completed. In accordance with Virginia Public Procurement Act (VPPA) and the Federal Brooks Act, professional architecture and engineering services must be procured by a competitive negotiation process. Only after first evaluating the technical merit and qualifications of the prospective Offerors can negotiations be initiated with the top-ranked Offeror to determine price. Therefore, an evaluation must be made of both technical merit and price to achieve a best value determination. Price alone may not be the basis of an award for this Contract.

A mailing list of eighty-four (84) prospective Offerors was established for the solicitation to ensure access to adequate sources of services. Additionally, the RFP was advertised on eVA, the Commonwealth of Virginia’s online procurement website.

On December 22, 2014, an RFP was issued with proposals due on February 18, 2015. Five (5) responses were received.

Evaluation of the Proposals received were performed by a Technical Evaluation Team (TET), which consisted of three VRE staff members and one Prince William County Department of Transportation staff member. The TET met to discuss and evaluate the Proposals using the following criteria:

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Possible Points</th>
<th>Weight (Multiplier)</th>
<th>Maximum Possible Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposals may earn up to 1000 points for responses to the requirements of the RFP.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Demonstrated knowledge and qualifications of the proposed Project Manager including demonstrated experience on similar projects and applicable technical skills.</td>
<td>0 - 10</td>
<td>20</td>
<td>200</td>
</tr>
<tr>
<td>B. Demonstrated knowledge and qualifications of the personnel proposed for the project team including demonstrated experience in complex rail transit planning and design projects.</td>
<td>0 - 10</td>
<td>25</td>
<td>250</td>
</tr>
<tr>
<td>C. Demonstrated project approach and management plan demonstrating an understanding of the project, scope of services, technical requirements and quality assurance/quality control procedures.</td>
<td>0 - 10</td>
<td>25</td>
<td>250</td>
</tr>
<tr>
<td>D. Demonstrated capability and expertise of the proposed firm(s) to perform project development planning, NEPA analyses, and conceptual and preliminary design for major rail transit capital investment projects.</td>
<td>0 - 10</td>
<td>20</td>
<td>200</td>
</tr>
</tbody>
</table>
Interviews were conducted with the three (3) highest ranked Offerors. Formal negotiations with the top ranked firm were subsequently conducted. It is determined the proposal from *(name of firm to be provided at meeting via bluesheet)* is technically compliant and the best value for the project.

Firms who submitted a proposal for Planning and Engineering Services for the VRE Gainesville-Haymarket Extension are listed below:

<table>
<thead>
<tr>
<th>Offerors Listed in Alphabetical Order</th>
</tr>
</thead>
<tbody>
<tr>
<td>AECOM, Arlington, VA</td>
</tr>
<tr>
<td>Gannett Fleming/VHB Joint Venture, Baltimore, MD</td>
</tr>
<tr>
<td>Kimley-Horn and Associates, Inc., Reston, VA</td>
</tr>
<tr>
<td>Parsons Transportation Group, Inc., Tysons, VA</td>
</tr>
<tr>
<td>STV, Inc., Richmond, VA</td>
</tr>
</tbody>
</table>

Once the Contract is executed, VRE staff will meet with *(name of firm to be provided at meeting via bluesheet)* to develop a detailed project schedule and work plan. It is expected the initial planning phase of the study will be completed within twelve (12) months. The environmental analysis and engineering design is expected to take eighteen (18) months to complete although some tasks may overlap and be completed concurrent with the planning phase. The full study is expected to take about 24 to 30 months to complete.

**Fiscal Impact:**

The total project cost is included in the FY 2015 Capital Budget, through a Virginia Rail Enhancement Fund (REF) grant and funding from the Northern Virginia Transportation Authority (NVTA).
Virginia Railway Express
Operations Board

Resolution
9B-03-2015

Authorization to Execute a Contract for Planning and Engineering Consultant Services for the Gainesville-Haymarket Extension

WHEREAS, the VRE System Plan 2040 recommends extending VRE service to the Gainesville-Haymarket area of Prince William County to improve regional travel choice and mobility; and,

WHEREAS, the VRE Operations Board authorized a Request for Proposals (RFP) on April 18, 2014 for consultant services to assist in undertaking the planning and engineering activities to advance the project development for the VRE Gainesville-Haymarket extension; and,

WHEREAS, on December 22, 2104 an RFP was issued and five (5) responses were received on February 18, 2015; and,

WHEREAS, subsequent to a review by the Technical Evaluation Committee (TET), the TET unanimously recommends that the Operations Board award a contract to (name of firm to be provided at meeting via bluesheet;)

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract to (name of firm to be provided at meeting via bluesheet) for planning and engineering consultant services for the Gainesville-Haymarket Extension project in the amount of (cost to be provided at the meeting via bluesheet), plus a 10% contingency, for a total amount not to exceed (total to be provided at the meeting via bluesheet.)

Approved this 20th day of March 2015

______________________________
John C. Cook
Chairman

______________________________
Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board
From: Doug Allen
Date: March 20, 2015
Re: Recommend Authorization to Execute an Agreement with Amtrak for Access and Storage at Washington Union Terminal

Recommendation:

The VRE Operations Board is being asked to recommend the Commissions authorize the Chief Executive Officer to enter into a five-year agreement with Amtrak for access and mid-day storage at Washington Union Terminal. The total payment will not exceed $10,685,184, plus a $300,000 contingency, for a total amount not to exceed $10,985,184 during the first year, and will be subject to escalation in each successive year according to the Association of American Railroads (AAR) Quarterly Index of Chargeout Prices and Wage Rates (Table C) and a three year rolling average of actual costs for those charges subject to Section 212 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA).

Background:

The current Agreement with Amtrak will expire on June 30, 2015. Since February of 2014, VRE and Amtrak staffs have met monthly to negotiate a new agreement. Both parties have now reached consensus on the terms of a new five-year agreement that provides VRE with continued access into Washington Union Terminal (WUT) as well as the existing level of mid-day storage. The term of the agreement is for five-years with the option for VRE to extend for an additional five-year term upon advance notice to Amtrak.

The following summarizes the terms of the agreement between VRE and Amtrak:
1. **Schedule** – VRE’s train schedule will remain the same. VRE may operate between 7,600 – 8,000 trains into and out of WUT per year. If trains fall below 7,600 or rise above 8,000, the amount paid by VRE will be increased or decreased by $531.78 per train, as adjusted by the appropriate factor.

2. **Access** – VRE will pay Amtrak a Terminal Usage Fee for operation into the terminal. This fee includes VRE’s fully allocated costs related to maintenance of way, transportation, police, station capital costs and system enhancements. The Agreement includes provisions to transition to the cost allocation methodology as approved by the Northeast Corridor Commission, currently slated to occur on October 1, 2015. This cost allocation methodology was mandated by Section 212 of PRIIA.

3. **Mid-day Storage** - Storage rights will remain the same as they are today for the first three years of the Agreement. Amtrak will have the right to reduce the total number of VRE equipment stored for the last two years of the Agreement by no more than twenty units per year in the event the need for Amtrak equipment storage increases, and VRE may request extensions of time in order to complete its relocation to an alternative storage site. Amtrak also agrees to work with VRE to design and construct alternative storage sites.

4. **Layover Services** – During the mid-day layover, Amtrak will provide coach cleaning and limited maintenance of the equipment including locomotive daily inspections and use of ground power. Amtrak will also provide limited mechanical repairs on an as needed basis to correct defects that would otherwise prevent the movement of the equipment back to VRE maintenance and storage facilities.

5. **Dedicated Support Personnel** – VRE will fund dedicated support personnel including one Trainmaster, one Station Manager (formerly Customer Service Coordinator), one Sr. Space and Equipment Control Analyst (formerly Customer Service Coordinator) and a part time Assistant Superintendent of Mechanical. A Financial Analyst (.5) and a Sr. Project Specialist (.5) have been added from the former contract. The Financial Analyst position was formerly charged as part of the overhead calculation. The Sr. Project Specialist is added to reflect the higher level of oversight desired for capital projects that benefit VRE.

6. **Incentive Payment** - VRE will pay Amtrak $10,000 per month for each month Amtrak achieves 92%-94% and $11,500 for each month Amtrak achieves
above 94% on-time performance in dispatching VRE trains from WUT. On-time is defined as departing the terminal within three minutes of the scheduled departure time. Incentive payments are contingent upon Amtrak's compliance with Amtrak's Total Efficiency and Safety Test System (T.E.S.T.S) program as applicable to VRE trains operating within WUT. The additional requirement and the potentially higher payment for on-time performance above 94% is an enhancement of the provisions of the current agreement.

7. **Management Fees and Other** – The fees includes general and administrative costs, management fee, train rescues, and qualifications training, as requested.

8. **Step-Up Program** – The program, including a $10 step-up fee, will be maintained for all VRE/Amtrak Cross Honor trains. On July 1, 2017, the step-up fee will increase to $12.00 for each VRE passenger; on July 1, 2018, the step-up fee will increase to $13.00 for each VRE passenger; on July 1, 2019 and each year thereafter the step-up fee will be adjusted in accordance with the AAR Quarterly Index of Chargeout Prices and Wage Rates (Table C). The increase may be reduced in the event the Commonwealth participates in a different arrangement for permitting VRE passengers on VRE/Amtrak Cross Honor trains.

9. **Amtrak use of VRE Facilities** – Amtrak will pay a prorated cost for Amtrak passengers using VRE station facilities.

10. **Liability and Indemnification** Generally, VRE will indemnify Amtrak for incidents occurring in Washington Terminal that would not have occurred but for VRE service, except for injuries to Amtrak employees and incidents where Amtrak is grossly negligent. Discussions continue regarding language that would apply the current “no fault” arrangement for incidents involving Amtrak and VRE trains on the CSXT and NS rights-of-way to incidents involving Amtrak and VRE passengers at VRE stations.

11. The following summarizes the cost and payment structure for the Agreement:

<table>
<thead>
<tr>
<th>Payment Structure</th>
<th>Existing Contract</th>
<th>Year 1</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access Fee &amp; Station Capital Costs</td>
<td>$4,023,439</td>
<td>$4,423,298</td>
<td>Annual increases for AAR/average costs (after PRIIA implementation) and $275K associated with additional Fredericksburg train</td>
</tr>
<tr>
<td>Mid-day Storage Fee</td>
<td>$1,568,643</td>
<td>$1,615,702</td>
<td>Annual AAR increase</td>
</tr>
<tr>
<td>Service Type</td>
<td>FY 2015</td>
<td>FY 2016</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>----------</td>
<td>----------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Layover Services</td>
<td>$2,142,493</td>
<td>$2,206,768</td>
<td>General Maintenance, Yard Moves, Ground Power, Mid-Day Emergency Mechanical Repairs, Car Wash Services and Materials and Fuel Charge. Annual increases only.</td>
</tr>
<tr>
<td>Dedicated Support Personnel</td>
<td>$579,893</td>
<td>$785,916</td>
<td>Includes Trainmaster, Station Manager, Sr. Space and Equip. Control Analyst, part-time Asst. Superintendent – Mechanical. Financial Analyst (.5) and Sr. Project Specialist (.5) added to current contract.</td>
</tr>
<tr>
<td>Incentive Payment</td>
<td>$120,000</td>
<td>$138,000</td>
<td>Enhanced program includes safety component and allows for incentives of up to $11,500 per month with OTP of 94% or higher. Budget based on maximum incentive amount.</td>
</tr>
<tr>
<td>Management Fees and Other</td>
<td>$468,828</td>
<td>$515,500</td>
<td>General and administrative costs, management fee, train rescue and qualification of contractors. Annual increases.</td>
</tr>
<tr>
<td>Step-up Program</td>
<td>$1,200,000</td>
<td>$1,000,000</td>
<td>VRE cost is $10 per ticket. Number of step-up riders expected to decrease with the end of the state subsidy which reduced rider's cost from $5 to $3.</td>
</tr>
<tr>
<td>Total</td>
<td>$10,103,296</td>
<td>$10,685,184</td>
<td></td>
</tr>
</tbody>
</table>

A $300,000 contingency is recommended to cover variable costs such as ground power, the step-up program, and emergency mechanical repairs and associated material costs. The contingency would only be used to pay actual costs to Amtrak.

**Fiscal Impact:**

The current budget for FY 2016 includes funding of $11,030,000 under Amtrak Access and Storage for the first year, which is sufficient to cover all estimated costs plus the requested contingency funding for future years will be included in each proposed annual budget.
Virginia Railway Express
Operations Board

Resolution
9C-03-2015

Recommend Authorization to Execute an Agreement with Amtrak
for Access and Storage at Washington Union Terminal

WHEREAS, VRE’s current access and storage agreement with Amtrak expires June 30, 2015; and,

WHEREAS, the current agreement includes access and mid-day storage at Washington Union Terminal (WUT); and,

WHEREAS, VRE and Amtrak staff have been negotiating a new access and storage agreement since February of 2014; and,

WHEREAS, a new agreement has been reached for an initial five-year term with an option to extend the term an additional five years upon advanced written notice to Amtrak; and,

WHEREAS, the new agreement will provide VRE with continued access and mid-day storage at Washington Union Terminal (WUT);

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board hereby recommends the Commissions authorize the Chief Executive Officer to enter into a five-year agreement with Amtrak for access and mid-day storage at Washington Union Terminal. The total payment will not exceed $10,685,184, plus a $300,000 contingency, for a total amount not to exceed $10,985,184 during the first year, and will be subject to escalation in each successive year according to the Association of American Railroads (AAR) Quarterly Index of Chargeout Prices and Wage Rates (Table C) and a three year rolling average of actual costs for those charges subject to Section 212 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA).

Approved this 20th day of March 2015

______________________________
John C. Cook
Chairman

___________________________
Paul Smedberg
Secretary
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Management Audit Recommendations Update

Background

At the January 16, 2015 meeting, the Operations Board accepted the Management Audit. Included in the Management Audit Report were recommended improvements to VRE’s organizational structure and practices, VRE’s functions and processes, and VRE Operations Board oversight. Attached are the short-term (less than 12 months) actions recommended in the report and their current disposition.
<table>
<thead>
<tr>
<th>Short Term (less than 12 months)</th>
<th>Recommendation</th>
<th>Description</th>
<th>VRE Lead</th>
<th>Progress Update</th>
<th>Target Date/ Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>VRE Structure and Practices</td>
<td>Organizational Alignment with Strategic Plan</td>
<td>Develop a strategic business plan and financial plan to implement the 2040 System Plan and enhance other business processes, including performance measures and a multiyear financial plan.</td>
<td>J. Swartz</td>
<td>Work on the financial plan has begun (Board update at March meeting). A consultant Task Order Request to support staff in development of the business plan has been forwarded to the Management Audit consultant team.</td>
<td>Business Plan: June Financial Plan: July</td>
</tr>
<tr>
<td></td>
<td>Capacity/Staffing to Support Strategic Goals</td>
<td>Implement VRE staff changes as proposed in VRE management’s FY 2016 budget (including transfer of three employees from the rail maintenance contractor to VRE) and implement a review of staffing needs as part of the annual budgeting process.</td>
<td>D. Boxer</td>
<td>Awaiting jurisdictional approval of VRE’s FY16 Budget</td>
<td>July</td>
</tr>
<tr>
<td></td>
<td>Relationship Between Executive Directors and CEO</td>
<td>Develop a schedule for regular roundtable discussions between the Executive Directors, the VRE CEO, and chairs of each Commission and the VRE Operations Board (or designee) to coordinate issues jointly concerning VRE and the two Commissions.</td>
<td>D. Allen</td>
<td>Under development</td>
<td>April</td>
</tr>
<tr>
<td></td>
<td>Oversight of VRE by Commissions</td>
<td>Develop and deliver an informational presentation to each Commission on members’ roles and responsibilities with respect to VRE in their capacity as Commissioners.</td>
<td>S. MacIsaac</td>
<td>Under development</td>
<td>May</td>
</tr>
<tr>
<td>VRE Functions and Processes</td>
<td>Purchasing Cards</td>
<td>Evaluate advantages and disadvantages of replacing its current credit cards with purchasing cards.</td>
<td>D. Boxer</td>
<td>Procurement staff analyzing advantages/disadvantages; writing position paper.</td>
<td>July</td>
</tr>
<tr>
<td></td>
<td>Procurement Protocols</td>
<td>Update procurement templates to reflect new technologies and expand use of blanket purchase orders.</td>
<td>G. Hill</td>
<td>New templates are under development</td>
<td>July</td>
</tr>
<tr>
<td></td>
<td>Job Descriptions</td>
<td>Develop Job Descriptions/Classifications for New Staff Positions</td>
<td>A. Gotthardt</td>
<td>Under development</td>
<td>July</td>
</tr>
<tr>
<td></td>
<td>Training</td>
<td>Develop an annual schedule and guidelines for routine staff training.</td>
<td>A. Gotthardt</td>
<td>Under development</td>
<td>December</td>
</tr>
<tr>
<td></td>
<td>CEO Evaluation</td>
<td>Document the process for CEO evaluation.</td>
<td>A. Gotthardt</td>
<td>Under development</td>
<td>TBD</td>
</tr>
<tr>
<td></td>
<td>Legal Counsel Review Periods</td>
<td>Document timeframes required for items commonly reviewed by legal counsel to establish reasonable expectations for all parties of how long reviews should take.</td>
<td>J. Swartz</td>
<td>Reviewing information</td>
<td>April</td>
</tr>
<tr>
<td></td>
<td>Legal Counsel Review by Assistant Attorneys</td>
<td>Identify assistant attorneys able to directly field inquiries from VRE staff.</td>
<td>S. MacIsaac</td>
<td>On-going</td>
<td>On-going</td>
</tr>
<tr>
<td></td>
<td>Legal Staffing Levels</td>
<td>Examine staffing levels and opportunities to quarter legal staff at VRE.</td>
<td>S. MacIsaac</td>
<td>Reviewing information</td>
<td>April</td>
</tr>
<tr>
<td>Task</td>
<td>Description</td>
<td>Assigned</td>
<td>Status</td>
<td>Date</td>
<td></td>
</tr>
<tr>
<td>------</td>
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<td></td>
</tr>
<tr>
<td>Establish Legal/VRE staff progress meetings</td>
<td>Establish quarterly progress meetings between legal counsel and the VRE management team.</td>
<td>J. Swartz</td>
<td>Agreed on one monthly in-person meeting in addition to weekly conference calls.</td>
<td>COMPLETE</td>
<td></td>
</tr>
<tr>
<td>Grant Reimbursement</td>
<td>Support PRTC in exploring options to streamline federal grant reimbursements by better utilizing IT systems such as additional features of the Microsoft SharePoint program to post a draw calendar (including staff absences) so timing can be better coordinated between VRE and PRTC.</td>
<td>D. Boxer</td>
<td>On-going</td>
<td>On-going</td>
<td></td>
</tr>
<tr>
<td>PRTC Financial System Progress</td>
<td>As PRTC completes the implementation of a new financial management system and addresses the noted deficiencies, provide support to PRTC as needed. Provide a copy of PRTC’s periodic progress reports to VRE Operations Board members as an information item, so that they are kept abreast of progress towards resolution of this issue.</td>
<td>D. Boxer</td>
<td>On-going</td>
<td>On-going</td>
<td></td>
</tr>
<tr>
<td>Audits</td>
<td>Work with external reviewers (to the extent that VRE is able) to optimize the efficiency of file sharing and other protocols of the review. Continue to examine additional steps to productively support external reviews, including use of technology and additional staffing.</td>
<td>D. Boxer</td>
<td>On-going</td>
<td>On-going</td>
<td></td>
</tr>
<tr>
<td>Technology Management</td>
<td>Hire a senior IT manager-level position, as recommended in VRE management’s FY 2016 budget, and consider the appropriate reporting relationship for this hire.</td>
<td>C. Henry</td>
<td>Position was posted with a closing date of February 20 May</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Assessment</td>
<td>Perform a detailed assessment of VRE technology needs to understand where technology gaps exist.</td>
<td>J. Duque</td>
<td>This analysis has been started, but is awaiting new IT Director to complete.</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Operations Board Oversight</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board Involvement in Procurement Process</td>
<td>Provide annual briefing on procurement process.</td>
<td>S. MacIsaac</td>
<td>Being developed</td>
<td>March</td>
<td></td>
</tr>
<tr>
<td>Procurement Authorization Thresholds</td>
<td>Review and adopt recommended procurement authorization and approval thresholds</td>
<td>S. MacIsaac</td>
<td>Discussion with Ops. Board at April 20th meeting</td>
<td>April</td>
<td></td>
</tr>
<tr>
<td>Board Packets</td>
<td>Develop revised template for board agenda items regarding procurements to provide more detail on the fiscal impacts of purchases and the rationale for the selected procurement approach.</td>
<td>D. Boxer/S. MacIsaac</td>
<td>Under development</td>
<td>April</td>
<td></td>
</tr>
<tr>
<td>Board Calendar</td>
<td>Add an information item to each month’s Operations Board agenda that summarizes major issues anticipated for the next month’s meeting, as well as any known major items planned for discussion at subsequent meetings over the next 12 months.</td>
<td>L. Lamb</td>
<td>A CY2015 Major Board Actions calendar and a Recurring Annual Board Actions calendar have been developed and presented to the Operations Board at the February meeting.</td>
<td>COMPLETE</td>
<td></td>
</tr>
<tr>
<td>CEO Report</td>
<td>Augment the existing CEO Report by including a dashboard performance summary, executive letter from the CEO, and additional performance measures for each department tied to the organization’s strategic business goals.</td>
<td>B. Jungwirth</td>
<td>Under development</td>
<td>July</td>
<td></td>
</tr>
<tr>
<td>Task</td>
<td>Description</td>
<td>Owner</td>
<td>Status</td>
<td>Date</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----------</td>
<td>-----------------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Board Orientation and Training</td>
<td>Implement a full-day orientation program for new Operations Board members. Develop comprehensive board orientation and training materials.</td>
<td>J. Swartz</td>
<td>Orientation and training materials are being developed</td>
<td>May</td>
<td></td>
</tr>
<tr>
<td>Dissemination of Board Information to Stakeholders</td>
<td>Develop a mailing list to electronically disseminate notice of agendas and meeting packets and other documents to local agency staff, other interested stakeholders, and members of the public.</td>
<td>L. Lamb</td>
<td>COMPLETE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board Meeting Public Access</td>
<td>Public Access to VRE Operations Board Meetings: Investigate video or audio recording meetings and posting video/audio online for access by the public.</td>
<td>J. Duque</td>
<td>VRE IT staff are working with Commission staff to investigate new technologies that would give VRE this capability.</td>
<td>July</td>
<td></td>
</tr>
<tr>
<td>CAO Task Force/VCC Meetings</td>
<td>Develop annual meeting schedule, with meetings in both Woodbridge and Alexandria to facilitate access by all member jurisdictions.</td>
<td>L. Lamb</td>
<td>Under development</td>
<td>July</td>
<td></td>
</tr>
</tbody>
</table>
Agenda Item 10-B
Information Item

To: Chairman Cook and the VRE Operations Board
From: Doug Allen
Date: March 20, 2015
Re: Financial Plan Update

At the January 16, 2015 meeting, the Operations Board approved a Task Order to the PFM Group for the development of a Financial Plan. The PFM proposal for the development of the Plan included several components; a description of the components and their current status is provided below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of a customized financial model, incorporating VRE’s unique characteristics and funding needs. The model allows for the creation of multiple scenarios, both initially and in the future. All operating, maintenance and capital costs associated with the various scenarios are included in the model.</td>
<td>The model is under development and expected to be completed by March 31st. The initial scenarios will include a baseline level of service and two growth scenarios, based on implementation of the System Plan. A description of the baseline and growth scenarios is attached.</td>
</tr>
<tr>
<td>Analysis of the financial model results including reliability of current funding sources, funding gaps and options for development of sustainable funding streams.</td>
<td>This analysis will take place in April and May.</td>
</tr>
<tr>
<td>Review and refinement of the analysis, based on interaction and feedback from professional staff and the members of the Operations Board.</td>
<td>A meeting with jurisdictional and Commission staff will be scheduled in April and PFM will lead a Board presentation and discussion at the April Board meeting. Further review and refinement will take place in May and June.</td>
</tr>
<tr>
<td>Future development of scenarios to incorporate new information and analysis of alternative methods of creating an ongoing funding stream beyond those initially considered.</td>
<td>This will occur as needed, following the development of the Financial Plan.</td>
</tr>
</tbody>
</table>
VIRGINIA RAILWAY EXPRESS
OPERATING SCENARIOS FOR FINANCIAL PLAN
INITIAL ASSUMPTIONS

BASELINE (No Expansion) – 34 Slots

- Existing peak-oriented service (present schedule plus one Fredericksburg Line round trip)
  - Roughly 25 minute peak headways
- Existing reverse-peak and deadhead trains on Manassas Line
  - Deadheads eliminated as soon as there is sufficient midday storage in DC
- Existing single midday trip on both lines
- Consists increase up to ten-car trains in response to natural growth in passenger demand
- Manassas Line deadhead may be converted to a peak revenue round trip if warranted by natural growth in peak passenger demand post-2030 (2035*)

SCENARIO 1 (Moderate Expansion) – 34 Slots 2020/?? Slots 2030†/?? Slots 2040†

- No change from Baseline until post-2020
- 20-minute peak-oriented headways per line post-2020 (2025*)
- 15-minute peak-oriented headways per line post-2030 (2030*)
  - Fourth train per hour represents an allowance for peak express trains
- Peak consists increased up to ten-car trains based on natural growth in passenger demand
- Gainesville-Haymarket Extension post-2020 (2022*)
- 180-minute base service on both lines post 2020 (2022*)
  - A single trainset per line providing reverse peak, midday and evening service
- 90-minute base service on both lines in 2035
  - Two trainsets per line providing reverse peak, midday and evening service

SCENARIO 2 (Full Expansion/System Plan 2040) – 34 Slots 2020/82 Slots 2030/86 Slots 2040†

- No change from Baseline until post-2020
- 20-minute peak-oriented headways per line post-2020 (2025*)
- 15-minute peak-oriented headways per line post-2030 (2030*)
  - Fourth train per hour represents an allowance for peak express trains
- Peak consists increased up to ten-car trains based on natural growth in passenger demand
- Gainesville-Haymarket Extension post-2020 (2022*)
- 30-minute reverse peak service post-2020 (2025*)
- 60-minute base service on both lines post-2020 (2025*)
  - Providing midday and evening service

* - Proposed date to be determined by analysis of ridership growth and physical improvements
† - Number of slots to be determined by schedule analysis
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Fare Collections Equipment and Software Maintenance Agreement

**Background**

In June of 2000, the VRE Operations Board authorized a contract with Scheidt & Bachmann (S&B) for the design and delivery of a new fare collection system. The initial contract included four years of preventive maintenance and repair support. In October of 2002, the system was accepted and the four year term for maintenance services began. Since 2006, the contract has been amended and modified as the technology and requirements by the Payment Card Industry (PCI) have changed.

The most recent amendment related to the maintenance agreement was authorized by the VRE Operations Board in January, 2012 and is set to expire on June 30, 2015. Staff will bring a request for authorization to amend the current agreement to the VRE Operations Board meeting in April, 2015.

The scope of the agreement will continue to provide on-site technical support. The fees that VRE pays S&B for the technicians covers not only their salaries but the cost of two maintenance vehicles, consumable supplies and associated expenses which allow the technicians, who are based in Fredericksburg, to visit every station and vendor location daily if necessary. More than 90% of their time is spent in the field.
Because of the proprietary nature of the fare collection system and warranty considerations resulting from the recent upgrade project, S&B is the only vendor option to perform the ongoing system maintenance work and extension of their contract is required. Third-party or internal technical staff would not be able to perform the necessary work to maintain the system without also incurring additional expense from S&B to maintain the proprietary aspects of the system (i.e., fare collection software application and some TVM/TOM component maintenance).

This agreement will also include a fee for software maintenance and security which covers general updates and patches to the VRE fare collection application as well as updates that are necessary to maintain PCI compliance. VRE is required by our credit/debit acquirer to attain PCI compliance. Likewise, S&B, as the developer of the VRE payment application, has been required to attain Payment Application Data Security Standard Compliance (PA-DSS) as outlined by the PCI Council.

**Changes in Fare Collections**

VRE’s Mobile Ticketing system will roll-out later this Spring which will certainly have an impact on the current S&B system. The term proposed as one base year and two option years will give VRE the ability to adjust the scope of the S&B agreement once the impact of Mobile Ticketing can be more accurately predicted.

In addition to Mobile Ticketing, VRE staff is working with the NVTC working group, WMATA, and Accenture on future integration with WMATA’s New Electronic Payments Program (NEPP). The first phase of integration with NEPP is planned to be through the Mobile Ticketing system. In subsequent phases, however, VRE plans to integrate with NEPP utilizing the current S&B platform Ticket Vending Machines (TVMs). S&B is on the Accenture team for NEPP to provide TVMs and platform validators giving VRE an opportunity to integrate without the need for full hardware replacement.
## Fare Collection Maintenance Pricing Sheet

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<tr>
<th>Period</th>
<th>Start</th>
<th>End</th>
<th>Duration</th>
<th>Contract Amount</th>
<th>Estimated Escalation (3.1%)</th>
<th>Discretionary Inventory</th>
<th>Total by Period</th>
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<td>Base</td>
<td>7/1/2015</td>
<td>6/30/2016</td>
<td>1 year</td>
<td>660,503</td>
<td>-</td>
<td>15,000</td>
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<td>41,586</td>
<td>45,000</td>
<td>2,088,571</td>
</tr>
</tbody>
</table>

Maintenance expenses of $850,000 are included in the FY2016 operating budget and will be included in subsequent years.
To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: VRE’s Proposed Fare Increase: Comments from Public Hearings

Background:

During the FY 2016 budget process, VRE staff recommended a fare increase of up to 4%. The Operations Board referred the FY 2016 Budget to the Commissions on December 19, 2014, along with directing the CEO to get public comment on the proposed fare increase. VRE proposed an across the board increase of up to 4%, without any change to the current ticket discount structure, and an increase in cost of the Step-Up ticket from $3 to $5 per ticket. Public hearings were held in Washington, D.C., Crystal City, Burke, Woodbridge, Manassas, Stafford and Fredericksburg.

The fare increase was recommended primarily due to reductions in state operating funds, operating costs associated with Positive Train Control (PTC), increased costs for train operations, and scheduled increased costs for track access. In addition, plans are in place to open the Spotsylvania station and add an additional Fredericksburg Line train in summer 2015.

The public comment period began on February 18, 2015 and ran through March 12, 2015. Comments were received via e-mail and through public hearings. The hearings were attended by 31 people (3 Fredericksburg, 6 L’Enfant, 4 PRTC, 9 Manassas, 6 Crystal City, 2 Burke, and 1 Stafford). During the public hearings, there
was general acceptance of the need for the proposed fare increase as riders understood the need to balance the budget through a fare increase. However, other participants stated their opposition to the fare increase as it is a direct out-of-pocket expense increase for them. In addition to comments received at the Public Hearings, 51 emails were received. Public comments received via email were largely in opposition to the proposed fare increase.

In addition to comments regarding the change in fares, passengers also took the opportunity to provide their opinions regarding their satisfaction with VRE service and on-time performance. They also asked questions about extending service, “S” schedules, and to advocate for additional services and more capacity.

VRE staff will bring forth its fare increase recommendation to the Operations Board at its April meeting along with a final summary of public comments received.

**Fiscal Impact:**

It is anticipated that the fare increase will generate $1.1 million in additional fare revenue in FY 2016.
Agenda Item 10-E
Information Item

To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: March 20, 2015

Re: Legislative Update

Virginia General Assembly Legislative Issues:

HB1887 (Jones) Omnibus Transportation Plan

HB 1887 is an omnibus transportation bill that provides an estimated $40M annually for transit capital to help address a 62% projected drop in funding expected to occur in the next 2-3 years. The Mass Transit Trust Fund will be supplemented by reallocating existing transportation funds from the recent gas tax increase, which will take effect on July 1, 2016. It also reallocates $9 million from the Rail Enhancement Fund to fund structurally deficient bridges.

The bill was amended in the Senate, with the input from the Administration and the House patron, Delegate Jones. It is now being reviewed a final time by the Governor to be either amended or signed. The substantive changes mostly occurred in the highway funding side, but they did change the language in one of the enactment clauses to specify that if a Public Private Transportation Act (PPTA) agreement is entered into to improve passenger rail, any public funds used will come from the Intercity Passenger Rail Operating and Capital Fund and the Rail Enhancement Fund in amounts proportionate to who the beneficiaries are.
HB 1470 (LaRock)

This bill requires that mass transit capital projects funded through the 70 percent of revenues received by the Authority (NVTA) for allocation under HB2313 be contained in the regional transportation plan and go through the HB599 rating process. The patron agreed to a delayed enactment date of July 1, 2016 so that the model developed by VDOT can be tested for transit. The Project Selection Model was developed to test the impact of roadway improvements on key factors. The bill has passed both houses and has been sent to the Governor.

Budget Amendments

Retain Interest from the Commuter Rail Trust Fund

Delegate Eileen Filler-Corn and Senator Chuck Colgan both submitted budget amendments to strike language allowing for the general fund to retain the interest earnings generated in the Commuter Rail Trust Fund at the Department of Treasury. Interest earnings in that Fund are estimated at $68,343 each year. Prior to a legislative policy change 2011, VRE received the interest earnings from the funds invested in the pool.

The Senate included the amendment in their budget that was released earlier in session and the final budget adopted by the legislature retained the language allowing VRE to retain its interest earnings.

Review of REF and IPROC Funds by Secretary of Transportation and DRPT

The final budget also included language directing the Secretary of Transportation and DRPT to complete a comprehensive review of REF and included IPROC funding as well. This would be happening concurrently with the CTB completing a review of REF as directed in HB 1887, explained earlier in the report.

Here is the language included in the budget:

“No later than December 1, 2015, the Secretary of Transportation, in conjunction with the Department of Rail and Public Transportation, shall provide a comprehensive review to the Chairmen of the House and Senate Transportation Committees, House Appropriations Committee and Senate Finance Committee on the usage of monies deposited in the Rail Enhancement Fund since its establishment in fiscal year 2006. Such a review shall include the amounts of funds allocated to rail freight projects, the amounts allocated to rail passenger projects, and the outstanding commitments to each type of project by year. Also included in this review shall be an accounting of any funds transferred in or out of the fund for other purposes, and additional funds made available, by year, for rail projects in the Commonwealth. The review also shall include the uses of any funding deposited into the Intercity Passenger Rail Operating and Capital Fund, and the source of such funds. Finally, the review shall assess outstanding needs for rail improvement projects and any modifications to the Commonwealth’s rail programs that would help better address those needs.”