



**Virginia Railway
Express**

Gary Skinner
Chairman

Paul Smedberg
Vice-Chairman

Maureen Caddigan
Secretary

Sharon Bulova
Treasurer

John C. Cook
Katie Cristol
John Jenkins
Matt Kelly
Paul Milde
Jennifer Mitchell
Suhas Naddoni
Martin Nohe
Bob Thomas
Jonathan Way

Alternates

Marc Aveni
Pete Burrus
Jay Fisette
Todd Horsley
Frank Jones
Jeanine Lawson
Jeff McKay
Wendy Maurer
Paul Trampe
Billy Withers

Doug Allen
Chief Executive Officer

1500 King Street, Suite 202
Alexandria, VA 22314-2730

MINUTES

**VRE Operations Board Meeting
PRTC Headquarters - Prince William County, Virginia
December 16, 2016**

Members Present	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
John C. Cook (NVTC)	Fairfax County
Katie Cristol (NVTC)	Arlington County
John D. Jenkins (PRTC)	Prince William County
Matt Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Martin Nohe (PRTC)	Prince William County
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
Bob Thomas (PRTC)	Stafford County
Jonathan Way (PRTC)	City of Manassas

Members Absent	Jurisdiction
Jennifer Mitchell	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park

Alternates Present	Jurisdiction
Pete Burrus	DRPT
Jeanine Lawson (PRTC)*	Prince William County

Alternates Absent	Jurisdiction
Marc Aveni (PRTC)	City of Manassas
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Jeff McKay (NVTC)	Fairfax County
Wendy Maurer (PRTC)	Stafford County
Paul Trampe (PRTC)	Spotsylvania County
Billy Withers (PRTC)	City of Fredericksburg

Staff and General Public	
Khadra Abdulle - VRE	Pierre Holloman - City of Alexandria
Doug Allen - VRE	Kim Hosen - Prince William Conservation Alliance
Nigel Astell - Parsons	Uriah Kaiser - Potomac Local Media
Monica Backmon - NVTA	John Kerins - Keolis
Donna Boxer - VRE	Mike Lake - Fairfax County
Alex Buchanan - VRE	Lezlie Lamb - VRE
Rich Dalton - VRE	Bob Leibbrandt - Prince William County
James Davenport - Prince William DOT	Steve MacIsaac - VRE legal counsel
Paul Dean - VRE	Eric Marx - PRTC
Rhonda Gilchrest - NVTC	Kate Mattice - NVTC
Laurel Hammig - NPS NCR	Matthew McDermott - Amec Foster Wheeler
Marian Harders - Walsh, Colucci, Lubeley & Walsh, PC	Lynn Rivers - Arlington County
Chris Henry - VRE	Sonali Soneji - VRE
Tom Hickey - VRE	Alex Sugatan - VRE
Gerri Hill - VRE	Joe Swartz - VRE
Christine Hoeffner - VRE	Ciara Williams - DRPT
	Detrius Williams - VRE

* Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.

Chairman Skinner called the meeting to order at 9:04 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

Chairman Skinner reviewed the changes to the Agenda. At the request of Mr. Nohe, action for Agenda Item #9E “Recommendation of Gainesville -Haymarket Extension Study Alternative” will be deferred to the next meeting to allow Prince William County more time to discuss the issue. Chairman Skinner requested the presentation still be given after Agenda Item #9F “Referral of the Revised FY 2017 and Recommended FY 2018 VRE Operating and Capital Budgets.”

Mr. Kelly moved, with a second by Mr. Thomas, to approve the Amended Agenda. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Approval of the Minutes of the November 18, 2016 Operations Board Meeting – 4

Ms. Caddigan moved, with a second by Mr. Kelly, to approve the Minutes. The vote in favor was cast by Board Members Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way. Ms. Bulova abstained.

Chairman’s Comments – 5

Chairman Skinner reported VRE hosted Senator Kaine and his staff for a tour of the Spotsylvania Station and the Crossroads Yard on December 14th. He stated it was an excellent event and VRE was able to showcase its service. Senator Kaine is a supporter and true friend of VRE.

Chairman Skinner thanked Mr. Smedberg for giving testimony on behalf of VRE at the December 14th Commonwealth Transportation Board public meeting on the Atlantic Gateway Project.

Chairman Skinner stated at the October meeting the Board approved a formal CEO evaluation process, which includes an evaluation survey. The survey included legal responsibilities that have been determined to fall under legal counsel and should not be considered part of the CEO’s responsibilities. He reviewed the changes made to the survey.

Mr. Smedberg moved, with a second by Ms. Cristol, to approve these changes to the CEO evaluation survey. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Chairman Skinner reminded Board Members the January meeting has been changed to January 27th since Inauguration Day is on January 20th. He also stated this would be the last Operations Board meeting for Mr. Way. On behalf of the Operations Board, Chairman Skinner thanked Mr. Way for his service.

Chief Executive Officer's Report –6

Mr. Allen reported overall on-time performance (OTP) for the month of November was 85 percent with Average Daily Ridership at 19,500. He believes the robust increase in ridership can be attributed to SafeTrack and VRE's marketing campaign. He also reported VRE conducted passenger train emergency response training for personnel of the Fredericksburg Police Department.

Mr. Allen announced the annual Marine Corp Toys for Tots campaign and Santa Trains were a big success. VRE collected \$15,000 in cash gifts and hundreds of toys. This year VRE ran Santa Trains in the afternoon out of the Spotsylvania Station and the Broad Run Station. Both worked extremely well. Because of its popularity, VRE added 1,000 more seats this year and still sold out in five minutes.

[Ms. Lawson arrived at 9:14 A.M.]

Mr. Allen reported VRE continues to meet and work with its partners on the Long Bridge project. Consulting services will be procured and the partners are finalizing the purpose and needs of the project.

Mr. Allen stated he attended the NVTC-PRTC Joint Legislative Briefing at the Springfield Hilton on December 12th, where he had the opportunity to present VRE's Legislative Agenda. He reminded Board Members the Virginia Transit Association is planning to hold a reception for General Assembly members at the Main Street Station in Richmond on January 23rd. VRE will have a train on display at the event.

VRE Riders' and Public Comment – 7

Kim Hosen, Executive Director of the Prince William Conservation Alliance, encouraged the Operations Board to direct staff to continue the Gainesville-Haymarket Extension (GHX) study to Phase II to examine the Broad Run Terminus alternative only. She stated Phase II should examine land use as well as traffic impacts of the Broad Run Terminus alternative and identify the best ways for VRE service, together with PRTC bus service, to stimulate the transit oriented development at a new relocated station. She urged the Board to focus on increasing the number of passengers by adding more trains throughout the day as well as adding more railcars to existing trains.

Ms. Hosen urged the Board to modify the VRE System Plan 2040 and Capital Budget to delete the Gainesville-Haymarket Extension. VRE should request the Gainesville-Haymarket Extension be removed from state and local transportation plans and budget documents, including the TransAction plan being developed by NVTa.

Consent Agenda – 8

On a motion by Mr. Kelly and a second by Ms. Bulova, the Board unanimously approved the following Consent Agenda Item:

- Resolution #8A-12-2016: Authorization to Issue a Request for Proposals for an Automatic Passenger Counter System

- Resolution #8B-12-2016: Authorization to Issue a Request for Proposals for Automatic Parking Counter System

The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Authorization to Execute a Contract for Hosted Back Office Services for Positive Transit Control – 9A

Mr. Allen asked the Operations Board to authorize him to execute a contract with ARINC Incorporated of Annapolis, Maryland for Hosted Back Office Services for Positive Train Control (PTC) in the amount not to exceed \$2,512,865, plus a 10 percent contingency of \$251,287, for a total amount not to exceed \$2,764,152 for mobilization, a base period of two years and three one-year options, with the CEO exercising the option years at his discretion. Resolution #9A-12-2016 would accomplish this.

Mr. Kelly moved, with a second by Ms. Caddigan, to approve Resolution #9B-12-2016.

In response to a question from Mr. Milde, Mr. Allen gave a status report on PTC implementation. VRE has installed all the on-board PTC equipment, but there still is testing that needs to be done by the host railroads. It is expected VRE and its host railroads will meet the PTC federal deadline in 2018. Mr. Dalton stated there are still some license agreements VRE will need to execute with several vendors. In response to a question from Mr. Smedberg, Mr. Allen explained after the option years expire in five years, staff would go through another procurement process and seek additional Board authorization for a new contract. Mr. Milde asked about the annual costs of PTC. Mr. Dalton stated the annual estimates are \$250,000. There are no federal funds expected for PTC implementation.

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

Authorization to Extend a Lease Agreement for Parking at the Rippon Station – 9B

Mr. Allen asked the Operations Board to authorize him to extend a Lease Agreement with KP Big Crest Lane, LLC for 320 parking spaces at the Rippon Station in the amount of \$174,966 for one year. Resolution #9B-12-2016 would accomplish this.

Mr. Nohe asked if this agreement defines who has maintenance responsibilities for this lot. Mr. Dalton responded this lot is maintained by VRE, although the main Rippon lot is maintained by VDOT.

Ms. Caddigan moved, with a second by Mr. Jenkins, to approve Resolution #9B-12-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Authorization to Execute Contract Options for Purchase and Delivery of Locomotive Fuel to VRE Yards –9C

Mr. Allen asked the Operations Board to authorize him to execute the third option year with James River Solutions of Ashland, Virginia for fuel at the Crossroads Yard and Griffith Energy Services, Inc. of Manassas, Virginia for fuel at the Broad Run Yard for the year ending June 30, 2018. The contract option with James River Solutions is being recommended in an amount not to exceed \$2,808,105 for a period of one year. The contract option with Griffith Energy Solutions is being recommended in an amount not to exceed \$1,951,395 for a period of one year. Resolution #9C-12-2016 would authorize both these contract options.

Mr. Milde moved, with a second by Ms. Bulova, to approve Resolution #9C-12-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Authorization to Issue a General Planning Consultant Task Order for the Crystal City Station Improvement Project –9D

Mr. Allen asked the Operations Board to authorize him to issue a General Planning Consultant (GPC) Task Order to Vanasse Hangen Brustlin, Inc. (VHB) for planning, conceptual design, environmental documentation, and preliminary design services for the Crystal City Station Improvement Project in the amount of \$253,425, plus a 10 percent contingency of \$25,342, for a total not to exceed \$278,767. Resolution #9D-12-2016 would accomplish this.

In response to a question from Ms. Cristol, Ms. Hoeffner explained it was originally envisioned that the Crystal City Station improvement project would be a stand-alone contract. After talking about the scope of the study with Arlington County staff and internally, and as VRE implemented the procurement of the General Planning Consultant contract, VRE staff changed the approach. The changes in the Virginia procurement law now enable VRE to award larger task orders through the General Planning Consultant contract and this project can now be folded into the GPC contract.

Mr. Smedberg noted the Potomac Yard/Crystal City Transitway will be an important connection that VRE needs to consider as this project is developed. In response to a question from Chairman Skinner, Mr. Allen stated the intent is to serve all non-terminal end stations with two tracks.

Ms. Cristol moved, with a second by Mr. Smedberg, to approve Resolution #9D-12-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Referral of the Revised FY 2017 and Recommended FY 2018 VRE Operating and Capital Budgets – 9F

Mr. Allen asked the Operations Board to adopt the revised FY 2017 VRE Operating and Capital Budget and the recommended FY 2018 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; to authorize him to solicit comment through public hearings on the recommended fare increase; to recommend the Commissions authorize the Executive Directors of NVTC and PRTC take the necessary

actions to apply for federal and state grant funding; and to recommend the Commissions authorize him to execute funding agreements with DRPT for improvements at Quantico, Brooke and Leeland stations and to submit grant requests to NVTA. Resolution #9F-12-2016 would accomplish all this.

Mr. Jenkins moved, with a second by Ms. Caddigan, to approve Resolution #9F-12-2016

Ms. Boxer gave a detailed presentation on the budget. She stated the good news is it is now a balanced budget. The bad news is for FY 2019 – FY 2023 there are serious state funding concerns, with a fiscal cliff expected in FY 2019. The Board had a lengthy discussion about access fees, negotiations with the railroads, and how to plan for changes in state funding. Mr. MacIsaac gave some insight in the upcoming negotiations with CSXT. VRE has some leverage in the capital investments made on the rail line. Mr. Cook observed the continued investment to the railroad goes away if VRE cannot continue service due to funding issues.

Mr. Buchanan reviewed the budget assumptions and factors impacting the F 2018 Operating Budget, which includes a proposed three percent fare increase with no subsidy increase. He also reviewed the revised FY 2017 budget. Ms. Boxer reviewed the capital budget, which leverages \$33 million in state and federal funds with \$1.4 million VRE matching funds.

Ms. Boxer thanked the Chief Administrators Officers (CAO) Task Force, co-chaired by Bob Leibbrandt of Prince William County and Mike Lake of Fairfax County, for their work with VRE on the budget. The CAO Task Force supports a three percent fare increase, a \$2 increase in the Amtrak Step-Up fare (from \$5 to \$7), and no subsidy increase. The Task Force recommends VRE develop a financially constrained CIP, which should be provided to the jurisdictions earlier in the process.

Mr. Way asked if there is any ridership scenario that makes a compelling reason to advance the Gainesville-Haymarket Extension. Mr. Allen stated the recommendation is to complete Phase II of the study but it does not commit VRE to do the project. Since rush hour trains are often full, VRE needs to look at expansion. The Natural Growth Scenario includes lengthening trains to add more capacity.

The Board then voted on the motion. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Ms. Bulova and Mr. Jenkins complimented staff on the budget document.

Gainesville-Haymarket Extension Study Alternative for Preliminary Engineering and National Environmental Policy Act Evaluation –9E

Mr. Nohe provided some background information resulting in his request to defer action on selection of an alternative. The Prince William County Board needs to have a discussion in the next several weeks to reach a consensus view over which alternative is best for the county.

Ms. Hoeffner gave a brief summary of Phase I of the GHX Study, with highlights of the public outreach process. There was a lot of interest from the broader community and not just VRE riders. The recommendation is to advance the Broad Run Terminus alternative to Phase II of the GHX study to complete preliminary engineering and prepare for National Environmental Policy Act (NEPA) evaluation. Major study findings show Broad Run Terminus retains 93 percent of GHX riders; the overall capital costs, including additional rolling stock, are close to half of a Gainesville-Haymarket Extension; however, the costs of additional rolling stock are the same for every alternative. The difference in capital costs for stations, yards, track and right-of way for the Broad Run Terminus is 30 percent of any of the extension alternatives; and operating costs are about 20 percent less.

Ms. Hoeffner explained completing Phase II of the study is not a commitment to additional VRE service or to build anything. It is a good planning practice to complete the project development process and allows VRE to provide certainty of its future service for operational planning purposes. Funding is included in existing DRPT and NVTA agreements to complete Phase II of the study. In response to a question from Ms. Bulova, Ms. Hoeffner stated not completing the study could be considered a breach and could trigger having to pay back funds.

Mr. Way observed the estimated total cost per rider between the two alternatives is \$12.37 for BRT versus \$15.51 for GHX, which isn't a big difference, but the incremental cost per boarding among the GHX alternative is \$68. This is one of the main reasons he supports the Broad Run Terminus alternative. Mr. Cook agreed and stated another factor that drives the recommendation is that federal funding is not expected to be available for the GHX alternative but could be available for the Broad Run Terminus.

Mr. Kelly stated VRE is already looking at how to keep the system running without additional funding source. He asked how Prince William will make it financially able to do a Gainesville-Haymarket Extension if they decide they want to select one of these alternatives. Mr. Nohe responded Prince William County needs to acknowledge the Broad Run Terminus is the most cost effective and most likely to secure federal funds. If the County chose another alternative, it would need to acknowledge the cost will increase and the County will be responsible for a bigger amount because of ridership. It would also need to acknowledge land use would need to be a priority. Ms. Bulova asked if it would be helpful for Operations Board members to indicate their alternative preference. Chairman Skinner called for a straw vote showing the majority of Board Members are in support of the BRT alternative.

Approval of 2017VRE Officers – 9G

Chairman Skinner reported the Nominating Committee has recommended the following slate of officers for 2017:

Paul Smedberg, Chairman
Maureen Caddigan, Vice-Chair
Katie Cristol, Secretary
Paul Milde, Treasurer
Gary Skinner, Immediate Past Chair

Mr. Kelly moved, with a second by Ms. Bulova, to approve Resolution #9G-12-2016, which approves the nominations. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Mr. Kelly asked for consideration in the future to nominate representatives from the southern jurisdictions, since they represent a good portion of the VRE ridership.

Spending Authority Report – 10B

Mr. Allen stated the reportable expenditures from late October and November are described in the written agenda report.

Operations Board Members Time – 11

Chairman Skinner expressed holiday wishes to everyone.

Adjournment

Without objection, Chairman Skinner adjourned the meeting at 11:25 A.M.

Approved this 27th day of January 2017.

Paul C. Smedberg
Chairman

Katie Cristol
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the December 16, 2016 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest