To: Chairman Skinner and the VRE Operations Board
From: Doug Allen
Date: May 20, 2016
Re: Authorization to Amend the Contract with Scheidt & Bachmann to Upgrade the Fare Collections System for Europay Mastercard Visa Compliance

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to amend the Contract with Scheidt & Bachmann (S&B) to upgrade the fare collections system for Europay Mastercard Visa (EMV) compliance. This amendment increases the authorization by $1,193,270, plus a 10% percent contingency of $119,327, for a total amount not to exceed $1,312,570, increasing the total contract authorization from $11,930,916 to $13,243,513.

Background:

In June, 2000, the VRE Operations Board authorized a contract with S&B to provide a fare collections system. In October, 2002 the system was accepted and placed in revenue service. In the years since acceptance, this contract has been amended to allow technology upgrades as a means of protecting customer data. In 2010, an upgrade of the system was completed to achieve compliance with the Data Security Standards mandated by the Payment Card Industry (PCI). In 2012, Mastercard, Visa, American Express and Discover announced their plans to migrate to the Europay Mastercard Visa (EMV) standard, which utilizes credit cards with embedded computer chips to protect sensitive data. In October 2015, there was a shift of liability for fraudulent use of cards and data to the merchant...
unless the EMV Data Security Standard is in place. This upgrade allows the VRE Fare Collections System to accept EMV enabled cards for payment and be EMV Data Security Standard compliant.

The upgrade requires replacing the current door on the front of the TVM, which allows for other user improvements to be made during the upgrade. In conjunction with the EMV compliance upgrade, the height of the TVMs will be adjusted, and an audio jack will be added. These additional improvements will make the TVMs more accessible to passengers with disabilities.

**Fiscal Impact:**

Funding is provided through FY 2017 Federal funds with corresponding State and Local match.
Virginia Railway Express
Operations Board

Resolution
8A-05-2016

Authorization to Amend the Contract with Scheidt & Bachmann to Upgrade the Fare Collections System for Europay Mastercard Visa Compliance

WHEREAS, in June, 2000, the VRE Operations Board authorized a contract with Scheidt & Bachmann to provide a fare collections system; and,

WHEREAS, in October, 2002 the system was accepted and placed in revenue service; and,

WHEREAS, in 2012, Mastercard, Visa, American Express and Discover announced their plans to migrate to the Europay Mastercard Visa (EMV) standard which utilizes credit cards with embedded computer chips to protect sensitive data; and,

WHEREAS, upgrading the fare collections system to allow acceptance of EMV enabled cards ensures compliance with EMV Data Security Standards; and,

WHEREAS, other upgrades being performed to the fare collections system will make the system more accessible to passengers with disabilities;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to Amend the Contract with Scheidt & Bachmann to upgrade the fare collections system for Europay Mastercard Visa (EMV) compliance, in the amount of $1,193,270, plus a 10% percent contingency of $119,327, for a total amount not to exceed $1,312,570, increasing the total contract authorization from $11,930,916 to $13,243,513.

Approved this 20th day of May 2016

____________________________
Gary Skinner
Chairman

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Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board  
From: Doug Allen  
Date: May 20, 2016  
Re: Authorization to Amend the Contract with Scheidt & Bachmann to Host the Fare Collections Servers

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to amend the Fare Collection System contract with Scheidt & Bachmann (S&B) to include hosting the fare collection servers in the S&B cloud based data center. The amendment increases the authorization amount by $129,850 per year for two years (one base year and one option year), plus a 10% percent contingency of $12,985 per year, for a total authorization increase of $285,670, increasing the total contract authorization from $13,243,513 (includes authorization amount from Item 8-A) to $13,529,183.

Background:

In June 2000, the VRE Operations Board authorized a contract with S&B to provide a fare collections system. In October, 2002 the system was accepted and placed in revenue service. In the years since acceptance, this contract has been amended to allow technology upgrades as a means of protecting customer data. In 2010, an upgrade of the system was completed to achieve compliance with the Data Security Standards mandated by the Payment Card Industry (PCI). The current system is maintained in-house and is in need of an additional upgrade.
Staff analysis has determined it is in the best interest of VRE to transition the current fare collection servers to the S&B cloud based data center instead of upgrading the current servers. Moving the fare collection servers to the S&B cloud based data center will provide resiliency and redundancy for the fare collection servers, as well as a transfer risk and liability for PCI compliance, from VRE to S&B.

**Fiscal Impact:**

Funding for this project is provided in FY 2017 Operating budget for Communications and Information Technology.
WHEREAS, in June, 2000, the VRE Operations Board authorized a contract with Scheidt & Bachmann to provide a Fare Collections System; and,

WHEREAS, in October, 2002 the system was accepted and placed in revenue service; and,

WHEREAS, moving the fare collection system to the Scheidt & Bachmann cloud based data center provides resiliency and redundancy for the fare collection servers; and,

WHEREAS, hosting the fare collections servers will transfer risk and liability related to Payment Card Industry standards from VRE to Scheidt & Bachmann;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to amend the Fare Collection System contract with Scheidt & Bachmann to include hosting the fare collection servers in the Scheidt & Bachmann cloud based data center and increasing the authorization amount by $129,850 per year for two years (one base year and one option year), plus a 10% percent contingency of $12,985 per year, for a total authorization increase of $285,670, increasing the total contract authorization from $13,243,513 to $13,529,183.

Approved this 20th day of May 2016

________________________________________
Gary Skinner
Chairman

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Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: May 20, 2016

Re: Authorization to Execute an MEC VI Task Order for Transit Asset Management Development and NTD Reporting

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a Task Order with STV Incorporated, under the MEC VI Contract for engineering support, for the development and implementation of VRE’s Transit Asset Management Program (TAMP) and National Transit Database (NTD) reporting in compliance with new federal requirements for maintaining transit assets in a state of good repair. The Task Order amount is $431,665, plus a 5% contingency of $21,583, for a total amount not to exceed $453,248.

Background:

VRE has completed a number of recent initiatives related to asset management, including:

**Long Range Life Cycle Maintenance Action Plan** – developed a new life cycle strategy for maintenance of VRE’s locomotives and railcars. The life cycle strategy has been adopted by the VRE Operations Board and is being integrated into VRE’s way of doing business. In addition to a transformed approach to maintenance based on the entire life cycle of VRE’s rolling stock assets, this study also led to VRE’s current Life Cycle Maintenance Facility project that will allow VRE to perform heavy maintenance in-house.
Station & Maintenance Facilities Condition Assessment – utilized the Federal Transit Administration (FTA) Transit Economic Requirements Model (TERM) rating scale to perform a condition assessment for seventeen of VRE’s stations (all stations except Union Station in Washington, DC which is owned by Amtrak and Spotsylvania Station which opened after the condition assessments were performed) and all facilities located at the Broad Run and Crossroads yards. The condition assessments helped VRE identify existing needs and served as input into VRE’s current capital program.

Transit Asset Management Framework – developed an initial framework for an overall agency transit asset management program. One step involved developing awareness to build support and integrate this new strategy to management of assets required by the FTA. Next, VRE combined earlier rolling stock and facilities asset data into an asset inventory. This inventory was further expanded to include other VRE-owned assets. The resulting comprehensive inventory was refined and then run through FTA’s TERM-Lite model to identify an initial State of Good Repair backlog.

This task order will further advance the ongoing transit asset management initiatives. Specifically, STV will develop the framework and standardized processes so VRE can perform ongoing asset assessments. STV will also enhance the processes previously developed to fully utilize the Transit Economics Requirements Model (TERM-Lite) for scheduling of State-of-Good-repair projects. Finally, STV will format information, develop methodologies and processes for managing and reporting of transit asset management information to the National Transit Database (NTD) as outlined in new federal requirements for maintaining transit assets in a state of good repair.

Fiscal Impact:

Funding for this task order is provided in the Capital Improvement Plan (CIP) budget in FY 2016 and FY 2017 using 5337 federal formula funds for Asset Management.
Virginia Railway Express
Operations Board

Resolution
8C-05-2016

Authorization to Execute an MEC VI Task Order for
Transit Asset Management Development of NTD Reporting

WHEREAS, VRE has a contract with STV Incorporated for mechanical and engineering consulting services (MEC VI); and,

WHEREAS, VRE has completed several initiatives resulting in strategies for managing VRE rolling stock and facilities assets and maintaining these assets in a continuous state of good repair; and,

WHEREAS, VRE is required by the Federal Transit Administration to further develop methodologies and processes to perform ongoing assessments of VRE rolling stock and facilities; manage and perform State of Good Repair projects and report transit asset management information; and,

WHEREAS, STV Incorporated will develop the framework and standardized processes to perform ongoing asset assessments, develop tools to prioritize funding for State of Good repair projects consistent with the Transit Economics Requirements Model (TERM) and implement processes for reporting asset management information to the Federal Transit Administration via the Nation Transit Database;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a Task Order with STV Incorporated, under the MEC VI Contract for engineering support, for the development and implementation of VRE’s Transit Asset Management Plan and National Transit Database (NTD) reporting compliance in an amount of $431,665, plus a 5% contingency of $21,583, for a total amount not to exceed $453,248.

Approved this 20th day of May 2016

______________________________
Garry Skinner
Chairman

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Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board
From: Doug Allen
Date: May 20, 2016
Re: Authorization to Amend the Contract for Construction of the Lorton Station Platform Extension Project

Recommendation:
The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract amendment with Hammerhead Construction of Virginia, Inc. of Leesburg VA, for the construction of the Lorton Station Platform Extension project in an amount of $180,000, plus a 10% contingency of $18,000, for a total amount not to exceed $198,000. This will increase the existing Board authorization from $991,980, to an overall amount not to exceed $1,189,980.

Background:
In 2010, VRE, in conjunction with Fairfax County, initiated a program of improvements at Lorton Station that includes extending the existing platform to accommodate longer trains, adds a second platform to provide additional flexibility for railroad operations, and adds parking.

The existing 400-foot platform can only accommodate five-car trains. The Lorton Station Platform Extension project will extend the existing platform an additional 250 feet to accommodate eight-car trains.
In March 2014, the VRE Operations Board authorized award of the construction contract to Hammerhead Construction of Virginia, Inc. This contract was executed in April of 2014. Notice to Proceed (NTP) for construction was delayed, however, due to:

- Further analysis needed to resolve potential physical conflicts between the present platform location and the future third track being designed by the Virginia Department of Rail and Public Transportation as part of the DC2RVA project; and,

- Difficulty acquiring a Right of Entry and flagging support from CSX Transportation due to concurrent commitments of qualified personnel to other construction projects on the RF&P Subdivision.

These two issues have been satisfactorily resolved and VRE is ready to issue NTP for the Lorton Platform Extension Project. A change order is necessary to account for price increases incurred over the two years since the contract was originally awarded. These changes include:

- Price increases for concrete;

- New roofing subcontractors and materials to replace the original subcontractor that went out of business; and,

- Escalation of the original bid amount by 4% each year of the two year delay, amounting to an 8% total increase to Hammerhead’s original bid, excluding the concrete and metal roofing prices.

The price increases total $180,000 and were submitted by the Contractor to VRE. A detailed review of these changes by VRE’s construction management consultant indicated these charges were fair and justified when compared to changes in costs incurred by other similar projects in Northern Virginia over a similar period.

With execution of this change order, construction of the platform extension is expected to commence in May and be completed by the end of 2016.

**Fiscal Impact:**

The current Lorton Station Platform Extension Project is included in the Capital Improvement Program at $2,500,000, which is sufficient to accommodate this contract amendment. Funding is provided through a state mass transit grant, matched by Fairfax County, and federal and state CMAQ funds.
Virginia Railway Express
Operations Board

Resolution
8D-05-2016

Authorization to Amend the Contract for Construction of the
Lorton Station Platform Extension Project

WHEREAS, due to current ridership demand along with future growth projections, VRE and Fairfax County have initiated a platform extension project at Lorton VRE Station that will accommodate ridership growth as well as provide flexibility for railroad operations; and,

WHEREAS, in March 2014, a contract for the Lorton Station platform extension was executed with Hammerhead Construction; and,

WHEREAS, the project was delayed for further analysis to resolve potential physical conflicts between the present platform location and the future third track being designed by the Virginia Department of Rail and Public Transportation as part of the DC2RVA project; and,

WHEREAS, the project was further delayed by difficulty acquiring a Right of Entry and flagging support from CSX Transportation due to concurrent commitments of qualified personnel to other construction projects on their RF&P Subdivision; and,

WHEREAS, Hammerhead Construction submitted a list of price adjustments to VRE due to price escalation and other factors over the two years since project award, $180,000 of which VRE has determined, upon review and negotiation with the Contractor, to be reasonable and justified; and,

WHEREAS, a contract amendment is required to account for the price increases;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract amendment with Hammerhead Construction of Virginia, Inc. for the construction of the Lorton Station Platform Extension project in an amount of $180,000, plus a 10% contingency of $18,000, for a total amount of $198,000, increasing the existing Board authorization from $991,980, to an overall amount not to exceed of $1,189,980.
Resolution 8D-05-2016
Page 2

Approved this 20th day of May 2016

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Gary Skinner
Chairman

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Maureen Caddigan
Secretary
Agenda Item 8-E
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: May 20, 2016

Re: Authorization to Execute a Task Order for Renovations to VRE Headquarters’ Communications and Server Rooms

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a Task Order with NV Enterprises under the Facilities Maintenance Services contract for construction services to renovate the VRE Headquarters’ communications and server rooms in the amount of $145,465, plus a 10% contingency of $14,547, for a total amount not to exceed $160,012.

Background:

This is the first phase of renovations at the VRE Headquarters to improve safety and security, allow for additional work space to accommodate growth, and improve the efficiency and effectiveness of staff. The communications and server rooms at VRE Headquarters are currently located in a combined space containing equipment that supports vital systems including email and Internet, station video monitors and public address speakers, security cameras and intrusion alarms, fire suppression and alarm systems, and communications with VRE trains, the host railroads, internal staff, and the general public.

Separating the Server Room from the Communications Room will allow for at least two additional work stations for the Operations and Communications staff and will accommodate the addition of screens to enable staff to monitor the growing number of
security cameras being placed in service throughout the system. The separation also eliminates the current situation in which the staff is required to work in a cold, climate-controlled environment designed to house the server and other communications equipment.

Primary improvements include expanding the communications room, converting adjacent spaces into a dedicated server room, relocating video monitors and providing new furnishings for improved ergonomics, replacing aging HVAC and fire suppression systems and reconfiguring the existing communications cabling system. Subsequent phases of the overall renovation project will be brought to the Operations Board for authorization, with completion expected in FY 2017.

**Fiscal Impact:**

Funding for this project is included in the FY 2016 and FY 2017 Operating budgets for Facilities Maintenance.
Virginia Railway Express
Operations Board

Resolution
8E-05-2016

Authorization to Execute a Task Order for Renovations to VRE Headquarters’ Communications and Server Rooms

WHEREAS, the communications and server rooms at VRE Headquarters contain equipment that supports vital communications, safety, security and fare collection systems; and,

WHEREAS, the existing configuration no longer provides adequate space to efficiently house systems equipment, storage of necessary documents and VRE and Keolis staff; and,

WHEREAS, necessary improvements include increased space for communications and server equipment, relocating video monitors and providing new furnishings for improved ergonomics, replacing aging HVAC and fire suppression systems and reconfiguring the existing communications cabling system; and,

WHEREAS, this work represents the first phase of various upcoming projects planned to increase efficiency of operations and accommodate a growing staff at VRE Headquarters;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a Task Order with NV Enterprises under the Facilities Maintenance Services contract for construction services to renovate the VRE Headquarters’ communications and server rooms in the amount of $145,465, plus a 10% contingency of $14,547, for a total amount not to exceed $160,012.

Approved this 20th day of May 2016

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Gary Skinner
Chairman

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Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board  
From: Doug Allen  
Date: May 20, 2016  
Re: Authorization to Execute a Lease for Additional Office Space

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a lease for 590 square feet of office space located on the third floor of 1500 King Street. The office space is owned by the Society of General Internal Medicine (SGIM). The lease will be for an initial annual rate of $19,200 and a total amount not to exceed $57,600 for the initial thirty-six (36) month term. Two one-year options for renewal are included in the proposed lease.

Background:

VRE needs additional space for the following reasons:

- VRE Headquarters at 1500 King Street is fully occupied
- The planned expansion of the Communication Room to accommodate customer service and security will reduce existing office space
- There is a need for additional meeting and storage space

An opportunity to lease space on the third floor of the 1500 King Street building has recently been presented and would provide the space to fulfill the needs outline above. Its proximity to VRE’s Headquarters is an important consideration for maintaining staff efficiency, cohesion and coordination.
The initial term of the lease is three years at an annual rate of $19,200, with two one-year options for renewal if necessary. The owners have agreed to allow us to renovate the space to suit our needs and will provide a carpeting and paint allowance.

VRE will incur some additional expenses to renovate the space, which will include one-time costs for furnishings, communication and IT equipment, estimated to be approximately $10,000. These costs are included in the proposed amended FY 2017 operating budget.

**Fiscal Impact:**

Funding for the lease is provided in the proposed amended FY 2017 Operating budget and will be included in subsequent budgets on an annual basis.
Virginia Railway Express
Operations Board

Resolution
8F-05-2016

Authorization to Execute a Lease for Additional Office Space

WHEREAS, VRE has expanded beyond the size of its current Headquarters at 1500 King Street; and,

WHEREAS, accommodating VRE growth is critical to continuing its business activities in an efficient and timely manner; and,

WHEREAS, space has become available to lease on the third floor of the 1500 King Street building directly above VRE’s current Headquarters;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a lease with the Society of General Internal Medicine (SGIM) for 590 square feet of office space at 1500 King Street, Suite 302, in an amount not to exceed $57,600 for the initial period of thirty-six (36) months.

Approved this 20th Day of May 2016

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Gary Skinner
Chairman

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Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: May 20, 2016

Re: Authorization to Execute a Supplemental GEC VI Task Order for VPDES Industrial Stormwater General Permit Compliance

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute Supplemental Task Order 1B for Virginia Pollutant Discharge Elimination System (VPDES) Industrial Stormwater General Permit Compliance. This is a supplemental task order to AECOM’s Task Orders 1 and 1A under the GEC VI contract. Task Order 1 was executed in the amount of $49,773, and Supplemental Task Order 1A was executed in the amount of $48,772. Supplemental Task Order 1B will be for $57,427 ($50,000, plus a 5% contingency based on the sum total in the amount of $7,427.) The amended Task Order 1 total amount (Task Order 1 plus Supplemental Task Orders 1A and 1B) is not to exceed $155,972.

Background:

The VPDES General Permit, issued by Virginia’s Department of Environmental Quality (DEQ), provides continuous coverage to dischargers of stormwater from industrial activities. Engineering services required to support VRE with permit compliance include updating the Stormwater Pollution Prevention Plans (SWPPPs), stormwater discharge monitoring, site inspections and training of VRE maintenance contractor employees.

In May of 2013, under the CEO’s authority, VRE executed Task Order 1 for $49,773 with AECOM to provide engineering services related to compliance with the VPDES Industrial
Stormwater General Permit at the Broad Run and Crossroads rail yards. Task Order 1 was estimated to cover associated work through the spring of 2014.

In January of 2015, the Operations Board approved Supplemental Task Order 1A, in the amount of $48,772, to allow AECOM to continue associated work through the spring of 2016. This Supplemental Task Order covers engineering services estimated through the fall of 2017.

**Fiscal Impact:**

Funding for these engineering services is included in the FY 2016 and FY 2017 Operating budgets for Facilities Maintenance.
WHEREAS, in May of 2013 the CEO executed Task Order 1 to AECOM for $49,773 under the GEC VI contract for engineering services related to compliance with the VPDES Industrial Stormwater General Permit; and,

WHEREAS, Task Order 1 was estimated to cover associated work through the spring of 2014; and,

WHEREAS, associated work includes updating the Stormwater Pollution Prevention Plans, stormwater discharge monitoring, site inspections and employee training; and,

WHEREAS, in January of 2015, the Operations Board approved Supplemental Task Order 1A, in the amount of $48,772, estimated to cover associated work through the spring of 2016; and,

WHEREAS, this Supplemental Task Order covers engineering services estimated through the fall of 2017;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute Supplemental Task Order 1B under the GEC VI contract to AECOM for VPDES Industrial Stormwater General Permit Compliance in the amount of $57,427, for an amended Task Order 1 total amount (Task Order 1 plus Supplemental Task Orders 1A and 1B and a 5% contingency) not to exceed $155,972.

Approved this 20th day of May 2016

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Gary Skinner
Chairman

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Maureen Caddigan
Secretary
Agenda Item 8-H
Action Item

To: Chairman Skinner and the VRE Operations Board
From: Doug Allen
Date: May 20, 2016
Re: Recommend Authorization to Execute the Second Year of the First Option Period for Train Operations and Amend the Existing Contract to Remove Maintenance Services

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to modify the current Operations and Maintenance contract with Keolis Rail Services Virginia, LLC by 1) amending the existing agreement to remove the maintenance of equipment and facilities functions, which will now be contracted separately; and 2) authorize up to $15,463,003 for the second year of the first option period for a total contract value not to exceed $131,990,557 for Train Operations through June 30, 2017.

Background:

Current O&M Contract

On October 16, 2009, the VRE Operations Board approved a five year contract with Keolis Rail Services Virginia (KRSV) for VRE operations and maintenance services and mobilization. VRE staff has returned to the Operations board for the following amendment and contract modifications:
<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
<th>Authorized Value (Cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-16-2009</td>
<td>1st Contract Year &amp; Mobilization</td>
<td>$18,459,348</td>
<td>$18,459,348</td>
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<tr>
<td>12-17-2010</td>
<td>*Amendment</td>
<td>$2,085,000</td>
<td>$20,544,348</td>
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<td>5-20-2011</td>
<td>2nd Contract Year</td>
<td>$17,954,527</td>
<td>$38,498,875</td>
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<tr>
<td>4-20-2012</td>
<td>**3rd Contract Year</td>
<td>$18,008,591</td>
<td>$56,507,466</td>
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<td>4-19-2013</td>
<td>4th Contract Year</td>
<td>$18,974,041</td>
<td>$75,481,507</td>
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<tr>
<td>4-18-2014</td>
<td>***5th Contract Year</td>
<td>$20,115,047</td>
<td>$95,596,554</td>
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<tr>
<td>5-15-2015</td>
<td>1st Year of the Option Period (6th Year Total)</td>
<td>$20,931,000</td>
<td>$116,527,554</td>
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</tbody>
</table>

*Amendment included service enhancements, higher than anticipated insurance costs; items included in the original negotiations, contingency funds and removed the requirement that Keolis indemnify VRE for all liability claims arising from the contract service with a value of up to $5,000,000.

**FY 2013 budget amended mid-year for service enhancements resulting in the lengthening of two trains. This increased the FY2013 contract budget amount to $18,248,591. Authorization available from prior year approvals.

*** FY 2015 budget includes adding the new Fredericksburg line train for half of the fiscal year.

**Separating Operations and Maintenance Contracts**

On June 20, 2014, the VRE Operations Board authorized the VRE CEO to issue a Request for Proposals (RFP) for Maintenance Services. On January 15, 2015, the VRE Operations Board recommended the Commissions authorize the VRE CEO execute a contract for Maintenance Services with Keolis Rail Services Virginia, LLC (KRSV) for a 5 year base term with two subsequent five year option periods. The Commissions approved this recommendation at their respective February 2015 meetings. The first year of the contract was authorized in an amount not to exceed $6,410,603, and scheduled to commence on July 1, 2015.

On February 10, 2015, VRE received a protest of the award to KRSV by one of the offerors, RailPlan International, Inc. (RPI). The VRE CEO rejected the protest and RPI filed suit in Alexandria Circuit Court. On March 1, 2016, the Alexandria Circuit Court ruled in favor of VRE awarding the contract to KRSV.

If approved by the Commissions, on July 1, 2016, a separate contract for the maintenance of equipment and facilities will commence. This item amends the current O&M contract by removing the maintenance functions and going forward, will reflect Train Operations only.

**Amended Contract for Operations Only Contract**

The amount requested for the second year of the first option period for Train Operations includes service enhancements (full year of train operations for the new Fredericksburg line train) and a budgeted CPI increase of 0.2% for fixed cost as required by the Contract, but excludes maintenance of equipment and facilities.

The second year of the first option period will start July 1, 2016. The total amount requested for authorization is equal to the total budgeted for FY 2017.
<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
<th>Authorized Value (Cumulative)</th>
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</thead>
<tbody>
<tr>
<td>5-20-2016</td>
<td>2nd Year of First Option Period (7th Year)</td>
<td>$15,463,003</td>
<td>$131,990,557</td>
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**Fiscal Impact:**

Funding for the second year of the first option period (7th year) is included in the FY 2017 Operating budget. The total amount budgeted for Train Operations is $15,463,003.
Recommend Authorization to Execute the Second Year of the First Option Period for Train Operations and Amend the Existing Contract to Remove Maintenance Services

WHEREAS, on October 16, 2009, the VRE Operations Board approved a five year contract with Keolis Rail Services Virginia for VRE operations and maintenance services and mobilization in the amount of $18,459,348 through June 30, 2011; and,

WHEREAS, a contract amendment was approved on December 17, 2010 in the amount of $2,085,000; and,

WHEREAS, on May 20, 2011, the Operations Board approved the second contract year, through June 30, 2012, in the amount of $17,954,527, for a total contract value not to exceed $38,498,875; and,

WHEREAS, on April 20, 2012, the Operations Board approved the third contract year, through June 30, 2013, in the amount of $18,008,591, for a total contract value not to exceed $56,507,466; and,

WHEREAS, on April 19, 2013, the Operations Board approved the fourth contract year, through June 30, 2014, in the amount of $18,974,041, for a total contract value not to exceed $75,481,507; and,

WHEREAS, on April 18, 2014, the Operations Board approved the fifth contract year, through June 30, 2015, in the amount of $20,115,047, for a total contract value not to exceed $95,596,554; and,

WHEREAS, on May 15, 2015, the Operations Board approved the first year of the first option period, through June 30, 2016, in the amount of $20,931,000, for a total contract value not to exceed $116,527,554;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to amend the existing Operations and Maintenance Contract by removing the requirements for Maintenance of Equipment and Facilities; and,
BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize modifying the Contract with Keolis Rail Services Virginia, LLC for Train Operations by approving up to $15,463,003, for the second year of the first option period for a total contract value not to exceed $131,990,557 through June 30, 2017.

Approved this 20th day of May 2016

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Gary Skinner
Chairman

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Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board
From: Doug Allen
Date: May 20, 2016
Re: Recommend Authorization to Amend the First Year of the Contract for Maintenance Services for Commuter Rail

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to amend the previously authorized, but not executed, First Year of the Contract for Maintenance Services with Keolis Rail Services Virginia, LLC (KRSV). The amendment changes the start date from July 1, 2015 to July 1, 2016, and increases the Contract authorization for the First Year of the Contract by $841,768, for a total amount not to exceed $7,252,371, through June 30, 2017.

Background:

On June 20, 2014, the VRE Operations Board authorized the VRE CEO to issue a Request for Proposals (RFP) for Maintenance Services for Commuter Rail in order to separate the Operating and Maintenance functions into two contracts. On January 15, 2015, the VRE Operations Board recommended the Commissions authorize the VRE CEO execute a contract with Keolis Rail Services Virginia, LLC (KRSV) for Maintenance Services for a five year base term with two subsequent five year option periods. The Commissions approved this recommendation at their respective February 2015 meetings. The anticipated first year of the contract was authorized in an amount not to exceed $6,410,603, and scheduled to commence on July 1, 2015.
On February 10, 2015, VRE received a protest of the award to KRSV by one of the offerors, RailPlan International, Inc. (RPI). The VRE CEO rejected the protest and RPI filed suit in Alexandria Circuit Court. This delayed execution of the separate Maintenance Services contract. On March 1, 2016, the Alexandria Circuit Court ruled in favor of VRE allowing the award of the contract to KRSV. This action amends the original start date of July 1, 2015 to July 1, 2016.

Since the originally anticipated start date of July 1, 2015, VRE initiated additional train service and changes to the maintenance program. Specifically, VRE, started an additional Fredericksburg train. The initial authorization only included a partial year of maintenance and inspection costs for the additional Fredericksburg line train, but now this train will be in service the entire first year of the contract. VRE also initiated several rolling stock maintenance projects, as part of VRE’s life cycle maintenance strategy, not accounted for in the original authorization amount. This action amends the original authorization amount to include these additional costs.

In summary, this action will authorize the additional cost for rolling stock equipment preventive maintenance in FY 2017 consistent with the life cycle maintenance plan, reflect a full year of cost for the additional Fredericksburg line train and adjust the start date of the first year of the contract for Maintenance Services to July 1, 2016.

**Fiscal Impact:**

Sufficient funding for the first year of these activities is included in the FY2017 Operating and Capital Improvement Program (CIP) budgets.

| FY 2017 Operating Budget: Maintenance Services for Commuter Rail | $6,519,871 |
| FY 2017 CIP Budget: Asset Management – Rolling Stock Equipment and Asset Management – Facilities | $732,500 |
| **FY 2017 Total:** | **$7,252,371** |

Funding for future years will be included in each subsequent proposed annual budget.
Virginia Railway Express  
Operations Board  

Resolution  
8I-05-2016  

Recommend Authorization to Amend the First Year of the  
Contract for Maintenance Services for Commuter Rail  

WHEREAS, the VRE Operations board previously recommended and the Commissions  
approved a Contract for Maintenance Services for Commuter Rail with Keolis Rail Services  
Virginia, LLC; and,  

WHEREAS, the Contract was previously scheduled to start on July 1, 2015; and,  

WHEREAS, after the Commissions authorized the VRE CEO to execute the Contract, VRE  
received a protest of the award of the Contract; and,  

WHEREAS, the VRE Chief Executive Officer rejected the protest and the offeror filed suit;  
and,  

WHEREAS, the contract execution was postponed pending the outcome of the suit; and,  

WHEREAS, the Alexandria Circuit Court ruled in favor of VRE awarding the Contract to  
Keolis Rail Services Virginia, LLC on March 1, 2016; and,  

WHEREAS, the Contract authorization needs to be amended to reflect the new Contract  
start date of July 1, 2016; and,  

WHEREAS, the Contract amount needs to be increased above the initial Contract  
authorization of $6,410,603 for additional rolling stock maintenance including  
maintenance and inspections for the additional Fredericksburg Line train and life cycle  
maintenance work scheduled for FY 2017;  

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby  
recommend the Commissions authorize the Chief Executive Officer to amend the  
previously authorized, but not executed First Year of the Contract for Maintenance Services  
with Keolis Rail Services Virginia, LLC for Maintenance Services for Commuter Rail from  
July 2, 2015 to July 1, 2016; and,  

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend  
the Commissions authorize the Chief Executive Officer to increase the Contract  
authorization for the First Year of the Contract with Keolis Rail Services Virginia, LLC for  
Maintenance Services for Commuter Rail by $841,768, for a total amount not to exceed  
$7,252,371, through June 30, 2017.
Resolution 81-05-2016
Page 2

Approved this 20th day of May 2016

______________________________
Gary Skinner
Chairman

______________________________
Maureen Caddigan
Secretary
To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: May 20, 2016

Re: Recommend Authorization to Extend the Amended and Restated Operating Access Agreement with CSX Transportation

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to execute a one year extension of the existing Amended and Restated Operating Access Agreement with CSX Transportation (CSXT) through June 30, 2017.

Background:

The VRE has an Operating Access Agreement with CSXT related to VRE operations in the Fredericksburg to Washington corridor. That agreement, entered into in 1994, has been amended and extended several times. In June of 2011, a new amended and restated agreement was executed with a five-year term ending on June 30, 2016.

A provision is available in the existing Agreement to extend the term of the Agreement beyond July 1, 2016, by:

1) One-year effective July 1, 2016 through June 30, 2017, to provide more time to re-negotiate or;
2) Through 2021 if a stable and reliable funding source is identified to complete the third main track from Washington DC to Fredericksburg.
Since 2011, VRE and CSXT have worked to identify additional capacity enhancement projects in the corridor including constructing a third main track. Recently, VRE and CSXT met to discuss the desire of both parties to continue to further identify and negotiate potential capacity improvement projects, funding sources and funding mechanisms for capital improvement projects in the corridor.

Throughout the one-year extension period, VRE, CSXT and DRPT will meet to determine capacity enhancement projects, prioritize these projects, establish methodologies to identify how the capacity enhancements will result in additional service for VRE and identify potential funding sources. VRE staff anticipates these elements will be integrated into the new Amended and Restated Agreement.

**Fiscal Impact:**

Funding for the CSXT track access fee is included in the FY 2017 budget line item for Track Access Fees.
Virginia Railway Express
Operations Board

Resolution
8J-05-2016

Recommend Authorization to Extend the Amended and Restated Operating Access Agreement with CSX Transportation

WHEREAS, the Commissions currently have an Amended and Restated Operating Access Agreement with CSX Transportation relating to VRE operations in the Fredericksburg to Washington corridor, with the agreement ending on June 30, 2016; and,

WHEREAS, staff is currently engaged in ongoing discussions with CSXT concerning a new agreement and does not anticipate conclusion of these discussions prior to the expiration of the Amended and Restated Operating Access Agreement on June 30, 2016; and,

WHEREAS, a provision in the current agreement permits extending the existing agreement through June 30, 2017, without any changes to the terms and conditions; and,

WHEREAS, the purpose of this extension is to allow time to identify and negotiate additional capacity improvement projects in the corridor; and,

WHEREAS, necessary funding has been incorporated into the FY 2017 budget to allow VRE to continue its operations over CSXT tracks via this extension;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to execute an extension of the existing Amended and Restated Operating Access Agreement with CSX Transportation through June 30, 2017.

Approved this 20th day of May 2016

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Gary Skinner
Chairman

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Maureen Caddigan
Secretary
Agenda Item 8-K
Action Item

To: Chairman Skinner and the VRE Operations Board
From: Doug Allen
Date: May 20, 2016
Re: Recommend Authorization to Execute a Memorandum of Agreement with the District of Columbia Department of Transportation and the Virginia Department of Rail and Public Transportation for Phase III of the Long Bridge Expansion Study

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to execute a Memorandum of Agreement (MOA) with the District of Columbia Department of Transportation (DDOT) and the Virginia Department of Rail and Public Transportation (DPRT) to conduct Phase III of the Long Bridge Expansion Study (the Study). The MOA fixes VRE’s financial contribution for the non-federal match to the TIGER VI grant awarded for this phase of the Study at $300,000 and defines a substantial contributing role for VRE in the management of the Study.

Background:

The two-track CSX Transportation Long Bridge across the Potomac River has long been a critical bottleneck in the Eastern Seaboard railroad network. The VRE System Plan 2040 identified expansion of the bridge to four tracks as a prerequisite to maintaining VRE operating reliability and to future growth in VRE service.
DDOT has conducted two initial phases of the Study using a combination of federal grants and its own resources. In 2014, DDOT applied for and was awarded federal planning funds under the Sixth Round of the US Department of Transportation *Transportation Investment Generating Economic Recovery* (TIGER VI) grant program for the third phase of the Study. Phase III will advance project development activities, completing National Environmental Policy Act (NEPA) studies and preliminary engineering for the Long Bridge expansion.

On April 18, 2014, the VRE Operations Board endorsed the DDOT TIGER VI application and authorized the commitment of VRE funds towards the non-federal match for the grant. The TIGER VI grant award to DDOT for Phase III of the Study is $2,800,000, and requires $1,300,000 in non-federal match for a total project cost of $4,100,000. DDOT has committed $700,000 towards the match while VRE and the DRPT have each committed $300,000. A summary of the funding plan is as follows below.

<table>
<thead>
<tr>
<th>TIGER VI Grant Award</th>
<th>Non-Federal Match</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,800,000</td>
<td>DDOT $700,000</td>
<td>$4,100,000</td>
</tr>
<tr>
<td></td>
<td>DRPT $300,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>VRE $300,000</td>
<td></td>
</tr>
</tbody>
</table>

DDOT, DRPT and VRE have subsequently negotiated terms for VRE’s partnership with DDOT and DRPT with respect to the management of the TIGER VI grant and Phase III of the Study. These terms have been captured in a draft MOA. The terms include fixing VRE’s financial contribution to the TIGER VI at $300,000 and defining a substantial contributing role for VRE in the management of the Study.

The draft MOA has been reviewed by our Legal Counsel and is being reviewed by the Legal Counsel of DDOT and DRPT. VRE is asking the Operations Board recommend the Commissions authorize the execution of the MOA, in a final form acceptable to VRE Legal Counsel, in order to advance expansion of the Long Bridge as expeditiously as possible.

**Fiscal Impact:**

Funding was included in the adopted FY 2015 Capital Improvement Program budget for the VRE contribution towards the TIGER grant’s non-federal match requirement.
Recommend Authorization to Execute of a Memorandum of Agreement
with the District of Columbia Department of Transportation and the
Virginia Department of Rail and Public Transportation for Phase III of
the Long Bridge Expansion Study

WHEREAS, the VRE System Plan 2040 identified the expansion of railroad capacity,
particularly expansion of the Long Bridge across the Potomac River, as a critical need to
support long-term VRE growth and service expansion; and,

WHEREAS, the District of Columbia Department Of Transportation is proceeding towards
completion of the first two phases of a Long Bridge Expansion Study and is prepared to
conduct a third phase consisting of preliminary engineering and analyses required under
the National Environmental Policy Act; and,

WHEREAS, the District of Columbia Department Of Transportation was awarded a
$2,800,000 planning grant under the TIGER VI program to advance the Phase III of a Long
Bridge Expansion Study; and,

WHEREAS, the TIGER VI grant requires a non-federal match of $1,300,000, which the
District of Columbia Department Of Transportation, Virginia Department of Rail and Public
Transportation and VRE have committed to fund; and,

WHEREAS, the District of Columbia Department Of Transportation, Virginia Department of
Rail and Public Transportation and VRE have drafted a Memorandum of Agreement
defining VRE’s partnership with the District of Columbia Department Of Transportation
and Virginia Department of Rail and Public Transportation with respect to the contribution
of the non-federal match of the TIGER VI grant and management of Phase III of the Long
Bridge Expansion Study;

NOW, THEREFORE BE IT RESOLVED, the VRE Operations Board does hereby recommend
the Commissions authorize the Chief Executive Officer to execute a Memorandum of
Agreement, in a form acceptable to VRE legal Counsel, with the District of Columbia
Department of Transportation and the Virginia Department of Rail and Public
Transportation that sets the non-federal match to the TIGER VI grant and defines VRE’s
role in the management of Phase III of the Long Bridge Expansion Study.
Resolution 8K-05-2016
Page 2

Approved this 20th day of May 2016

______________________________  
Gary Skinner  
Chairman

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Maureen Caddigan  
Secretary
To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: May 20, 2016

Re: Spending Authority Report

On May 15, 2015, the VRE Operations Board approved increasing the Chief Executive Officer’s spending authority from $50,000 to $100,000. It was resolved any purchase of greater than $50,000 would be communicated to the Board as an information item.

- On May 7, 2016, VRE issued a Purchase Order to Amtrac Railroad Contractors for Emergency Replacement of Pedestrian Grade Crossings in the amount of $61,926. During CSX track work, the asphalt at-grade pedestrian crossings at Alexandria, Crystal City and L’Enfant stations had to be removed. Originally scheduled to impact each stations at-grade pedestrian crossing for only one day, the work schedule had to be extended over the course of a week. Temporary timber at-grade crossings were required during the extended work schedule to prevent potential disruptions to VRE service.
To: Chairman Skinner and the VRE Operations Board  
From: Doug Allen  
Date: May 20, 2016  
Re: Board Member Annual Orientation Briefing

The recent Management Audit recommended an annual orientation briefing on the procurement process, ethics, and conflict issues. An overview of other aspects of the Board’s oversight of VRE will also be provided.
To: Chairman Skinner and the VRE Operations Board
From: Doug Allen
Date: May 20, 2016
Re: 2016 Operations Board Action Calendar

The attached calendar reflects scheduled committee meetings, updates and significant Action Items currently anticipated. Additional items will be presented as needed.
2016 VRE Operations Board Actions, Committee Meetings and Scheduled Updates

January
Executive Committee Meeting
Installation of 2016 VRE Officers

February
Executive Committee Meeting
Financial Plan Directives

March
Executive Committee Meeting
CEO Evaluation Committee Meeting
Authorization to Award Task Order for VPDES Industrial Stormwater General Permit Compliance
Program Management Services
GHX Project Update

April
Executive Committee Meeting
Approve Option Year for Keolis Operating Contract
Approve Option Year for Custodial and Seasonal Services Contract (Stations)
Approve Option Year for Facilities Maintenance Services Contract (Stations)

May
Executive Committee Meeting
Capital Committee Meeting
GHX Project Preliminary Alternatives Review
Annual Board Refresher Training
June
Executive Committee Meeting
Authorization to Execute a Contract for Federal Legislative Services
Strategic Business Plan Update and Discussion
Closed Session - CEO Evaluation

July
Executive Committee Meeting
Key Budget Issues
GHX Project Preferred Alternative Work Session

August - No Meeting

September
Executive Committee Meeting
Referral of Preliminary FY 2018 Operating and Capital Budget to the Commissions
Discuss Priorities for the 2017 Legislative Agenda
2016 Customer Service Survey Results
GHX Project Status Update

October
Executive Committee Meeting
Board Member Recognition Program Call for Nominations
Recommend Approval of 2017 Legislative Agenda
GHX Project Locally Preferred Alternative (LPA) Review
**November**

Executive Committee Meeting

Audit Committee Meeting

Capital Committee Meeting

Establish Nominating Committee for 2018 VRE Operations Board Officers

Forward FY 2016 Audited Financial Statements and Auditor's Report to the Commissions

Consideration of GHX Locally Preferred Alternative

**December**

Executive Committee Meeting

Referral of the Revised FY 2017 and Recommended FY 2018 VRE Operating and Capital Budgets to the Commissions and Localities

Approval of Contract Option Year for Diesel Fuel Delivery Services

Approval of 2017 VRE Operations Board Officers

Authorization to Extend Lease Agreement for Parking at Rippon Station