To: Chairman Smedberg and the VRE Operations Board
From: Doug Allen
Date: November 17, 2017
Re: Authorization to Issue a Request for Proposals for Disaster Management Services

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for Disaster Management Services for a period of one base year, plus four option years.

Summary:

This RFP will solicit proposals from qualified firms capable of providing disaster management services that augment staff resources in the event of a significant system disaster. These services can range from call-center support to family assistance services and personal effects cataloging.

Background:

The National Transportation Safety Board (NTSB), along with railroad industry associations, recommend commuter and passenger rail systems have a process to mobilize victim support services following a rail disaster. Traditionally these services are provided by disaster response practitioner companies. VRE currently contracts with a disaster management services contractor to provide victim support in the event of a train related disaster. That contract expires in late FY 18.

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 preferred 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, based on 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 the proposed cost is fair and reasonable.

The scope of work for the RFP includes disaster support services such as incident command consulting services, rapid deployment teams of family assistance and call-center personnel and similar resources.

Upon receipt and evaluation of the proposals, staff will return to the Board to request authorization to award the contract.

**Fiscal Impact:**

Funding is provided for in the current FY 2018 budget for safety and security. Funding for future years will be included in each proposed annual budget.
Virginia Railway Express
Operations Board

Resolution
8A-11-2017

Authorization to Issue a Request for Proposals for
Disaster Management Services

WHEREAS, the National Transportation Safety Board (NTSB) and industry practice recommend commuter rail carriers contract for on-call disaster management services; and,

WHEREAS, VRE has historically contracted for these services as part of its overall continuity of operations program; and,

WHEREAS, VRE’s contract with the current provider will expire on June 27, 2018;

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; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Request for Proposals for Disaster Management Services.

Approved this 17th day of November 2017

________________________________________
Paul Smedberg
Chairman

________________________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

Re: Authorization to Issue a GEC VII Task Order for Analysis for VRE Enterprise Resource Planning Solution

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a GEC VII Task Order to STV for Analysis for VRE Enterprise Resource Planning (ERP) Solution in the amount of $123,393, plus a 10% contingency of $12,339, for a total not to exceed $135,732.

Summary:

The purpose of the task order is to use the contractor’s technical assistance and subject matter expertise to perform analysis identifying existing gaps within information systems that support VRE’s enterprise resources such as human resources, budgeting, financial administration, procurement, inventory and construction management.

Background:

VRE’s existing information technology systems supporting enterprise resources are either non-existent or in need of major overhaul and are currently unable to support the growing needs of the organization, or future expansion outlined in the adopted VRE System Plan 2040.

The Scope of Services for this Task Order includes assistance to VRE in determining an ERP solution. The ERP solution will help to enhance current VRE systems and streamline VRE processes. The ERP tool would act as a business process management software allowing VRE to use a system of integrated applications to manage the business and automate back-office functions related to technology, including; Finance, budgeting, Accounting,
Procurement, Human Resources, accounts payable, accounts receivable, budgeting, grant management and other related services.

STV Incorporated is the prime consultant for Task Area E - Design Services: Telecommunications and Security under GEC VII. A Request for a Task Order Proposal for Analysis for VRE Enterprise Resource Planning (ERP) Solution was requested from STV on October 13, 2017. On October 20, 2017, STV returned a task order proposal to perform the requested services for $123,393, which was within 10% of the independent cost estimate. Following review of the task order proposal, staff recommends award to STV.

**Fiscal Impact:**

Funding is provided through the FY2018 amended budget for VRE Capital Planning. Funding for future years will be included in each proposed annual budget.
Virginia Railway Express
Operations Board

Resolution
8B-11·2017

Authorization to Issue a GEC VII Task Order for Analysis for VRE Enterprise Resource Planning Solution

WHEREAS, VRE’s existing information technology systems supporting enterprise resources are currently unable to support the growing needs of the organization, or future expansion outlined in the adopted VRE System Plan 2040; and,

WHEREAS, VRE requires technical assistance and subject matter expertise to perform analysis identifying existing gaps within information systems which support VRE’s enterprise resources; and,

WHEREAS, the existing information technology systems supporting enterprise resources are unable to support the growing needs of the organization; and,

WHEREAS, VRE needs an Enterprise Resource Planning solution;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a GEC VII Task Order to STV for Analysis for VRE Enterprise Resource Planning (ERP) Solution in the amount of $123,393, plus a 10% contingency of $12,339, for a total not to exceed $135,732.

Approved this 17th day of November 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

Re: Authorization to Forward the FY 2017 Audited Financial Statements and Auditor’s Report to the Commissions

**Recommendation:**

The VRE Operations Board is being asked to accept the FY 2017 Comprehensive Annual Financial Report (CAFR) and associated information from the auditors and to authorize the Chief Executive Officer to forward this information to the Commissions for their consideration.

**Background:**

The audit of VRE’s FY 2017 financial statements has been completed and the auditors have issued an unmodified opinion. Their opinion letter states that the VRE statements, in all material respects, fairly and accurately present the financial position of the organization. This opinion is the best outcome of a financial audit.

The FY 2017 audit was conducted by the firm of PBMares, LLP. PBMares has served as the auditor for VRE, PRTC and NVTC for the last several years. A new three-year contract for the audits of the VRE, PRTC and NVTC financial statements was approved in April 2015, with four years of optional renewals.

The audited financial statements and associated reports were forwarded to all members of the Operations Board prior to the November 17th meeting. The auditors will meet with the VRE Audit Committee on November 17, 2017, prior to the Operations Board meeting to review the statements and their opinion.
**Fiscal Impact:**

There is no financial impact to the VRE Operating Budget from the presentation of these audited financial statements.
Virginia Railway Express
Operations Board

Resolution
9A-11-2017

Authorization to Forward the FY 2017 Audited Financial Statements and Auditor’s Report to the Commissions

WHEREAS, the VRE Operations Board has contracted with the firm of PBMares, LLC for the audit of its financial statements; and,

WHEREAS, the audit of the VRE FY 2017 financial statements has been completed; and,

WHEREAS, the auditors have issued an unmodified opinion that the VRE statements, in all material respects, fairly and accurately present the financial position of the commuter rail operation;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board accepts the FY 2017 Comprehensive Annual Financial Report (CAFR) and associated information from the auditors and hereby authorizes the Chief Executive Officer to forward this information to the Commissions for their consideration.

Approved this 17th day of November 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

Re: Authorization to Extend the Vendor Agreement for Sale of Fare Media with The Convention Store (Commuter Direct)

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a six-month extension of the Vendor Agreement for Sale of Fare Media with The Convention Store, Inc., owner and operator of Commuter Direct, the Commuter Store at Crystal City and various smaller outlets including the Springfield Connector Store, to finalize negotiations with the bidders from a Request for Proposal for Fare Media Sales.

Summary:

This extension serves to continue uninterrupted fare media sales during contract negotiations pertaining to the RFP for Fare Media Sales issued on August 17, 2017.

Background:

VRE tickets are sold by a variety of independent vendors under the terms of negotiated sales agreements. CommuterDirect, owned and operated by The Convention Store, Inc., which also provides ticket sales services to MARC, WMATA and DASH, has sold VRE tickets since it was established in 1998. Following WMATA’s termination of the paper voucher program in November 2011, the majority of VRE tickets were sold through CommuterDirect, which allows passengers to assign their electronic benefits online and receive their tickets by mail or through the Commuter Store at Crystal City, which accepts electronic benefits for ticket pick-up at that location. Both Commuter Direct and the Commuter Store at Crystal City, along with other smaller outlets that sell VRE tickets, are owned and operated by The Convention Store, Inc.

In July 2017, the VRE Operations Board authorized VRE to issue an RFP for VRE Fare Media Sales to replace the current agreement with The Convention Store, Inc., which
expires in November 2017. Staff recommends extending the VRE Fare Media Sales agreement with The Convention Store, Inc. for an additional six months to allow continued negotiations between VRE and the final offeror. The Convention Store, Inc. has agreed to a six-month extension while this takes place.

**Fiscal Impact:**

Based on the last six months ticket sales, the average monthly commission paid to The Convention Store, Inc. was approximately $25,000. The cost of sales commissions for the sale of fare media is included in the annual operating budget. Ongoing vendor commission expenses will be included in future annual operating budgets.
Virginia Railway Express
Operations Board

Resolution
9B-11-2017

Authorization to Extend the Vendor Agreement for Sale of Fare Media with The Convention Store (Commuter Direct)

WHEREAS, the current ticket sales agreement with Convention Store, Inc. to sell VRE fare media via mail order will expire in November 2017; and,

WHEREAS, the Request for Proposals for VRE Fare Media Sales issued in July 2017 is currently in negotiations and will need more time to finalize terms before the current agreement expires;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a six-month extension of the Vendor Agreement for Sale of Fare Media with The Convention Store, Inc., owner and operator of CommuterDirect, the Commuter Store at Crystal City and various smaller outlets including the Springfield Connector Store.

Approved this 17th day of November 2017

__________________________________________
                       Paul Smedberg
                         Chairman

__________________________________________
                       Katie Cristol
                         Secretary
To: Chairman Smedberg and the VRE Operations Board
From: Doug Allen
Date: November 17, 2017
Re: Authorization to Issue a GPC Task Order for the VRE Transit Development Plan Update

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a General Planning Consultant (GPC) Task Order to Michael Baker International, Inc. of Alexandria, VA for planning services to update the VRE Transit Development Plan (TDP) in the amount of $189,978, plus a 10% contingency of $18,998, for a total not to exceed $208,976.

Summary:

VRE is required by the Department of Rail and Public Transportation (DRPT) to update its TDP to encompass FY 2020-2025 for a fiscally constrained plan and FY 2020-2029 for a fiscally unconstrained analysis of capital and operating needs.

Background:

VRE’s current TDP was adopted in 2012 and covers the FY 2013-2018 timeframe. In accordance with DRPT’s Transit Development Plan Minimum Requirements, dated February 2017, public transit operators receiving state funding are required to prepare, adopt, and submit a new transit development plan, referred to as a “major update”, every six years. To reflect and address changes in areas such as: governance or agency organization, service or fares, available funding, demographic patterns, and federal and state laws and regulations, the plan must be amended every year if necessary, referred to as a “minor update”.

VRE is required to undertake a “major update” of its TDP. Due to the time required to prepare and adopt the TDP update, VRE staff will complete a minor TDP update for FY 2019. The GPC will conduct a major update of VRE’s TDP that will encompass a 6-year,
fiscally constrained timeframe (FY 2020-25) and minimum of 10-years (FY 2020-29), consistent with DRPT requirements.

The Scope of Services for this Task Order includes extending the timeframe of the TDP to encompass the FY 2020-25 fiscally constrained period and a total FY 2020-29 analysis period for remaining unfunded needs that relate back to ultimate implementation of the 2040 System Plan.

The TDP will cover the following tasks:
- Overview of the VRE System
- Goals, Objectives, and Service Design Standards
- Service and System Evaluation
- Service and Capital Improvement Plan
- Financial Plan
- Implementation Plan

Two facilitated workshops with staff from VRE member jurisdictions and other regional stakeholder organizations will be organized as part of the update process to share information on the VRE system and plans and solicit comments or feedback that should be incorporated into the TDP.

A request for a Task Order Proposal for the Transit Development Plan Update was issued to Michael Baker International, Inc. (MBI), the alternative contractor for the GPC on October 31, 2017. MBI returned on November 2, 2017, proposing to complete the scope of services for $189,978. Following review of the task order proposal, VRE recommends award to Michael Baker International, Inc. in the amount $189,978, plus a 10% contingency of $18,998, for a total not to exceed $208,976.

**Fiscal Impact:**

Funding is provided through the FY 2018 VRE Operating Budget for Office of Development, Consulting.
Virginia Railway Express
Operations Board

Resolution
9C-11-2017

Authorization to Issue a GPC Task Order for the VRE Transit Development Plan Update

WHEREAS, the Department of Rail and Public Transportation (DRPT) requires public transit operators receiving state funding to prepare, adopt, and submit a Transit Development Plan every six years; and,

WHEREAS, VRE is required to update its current TDP to encompass the six-year period (FY 2020-2025) for a fiscally constrained plan and an extended minimum of ten-years (FY 2020-2029) for fiscally unconstrained analysis of the capital and operating needs; and,

WHEREAS, the necessary updates must be made in accordance with DRPT's Transit Development Plan Minimum Requirements;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a GPC Task Order to Michael Baker International, Inc. of Alexandria, VA for planning services to update the VRE Transit Development Plan in the amount $189,978, plus a 10% contingency of $18,998, for a total not to exceed $208,976.

Approved this 17th day of November 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 20, 2017

Re: Authorization to Execute a Contract for Electronic Fuel Injector Assemblies

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with Progress Rail Locomotive, Inc. of LaGrange, IL for Electronic Fuel Injector Assemblies in the amount of $430,166, plus a 10% contingency of $43,016, for a total amount not to exceed $473,182.

Summary:

The Original Equipment Manufacturer of the VRE locomotives recommends the replacement of the Electronic Fuel Injector Assemblies after every three years of service. This contract will provide material for this recommended maintenance for VRE’s fleet of 20 locomotives.

Background:

VRE purchased 20 MP36PH-3C locomotives from MotivePower, Inc. which were delivered 2010-2011.

MotivePower, Inc. recommends replacing each locomotive’s electronic fuel injector assemblies after every three years of service to maintain optimal performance and the engine’s EPA Tier II certification. The locomotives are now six years old and it is time to remove and replace the electronic fuel injector assemblies for the second cycle.

On May 19, 2017, the VRE Operations Board approved a request to issue an Invitation for Bids (IFB) Electronic Fuel Injector Assemblies. A mailing list of five prospective Bidders was established for the solicitation to ensure access to adequate sources of services. On
September 14, 2017, an IFB was issued and bids were due on October 6, 2017. Three responses were received.

The bid tabulation is as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PowerRail, Inc.</td>
<td>$336,000.00</td>
</tr>
<tr>
<td>2. Progress Rail Locomotive, Inc.</td>
<td>$430,166.00</td>
</tr>
<tr>
<td>3. MotivePower, Inc.</td>
<td>$438,080.00</td>
</tr>
</tbody>
</table>

The low bidder, PowerRail, Inc., submitted a bid proposing an alternate injector and not the brand name injector specified in the IFB. The descriptive literature for the alternate injector did not provide evidence the alternate injector complies with the Environmental Protection Agency (EPA) Tier 2 exhaust emissions certification.

The second lowest bidder, Progress Rail Locomotive, Inc. proposed the brand name injector as specified in the IFB. Therefore, VRE is requesting authorization to award to the second lowest bidder per the abstract above.

Progress Rail Locomotive, Inc. bid amount is approximately 26% percent less than the cost estimate for the Contract.

After review of the bids, it was determined Progress Rail Locomotive, Inc. was the lowest responsive-responsible bidder. The staff has certified the price is fair and reasonable.

**Fiscal Impact:**

Funding is provided through the current FY 2018 budget for locomotive repairs and maintenance. Funding for future years will be included in each proposed annual budget.
Virginia Railway Express
Operations Board

Resolution
9D-11-2017

Authorization to Execute a Contract for
Electronic Fuel Injector Assemblies

WHEREAS, the Original Equipment Manufacturer of the VRE locomotives recommends the replacement of the Electronic Fuel Injector Assemblies after every three years of service; and,

WHEREAS, it is time to remove and replace the electronic fuel injector assemblies for the second cycle; and,

WHEREAS, the VRE Operations Board authorized the CEO to issue an Invitation for Bids for Electronic Fuel Injector Assemblies in May 2017; and,

WHEREAS, a competitive solicitation process was conducted; and,

WHEREAS, it was determined Progress Rail Locomotive, Inc. was the lowest responsive-responsible bidder;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Progress Rail Locomotive, Inc. of LaGrange, IL for Electronic Fuel Injector Assemblies in the amount of $430,166, plus a 10% contingency of $43,016, for a total amount not to exceed $473,182.

Approved this 17th day of November 2017

____________________________
Paul Smedberg
Chairman

___________________________
Katie Cristol
Secretary
Agenda Item 9-E
Action Item

To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

Re: Recommend Authorization to Submit VRE Projects to NVTA for FY 2018-2023 Six Year Program Funding Consideration

Recommendation:

The VRE Operations Board is asked to recommend the Commissions approve submission of the attached list of projects to the Northern Virginia Transportation Authority (NVTA) for evaluation and funding consideration in its Fiscal Year (FY) 2018-2023 Six Year Program; and authorize the Chief Executive Officer to submit the approved projects for funding, make any necessary corrections to project amounts or descriptions in the applications, and execute all project funding agreements that may result from consideration of the projects.

Summary:

NVTA issued a Call for Projects for its FY2018-2023 Six Year Program (SYP) on October 4, 2017. The funding source for the SYP is regional taxes and fees collected under House Bill (HB) 2313 and sent to NVTA. NVTA can only consider projects for funding that are included in the TransAction long-range regional transportation plan and are evaluated and rated for congestion reduction and homeland security mobility as part of HB 599 requirements. In addition, NVTA can only fund mass transit capital projects that increase capacity.

Applications are due at 12:00 Noon on December 15, 2017. NVTA requires resolution of support for project applications by the governing body of the submitting jurisdiction or agency. VRE also seeks resolutions of support from the governing body of the jurisdiction where its project is located. Resolutions of Support are due at 12:00 Noon on January 19, 2018.
**Background:**

The following VRE projects are recommended for submission to NVTA. All the projects are included in TransAction and will expand VRE capacity. They are also identified in the VRE Capital Improvement Program and System Plan 2040.

1. Crystal City Station Improvements: relocated and expanded station with longer platform for full-length trains and service on two tracks. This project is related to and must be coordinated with the Atlantic Gateway Project (4th Track from Alexandria to Potomac River).
2. L'Enfant Station and Track Improvements: relocated and expanded station with longer platform for full-length trains from two tracks and addition of related fourth through the station from L'Enfant interlocking to Virginia interlocking.
3. Woodbridge Station and Track Improvements: expanded station with longer platform for full-length trains from three tracks and addition of related Occoquan third track through the station. The new track will extend from the Franconia-Springfield to Occoquan third track segment, funded through the Commonwealth’s Atlantic Gateway initiative, to near Featherstone Rd. and include crossing of the Occoquan River.
4. Manassas Park Station Parking Garage: addition of a parking garage to provide additional parking for the station and a grade-separated pedestrian connection from the garage to the station platform.
5. Manassas Station Improvements: expanded station with longer platform for full length trains and pedestrian connection to the Prince William Street surface parking lot.
6. Broad Run Station and MSF Improvements: expanded station with longer platform, additional parking, and expanded maintenance and storage facility (MSF) for storage of longer trains.
7. Manassas Line Third Track: provision of a third main track on the Norfolk Southern Railway from the VRE Broad Run station to Grant Avenue in Manassas to provide additional capacity for VRE trains.
8. Manassas Line Real-Time Multimodal Traveler Information System: implementation of software and equipment/infrastructure to support the provision of VRE real-time information for train arrivals, available parking capacity at stations, and available seating capacity on trains.
9. VRE Rolling Stock: procurement of 10 expansion coaches to lengthen VRE Manassas Line trains.

The NVTA funding request for Projects 1, 2 and 3 will advance the projects through the Final Engineering Design phase. Funding has already been identified to complete the initial Preliminary Engineering Design and Environmental Review phases.

Projects 4 through 10 were included in the VRE Manassas Line Capacity Expansion Project, which the NVTA recommended to the Commonwealth Transportation Board (CTB) for funding with the Transform 66 Outside the Beltway (OTB) concessionaire payment in July 2017. The concessionaire payment would provide full funding to implement each of the
projects through construction. The CTB is not anticipated to approve the projects that will be funded with the concessionaire payment until the Commonwealth has reached financial close with Express Mobility Partners (EMP), the private-sector partner in the public-private partnership transportation project. VRE is requesting funding from the NVTA SYP for the individual components of the Manassas Line Capacity Expansion Project as an alternative funding source until financial close is reached and contingency for the project.

Attachment 1 summarizes the estimated cost and phase(s) of implementation for each project. The costs are preliminary estimates. Detailed budgets will be developed if the project is selected for funding.

The Operations Board is asked to recommend the Commissions authorize the VRE Chief Executive Officer to submit the identified projects for funding consideration, to make any necessary corrections to project amounts or descriptions, and to execute all project agreements on behalf of the Commissions. NVTC will provide oversight for the Commissions on the reimbursement of project expenditures.

**Fiscal Impact:**

The submission of a project funding request has no fiscal impact. If selected for funding, the NVTA funds would allow the projects to advance to the next phase(s) of project development and implementation.
Virginia Railway Express
Operations Board

Resolution
9E-11-2017

Recommend Authorization to Submit VRE Projects to NVTA for FY 2018-2023 Six Year Program Funding Consideration

WHEREAS, the passage of House Bill 2313 requires the NVTA to fund highway projects that have been both included in TransAction and evaluated for congestion relief and emergency evacuation by VDOT or mass transit capital projects that increase capacity; and,

WHEREAS, NVTA has issued a Call for Projects to agencies and jurisdictions for consideration for funding with expected FY2018 through FY2023 revenues; and,

WHEREAS, VRE has identified a set of projects that expand VRE capacity consistent with the VRE Capital Improvement Program and System Plan 2040 where funding to continue to advance the project through implementation has not yet been identified; and,

WHEREAS, each of the projects satisfies NVTA funding eligibility requirements to both be included in the TransAction long-range regional transportation plan and increase transit capacity;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions approve the submission of the projects identified in Attachment 1 to the NVTA for consideration for funding in its FY2018-2023 Six Year Program; and,

BE IT FURTHER RESOLVED THAT, the Operations Board does hereby recommend the Commissions authorize the VRE Chief Executive Officer to submit the approved projects for funding, to make any necessary corrections to project amounts or descriptions, and to execute all project agreements on behalf of the Commissions.

Approved this 17th day of November 2017

______________________________
Paul Smedberg
Chairman

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Katie Cristol
Secretary
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Description</th>
<th>Phase Requested for Funding</th>
<th>Year Funding Requested</th>
<th>Estimated Cost ($YOE)</th>
<th>Proposed NVTA Funding Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crystal City Station Improvements</td>
<td>Relocated and expanded station with longer platform and service on two tracks</td>
<td>Final Design</td>
<td>FY20</td>
<td>$42,000,000</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>L’Enfant Station and Track Improvements</td>
<td>Relocated and expanded station with longer platform and service on two tracks, addition of fourth through the station from L’Enfant interlocking to Virginia interlocking.</td>
<td>Final Design</td>
<td>FY21</td>
<td>$71,000,000</td>
<td>$6,000,000</td>
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<tr>
<td>Woodbridge Station and Track Improvements</td>
<td>Expanded station with longer platform and service on three tracks, addition of Occoquan third track through the station from the Franconia-Springfield to Occoquan third track segment to near Featherstone Rd., including crossing of the Occoquan River.</td>
<td>Final Design</td>
<td>FY22</td>
<td>$230,000,000</td>
<td>$29,500,000</td>
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<tr>
<td>Manassas Park Station Parking Garage</td>
<td>Addition of a parking garage to provide additional parking for the station and a grade-separated pedestrian connection from the garage to the station platform.</td>
<td>Construction</td>
<td>FY19</td>
<td>$25,983,000</td>
<td>$23,480,000</td>
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<tr>
<td>Manassas Station Improvements</td>
<td>Expanded station with longer platform and pedestrian connection to the Prince William Street surface parking lot</td>
<td>Preliminary Engineering/ Environmental Review, Final Design, Construction</td>
<td>FY19 Design FY21 Const.</td>
<td>$9,125,000</td>
<td>$9,125,000</td>
</tr>
<tr>
<td>Broad Run Station and MSF Improvements</td>
<td>Expanded station with longer platform and additional parking, expanded train storage for longer trains</td>
<td>Final Design, Construction</td>
<td>FY19 Design FY20 Const.</td>
<td>$56,256,000</td>
<td>$44,156,000</td>
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<tr>
<td>Manassas Line Third Track</td>
<td>Third main track on the Norfolk Southern Railway from the VRE Broad Run station to Grant Avenue in Manassas</td>
<td>Final Design, Construction</td>
<td>FY19 Design FY21 Const.</td>
<td>$20,131,000</td>
<td>$20,131,000</td>
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<tr>
<td>Manassas Line Real-Time Multimodal Traveler Information System</td>
<td>Software and equipment to support the provision of VRE real-time traveler information</td>
<td>System Design and Procurement of Software and Equipment</td>
<td>FY19</td>
<td>$6,561,000</td>
<td>$3,481,000</td>
</tr>
<tr>
<td>VRE Rolling Stock</td>
<td>10 expansion coaches to lengthen VRE Manassas Line trains</td>
<td>Procurement of Coaches</td>
<td>FY19</td>
<td>$33,370,000</td>
<td>$28,120,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$494,426,000</strong></td>
<td><strong>$167,993,000</strong></td>
</tr>
</tbody>
</table>
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

Re: Recommend Authorization to Submit VRE Projects to NVTC for FY 2018 I-66 Commuter Choice Funding Consideration

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**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions approve the submission of the Crystal City Station Improvements, L’Enfant Station and Track Improvements, and Manassas Line Real-Time Multimodal Traveler Information System projects to the Northern Virginia Transportation Commission (NVTC) for funding consideration in its Fiscal Year (FY) 2018 Commuter Choice program; and authorize the Chief Executive Officer to submit the approved projects for funding, make any necessary corrections to project amounts or descriptions in the applications, and execute all project funding agreements that may result from consideration of the projects.

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**Summary:**

In January 2017, NVTC and the Commonwealth of Virginia signed a 40-year Memorandum of Agreement (MOA) authorizing NVTC to use toll revenues from I-66 Inside the Beltway (ITB) to fund multimodal transportation projects. These projects, designed to benefit I-66 toll payers, will ease travel through this congested corridor. To allocate the toll revenues, NVTC established the I-66 Commuter Choice Program and project selection process. An initial group of 10 projects were approved by both NVTC and the Commonwealth Transportation Board (CTB) as part of the FY 2017 I-66 Commuter Choice Program.

NVTC issued a Call for Projects for the FY 2018 I-66 Commuter Choice on September 7, 2017. Applications are due December 22, 2017. It is estimated $10 million in toll revenues will be available for allocation. VRE Manassas Line projects that enhance VRE service and capacity and provide the potential to divert drivers from the I-66 corridor are eligible for funding through the I-66 Commuter Choice program.
Background:

VRE is proposing to submit three projects to the I-66 Commuter Choice Program: Crystal City Station Improvements, L’Enfant Station and Track Improvements, and Manassas Line Real-Time Multimodal Traveler Information System. All the projects are within the I-66/VRE Manassas Line corridor and will benefit I-66 toll payers. They are also identified in the VRE Capital Improvement Program and System Plan 2040.

The funding request for the Crystal City Station Improvements in the amount of $4 million will enable the project to advance to the Final Engineering Design phase. Funding has already been identified to complete the initial Preliminary Engineering Design and Environmental Review phases. The project provides for a relocated and expanded station with longer platform for full-length trains and service on two tracks. It is related to and must be coordinated with the Atlantic Gateway Project (4th Track from Alexandria to Potomac River).

The funding request for the L’Enfant Station and Track Improvements in the amount of $6 million will enable the project to advance to the Final Engineering Design phase. Funding has already been identified to complete the initial Preliminary Engineering Design and Environmental Review phases. The project provides for a relocated and expanded station with longer platform for full-length trains and service on two tracks and the addition of a fourth track to service the station from L’Enfant interlocking to Virginia interlocking.

VRE is proposing to submit the Crystal City Station and L’Enfant Station and Track projects to the Northern Virginia Transportation Authority (NVTA) for funding consideration in its FY 2018-2023 Six Year Program (SYP). The I-66 Commuter Choice application is proposed as an alternative funding source and contingency until NVTA has made a decision on its SYP.

The Manassas Line Real-Time Multimodal Traveler Information System project is included as part of the VRE Manassas Line Capacity Expansion Project, which the NVTA recommended to the Commonwealth Transportation Board (CTB) for funding with the Transform 66 Outside the Beltway (OTB) concessionaire payment in July 2017. The concessionaire payment would provide full funding to implement each of the projects through construction. The CTB is not anticipated to approve the projects that will be funded with the concessionaire payment until the Commonwealth has reached financial close with Express Mobility Partners (EMP), the private-sector partner in the public-private partnership transportation project. VRE is requesting funding for the Real-Time Multimodal Traveler Information System component from the I-66 Commuter Choice program as an alternative funding source and contingency until financial close is reached and the CTB takes action. Approximately $3.1 million in VRE funding has been allocated for the automatic passenger and parking counter portion of the project; an additional $3.48 million will be requested from NVTC to fund the implementation of the complete real-time information system.
The Operations Board is asked to recommend the Commissions authorize the VRE Chief Executive Officer to submit the identified projects to NVTC for FY 2018 I-66 Commuter Choice funding consideration, to make any necessary corrections to project amounts or descriptions, and to execute all project agreements on behalf of the Commissions. PRTC will provide oversight for the Commissions on the reimbursement of project expenditures.

**Fiscal Impact:**

The submission of a project funding request has no fiscal impact. If selected for funding, the I-66 Commuter Choice funds would allow the projects to advance to the next phase(s) of project development and implementation.
Recommend Authorization to Submit VRE Projects to NVTC for FY 2018 I-66 Commuter Choice Funding Consideration

WHEREAS, the Northern Virginia Transportation Commission (NVTC) has issued a Call for Projects for consideration for funding with expected Fiscal Year (FY) 2018 I-66 Inside the Beltway toll revenues available through the I-66 Commuter Choice program; and,

WHEREAS, VRE has identified three projects within the I-66/VRE Manassas Line corridor that will benefit I-66 toll payers, included in the VRE Capital Improvement Program and System Plan 2040, where funding to continue to advance the project through implementation has not yet been identified;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions approve the submission of the Crystal City Station Improvements, L’Enfant Station and Track Improvements, and Manassas Line Real-Time Multimodal Traveler Information System projects to NVTC for funding consideration in its FY 2018 Commuter Choice program; and,

BE IT FURTHER RESOLVED THAT, the Operations Board does hereby recommend the Commissions authorize the VRE Chief Executive Officer to submit the approved projects for funding, to make any necessary corrections to project amounts or descriptions, and to execute all project agreements on behalf of the Commissions.

Approved this 17th day of November 2017

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Paul Smedberg
Chairman

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Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

Re: Recommend Approval of the 2017/18 VRE Legislative Agenda

The VRE Operations Board is asked to recommend the Commissions approve the 2017/18 Legislative Agenda and authorize the Chief Executive Officer to actively pursue the elements set forth in the attached document.

Background:

Annually, VRE prepares a Legislative Agenda to communicate VRE’s legislative priorities in coordination with the Commissions and member jurisdictions. The proposed Legislative Agenda, which addresses State and Federal issues, is attached.

Fiscal Impact:

There is no direct funding impact associated with adopting this agenda item.
Virginia Railway Express
Operations Board

Resolution
9G-11-2017

Recommend Approval of the 2017/18 VRE Legislative Agenda

WHEREAS, VRE is an essential part of regional transportation network for the Northern Virginia and DC Metropolitan region; and,

WHEREAS, VRE serves residents throughout the Commonwealth to provide a meaningful public transportation option; and,

WHEREAS, it is essential for VRE to advocate for its funding needs and legislative/regulatory concerns with members of Congress and their staff, with staff of federal entities, in the Virginia General Assembly and with the Governor and his administration; and,

WHEREAS, VRE has coordinated its Legislative Agenda with the staffs of the Commissions and member jurisdictions;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions approve the 2017/18 VRE Legislative Agenda and authorize the Chief Executive Officer to actively pursue the elements set forth in the attached document.

Approved this 17th day of November 2017

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Paul Smedberg
Chairman

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Katie Cristol
Secretary
Draft 2017/2018 Legislative Agenda

Federal Legislative Strategy:

Generally, there is a need to keep abreast of the new Administration’s policies, programs and personnel. In addition, we will monitor any new funding and financing infrastructure initiatives, possible regulatory reform, changes to INFRA (formally FastLane) and TIGER, and workforce development. Specific issues to be tracked include:

**Issue 1: Positive Train Control (PTC) Implementation**

- Continue monitoring PTC legislative and regulatory activity.

**Issue 2: Commuter Benefits**

- Track possible federal tax reform including changes to commuter benefits.
- Analyze and communicate to our Congressional delegation any impacts of proposed changes to current commuter benefit levels.

**Issue 3: 49 CFR Part 270 System Safety Program**


State Legislative Strategy:

Our focus in Richmond will continue to be on funding, both for transit throughout the Commonwealth and specifically for VRE. In addition to tracking the specific issues outlined below, we will monitor any legislation that may affect VRE.

**Issue 1: Protective Floor for the Regional 2.1% Motor Fuels Tax**

- VRE will advocate for the creation of a “protective floor” for the regional 2.1% motor fuels tax at February 2013 levels, in coordination with its parent Commissions and member jurisdictions.
- To avoid a reduction in the current level of commuter rail service and the associated increase in traffic congestion on the I-95/I-395 and I-66 Corridors of Statewide Significance (CoSS), a protective floor on the regional 2.1% motor fuels tax must be implemented.
- Without a protective floor, the existing regional 2.1% motor fuels tax generates less revenue than expected due to the drop in fuel prices. This decrease in motor fuels
tax revenues is forcing many VRE jurisdictions to increase general fund outlays to cover their VRE subsidy obligations.

**Issue 2: Additional Commonwealth Transit Capital Support**

- VRE will support its parent commissions as they advocate for a fix to the reduced Commonwealth funding for Transit Capital.
- Will continue to coordinate with NVTC Executive Director Kate Mattice on issues being discussed by the Transit Service Delivery Committee (TSDAC), of which she's a member, and on any legislative initiatives arising from the Revenue Advisory Board’s (RAB) recommendations.

**Issue 3: Additional VRE Capital and Operating Funding**

- The general assembly must identify and secure long term, dependable funding sources for both existing and future commuter rail operations and capital costs to avoid a reduction and eventual termination of commuter rail service in the I-95/I-395 and I-66 CoSS and the accompanying catastrophic traffic congestion.
- VRE has developed a Financial Plan for implementation of its System Plan 2040 that identifies capital and operating requirements needed to implement the plan. A key finding in the Financial Plan is the clear need for increased funding, even without any major expansion of service.
- The deficit just to maintain the current operating scenario averages about $45 million per year (operating $11M and capital $34M) through 2040.
- To implement build-out of the full 2040 scenario, which more than doubles current ridership, will require an average of approximately $65 million per year (operating $20M and capital $45M) through 2040.
- The local jurisdiction members of VRE are financially constrained in their ability to fund existing VRE operations and capital needs and will experience even greater challenges in securing funding for the expansion scenario’s operations and capital costs identified in the System Plan.
To: Chairman Smedberg and the VRE Operations Board
From: Doug Allen
Date: November 17, 2017
Re: FY 2019 Budget Update

Summary:

The preliminary FY 2019 budget presented to the Operations Board in September included a funding gap of $1.6 million. As a result of revisions since that presentation, the funding gap in the FY 2019 budget has been reduced to approximately $0.4 million. VRE staff will continue to refine the budget assumptions and will present a balanced budget to the CAO task force in early December. Operations Board adoption of the budget is scheduled for December 15.

Introduction:

Staff presented the preliminary FY 2019 VRE Operating and Capital Budget to the Operations Board in September. Of the proposed $146.3 million budget ($82.1 million for operations, $57.4 million for the CIP, and $6.8 million for debt service and operating reserve), $1.6 million of projected expenses did not have an identified funding source. The budget includes a 3% increase in jurisdictional subsidy.

Since the September presentation, VRE finance and operations staff have revised key assumptions in the budget based on updated information and projections, reviews of proposed departmental expenditures, and identification of one-time expenses. As of early November, the budget gap in the preliminary FY 2019 budget has been reduced to approximately $0.4 million.

Budget Revisions:

The material revisions to the preliminary FY 2019 budget since September are summarized below.
Ridership and Revenue: Based on strong ridership to date in FY 2018, projected ADR for FY 2019 has been increased from 18,700 to 19,000, which corresponds to expected mid-week (Tue/Wed/Thu) ridership of over 20,000 per day. The associated increase in annual fare revenue is $660,000.

Fuel: Based on reductions in both the level and volatility of diesel fuel prices following the recent Atlantic hurricanes, as well as continued projections for only moderate price increases in the future, the budgeted average price for diesel fuel in FY 2019 has been reduced from $2.70 to $2.50 per gallon. Based on expected usage of 1.70 million gallons, this change reduces budgeted diesel fuel expenses by $340,000.

Insurance: Based on additional staff analysis as well as consultation with the CAO Task Force, the FY 2019 contribution to the insurance trust fund was reduced by $200,000 (from $4.2 million to $4.0 million), while still maintaining more than the required $10 million balance in the fund.

Amtrak Step-Up: The Amtrak step-up option provides additional commuting capacity for VRE riders, particularly during the afternoon rush hour. The current step-up cost is $12.00, of which the rider pays $7.00 and VRE pays $5.00. Amtrak will be increasing the step-up cost to $13.00 in FY 2019. Given the additional capacity VRE is currently adding with nine new railcars, management does not believe that a further subsidization of the step-up cost is needed. Incorporating this decision into the budget (which raises the passenger step-up charge to $8.00 and keeps VRE’s per-ticket subsidy at $5.00) results in fewer projected step-up riders and a net savings to VRE of $75,000.

Maintenance of Equipment: Based on additional information received from Keolis regarding costs associated with lengthened trains, the new L’Enfant storage tracks, and the Lifecycle Overhaul and Upgrade (LOU) Facility, total projected expenses for maintenance of equipment have increased by $534,000.

One-Time Expenses: $300,000 in one-time start-up costs associated with the new Positive Train Control (PTC) system will be funded using prior year surplus. Use of prior year surplus to fund this cost reduces the FY 2019 budget gap by $300,000.

Revisions After Departmental Budget Review: Following a detailed review of the initial proposed departmental budgets, expenses have been reduced by a net $169,000 as a result of a series of small increases and decreases related to consulting, personnel, and contractual costs.

Capital:

The six-year capital plan is still under review but has not changed significantly since the version in September. Most revisions are related to updated project schedules, as well as a breakout of the Broad Run Expansion (BRX) project into its various components as distinct
projects. The Capital Committee will be reviewing CIP projects and funding issues at its meeting following the November Board meeting.

**Closing the Remaining Gap:**

VRE staff will continue to revise and update the budget in conjunction with the CAO Task Force. The following updates to revenues and expenses are expected to be considered to close the remaining budget gap:

- Contractual increases in train operations and maintenance of equipment costs are based on changes in the Consumer Price Index (CPI). The relevant CPI data will be available in mid-November. The preliminary budget is based on an assumed 3% increase, but the actual figure is expected to be lower, which will be reflected in the final budget.
- Increases to the Norfolk Southern access agreement are based on changes in the Association of American Railroads (AAR) index. The preliminary budget is based on an assumed 4% increase, but the actual figure is expected to be lower, which will be reflected in the final calculation of both costs and access fee reimbursement revenues.
- Ongoing review of potential one-time expenditures.
- Ongoing review of departmental operational costs.
- As a final measure, if necessary, a reduction of the $3 million annual contribution to the VRE Capital Reserve established in FY 2015 or a reduction in the 2% budgeted contingency could be considered.

VRE staff will present a balanced budget to the CAO Task Force for their review in early December. Operations Board adoption of the FY 2019 budget is scheduled for December 15, with approval by the Commissions on January 4, 2018.
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: November 17, 2017

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 September 28, 2017, VRE issued a Purchase Order in the amount of $70,595 to Progress Rail for ten Master Controller assemblies (a device which allows the engineer to control locomotive power from the cab car) for VRE Gallery IV cab cars as required as part of VRE's Life Cycle Maintenance Program.
- On October 16, 2017, VRE issued a Purchase Order in the amount of $56,541 to Alban Tractor Company to rebuild a Head Engine Power (HEP) unit that suffered a catastrophic failure.
- On October 30, 2017, VRE issued a Task Order in the amount of $63,750 to NV Enterprises, Inc. for station platform concrete and caulking repairs at the Lorton, Quantico, Brooke, Manassas and Broad Run stations to address deteriorating concrete.
- On October 30, 2017, VRE issued a Task Order in the amount of $62,278 to NV Enterprises, Inc. for station signage replacements at Brooke and Lorton stations.