Agenda Item 8-A
Action Item

To: Chairman Nohe and the VRE Operations Board
From: Doug Allen
Date: July 20, 2018
Re: Authorization to Execute a Sole Source Contract for a Master Product Purchase and License Agreement with Meteorcomm LLC

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a Sole Source Contract with Meteorcomm LLC for five years in the amount of $3,446,557, plus a 10% percent contingency of $344,656, for a total amount not to exceed $3,791,213.

Summary:

Meteorcomm is the sole provider of software necessary for communications between VRE locomotives/cab control cars and the host railroads’ wayside and back office systems, as required for the implementation and ongoing operations of Positive Train Control (PTC).

Background:

The Rail Safety Improvement Act (RSIA) of 2008 mandates the implementation of a PTC system by December 31, 2018. The PTC system must be designed to prevent the following:

1) Train-to-Train collisions
2) Derailments caused by excessive speeds
3) Unauthorized incursions by trains onto sections of track where maintenance activities are taking place
4) Movement of a train through a track switch left in the wrong position

To implement PTC, VRE has executed several contracts with suppliers, consultants and service providers. In September 2013, the VRE Operations Board authorized a sole source contract with Wabtec for the purchase and installation of PTC I-ETMS® onboard equipment. In September 2017, following a competitive procurement process, VRE executed a contract for Hosted Back Office Services with ARINC. This system is required to provide crew initialization, train consist information, reporting of positive train stop brake applications, software updates, security key updates and interface with the nationwide PTC Multiprotocol Label Switching (MPLS) network.

Meteorcomm LLC developed and now provides the Interoperable Train Control Network (ITCnet®) platform for Class I railroads. As such, ITCnet® is the wireless communications platform required by VRE’s host railroads for interoperability. This action includes the purchase of locomotive/cab control car radio licenses for wayside communications with VRE host railroads, the purchase of locomotive/cab control car wireless licenses for communications via the onboard Train Management Computer and the hosted back office system provided by ARINC and finally, the purchase of licenses for communications required for messaging to and from the hosted back office system and our host railroads’ back office systems.

A sole source determination has been made in accordance with state and federal requirements and VRE Procurement Policies. Public notice of VRE’s intent to award a sole source contract to Meteorcomm will also be provided.

**Fiscal Impact:**

Funding for the initial implementation of PTC is included in the approved FY 2019 CIP under project AM-7 (Positive Train Control). The one-time software license fee of $187,444 noted in CY 2018 in the table below is considered part of PTC implementation and is funded as part of project AM-7. This project is supported by federal 5307 formula funds that require a 20% non-federal match. The non-federal match is funded through a combination of state mass transit funds (12.8%) and VRE jurisdictional capital contributions (7.2%).

All other costs included in this contract are or will be funded through VRE’s operating budget. The approved FY 2019 Operating Budget includes sufficient funding under PTC Operations for the costs that will be incurred under this contract in FY 2019. Funding for future annual PTC license renewals will be included in subsequent operating budgets.
The table below shows the actual CY 2018 and estimated CY 2019-CY 2022 fees by license type.

<table>
<thead>
<tr>
<th>License</th>
<th>CY 2018</th>
<th>CY 2019</th>
<th>CY 2020</th>
<th>CY 2021</th>
<th>CY 2022</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Locomotive/ Cab Control Car Radio (41 + 3 spares each)</td>
<td>$181,500</td>
<td>$190,575</td>
<td>$200,104</td>
<td>$210,109</td>
<td>$220,614</td>
<td>$1,002,902</td>
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<tr>
<td>Train Management Computer (41 + 3 spares each)</td>
<td>397,232</td>
<td>417,094</td>
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<td>482,838</td>
<td>$2,194,959</td>
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<tr>
<td>Back Office (Locomotive Hosted Only) (1 each)</td>
<td>*187,444</td>
<td>14,211</td>
<td>14,922</td>
<td>15,668</td>
<td>16,451</td>
<td>$248,696</td>
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<tr>
<td>Total:</td>
<td><strong>$766,176</strong></td>
<td><strong>$621,880</strong></td>
<td><strong>$652,975</strong></td>
<td><strong>$685,623</strong></td>
<td><strong>$719,903</strong></td>
<td><strong>$3,446,557</strong></td>
</tr>
</tbody>
</table>

*One-time software license implementation fee
Authorization to Execute a Sole Source Contract for a Master Product Purchase and License Agreement with Meteorcomm LLC

WHEREAS, Positive Train Control (PTC) was mandated by Congress in the Rail Safety Improvement Act of 2008 for all railroads that carry passengers or hazardous materials; and,

WHEREAS, VRE has worked with CSX, Norfolk Southern and Amtrak (host railroads) to determine the type of equipment and systems to install on VRE locomotives and cab control cars to meet the mandate and ensure system interoperability with the host railroads; and,

WHEREAS, VRE requires various software licenses for the ITCnet® wireless communications platform provided solely by Meteorcomm LLC in order for VRE locomotives, cab control cars, and the hosted back office system to communicate with the host railroads per the mandate; and,

WHEREAS, in accordance with state and federal requirements, and VRE Procurement Policies, a determination has been made, and public notice thereof will be provided, that because Meteorcomm LLC is the only supplier able to provide the ITCnet® wireless communications platform, this qualifies as a sole source procurement;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a Sole Source Contract with Meteorcomm LLC for ITCnet® implementation and annual license renewals for five years, in the amount of $3,446,557, plus a 10% percent contingency of $344,656, for a total amount not to exceed $3,791,213.

Approved this 20th day of July 2018

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Martin Nohe
Chairman

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Maureen Caddigan
Secretary
Agenda Item 8-B
Action Item

To: Chairman Nohe and the VRE Operations Board

From: Doug Allen

Date: July 20, 2018

Re: FY 2020 Key Budget Issues

Recommendation:

The VRE Operations Board is asked to provide feedback and direction for the development of the FY 2020 budget and six-year Capital Improvement Program (CIP).

Summary:

VRE staff will present a preliminary FY 2020 budget in September 2018 for the Operations Board’s consideration, with final budget approval and referral to the Commissions scheduled for December 2018. VRE’s financial planning process provides for initial consideration and discussion of key budget issues and assumptions early in the budget cycle, prior to the preliminary budget.

Background:

VRE has adopted a financial planning process that provides for early consideration of key budget issues and assumptions. During the budget cycle, VRE staff will meet monthly with the member jurisdictions’ Chief Administrative Officers (CAO) Budget Taskforce to develop the proposed budget. An independent CAO recommendation will be provided to the Operations Board and Commissions in conjunction with the final budget submission in December. The Capital Committee also reviews major capital needs and issues for referral to the full Operations Board as required. The Capital Committee met in June and discussed several key issues related to the FY 2020 capital program.
In accordance with the VRE Master Agreement, a consolidated financial projection over a six-year time frame is provided each year as a component of the annual budget. In 2016, a Financial Plan was developed to forecast the cost of current operations and various growth scenarios through 2040. The Financial Plan established that VRE requires substantial additional operating and capital funding (beyond the sources in place at that time) in order to maintain service levels, enhance system capacity, and implement the full System Plan expansion.

In 2018, the Virginia legislature took a significant first step toward addressing this funding need. As part of the passage of HB1539 in March 2018, the legislature approved the creation of the new Commuter Rail Operating and Capital (CROC) Fund. VRE is the only commuter railroad currently operating in Virginia and the only eligible recipient of funding from the CROC Fund. CROC funding may be used to support the cost of VRE's operations as well as to make necessary capital investments and improvements, either on a pay-as-you-go basis or through the issuance of debt.

HB1539 also authorized changes to the regional gasoline tax collected by NVTC and PRTC. These changes raise the gasoline price floor used to determine the total tax collected. From the gasoline tax revenues that are generated, HB1539 dedicates $15 million annually to the CROC Fund. This $15 million of new funding will then be disbursed from the CROC Fund to VRE for its use on operating and capital projects. The new price floor went into effect on July 1, 2018.

VRE staff will be working with the members of the Capital Committee over the next few months to develop formal principles to guide the use of the new CROC funds. These new principles will be an important counterpart to the existing Financial and Debt Management Principles that were adopted by the Operations Board and Commissions in 2013. Among these existing principles is a statement on prioritization in the CIP, which directs that the budget should prioritize funding towards those projects that meet regulatory requirements, that maintain or improve passenger safety, and that maintain equipment and facilities in support of current service levels. These priorities are directly reflected in the proposed FY 2020 key issues identified below.

**Proposed FY 2020 Key Issues**

**Key Issue #1 – Programming of CROC Funds in FY 2019 and FY 2020:** VRE will begin receiving CROC funds following the July 1 change to the gas tax floor, and decisions will be needed about the programming of those funds for current and future needs.

As noted above, VRE staff is working with the Capital Committee to develop principles to guide the use of CROC funds. These principles will inform not only the immediate programming of CROC funds for FY 2019 and FY 2020, but also the longer-term budgeting and planning of the funds for use on major initiatives.
Also, as discussed previously, VRE staff is undertaking an update of the Financial Plan from 2016. This update will refresh key assumptions regarding ridership, project costs, schedules, and funding sources. Once the baseline model has been refreshed and an updated assessment of future funding needs is in place, the new CROC funding will be incorporated into the model and the best opportunities to ‘leverage’ the CROC funds will be identified.

Staff will return to the Operations Board with results from the updated Financial Plan scenarios in the fall as part of the FY 2020 budget process.

Operating Budget Key Issues

Key Issue #2 – Planned Fare Increase and Ridership Projection: To offset annual operating cost increases in an equitable manner while maintaining a farebox recovery ratio above 50%, VRE generally increases fares and jurisdictional subsidy contributions in alternating fiscal years. After a subsidy increase was approved in the FY 2019 budget, a moderate fare increase of 3% is planned for FY 2020.

VRE must achieve an annual farebox recovery ratio (that is, the share of operating expenses covered by passenger fares) of at least 50%. In order to maintain this ratio over time as operating costs increase, VRE institutes regular fare increases. VRE has had three fare increases in the last seven fiscal years (FY 2014, 2016 and 2018). In those years where fares are not increased, VRE requests an increase in the jurisdictional subsidy. This alternating pattern of increases in fares and subsidy is generally viewed to produce an equitable sharing of the burden of supporting VRE’s operating expenses. Riders also tend to prefer moderate and predictable increases in fares to larger, irregular increases.

The initial consensus among VRE staff is that a 3% fare increase should be proposed for FY 2020, which would be the same percentage increase that was approved by the Board and instituted for FY 2018. Staff will continue to assess this potential fare increase ahead of the Board’s review of the preliminary FY 2020 budget in September, including consideration of economy-wide inflation (both actual and projected), ridership trends, changes to major VRE expense items, and potential policy changes at the federal or state level.

Ridership will also be a key issue for FY 2020. Ridership in FY 2018 was down slightly from FY 2017, although the broader drop-off in ridership that was anticipated after the conclusion of Metro’s SafeTrack efforts did not occur. Transit ridership in general has been dropping in recent years in the Washington region and nationwide, though VRE has largely avoided those declines and remains a competitive option in the congested I-95 and I-66 corridors. Staff will be watching ridership closely in early FY 2019 to inform the projections for FY 2020.

Key Issue #3 – Potential Reduction in State Operating Assistance: The recent legislative changes to transit funding in the Commonwealth require all transit operating assistance
(rather than only a portion) be allocated on the basis of service delivery factors. This may result in a reduction in funding to VRE if the methodology remains unchanged.

Effective July 1, 2019, 100% of statewide operating funds must be allocated on the basis of service delivery factors. The current factors being used are passengers per revenue hour, passengers per revenue mile, and net cost per passenger. Based on preliminary analyses by VRE and NVTC, VRE’s state operating assistance (budgeted at $9.5 million for FY 2019) could be materially reduced if the methodology remains unchanged from the current approach. VRE staff are participating in the Transit Service Delivery Advisory Committee (TSDAC) process that is evaluating how to implement this new requirement, and staff will update the Board as the process moves forward.

**Key Issue #4 – Renewal of Operating Access Agreement with CSX:** As of July 1, VRE renewed its access agreement with Norfolk Southern for another five years, and the current access agreement with Amtrak will continue through June 30, 2020. However, following the expiration of a five-year agreement with CSX Transportation on June 30, 2016, VRE continues to operate under a series of one-year extensions with CSX.

Throughout this third one-year extension period, VRE, CSXT, and DRPT will meet to review planned capacity enhancement projects, determine the resources necessary to complete these projects (including flagging services provided by CSXT), and prioritize the projects across the coming years. VRE anticipates these elements will be integrated into a new Amended and Restated Agreement. The potential fiscal impact will be monitored throughout the FY 2020 budget process and reflected as appropriate.

**Key Issue #5 – Diesel Fuel Price Uncertainty:** While diesel fuel prices are below the levels reached in the 2012-2014 period, prices have increased steadily from the lows of 2015-2017, and macroeconomic uncertainty remains.

Diesel fuel represents about 5% of VRE’s total annual operating expenses, but its potential price volatility makes it one of the larger sources of uncertainty in the budget. VRE’s positive operating budget performance over the last two fiscal years was due in part to lower than expected diesel fuel prices, with VRE’s actual cost at well under $2.00 per gallon in FY 2016 and 2017. Prices increased steadily in FY 2018, however, and further increases are possible.

VRE is able to enter into fixed-price contracts that can mitigate some of the short-term volatility in fuel price. Over the longer term, however, VRE is exposed to risk from fuel price increases. VRE staff have also been focused on budgeting fuel more conservatively given the variances of the past two years. Staff will be watching the market closely during the budget process and conferring regularly with VRE’s fuel consultant about the likely trajectory of prices to determine appropriate price and utilization assumptions for FY 2020.

**Capital Program Key Issues**
**Key Issue #6 – Staffing to Support Growth:** VRE must ensure it has the resources – through a combination of permanent staff and contracted support – to advance the capital program in accordance with Board direction and funding commitments.

Since its inception, the safe and efficient administration and oversight of VRE has been accomplished by a relatively small permanent staff, supplemented at times with assistance on a contract or temporary basis. In recent years, as ridership has grown, and as internal and external requirements have increased, VRE has selectively added staffing in key positions. For the current year (FY 2019), VRE added one new position for grant accounting, a reflection of the range of new funding sources that are being tapped to support the expansion of capacity.

VRE management is currently reviewing existing staffing resources and potential needs for FY 2020 to advance the capital program. In particular, DRPT and NVTA, who are the primary funding partners for many VRE projects, expect to see timely and substantial progress on the projects to which they have committed funding. VRE must have the full range of staffing support, from procurement and project management through grant reimbursement, to ensure that progress. VRE also must continue to make sustained progress on the New York Avenue midday storage project to meet Amtrak-imposed deadlines to move out of the current Ivy City storage facility.

**Key Issue #7 – Changes to State Capital Matching Funding:** No legislative action was taken in 2018 to address the expiration of the Capital Project Revenue (CPR) bonds that have supported transit capital funding over the past decade, and the Commonwealth is now changing how it allocates its limited capital matching funds.

The Commonwealth Mass Transit Fund is being restructured, with funding for WMATA operating and capital needs now separate from the rest of the statewide program. The TSDAC is still deliberating on its recommendation to the Commonwealth Transportation Board (CTB), but it is likely going forward that all projects requesting state capital funding support will be categorized as either State of Good Repair (SGR), Minor Enhancement, or Major Expansion. Allocation of funding to SGR projects would be based on asset management principles, including the federal requirements for Transit Asset Management, while allocation to expansion projects will follow a ranking process very similar to SmartScale. Most of the funding in the program is expected to go to SGR projects in an effort to reduce the existing backlog.

VRE staff are working with staff from DRPT along with other stakeholders to understand how these changes to the program would likely affect available funding in FY 2020 and future years. Certain key areas of the budget that require state support, including railcar debt service payments and track access fees, are not expected to be impacted by the new program structure. But other projects and programs, such as equipment and facilities asset management, midday storage, and future rolling stock replacements, may be affected. As the expected impacts of the changes are clarified during the budget process, staff will provide updates to the Operations Board.
Key Issue #8 – Stakeholder Consensus on Long Bridge: While the need for additional railroad capacity across the Potomac River at Long Bridge is generally agreed upon, key questions regarding the ownership and funding of an expanded bridge remain to be answered. The funding structure for this mega-project could impact VRE’s long-term budgeting and programming of funds.

The expansion of the Long Bridge is critical not just to VRE’s future, but to the long-term operation of freight and intercity passenger rail along the East Coast. VRE is working closely with other stakeholders – including CSX, DRPT, DDOT, and federal agencies – not only on the initial planning and environmental studies for the expansion of bridge capacity, but also on a review of potential governance structures for the new asset once it is completed. These structures would incorporate responsibilities for funding of construction, ownership, and ongoing operations and maintenance. Reaching consensus on the likely long-term governance structure of Long Bridge will help VRE to plan for its future financial responsibilities.

Key Issue #9 – Maintenance and Replacement of VRE Assets: The maintenance of rolling stock, equipment, and facilities to support current service levels is a priority in the VRE capital program, and federal formula funds are devoted to maintaining these assets in a state of good repair. However, future replacement of the existing fleet is expected to require significant additional funding beyond the available federal funds.

The federal priority for maintaining transit systems in a State of Good Repair has been continued in the Fixing America’s Surface Transportation (FAST) Act, the current federal transportation authorization. VRE will draw on these federal funds to adequately maintain its rolling stock, other equipment, and facilities. VRE will utilize the information in its federally-required Transit Asset Management Plan (TAMP) to prioritize investments, refine cost estimates, and ultimately populate the FY 2020 budget request in this area.

VRE’s current fleet of railcars and locomotives was purchased during a relatively compressed time period. As a result, the replacement of the fleet is projected to be needed during a similarly compressed period beginning in FY 2030. VRE is working with consultants now to assess the trade-offs between undertaking major overhauls (which would extend the useful life of the rolling stock but also require expensive upgrades to meet new environmental and crashworthiness standards) and purchasing new rolling stock. Under either approach, hundreds of millions in funding will be required that will exceed the expected available federal and state funding. Although this need falls well beyond the projection period of the six-year CIP, this issue was highlighted in the Financial Plan forecast and is a key input to the assessment of potential uses of the CROC Fund.

Next Steps:
- Continue working with Capital Committee on principles to guide use of CROC funds.
- Continue discussions of FY 2020 budget and CIP with CAO Budget Task Force.
- Provide preliminary FY 2020 budget and CIP to the Operations Board in September 2018 and to the Commissions in October 2018.

**Fiscal Impact:**

The fiscal impact of the FY 2020 budget and six-year CIP will be addressed at the September Operations Board meeting and as the budget process progresses.
Virginia Railway Express
Operations Board

Resolution
8B-07-2018

FY 2020 Key Budget Issues

WHEREAS, financing planning for the Virginia Railway Express (VRE) is based on a set of budget issues and assumptions discussed by the VRE Operations Board prior to the development of the annual operating and capital budget; and,

WHEREAS, the VRE Operations Board has directed that the development of each annual budget shall involve consultation and cooperation with the Chief Administrative Officers (CAO) Budget Task Force established by VRE’s participating and contributing jurisdictions; and,

WHEREAS, key budget issues and assumptions for the development of the FY 2020 operating and capital budget were reviewed by the CAO Budget Task Force prior to their presentation to the Operations Board; and,

WHEREAS, the Key Issues related to the CIP were reviewed by the Capital Committee prior to their presentation to the Operations Board;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board directs VRE staff to develop the FY 2020 Budget and CIP in accordance with the Board’s direction.

Approved this 20th day of July 2018

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Martin Nohe
Chairman

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

From: Doug Allen

Date: July 20, 2018

Re: Endorsement of the Preferred Concept for the Broad Run Expansion Project Near-Term Improvements

Recommendation:

The VRE Operations Board is asked to endorse the site located north of the Broad Run Station and Norfolk Southern Railway (NS) tracks as the preferred location for expanded station parking, at an estimated cost of $25 million. Prince William County will provide up to $10 million in County funds towards the cost of this parking and is seeking a federal BUILD grant that would increase their contribution to $25 million.

If agreement is reached with Prince William County that reflects these commitments, staff is directed to bring back said agreement for consideration by the VRE Operations Board.

Summary:

VRE has initiated the design of near-term (2022) improvements for the Broad Run Expansion Project. The purpose of this item is to endorse a preferred location for expanded station parking and reach consensus on Prince William County’s proposal to contribute additional funds towards the cost of the parking improvements.
**Broad Run Expansion Project Background:**

The Broad Run Expansion continues the operation of Manassas Line service out of a larger Broad Run Station and expands the capacity of the existing Broad Run Maintenance and Storage Facility (MSF). Proposed improvements include:

- Additional railcars and expansion of the existing Broad Run MSF to accommodate more and longer trains;
- Additional parking spaces at Broad Run Station;
- A new third mainline track between Manassas and Broad Run within the existing NS right-of-way, subject to NS review and approval; and
- Adjustments to the Broad Run platform to accommodate the above changes.

Design objectives include: accommodating near-term growth and a long-term focus consistent with proposed System Plan 2040 service expansion; improving vehicular, pedestrian and bicycle access to the station; and mitigating current and future traffic impacts on Route 28 and the surrounding road network. The design process resulted in two concepts for the Broad Run station and MSF expansion:

- “North/South” concept expands the MSF within and adjacent to existing facilities and locates additional station parking north of the Broad Run complex and the NS railroad right-of-way.
- “South” concept expands the Broad Run complex within and adjacent to the existing station and MSF footprint, on land already owned by PRTC or Prince William County.

Selection of a preferred development concept for the Broad Run complex, including the specific location for parking expansion, is needed before more detailed preliminary engineering (PE) plans can be initiated and environmental review completed. The North/South concept, which expands parking north of the NS tracks, provides significant opportunity for improved station access and minimizes traffic impacts on Route 28, Piper Lane, Observation Rd. and adjacent roadways.

Preliminary cost estimates have been developed for both concepts and are summarized below. The estimated cost to build parking north of the NS tracks, including land acquisition, is about $25 million and exceeds committed funding. The existing, committed funding includes an allocation from the Commonwealth’s I-66 Outside the Beltway (OTB) Express Lanes concessionaire payment and Federal CMAQ and RSTP funds.
<table>
<thead>
<tr>
<th>Project Element</th>
<th>North/South Sites</th>
<th>South Site</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>Land Acquisition</td>
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<td>Platform Modifications</td>
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<td>MSF Expansion</td>
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<td>Total All Project Elements</td>
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<td>Total Committed Funding</td>
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In May 2018, Prince William County indicated its preference to locate the additional Broad Run parking north of the NS tracks and offered to partner with VRE and identify the additional funds to move forward with parking at that location. Prince William County has committed to provide up to $10 million in County funds towards the $25 million cost for the parking lot. Prince William County will also submit a Federal BUILD grant application for the parking lot to the US Department of Transportation on July 19, 2018, which would increase their contribution to the project to $25 million.

**Fiscal Impact:**

The Commonwealth’s I-66 OTB concessionaire payment will provide $44.1 million for the project, along with $13.7 million in Federal CMAQ/RSTP funds that have been committed to improvements at Broad Run. Prince William County’s BUILD grant application, if successful, would provide the balance of funds needed to construct parking at the preferred location. Should the project not be selected for the BUILD grant, alternative sources would need to be identified to fund the parking expansion, including Federal, state or local discretionary funding programs and/or additional County or VRE funding sources.
Virginia Railway Express
Operations Board

Resolution
8C-07-2018

Endorsement of the Preferred Concept for the Broad Run Expansion
Project Near-Term Improvements

WHEREAS, VRE has initiated planning and engineering studies to evaluate the optimal near-
and long-term plans to expand the Broad Run Station and Maintenance and Storage Facility
complex as part of the Broad Run Expansion project; and,

WHEREAS, alternative development concepts for expanding the Broad Run Station and
MSF have been identified and evaluated relative the established design objectives for the
project, preliminary cost estimates, and an expected implementation schedule; and,

WHEREAS, the timely selection of a preferred development concept is necessary for the
BRX project to advance on schedule and budget; and,

WHEREAS, the evaluation identified significant benefits attributable to constructing near
and long-term parking entirely on the north side of the Norfolk Southern Railway tracks in
terms of traffic relief, customer convenience, and Prince William County initiatives to
improve Route 28 and develop the Innovation economic development site; and

WHEREAS, the evaluation concluded that constructing near-term parking on the north side
would exceed the VRE funding presently committed to near-term improvements; and

WHEREAS, in consideration of the mutual benefits to Prince William County and VRE,
County staff has proposed the possibility of the County providing additional funding to
construct the near-term parking on the north side of the Norfolk Southern Railway tracks; and
NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby endorse the site located north of the Broad Run Station and Norfolk Southern Railway right-of-way as the preferred location for expanded station parking with other improvements at the Broad Run Station and Maintenance and Storage Facility located south of the tracks, subject to Norfolk Southern Railway's review and approval; endorse Prince William County's proposal to contribute additional funds towards the cost of the parking improvements, in addition to existing committed funding; and, if agreement is reached with Prince William County that reflects this commitment, directs staff to bring back said agreement with Prince William County for consideration by the VRE Operations Board.

Approved this 20th day of July 2018

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Martin Nohe
Chairman

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Maureen Caddigan
Secretary
The Annual Customer Service Survey was conducted on Wednesday, May 2, 2018 on all morning VRE and Amtrak Step-Up Trains. VRE, Keolis and PRTC staff members were on each train to help facilitate the survey process and answer questions from riders. A total of 4,694 surveys were completed out of 10,005 passengers from that morning; a 47 percent participation rate.

The results from this year’s survey were very positive. We track customer service ratings of “Very Good” and “Excellent” and had increases across the board this year. Responses for the category of Overall Communication with Passengers jumped from 75 percent in 2017 to 80 percent this year.

Over the past year, staff has focused on improving in several areas and the survey results bear out the success of those initiatives. Significant improvements are noticeable in the categories of Customer Email Responsiveness, Social Media Presence and Updates, Website Content Maintenance, and Train Talk alerts. Those categories grew on average four to six percentage points year over year.

We are also pleased to report achieving all-time high satisfaction in several categories:

- Responsiveness of VRE Staff – 94 percent
- Overall Service Quality – 93 percent
- Overall Crew Performance – 95 percent
Other notable results include an increase in satisfaction with our On-Time Performance going from 76 percent last year to 87 percent this year. The highest rating in the past five years.

Lighting at the stations received a 90 percent satisfaction rating as we continue our work installing upgraded LED light fixtures.

Train cleanliness was rated at 96 percent. A clear validation of the efforts from the Keolis and Amtrak teams who help clean and maintain the equipment.

Staff will continue to analyze the results and look for opportunities for further improvement.
# REPORT CARD

## Survey Results Comparison

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<td>Responsiveness of VRE Staff</td>
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<td>90%</td>
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<td>Friendliness of VRE Staff</td>
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<td>VRE Follow-Up to Delays or Problems</td>
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<tr>
<td>Usefulness of Rail time</td>
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<td>Timeliness of E-mail Responses</td>
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<td>Quality of E-mail Responses</td>
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<td>Quality of Website</td>
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<td>Quality of Train Talk</td>
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<td>71%</td>
<td>72%</td>
<td>78%</td>
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<td>Timeliness of Train Talk</td>
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<td>68%</td>
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<td>Overall Communication with Passengers</td>
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<td>74%</td>
<td>75%</td>
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## REPORT CARD

### Survey Ridership Comparison

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<td>On-time Performance</td>
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<tr>
<td>Cleanliness of Trains</td>
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<td>94%</td>
<td>95%</td>
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<tr>
<td>Cleanliness of Stations</td>
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<td><strong>90%</strong></td>
<td>1%</td>
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<tr>
<td>Reliability of Ticket Vending Machines</td>
<td>56%</td>
<td>65%</td>
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<td><strong>69%</strong></td>
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<td>Ease of Buying a Ticket</td>
<td>77%</td>
<td>81%</td>
<td>82%</td>
<td>87%</td>
<td><strong>87%</strong></td>
<td>4%</td>
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<tr>
<td>Cleanliness of Stations</td>
<td>87%</td>
<td>88%</td>
<td>89%</td>
<td>90%</td>
<td><strong>90%</strong></td>
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<tr>
<td>Reliability of Ticket Vending Machines</td>
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<td>69%</td>
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<tr>
<td>Ease of Buying a Ticket</td>
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<td>82%</td>
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<td>Public Address System On Train</td>
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<td>Public Address System On Platform</td>
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<td>Timeliness of Platform Information</td>
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<tr>
<td>Personal Security at Station &amp; On Train</td>
<td>76%</td>
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<td>Safety of Train Equipment</td>
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<td>Lighting at Morning Station</td>
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<td>Level of Fare for Quality and Value of Service</td>
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## REPORT CARD

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<tr>
<th>Survey Results Comparison</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Δ 5 year average</th>
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<tr>
<td><strong>Train Crew Members</strong></td>
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<tr>
<td>Are Helpful and Courteous</td>
<td>92%</td>
<td>93%</td>
<td>91%</td>
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<tr>
<td>Make Regular Station Announcements</td>
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<td>Make Timely Delay Announcements</td>
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<td>Check Tickets Regularly</td>
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<tr>
<td>Present a Professional Appearance</td>
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<td>96%</td>
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<tr>
<td>Overall Crew Performance</td>
<td>92%</td>
<td>94%</td>
<td>92%</td>
<td>94%</td>
<td>95%</td>
<td>2%</td>
</tr>
</tbody>
</table>
To:         Chairman Nohe and the VRE Operations Board
From:       Doug Allen
Date:       July 20, 2018
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 June 13, 2018, VRE issued a Blanket Purchase Order (BPO) for an amount not to exceed $100,000 to Digilink, Inc. to provide printing services for marketing materials such as RIDE Magazine, brochures, posters and annual surveys.
- On June 18, 2018, VRE Issued a Task Order in the amount of $99,195, to RPI Group, Inc. to install and test 26 security cameras at the Crossroads Maintenance and Storage Facility.