




Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Robert A. Schneider, PhD
Executive Director 

RE: January 4th Commission Meeting

Enclosed is your board kit for the January 4, 2018 Commission meeting at 7:00 p.m. in PRTC's large conference room (2nd floor).

If you have any questions regarding agenda items or any other item in your board kit, please contact me at (703) 580-6117 or bschneider@omniride.com.

Enclosure: As stated



POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION

14700 POTOMAC MILLS RD • WOODBRIDGE, VA • 22192 • PRTCTRANSIT.ORG

Board of Commissioners Monthly Meeting

Thursday, January 4, 2018, 7:00pm: PRTC Transit Center

Prior to entering the meeting, please turn all electronic devices (cell phones, pagers, etc.) to a silent, vibrate or off position.

OFFICERS

Hon. Frank Principi, Chair (Prince William County) • Hon. Jeanette Rishell, Vice Chair (City of Manassas Park)
Vacant, Treasurer • Hon. Pamela Sebesky, Secretary (City of Manassas)

-
1. Call to Order (Principi)
 2. Invocation and Pledge of Allegiance (Principi)
 3. Attendance Roll Call (Principi/Altis)
 4. Adoption of Agenda – January 4, 2018 (Principi)
 5. Approval of Minutes – December 7, 2017 (Principi/Schneider)
 6. Citizen's Time/Public Comment (3 minute time limit per speaker) (Principi)
 7. Approval of Consent Agenda – January 4, 2018 (Principi)
 - A. RES Acceptance of the Jurisdictional Financial Report for the Period Ended October 31, 2017
 - B. RES Authorization to Budget and Appropriate Spotsylvania County's Motor Fuels Tax Funds for Various FY18 Transportation Projects
 8. PRTC Executive Director's Time (Schneider)
 - A. Follow-up from Prior Meetings
 - B. Executive Director's Report
 - OmniRide Fuel Gauge
 - Strong Towns Article – The Negative Consequences of Car Dependency

9. Virginia Railway Express Chief Executive Officer's Time
 - A. INFO Chief Executive Officer's Report
 - B. INFO VRE Operations Board December 16, 2017 Meeting Agenda, Minutes, and Adopted Resolutions
 - C. RES Adopt and Refer the Revised FY 2018 and FY 2019 VRE Operating and Capital Budgets to the Jurisdictions
 - D. RES Recommend Approval to Refinance VRE RRIF Loan
 - E. INFO Approval of 2018 VRE Officers
 - F. INFO Spending Authority Report
10. Presentation
 - A. INFO M495 Corridor Fast Ferry Study and Project Update –(PowerPoint Presentation – hand out at the meeting)
11. PRTC Action Items (Principi/Schneider)
 - A. RES Authorization to Execute Funding Agreements Related to the I-66 Express Lanes
 - B. RES Authorization to Execute Agreements with VDRPT for Funding Projects Under the Vanpool!VA Program
 - C. RES Authorization to Award a New Fleet Audit Contract
 - D. RES Approval of Legislative Agenda
 - E. RES Authorization to Refer the PRTC Proposed FY19 Budget to Member Jurisdictions for Consideration and Hold Public Hearings on the Proposed FY19 Budget and Federal Grant Applications
12. PRTC Chairman's Time (Principi)
 - A. RES Approval of Nominating Committee Recommendations for 2018 PRTC Officers and Concurrence with PRTC Member Jurisdiction VRE Operations Board Appointments
 - B. RES Express of Appreciation -- Delegate Ricard Anderson
 - C. RES Expression of Appreciation -- Delegate Jackson Miller
12. Other Business/Commissioners' Time (Principi)
13. Adjournment (Principi)

Information Items

FTA Triennial Review

Performance Service Reports

Revised Purchasing Authority Report

Wheels-to-Wellness Funding Status

ITEM 1-3
January 4, 2018
PRTC Regular Meeting

ITEM 1

Call to Order

ITEM 2

Invocation and Pledge of Allegiance

ITEM 3

Attendance Roll Call

ITEM 4
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-___

MOTION:

SECOND:

RE: APPROVE – AGENDA – JANUARY 4, 2018

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission (“PRTC” or the “Commission”) meets on a monthly basis and an agenda is presented to the Commission for review and approval.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the agenda of January 4, 2018, as presented/amended.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:

ITEM 5

January 4, 2018

PRTC Regular Meeting

Res. No. 18-01-____

APPROVAL OF MINUTES – DECEMBER 7, 2017

(hand out at the meeting)

ITEM 6
January 4, 2018
PRTC Regular Meeting

Citizens' Time
(3 minute time limit per person)

ITEM 7
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-___

MOTION:

SECOND:

RE: APPROVE – CONSENT AGENDA – JANUARY 4, 2018

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission (“PRTC” or the “Commission”) was presented with a consent agenda; and

WHEREAS, an opportunity was afforded for items to be added or deleted from the consent agenda.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the consent agenda of January 4, 2018, as presented/amended.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:

ITEM 7-A
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-__

MOTION:

SECOND:

**RE: ACCEPTANCE OF THE POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION MONTHLY JURISDICTIONAL
FINANCIAL REPORT FOR THE PERIOD ENDED OCTOBER 31, 2017**

ACTION:

WHEREAS, a financial report for each jurisdiction is prepared each month for presentation to the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission"); and

WHEREAS, this report supplies information on the current month and year-to-date motor fuel tax collections; earned interest, other revenues, state administration cost, expenditures, transfers and encumbrances; and

WHEREAS, this information covers the PRTC as a whole, as wells as each separate jurisdiction.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby accept the Jurisdictional Financial Report for the period ended October 31, 2017, as presented/amended.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:

Fuel Tax Revenues
Budget to Actual
Four Months Ended October 2017

| | FY18 YTD Budget | FY18 YTD Actual | Variance % | Variance \$ |
|-----------------------|----------------------------|----------------------------|-----------------------|------------------------|
| Prince William County | 3,519,824 | 3,960,146 | 13% | 440,322 |
| Stafford | 1,072,547 | 1,226,703 | 14% | 154,156 |
| Manassas | 285,245 | 315,251 | 11% | 30,006 |
| Manassas Park | 203,262 | 259,457 | 28% | 56,195 |
| Fredericksburg | 475,634 | 458,323 | -4% | (17,311) |
| Spotsylvania | 1,218,896 | 1,383,558 | 14% | 164,662 |
| Total | 6,775,408 | 7,603,438 | 12% | 828,030 |

Year to date budget reflects FY2018 motor fuels tax revenue projections done as part of the FY2018 budget and six year plan process.

MONTHLY FINANCIAL REPORT FOR ALL JURISDICTIONS
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2017

| | | |
|---|-----------------|------------------------|
| FY18 Beginning Fund Balance | | \$ 11,530,152.73 (1) |
| | | |
| | Current Month | Year To Date |
| Gross Tax Revenue | \$ 2,362,374.69 | \$ 7,603,437.19 |
| Less: State Admin. Cost | \$ - | \$ - |
| Net Tax Revenue | \$ 2,362,374.69 | \$ 7,603,437.19 |
| Interest from Investment | \$ 11,247.70 | \$ 35,958.74 |
| Total Tax & Investment Revenue | \$ 2,373,622.39 | \$ 7,639,395.93 |
| Expenditures/Transfers | \$ - | \$ (6,470,643.50) |
| Reimbursement/Transfer from Other Governments | \$ - | \$ - |
| PRTC Operating Fund Balance | \$ - | \$ 4,000,000.00 |
| FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) | | \$ 16,698,905.16 |
| PLUS YEAR TO DATE REVENUE LESS EXPENDITURES | | |
| FY18 Projected Motor Fuel Revenue (for remainder of fiscal year) | | \$ 12,722,783.81 |
| FY18 Projected State Grant (remainder) | | \$ 173,267.40 |
| LESS: Unexpended Adopted Resolutions | | \$ (16,356,363.97) (*) |
| Other Financing Sources/(Uses) | | |
| Claims and Judgments | - | - |
| Jurisdictional Reimbursement | \$0.00 | \$0.00 |
| Total Projected Unencumbered Balance | | \$ 13,238,592.40 (2) |

| ADOPTED RESOLUTIONS | AMOUNT | EXPENDITURES | BALANCE |
|------------------------|-----------------------|-----------------|----------------------|
| 08-06-07 | \$ 173,000.00 (1) | \$ - | \$ 173,000.00 |
| 09-11-07 | \$ 93,139.69 (1) | \$ - | \$ 93,139.69 |
| 10-11-05 | \$ 234,500.00 (1) | \$ - | \$ 234,500.00 |
| 13-06-08 | \$ 200,000.00 (1) | \$ - | \$ 200,000.00 |
| 15-05-07 | \$ 371,164.00 (1) | \$ - | \$ 371,164.00 |
| 15-12-06 | \$ 2,749.78 (1) | \$ - | \$ 2,749.78 |
| 16-03-07 | \$ 69,695.00 (1) | \$ - | \$ 69,695.00 |
| 16-06-09 | \$ 222,540.00 (1) | \$ - | \$ 222,540.00 |
| 17-03-07 | \$ 382,261.00 (1) | \$ - | \$ 382,261.00 |
| 17-06-05 | \$ 1,901.00 (1) | \$ - | \$ 1,901.00 |
| 17-06-07 | \$ 65,000.00 (1a) | \$ - | \$ 65,000.00 |
| 17-06-08 | \$ 222,070.00 (1a) | \$ - | \$ 222,070.00 |
| 17-06-09 | \$ 5,191,287.00 (1a) | \$ 2,470,643.50 | \$ 2,720,643.50 |
| 17-06-13 | \$ 15,275,700.00 (1a) | \$ 4,000,000.00 | \$ 11,275,700.00 |
| 17-07-06 | \$ 116,000.00 | \$ - | \$ 116,000.00 |
| 17-07-07 | \$ 206,000.00 | \$ - | \$ 206,000.00 |
| Total | \$ 22,827,007.47 | \$ 6,470,643.50 | \$ 16,356,363.97 (*) |

(1) Remaining balance @ 6/30/17 (1a) June 2017 resolution for FY18 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY18 Projected Revenue
(for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

| Month | Price |
|--------|-----------|
| JUL 16 | 1,549,571 |
| AUG 16 | 1,522,218 |
| SEP 16 | 1,521,444 |
| OCT 16 | 1,534,044 |
| NOV 16 | 1,548,500 |
| DEC 16 | 1,555,281 |
| JAN 17 | 1,614,034 |
| FEB 17 | 1,651,226 |
| MAR 17 | 1,669,453 |
| APR 17 | 1,692,270 |
| MAY 17 | 1,711,094 |
| JUN 17 | 1,709,741 |
| JUL 17 | 1,709,746 |
| AUG 17 | 1,677,807 |
| SEP 17 | 1,721,270 |
| OCT 17 | 1,776,659 |



| | |
|-----------------------------|---------------------|
| FY18 Beginning Fund Balance | \$ 2,027,495.95 (1) |
|-----------------------------|---------------------|

| | Current Month | Year To Date |
|---|-----------------|------------------------|
| Gross Tax Revenue | \$ 1,273,030.01 | \$ 3,960,145.86 |
| Less: State Admin. Cost | \$ - | \$ - |
| Net Tax Revenue | \$ 1,273,030.01 | \$ 3,960,145.86 |
| Interest from Investment | \$ 3,069.95 | \$ 6,636.72 |
| Total Tax & Investment Revenue | \$ 1,276,099.96 | \$ 3,966,782.58 |
| Expenditures/Transfers | \$ - | \$ (3,818,119.00) |
| Transfer From Prince William County | \$ - | \$ - |
| PRTC Operating Fund Balance | \$ - | \$ 3,818,119.00 |
| FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) | | |
| PLUS YEAR TO DATE REVENUE LESS EXPENDITURES | | \$ 5,994,278.53 |
| FY18 Projected Motor Fuel Revenue (for remainder of fiscal year) | | 6,599,325.14 |
| LESS: Unexpended Adopted Resolutions | | \$ (10,764,181.00) (*) |
| Other Financing Sources/(Uses) | | |
| Claims and Judgments | 0.00 | - |
| Jurisdictional Reimbursement | \$0.00 | \$0.00 |
| Total Projected Unencumbered Balance | | \$ 1,829,422.67 (2) |

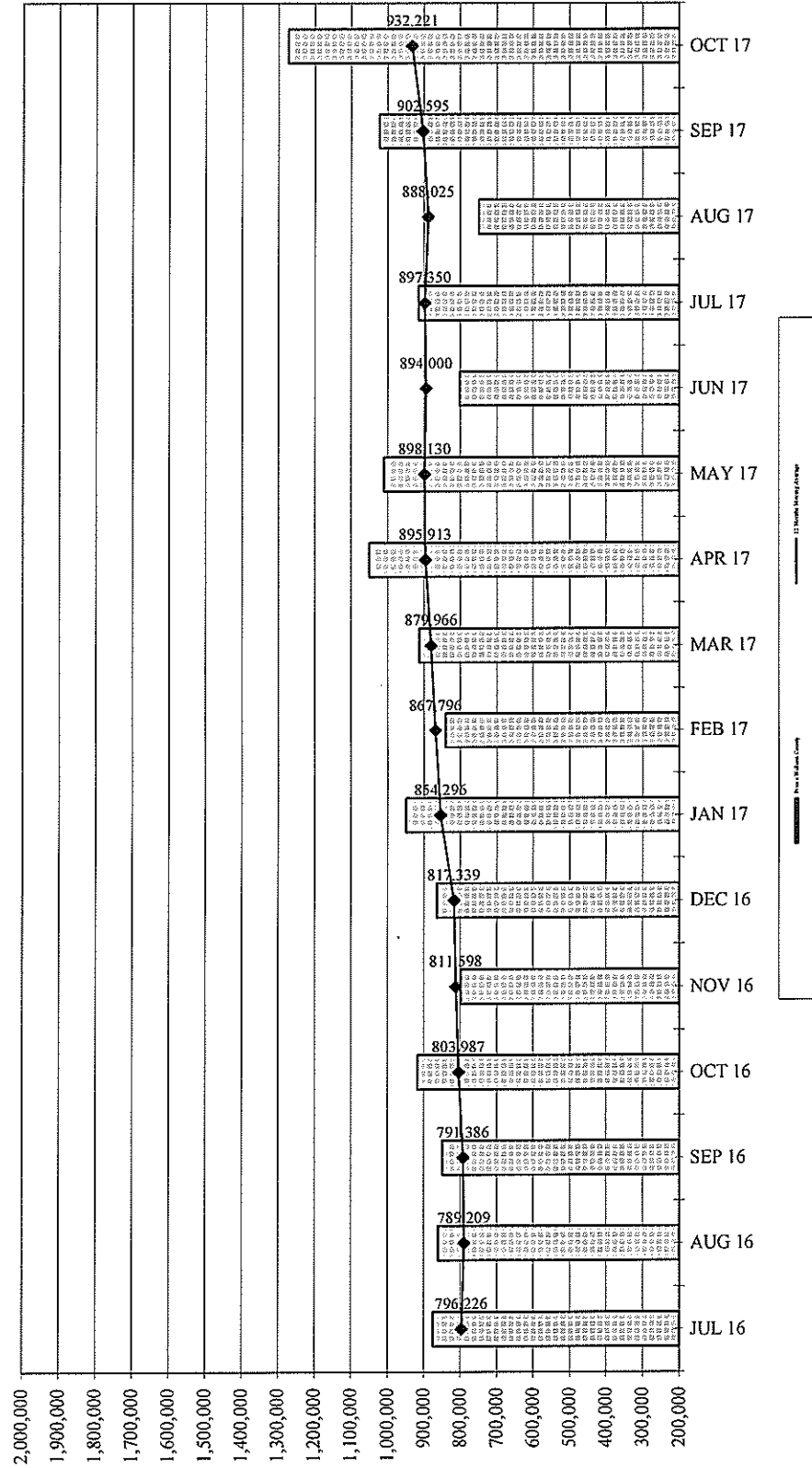
| ADOPTED RESOLUTIONS | AMOUNT | EXPENDITURES | BALANCE |
|------------------------|-----------------------|-----------------|----------------------|
| 08-06-07 | \$ 173,000.00 (1) | \$ - | \$ 173,000.00 |
| 17-06-13 | \$ 14,409,300.00 (1a) | \$ 3,818,119.00 | \$ 10,591,181.00 |
| Total | \$ 14,582,300.00 | \$ 3,818,119.00 | \$ 10,764,181.00 (*) |

(2) Projected Unencumbered Balance equals Fund Balance plus FY18 Projected Revenue (for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS

FY17 and FY18



MONTHLY FINANCIAL REPORT FOR STAFFORD COUNTY
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2017

FY18 Beginning Fund Balance \$ 1,932,896.98 (1)

| | Current Month | Year To Date |
|---|---------------|-----------------------------------|
| Gross Tax Revenue | \$ 358,282.39 | \$ 1,226,703.11 |
| Less: State Admin. Cost | \$ - | \$ - |
| Net Tax Revenue | \$ 358,282.39 | \$ 1,226,703.11 |
| Interest from Investment | \$ 1,085.38 | \$ 2,596.84 |
| Total Tax & Investment Revenue | \$ 359,367.77 | \$ 1,229,299.95 |
| Expenditures/Transfers | \$ - | \$ (1,200,629.00) |
| PRTC Operating Fund Balance | \$ - | \$ 28,372.00 |
| FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) | | |
| PLUS YEAR TO DATE REVENUE LESS EXPENDITURES | | <u>\$ 1,989,939.93</u> |
| FY18 Projected Motor Fuel Revenue (for remainder of fiscal year) | | 1,990,937.89 |
| LESS: Unexpended Adopted Resolutions | | \$ (1,241,985.00) (*) |
| Other Financing Sources/(Uses) | | |
| Claims and Judgments | \$0.00 | \$0.00 |
| Jurisdictional Reimbursement | <u>\$0.00</u> | <u>\$0.00</u> |
| Total Projected Unencumbered Balance | | <u><u>\$ 2,738,892.82</u></u> (2) |

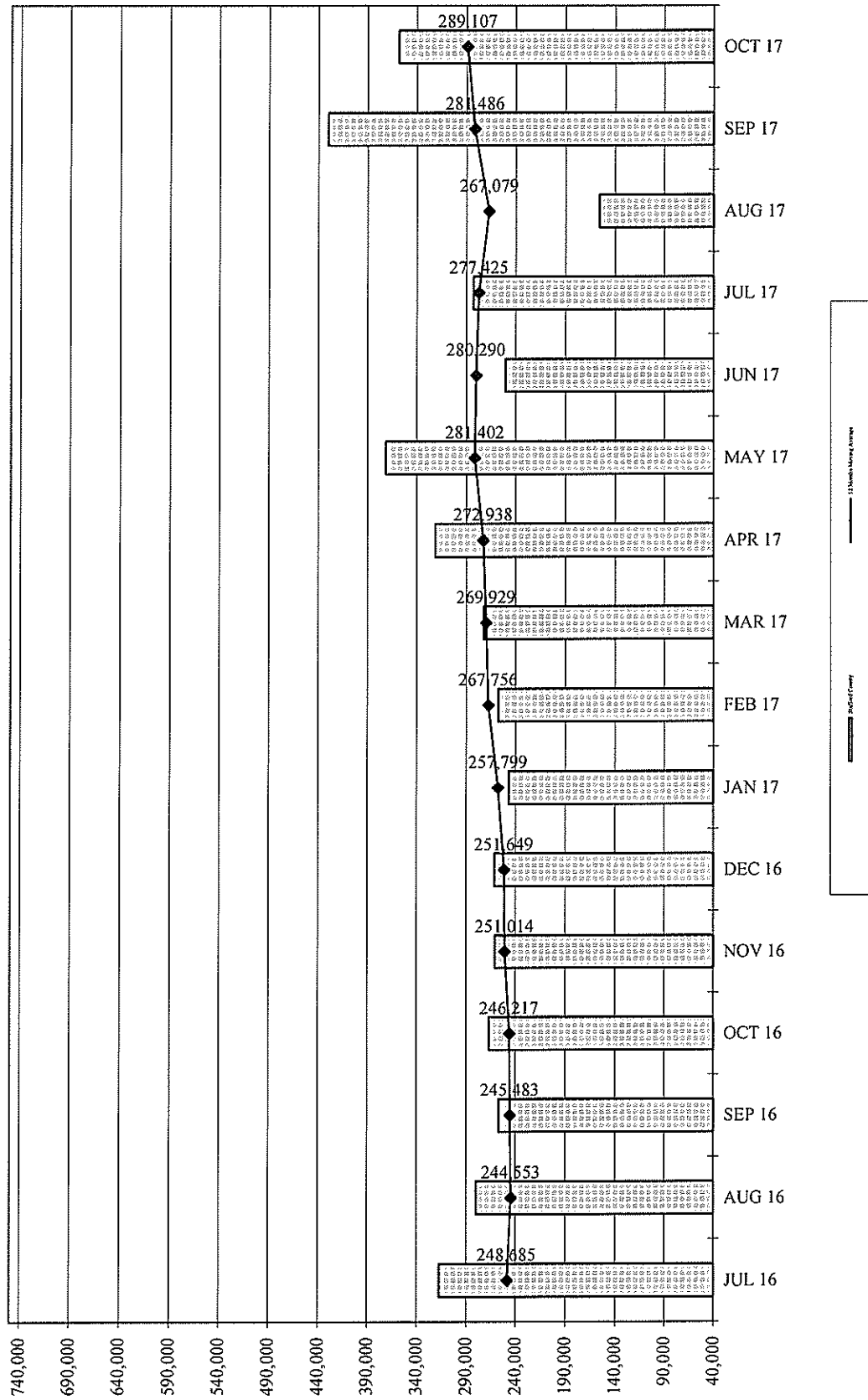
| ADOPTED RESOLUTIONS | AMOUNT | | EXPENDITURES | BALANCE |
|------------------------|------------------------|------|------------------------|----------------------------|
| 17-06-09 | \$ 2,344,514.00 | (1a) | \$ 1,172,257.00 | \$ 1,172,257.00 |
| 17-06-13 | \$ 98,100.00 | (1a) | \$ 28,372.00 | \$ 69,728.00 |
| Total | <u>\$ 2,442,614.00</u> | | <u>\$ 1,200,629.00</u> | <u>\$ 1,241,985.00</u> (*) |

(1) Remaining balance @ 6/30/17 (1a) June 2017 resolution for FY18 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY18 Projected Revenue
(for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS FY17 and FY18

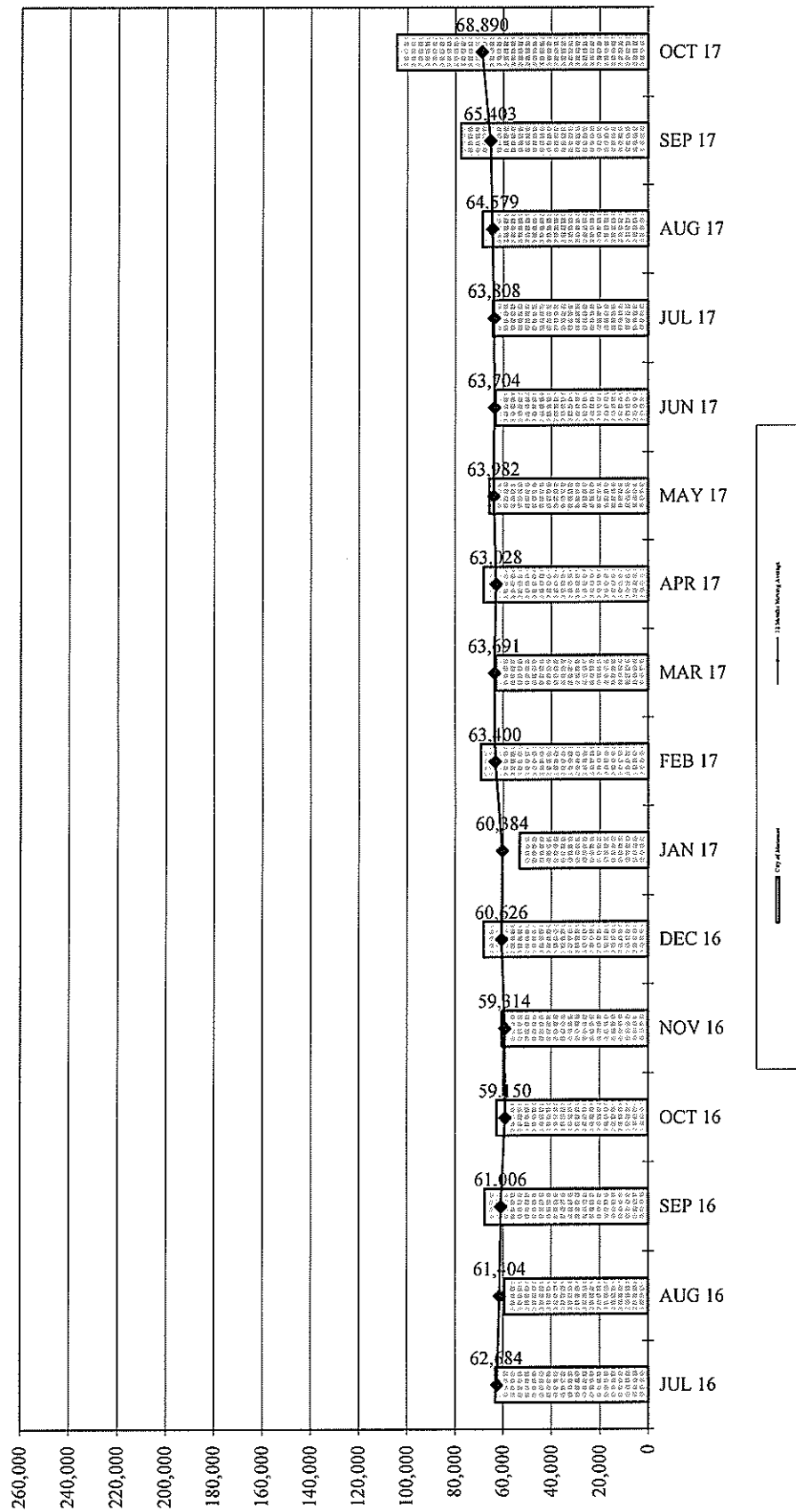


| | |
|-----------------------------|-------------------|
| FY18 Beginning Fund Balance | \$ 243,169.32 (1) |
|-----------------------------|-------------------|

| ADOPTED RESOLUTIONS | AMOUNT | EXPENDITURES | BALANCE |
|------------------------|--------------------|---------------|---------------------|
| 16-06-09 | \$ 222,540.00 (1) | \$ - | \$ 222,540.00 |
| 17-06-07 | \$ 65,000.00 (1a) | \$ - | \$ 65,000.00 |
| 17-06-08 | \$ 222,070.00 (1a) | \$ - | \$ 222,070.00 |
| 17-06-09 | \$ 434,586.00 (1a) | \$ 92,293.00 | \$ 342,293.00 |
| 17-06-13 | \$ 419,200.00 (1a) | \$ 50,828.00 | \$ 368,372.00 |
| Total | \$ 1,363,396.00 | \$ 143,121.00 | \$ 1,220,275.00 (*) |

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS FY17 and FY18



MONTHLY FINANCIAL REPORT FOR CITY OF MANASSAS PARK
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2017

FY18 Beginning Fund Balance \$ 2,460,115.84 (1)

| | Current Month | Year To Date |
|---|---------------|-----------------------------------|
| Gross Tax Revenue | \$ 83,871.86 | \$ 259,456.69 |
| Less: State Admin. Cost | \$ - | \$ - |
| Net Tax Revenue | \$ 83,871.86 | \$ 259,456.69 |
| Interest from Investment | \$ 2,362.85 | \$ 8,788.66 |
| Total Tax & Investment Revenue | \$ 86,234.71 | \$ 268,245.35 |
| Expenditures/Transfers | \$ - | \$ (273,880.00) |
| PRTC Operating Fund Balance | \$ - | \$ 36,521.00 |
| FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) | | |
| PLUS YEAR TO DATE REVENUE LESS EXPENDITURES | | <u>\$ 2,491,002.19</u> |
| FY18 Projected Motor Fuel Revenue (for remainder of fiscal year) | | 350,330.31 |
| LESS: Unexpended Adopted Resolutions | | \$ (1,615,841.69) (*) |
| Other Financing Sources/(Uses) | | |
| Claims and Judgments | \$0.00 | \$0.00 |
| Jurisdictional Reimbursement | <u>\$0.00</u> | <u>\$0.00</u> |
| Total Projected Unencumbered Balance | | <u><u>\$ 1,225,490.81 (2)</u></u> |

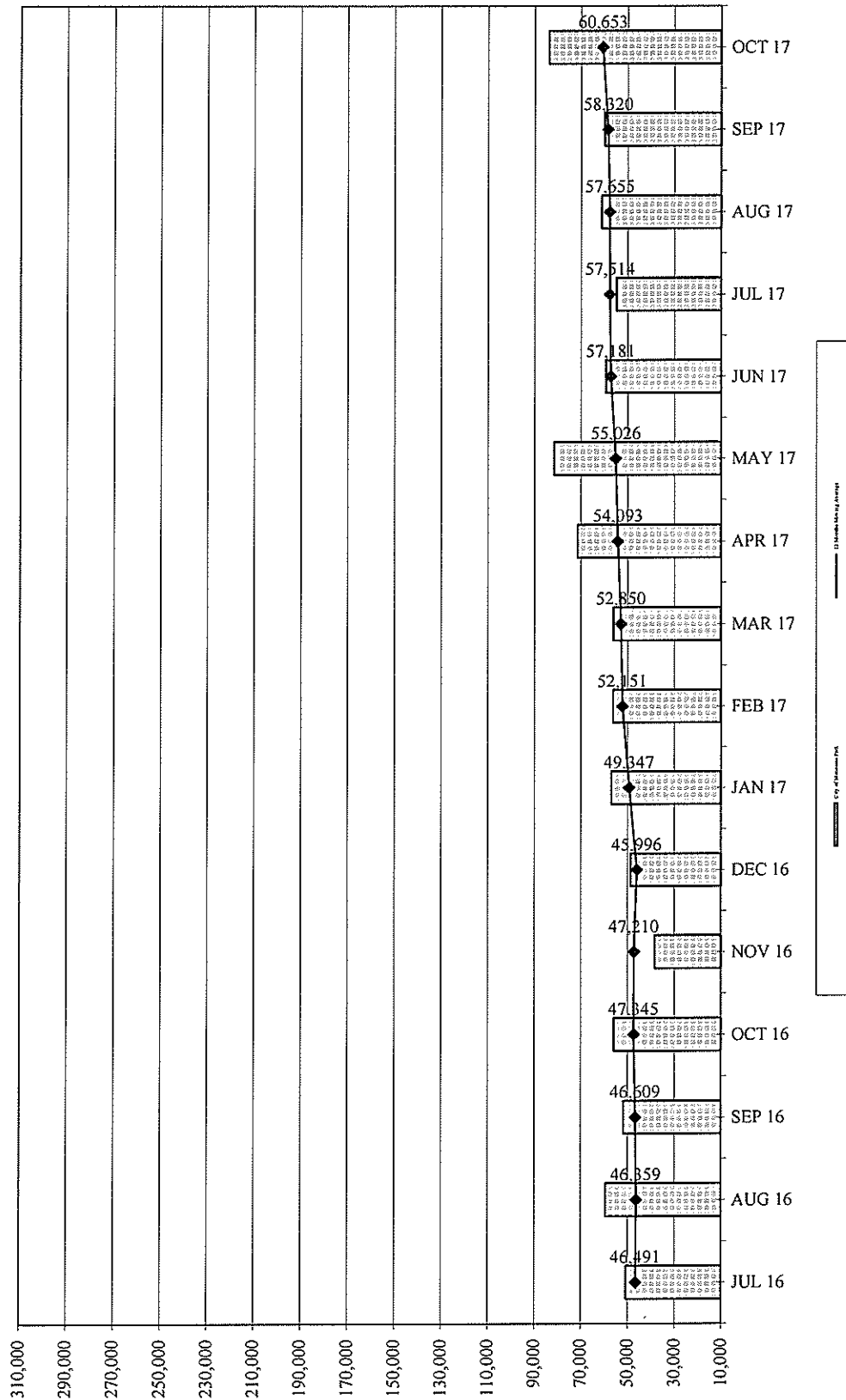
| ADOPTED RESOLUTIONS | AMOUNT | EXPENDITURES | BALANCE |
|------------------------|------------------------|----------------------|----------------------------|
| 09-11-07 | \$ 93,139.69 (1) | \$ - | \$ 93,139.69 |
| 10-11-05 | \$ 234,500.00 (1) | \$ - | \$ 234,500.00 |
| 13-06-08 | \$ 200,000.00 (1) | \$ - | \$ 200,000.00 |
| 15-05-07 | \$ 371,164.00 (1) | \$ - | \$ 371,164.00 |
| 17-06-09 | \$ 474,718.00 (1a) | \$ 237,359.00 | \$ 237,359.00 |
| 17-06-13 | \$ 194,200.00 (1a) | \$ 36,521.00 | \$ 157,679.00 |
| 17-07-06 | \$ 116,000.00 | \$ - | \$ 116,000.00 |
| 17-07-07 | \$ 206,000.00 | \$ - | \$ 206,000.00 |
| Total | <u>\$ 1,889,721.69</u> | <u>\$ 273,880.00</u> | <u>\$ 1,615,841.69 (*)</u> |

(1) Remaining balance @ 6/30/17 (1a) June 2017 resolution for FY18 expenditures

(2) Projected Unencumbered Balance equals Fund Balance plus FY18 Projected Revenue
(for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

PRTC NET FUEL TAX COLLECTIONS FY17 and FY18



| | |
|-----------------------------|---------------------|
| FY18 Beginning Fund Balance | \$ 1,189,603.73 (1) |
|-----------------------------|---------------------|

| | Current Month | Year To Date |
|---|---------------|---------------------|
| Gross Tax Revenue | \$ 110,093.43 | \$ 458,322.59 |
| Less: State Admin. Cost | \$ - | \$ - |
| Net Tax Revenue | \$ 110,093.43 | \$ 458,322.59 |
| Interest from Investment | \$ 1,134.64 | \$ 4,237.98 |
| Total Tax & Investment Revenue | \$ 111,228.07 | \$ 462,560.57 |
| Expenditures/Transfers | \$ - | \$ (220,889.00) |
| PRTC Operating Fund Balance | \$ - | \$ 12,250.00 |
| FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) | | |
| PLUS YEAR TO DATE REVENUE LESS EXPENDITURES | | \$ 1,443,525.30 |
| FY18 Projected Motor Fuel Revenue (for remainder of fiscal year) | | 968,578.41 |
| LESS: Unexpended Adopted Resolutions | | \$ (311,485.00) (*) |
| Other Financing Sources/(Uses) | | |
| Claims and Judgments | \$0.00 | \$0.00 |
| Jurisdictional Reimbursement | \$0.00 | \$0.00 |
| Total Projected Unencumbered Balance | | \$ 2,100,618.71 (2) |

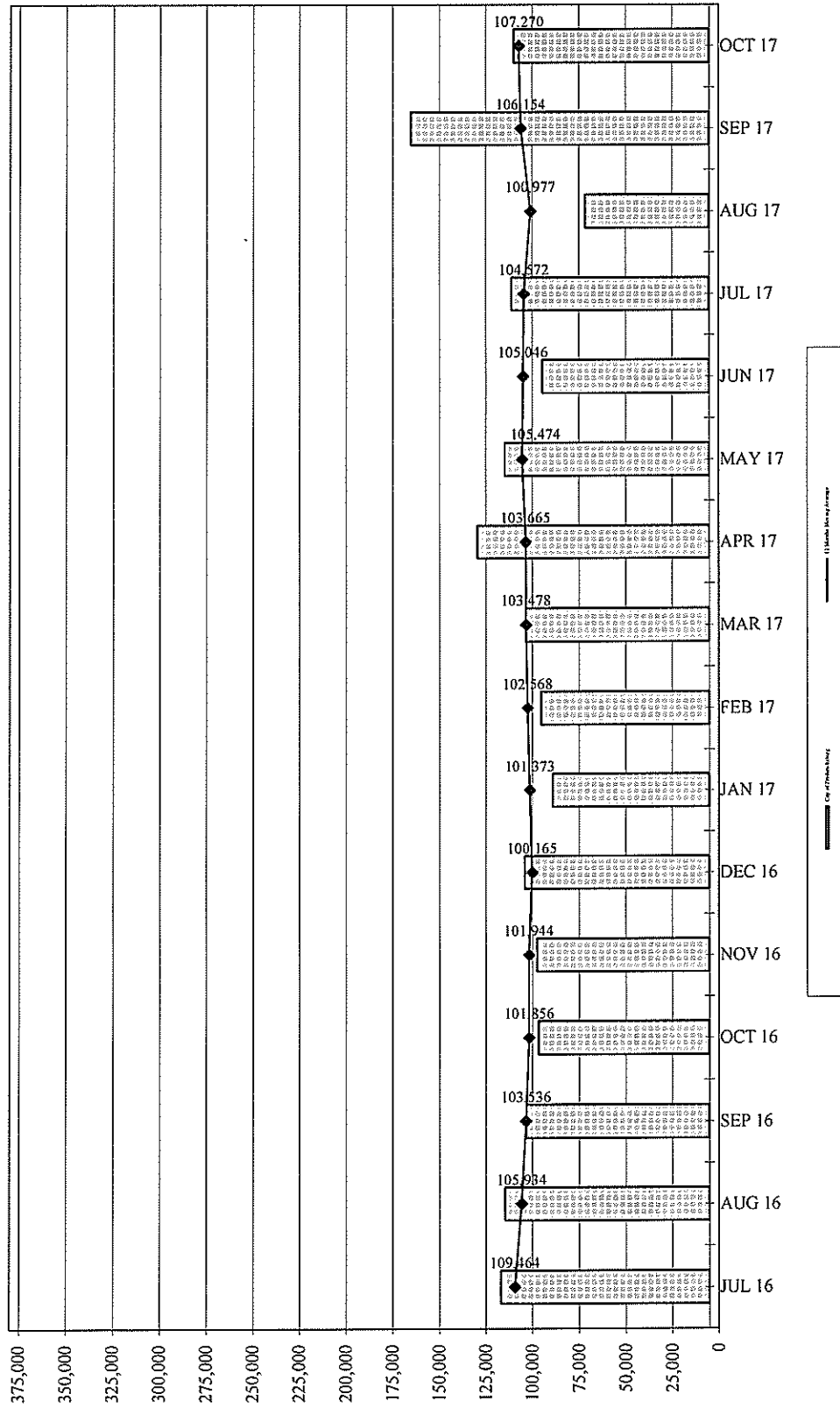
| ADOPTED RESOLUTIONS | AMOUNT | EXPENDITURES | BALANCE |
|------------------------|--------------------|---------------|-------------------|
| 16-03-07 | \$ 69,695.00 (1) | \$ - | \$ 69,695.00 |
| 17-06-05 | \$ 1,901.00 (1) | \$ - | \$ 1,901.00 |
| 17-06-09 | \$ 417,278.00 (1a) | \$ 208,639.00 | \$ 208,639.00 |
| 17-06-13 | \$ 43,500.00 (1a) | \$ 12,250.00 | \$ 31,250.00 |
| Total | \$ 532,374.00 | \$ 220,889.00 | \$ 311,485.00 (*) |

(*) Resolutions which have been encumbered will not be expended until funds become available.

Note: Report as of 6/30/17 includes expense accrual of \$869,843.

PRTC NET FUEL TAX COLLECTIONS

FY17 and FY18



MONTHLY FINANCIAL REPORT FOR SPOTSYLVANIA COUNTY
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2017

FY18 Beginning Fund Balance \$ 3,676,870.91 (1)

| | Current Month | Year To Date |
|--|---------------|------------------------|
| Gross Tax Revenue | \$ 432,632.87 | \$ 1,383,557.77 |
| Less: State Admin. Cost | \$ - | \$ - |
| Net Tax Revenue | \$ 432,632.87 | \$ 1,383,557.77 |
| Interest from Investment | \$ 3,369.74 | \$ 13,200.59 |
| Total Tax & Investment Revenue | \$ 436,002.61 | \$ 1,396,758.36 |
| Expenditures/Transfers | \$ - | \$ (814,005.50) |
| PRTC Operating Fund Balance | \$ - | \$ 53,910.00 |
| FUND BALANCE (BEFORE UNEXPENDED ADOPTED RESOLUTIONS) | | |
| PLUS YEAR TO DATE REVENUE LESS EXPENDITURES | | <u>\$ 4,313,533.77</u> |

FY18 Projected Motor Fuel Revenue
(for remainder of fiscal year) 2,273,129.23

LESS: Unexpended Adopted Resolutions \$ (1,202,596.28) (*)

Other Financing Sources/(Uses)

| | | |
|------------------------------|---------------|---------------|
| Claims and Judgments | \$0.00 | \$0.00 |
| Jurisdictional Reimbursement | <u>\$0.00</u> | <u>\$0.00</u> |

Total Projected Unencumbered Balance \$ 5,384,066.72 (2)

| ADOPTED RESOLUTIONS | AMOUNT | | EXPENDITURES | BALANCE |
|------------------------|------------------------|------|----------------------|----------------------------|
| 15-12-06 | 2,749.78 | (1) | \$ - | \$ 2,749.78 |
| 17-03-07 | \$ 382,261.00 | (1) | \$ - | \$ 382,261.00 |
| 17-06-09 | \$ 1,520,191.00 | (1a) | \$ 760,095.50 | \$ 760,095.50 |
| 17-06-13 | \$ 111,400.00 | (1a) | \$ 53,910.00 | \$ 57,490.00 |
| Total | <u>\$ 2,016,601.78</u> | | <u>\$ 814,005.50</u> | <u>\$ 1,202,596.28</u> (*) |

(1) Remaining balance @ 6/30/17 (1a) June 2017 resolution for FY18 expenditures

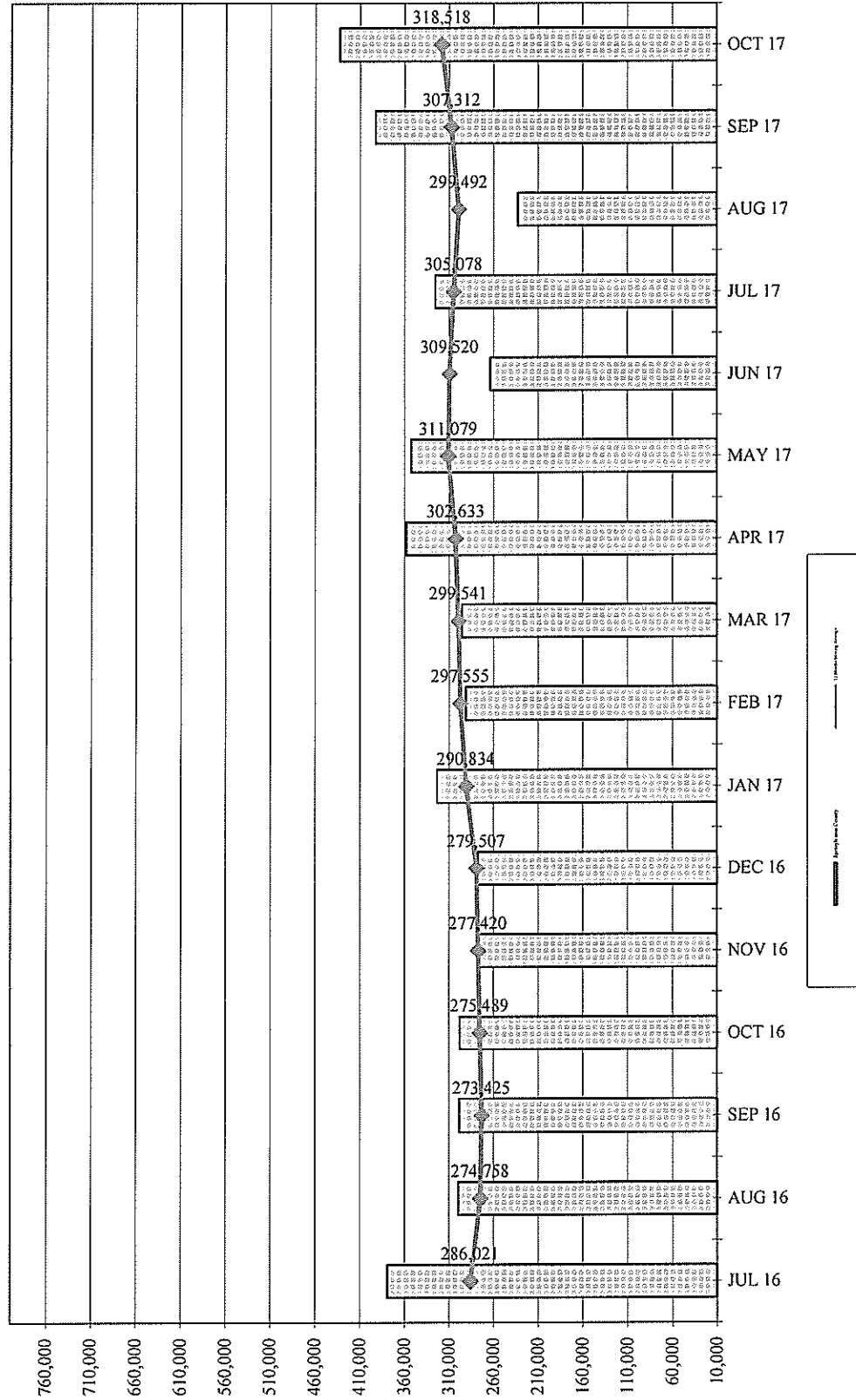
(2) Projected Unencumbered Balance equals Fund Balance plus FY18 Projected Revenue
(for remainder of fiscal year) minus Unexpended Adopted Resolutions, plus Other Financing Sources.

(*) Resolutions which have been encumbered will not be expended until funds become available.

Note: Report as of 6/30/17 includes expense accrual of \$997,331.36.

PRTC NET FUEL TAX COLLECTIONS

FY17 and FY18



ITEM 7-B
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-__

MOTION:

SECOND:

**RE: AUTHORIZATION TO BUDGET AND APPROPRIATE SPOTSYLVANIA COUNTY'S
MOTOR FUELS TAX FUNDS FOR VARIOUS FY18 TRANSPORTATION PROJECTS**

ACTION:

WHEREAS, Spotsylvania County, by Resolution 2017-141 requests approval to budget and appropriate \$1,737,677 of Spotsylvania's motor fuels tax funds for various FY18 transportation projects as follows:

| | |
|---|------------------|
| Transportation-related positions | \$170,073 |
| Transportation operating costs | 11,792 |
| FRED bus service | 196,337 |
| Debt service on previous transportation bond issues | <u>1,359,475</u> |
| Total | \$1,737,677 |

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission hereby authorizes the budgeting and appropriation of \$1,737,677 of Spotsylvania County's motor fuels tax funds for various FY18 transportation projects.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:





Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and Commissioners

FROM: Joyce Embrey 
Director of Finance and Administration

THROUGH: Robert A. Schneider, PhD 
Executive Director

RE: Authorization to Budget and Appropriate Spotsylvania County's Motor Fuels Tax Funds for Various FY18 Transportation Projects

Recommendation:

Authorize the budgeting and appropriation of Spotsylvania County's motor fuels tax funds for various FY18 transportation projects.

Background:

Spotsylvania County, by Resolution 2017-141 (attached), requests the Potomac and Rappahannock Transportation Commission (PRTC) to use \$1,737,677 from the County's portion of fuel tax revenues for various FY18 transportation projects.

Fiscal Impact:

The FY18 transportation projects are as follows:

| | |
|---|------------------|
| | \$170,073 |
| Transportation-related positions | |
| Transportation operating costs | 11,792 |
| FRED bus service | 196,337 |
| Debt service on previous transportation bond issues | <u>1,359,475</u> |
| Total | \$1,737,677 |

Attachment: As stated

OmniRide • Metro Direct • OmniLink • Cross County Connector • OmniMatch • VRE

Administrative Office: (703) 583-7782 • Customer Info: (703) 730-6664 • Toll Free: (888) 730-6664 • Fax: (703) 583-1377 • PRTCtransit.org

County of Spotsylvania

Founded 1721

Board of Supervisors
GREG BENTON
GREG CEBULA
TIMOTHY J. McLAUGHLIN
DAVID ROSS
GARY F. SKINNER
PAUL D. TRAMPE
CHRIS YAKABOUSKI



County Administrator
MARK B. TAYLOR
Deputy County Administrators
MARK L. COLE
ED PETROVITCH
P.O. BOX 99, SPOTSYLVANIA, VA 22553
Voice: (540) 507-7010
Fax: (540) 507-7019

Service, Integrity, Pride

At a meeting of the Spotsylvania County Board of Supervisors held on November 28, 2017, on a motion by Mr. Benton and passed unanimously, the Board adopted the following resolution:

RESOLUTION NO. 2017- 141

A RESOLUTION AUTHORIZING USE OF \$1,737,677 OF FUEL TAX FUNDS FOR VARIOUS FY 2018 TRANSPORTATION PURPOSES

WHEREAS, Spotsylvania County ("County") is a member of the Potomac and Rappahannock Transportation District ("District"), a transportation district created pursuant to the Transportation District Act of 1964 (Code of Virginia, §33.2-1900, et seq.) which participates in the operation of a rail commuter mass transportation system (Code of Virginia, §58.1-2295); and

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC") is the governing body of the District; and

WHEREAS, the Commonwealth of Virginia levies a 2.1 percent sales tax on the price charged by a distributor for fuels sold to a retail dealer for retail sale in the District (§58.1-2295); and

WHEREAS, all taxes paid to the State Tax Commissioner, after subtraction of the direct costs of administration by the Tax Department, are deposited in a special fund held by the District (Code of Virginia §58.1-2299.20); and

WHEREAS, at the request of the member jurisdiction, revenue available from the fuels tax in excess of the required payments to VRE and PRTC may be expended for any transportation purpose (Code of Virginia, §58.1-2299.20); and

WHEREAS, the County planned as part of its FY 2018 budget to fund various transportation-related activities including transportation-related staff positions and operating costs, FRED transit operations, and debt service from previously issued transportation bonds; and

WHEREAS, the County desires to use a portion of the revenue from its fuel tax account for these purposes;

NOW, THEREFORE, BE IT RESOLVED that the Spotsylvania County Board of Supervisors does hereby request PRTC to budget and appropriate the following amounts for reimbursement to Spotsylvania for a portion of its budgeted FY 2018 transportation expenditures:

| | |
|--|-----------------------|
| Transportation-related positions | \$170,073.00 |
| Transportation operating costs | \$11,792.00 |
| FRED bus service | \$196,337.00 |
| Debt service on previous transportation bond issues ¹ | <u>\$1,359,475.00</u> |
| Total | <u>\$1,737,677.00</u> |

BE IT FURTHER RESOLVED that the County Administrator is hereby authorized and directed to submit to PRTC requests for reimbursement of expenses incurred by the County in connection with the expenditures identified above.

(SEAL)

A COPY TESTE:



Aimee R. Mann
Deputy Clerk to the Board of Supervisors

¹ Includes the 2006, 2009, 2012, 2013, 2014, 2015 and 2016 General Obligation bond issues.

ITEM 8
January 4, 2018
PRTC Regular Meeting

PRTC Executive Director's Time

- A. Follow-up from Prior Meetings
- B. Executive Director's Report
 - OmniRide Fuel Gauge
 - Strong Towns Article – The Negative Consequences of Car Dependency

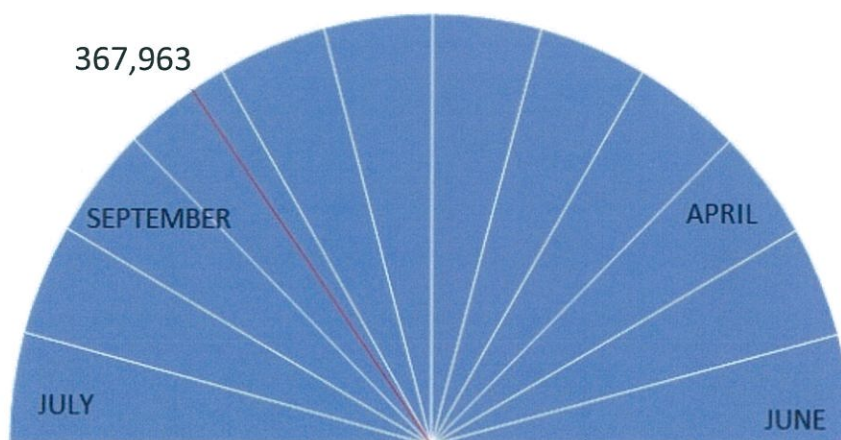


OmniRide Fuel Gauge

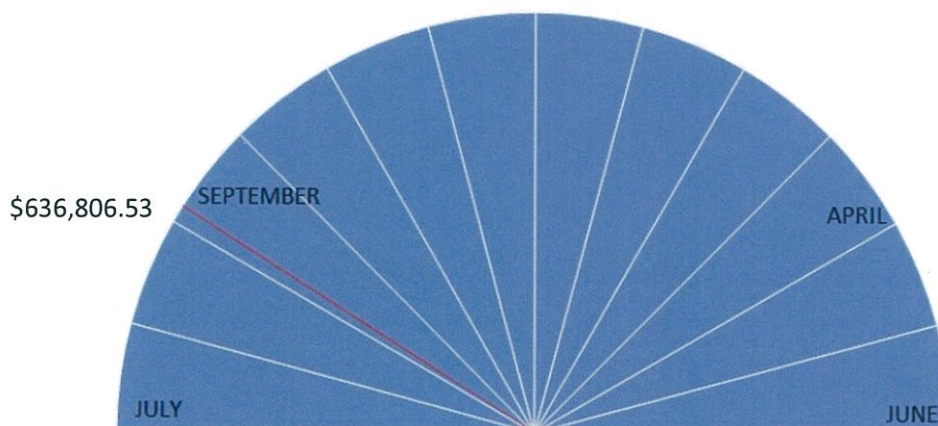
July 1, 2017—October 31, 2017: All Services

| YTD FY2018 Fuel Delivered | | | YTD FY2017 Fuel Delivered | | |
|---------------------------|----|---------|---------------------------|----|---------|
| Average Per Gallon | \$ | 1.73 | Average Per Gallon | \$ | 1.92 |
| Total Gallons | | 367,963 | Total Gallons | | 355,845 |
| Total Cost \$ 636,806.53 | | | Total Cost \$ 683,935.34 | | |

Delivered Fuel vs Budgeted Fuel Delivery (FY18)



Fuel Expenditures vs Budgeted Fuel Expenditures (FY18)





Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

From: Robert A. Schneider, PhD
Executive Director

RE: Strong Towns Article – The Negative Consequences of Car Dependency

The attached article is from **Strong Towns**, a 501c3 organization with a mission of supporting "...development that allows America's cities, towns and neighborhoods to become financially strong and resilient." Their premise is that informed and active citizens (people who care) that work with and through local government can establish fiscal solvency. They argue that job creation and economic growth is a byproduct of a healthy local economy, not the other way around (i.e., jobs follow people).

This article offers a high-level review of the car-centric nature of the US economy and communities, with the varying ways that communities are negatively impacted. The article itself is a short, quick read but has a series of links that connect to more in-depth articles and studies on everything from declining pedestrian safety, pollution rates, and livability indexes due to traffic. The full article link can be found at:

<https://www.strongtowns.org/journal/2017/11/2/the-negative-consequences-of-car-dependency>

As we examine land use, mass transit, the investment in communities, and the varying development patterns, it allows leaders to think about development preferences and the impacts for communities. As with any decision, there are trade-offs; the article is designed to create a contemplative discussion about the benefits and consequences of car culture within cities, suburban zones and even neighborhoods.

Summary: “The Negative Consequences of Car Dependency”

Original article by Andrew Price in Strong Towns. Appeared Nov. 3, 2017.

Most American towns are shaped around driving. Wide highways, copious parking, minimum lot sizes, and low density zoning ensure that, apart from rush hour, we enjoy relatively fast drives that usually end at an open parking space. However, in a November 2017 article in Strong Towns, Andrew Price argues that designing communities for only driving has unintended fiscal, economic, transportation, health, and social consequences.

1. Fiscal

Car-centered transportation only works in low-density areas, as the parking quickly eats up land and pushes buildings apart. Meanwhile, to keep up with even modest growth, localities must constantly widen roads, build new roads, add new traffic signals, construct new interchanges, and generally expand the road network.

At the same time, new homes and shopping centers need sewer, water, power, police, fire, and schools services extended to them. Over time, this infrastructure must be maintained or rebuilt, but in the low-density, car-oriented environment, the tax base is too thin to cover costs. There simply aren't enough people per-acre to pay for the pipes, wires, and roads.

2. Transportation Access

Getting around a car-dependent town is hard if you can't drive. As Price writes, you have to be “old enough to drive (but not *too* old), have no major mental or physical disabilities, passed the test, and can afford a car and all of its associated costs”. Furthermore, car-centric development precludes other modes, as wide roads, lack of sidewalks, and large parking lots disperse development makes transit, biking, and walking inconvenient.

3. Economic

Car-oriented developments require lots of parking. This additional cost, as well as minimum lot sizes and landscaping requirements are de-facto taxes on business. These mandates function as a barrier, pricing potential entrepreneurs out of the initial investment.

Price also argues that small stores suffer in car-oriented environments. In a traditional neighborhood you can walk from store-to-store in a couple minutes each. However, in a car-dependent area, you may have to drive across town several times to get to various small shops. It's just easier to drive to a supermarket, creating another barrier for small businesses.

4. Health

Prices points out a couple of health concerns with car-centered development, including exhaust, deaths from collisions, and obesity from replacing walking with driving.

5. Social

Price also argues that cars, by segregating us in individual pods, reduce our ability to meet new people and engage in our community.

So what? Do Price's arguments against car-dependency have any bearing on PRTC?

We are beginning to feel the fiscal, economic, and transportation consequences of basing our lives around cars in Virginia. Transit, by encouraging (and requiring) denser, more traditional development to thrive, may offer a solution to help mitigate the issues Price raises.

1. Transit as Infrastructure

Virginia spends hundreds of millions each year building and maintaining roads. In Prince William, drivers are used to seeing heavy equipment and work crews along roads from Route 1 to Sudley. All that infrastructure is expensive, and the low-density suburbs that define much of our community may struggle to pay for upkeep when pavement, sewers, schools, and water infrastructure needs refurbishment in 20 years, since low-density subdivisions often don't have enough of a tax base to cover costs.

At the same time, transit is often seen as a nice service provided to the public instead of an essential piece of infrastructure. Transit requires dense development to be successful; in turn, denser areas need transit to reduce traffic. Thankfully, the tax-base of traditional downtown-style development often covers the cost of the transit service. It's a virtuous cycle. As parts of Prince William develop into denser areas, PRTC's services can help ensure that this growth is successful. It's important to note that "denser development" does not necessarily mean high rises and packed streets, but instead it can be as pleasant as Old Town Occoquan or Manassas.

2. Transportation Access

Large segments of the population—the elderly, the disabled, youth, and the poor—cannot drive. That wouldn't be so bad in a place where they could walk or take a bus to get around, but those options are usually stunted or non-existent in the suburbs. It's harder to provide high-quality transit service in a place that is designed for cars only, sort of like fitting a round peg in a square hole. PRTC's services can help plug this gap by offering those folks mobility. However, if the community isn't designed for transit, it will continue to languish as a second-or-third choice for those who have a car.

3. Economic

A transit-oriented environment means less required parking, which reduces the cost to build, open, and operate a business. It also means that businesses have larger audiences that are closer by, creating more opportunity for people to walk-in or discover a new shop.

Driving isn't bad—it's is often a great way to get around, whether you live in Dale City or Manassas. However, designing communities for more than just driving can bring greater economic growth, reduced infrastructure expenses, and a higher quality of living to residents. For instance, in traditional downtowns like Manassas, people in can drive if they want but they

can just as conveniently choose to walk, bike, or take the bus. People in more suburban areas can really only drive. That's Price's point—that options are good, while a lack of options gives us some nasty side-effects.

The Negative Consequences of Car Dependency

Posted in [Andrew Price](#), [Top Story](#), [Transportation](#) and tagged with [auto-oriented](#), [cars](#), [seniors](#), [suburban experiment](#)

Jul 17, 2017

Help us double our readership this week. As you savor our greatest hits, take a second to share them with someone else.

The majority of American towns and cities are built around the automobile. From multi-lane highways to vast paved parking lots, our communities have been shaped around a single mode of transportation over the last seventy years. While this may feel like progress, it has also harmed ourselves and our towns in ways that will be felt for generations.

Today I'm going to talk about some of the negative consequences of car dependency and how a more walk-friendly, human-scaled development pattern would make us all better off. Specifically, I'm going to talk about them from the perspective of a town or suburb that has gone all-in on the auto-oriented pattern of development, where car travel and storage is prioritized over any other mode of transportation, and where the entire community is designed around car use. Some of these negative consequences are:

1. Social isolation
2. Discrimination
3. Expense
4. Decline of small businesses
5. Effect on public health



I've lived in both cities (taking transit and walking everywhere) and suburbs (working in a suburban office campus and driving everywhere). When I lived in the city, I used to have random encounters with strangers, often daily. These were usually nothing more than simple interruptions. The elderly lady that asks for help at the train station. Overhearing the couple's conversation behind me on a bus. The homeless man asking for my spare change... These people were rich and poor, old and young. Even though the idea of being forced to interact with strangers sounds undesirable, there's something very human about feeling that you are part of a living world. I was not the most sociable child, so these random encounters played an important part in developing my social skills and feeling comfortable around strangers.

When I lived in the suburbs, I eliminated most of these random encounters. When I got into my car to drive to work, I felt like I was traveling through

town in my own isolated box. When I got out of my car at work, the only people that I interacted with were co-workers, and when I returned home, the only people that I interacted with were my family. The possibility of random encounters with strangers was still there (when I visited the supermarket, for example) but I reduced the window for this to occur from an everyday experience to a couple of hours on the weekend. I had to go out of my way and place myself in public to interact with my neighbors and others that lived in my town, rather than it being a natural part of my day. The places where I shopped and spent time targeted my demographic, so I was constantly surrounded by people that were similar to me.

I often wonder if not having those small everyday interactions with strangers has a greater psychological effect on us than we realize.



Getting around in a car dependent environment is fine if you're old enough to

drive (but not *too* old) have no major mental or physical disabilities, passed the test, and can afford a car and all of its associated costs. Everyone else is treated like a second class citizen; they are either a burden to their friends and family to escort them around, isolated at home and get out very little, have to rely on mobility services, or they tough it out and walk, cycle, or take transit in environments not suited to those forms of transportation.

It's discriminatory. By going all-in on the auto-oriented development pattern and creating a car-dependent environment, we're discriminating against those that cannot drive: the poor, the young, the elderly, the disabled. We place so much emphasis on buildings that are ADA complaint, so that people with disabilities can conveniently navigate through doors and between floors, yet we keep building car dependent environments where an even greater demographic cannot conveniently get around on their own.

There is a gross inequity behind this model; those that can drive are entitled to a fast and easy day, while those who cannot are not.



Going all in on the car is very expensive for everyone. This includes our cities, our business owners, and individuals.

For Cities

We are endlessly "upgrading" roads by widening them and adding extra lanes. We install countless numbers of traffic lights and stop signs. We build vast networks of freeways and interchanges. We spread out across the landscape, promising sewage, water, power, police and fire protection, schools, and perfectly paved roads to a tax base spread too thin to support them (this is at [the heart of the Strong Towns message](#)). We issue bonds, take on debt, cut services, and increase taxes so we can keep on doing more of them same.

Improvements to walk and bike infrastructure cost far less and save our

communities millions over the long run. These are some of the most high returning investments we can make in our towns.



Businesses built under the auto-oriented pattern require landscaping (greenspace) and extensive maintenance to prevent this style of development from appearing blighted. (Source: Google Maps)

For Property Owners

The appeal of locating a business in the suburbs is based on the availability of cheap land, usually fueled by a city's desire to attract more easy horizontal growth. In auto-oriented places, there are usually regulations that require a minimum lot size (perhaps 1/4 of an acre), parking, and perhaps landscaping. Sometimes the business needs to pay for things that are technically part of the street, such as installing and maintaining the sidewalk.

In the walk-friendly [traditional development pattern](#), businesses need only enough space for their building. Parking in the traditional development pattern doesn't need to be required or banned, because it's within a business's best interest to make their business as accessible to as many customers as possible. If the surrounding businesses and streets have an ample supply of

parking or if the majority of the customers live close enough that they don't have to drive, then the property owner may not decide to supply their own parking. Without the need to landscape or supply parking, businesses are only required to purchase, develop, and maintain enough space for their building. The end result of the traditional development pattern is a very [fine-grained](#) mix of properties that is highly walkable and takes up minimal space.

For Individuals

Living in a car dependent environment places a financial burden on the individuals that live, work, and go about their daily lives there. These financial burdens are both direct (owning a car) and indirect (taxes).

The average yearly cost of owning a car is between [\\$6,957 and \\$11,039](#) (a number that often varies, but it's usually within the higher half of four digits.) A family of two working adults who live in an auto-oriented place will likely want two cars for commuting and other daily tasks, thus doubling the yearly cost of car ownership for the household. In a family with grown children of driving age, there may even be a need for three or more cars.

In a walkable, people oriented city, many households still own a car as it's often convenient to have a car around for the few times you need it (to visit family out of town or to help transport large purchases). But in these cases, a car becomes a luxury, not a necessity, and most families could get by with only one or none.

The indirect costs, such as maintaining roads and traffic signals (as mentioned above), is eventually handed down to the tax payer through tax increases and service cuts as the bonds mature and the debt and maintenance of the auto-oriented pattern remains.



4. Decline of Small Businesses

Car-dependent environments are unfavorable for small specialty businesses. The auto-oriented development pattern creates a high cost of entry for small businesses, as discussed above. I am concerned that this high cost of entry will lead to a polarized economy where the rich get richer while the rest of the population is prohibited from participating. (Read more about this issue.)

The auto-oriented development pattern where everyone drives from store to store isn't favorable to specialty businesses. There is a considerable overhead in time and effort to make a stop; you need to turn off the street, park your car, then get out of your car. Once you are done shopping at each store, you need to get back in your car, slowly back out of your parking spot, wait for the traffic to clear so you can exit back out onto the street, and drive to your next destination.

The thought of shopping for a week's worth of groceries from small specialty businesses — going from a grocery store, to a butcher shop, to a bakery, to a pharmacy — seems overwhelming, especially if these businesses are located in different areas of town that could take up to 15 minutes to drive between. In this kind of environment, the convenience of visiting a large store where you can park once and have everything under the same roof is often the winning factor for the consumer. Contrast this to a walkable town where it takes no more than half a minute to detour into a store while you are walking down the street.



5. Effect on Public Health

At Strong Towns, we often talk about how [the design of our streets and roads can be dangerous](#) for all users, including drivers, cyclists, and pedestrians. According to the Centers for Disease Control and Prevention, [motor vehicles](#)

[crashes are the leading cause of death](#) for Americans between the age of 5 and 34. There's also a heavy correlation between [car usage and obesity](#). This shouldn't be too surprising as we've replaced the primary form of exercise throughout human history — the act of getting from A to B — with mostly sitting in a seat. Add to that the [health effects of local air pollution](#) caused by vehicle exhaust. The latter may be solved by the adoption of cleaner fuels and electric vehicles, but not the preventable deaths, injuries, and health risks associated with obesity and a sedentary lifestyle.

Car-centric towns are isolating, discriminatory, expensive, harmful to small businesses, and bad for public health. In contrast, walkable, human-oriented communities tend to be the [happiest and healthiest](#) and the most [financially productive types of places to build and retain](#).

Let's focus on building places that cater to the needs of humans, not the needs of cars.

If this message matters to you, share it with someone.

(All photos by Johnny Sanphillippo)



[Andrew Price](#)

Andrew Price has been a regular contributor to Strong Towns since 2013 and is a founding member of the organization. Andrew is a software developer by day and an urbanist by night. He is passionate about traditional urbanism — he believes in fine-grained, highly

walkable places that are built for people. He grew up in Australia and now lives in the United States with his wife. Andrew is a regular contributor on Strong Towns and runs his own blog, andrewalexanderprice.com. You can find many of his photographs throughout the Strong Towns website. Andrew's motivation to be involved in Strong Towns and urbanism is to create a great place that he and his wife, and one day their children and their future generations will want to call home.

ITEM 9
January 4, 2018
PRTC Regular Meeting

Virginia Railway Express Chief Executive Officer's Time

- A. INFO Chief Executive Officer's Report**
- B. INFO VRE Operations Board December 16, 2017 Meeting Agenda, Minutes, and Adopted Resolutions**
- C. RES Adopt and Refer the Revised FY 2018 and FY 2019 VRE Operating and Capital Budgets to the Jurisdictions**
- D. RES Recommend Approval to Refinance VRE RRIF Loan**
- E. INFO Approval of 2018 VRE Officers**
- F. INFO Spending Authority Report**

CEO REPORT

DECEMBER 2017

ITEM 9-A
January 4, 2018
PRTC Regular Meeting



OUR MISSION

The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission, will provide safe, cost-effective, accessible, reliable, convenient, and customer responsive commuter-oriented rail passenger service. VRE contributes to the economic vitality of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.



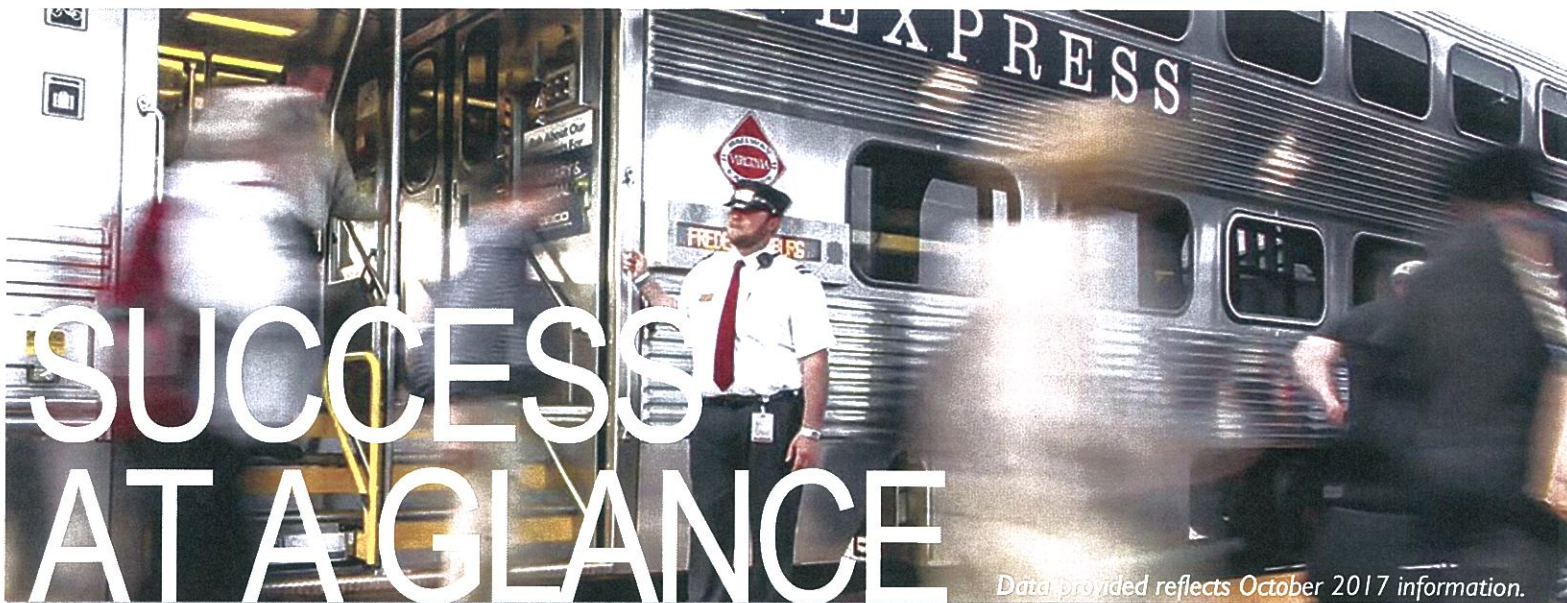
CEO REPORT | DECEMBER 2017

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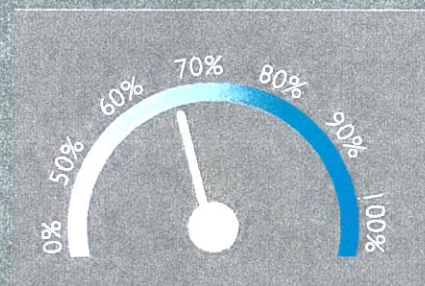


VIRGINIA RAILWAY EXPRESS
A better way. A better life.



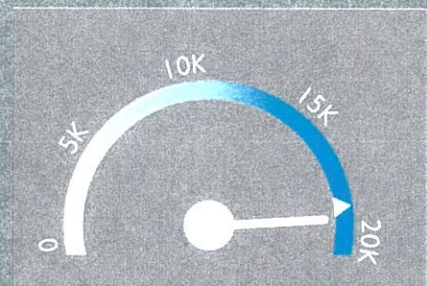
SUCCESS AT A GLANCE

Data provided reflects October 2017 information.



PARKING UTILIZATION

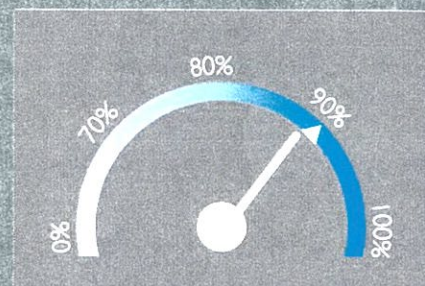
The total number of parking spaces used in the VRE system during the month, divided by the total number of parking spaces available.



AVERAGE DAILY RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings but excluding "S" schedule operating days.

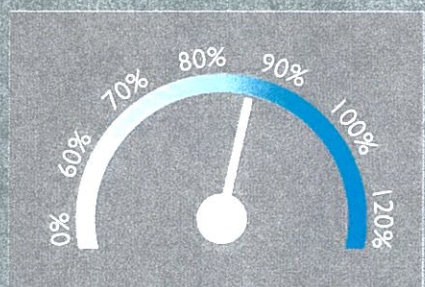
▲ Same month, previous year.



ON-TIME PERFORMANCE

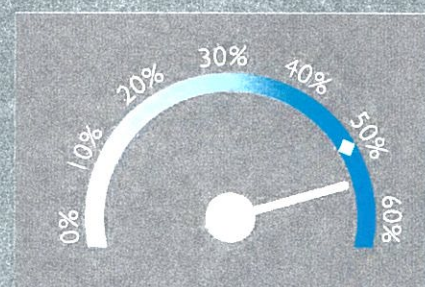
Percentage of trains that arrive at their destination within five minutes of the schedule.

▲ Same month, previous year.



SYSTEM CAPACITY

The percent of peak hour train seats occupied. The calculation excludes reverse flow and non-peak hour trains.



OPERATING RATIO

The monthly operating revenues divided by the monthly operating expenses, which depicts the percent of operating costs paid by the riders.

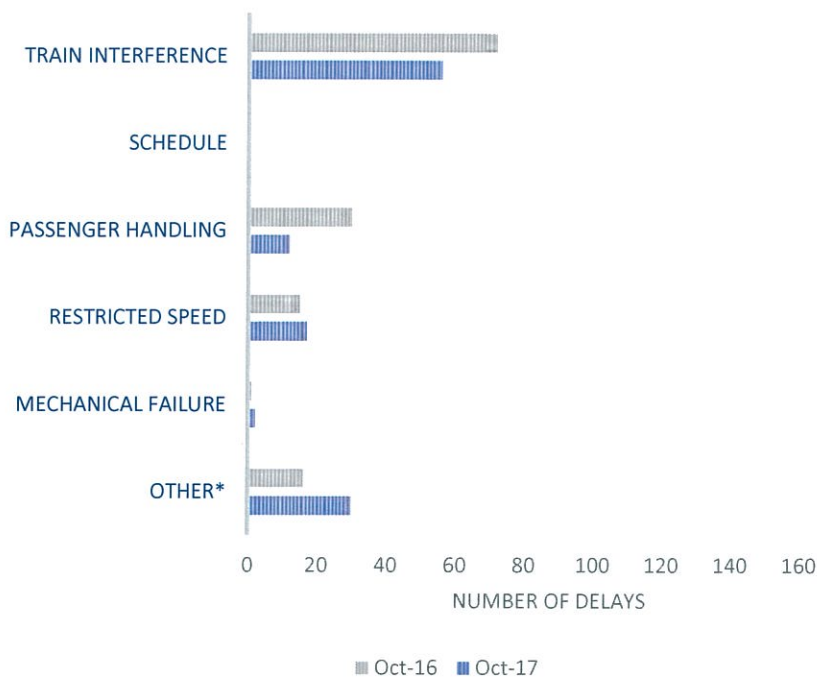
◆ Board-established goal.

ON-TIME PERFORMANCE

OUR RECORD

| | October 2017 | September 2017 | October 2016 |
|---------------------|--------------|----------------|--------------|
| Manassas Line | 90% | 92% | 93% |
| Fredericksburg Line | 91% | 87% | 90% |
| System Wide | 90% | 89% | 91% |

REASONS FOR DELAYS



VRE operated 672 trains in October. Our on-time rate for October was 90%. Sixty-four of the trains arrived more than five minutes late to their final destinations. There were thirty-five late trains on the Manassas Line and twenty-nine late trains on the Fredericksburg Line.

We achieved our 90% on-time goal for the month for the first time since May 2017, and performed better than our rolling twelve-month on-time performance average. This accomplishment happened despite the major service disruption on October 20 where a track fire near the Long Bridge over the Potomac River caused three to four hour delays on most of our evening trains on both lines. Overall, train interference remains the leading cause of delays as our host railroads continue to improve the infrastructure.

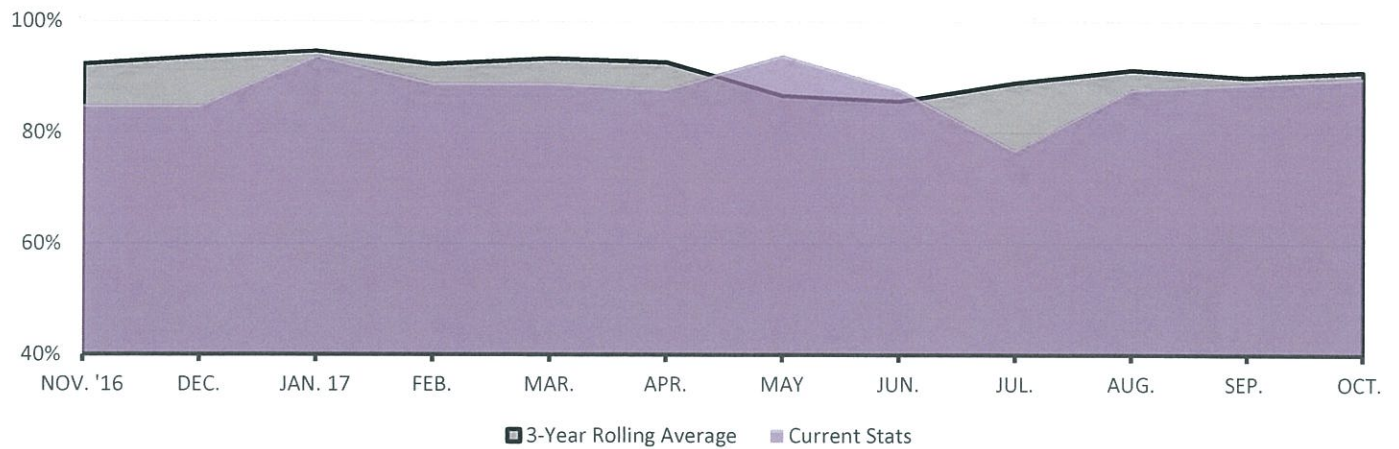
*Includes those trains that were delayed due to late turns, weather, signal/switch failures and maintenance of way.

LATE TRAINS

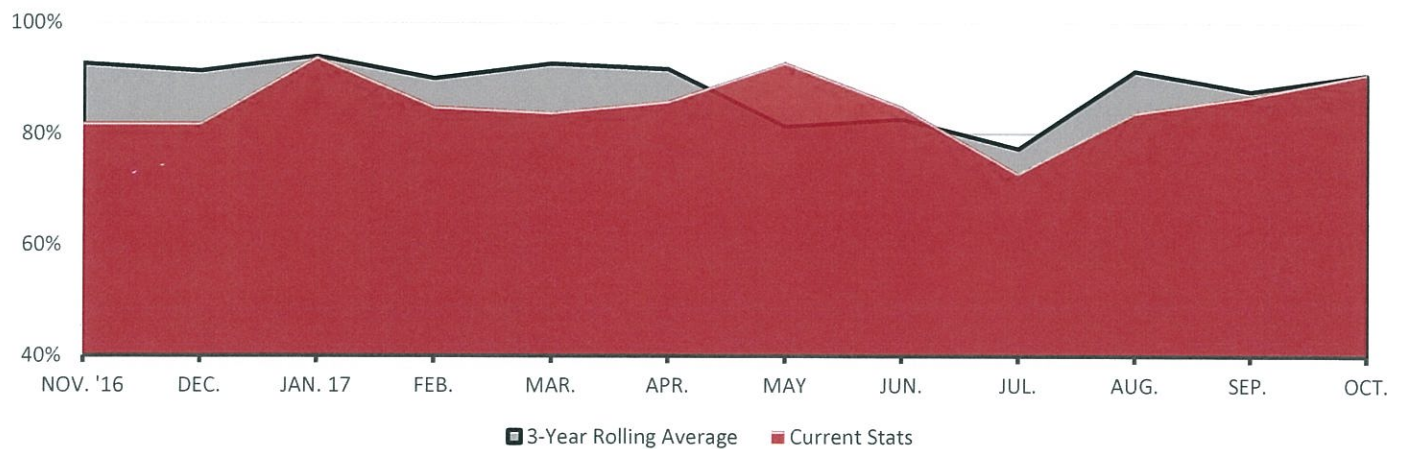
| | System Wide | | | Fredericksburg Line | | | Manassas Line | | |
|------------------------------------|-------------|------|------|---------------------|------|------|---------------|------|------|
| | Aug. | Sep. | Oct. | Aug. | Sep. | Oct. | Aug. | Sep. | Oct. |
| Total late trains | 86 | 70 | 64 | 58 | 43 | 29 | 28 | 27 | 35 |
| Average minutes late | 11 | 15 | 33 | 12 | 16 | 36 | 11 | 14 | 30 |
| Number over 30 minutes | 0 | 3 | 11 | 0 | 2 | 7 | - | 1 | 4 |
| Heat restriction days / total days | 4/23 | 1/20 | 0/21 | | | | | | |

ON-TIME PERFORMANCE

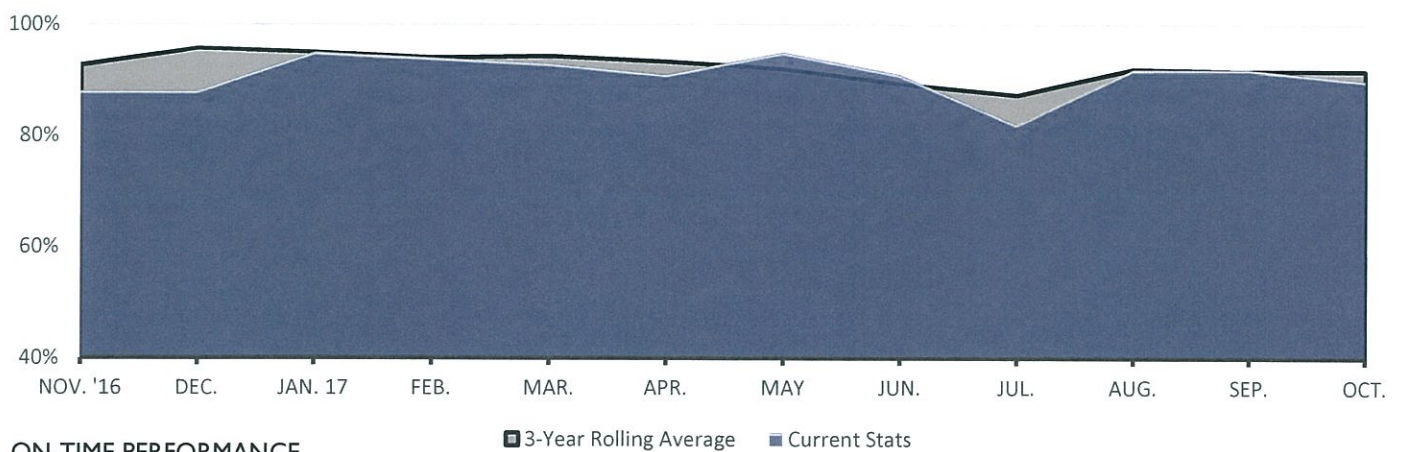
VRE SYSTEM



FREDERICKSBURG LINE

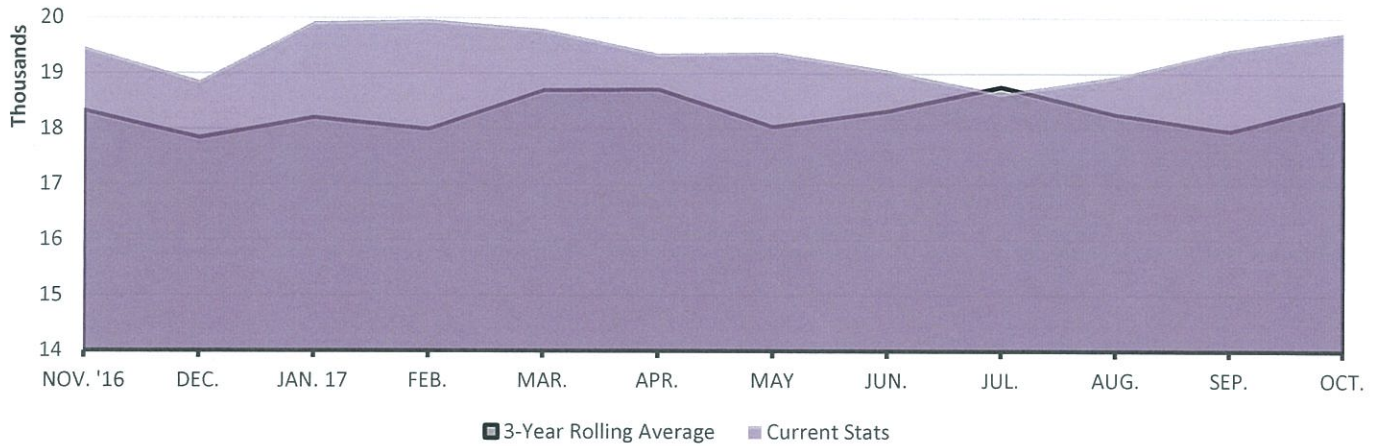


MANASSAS LINE

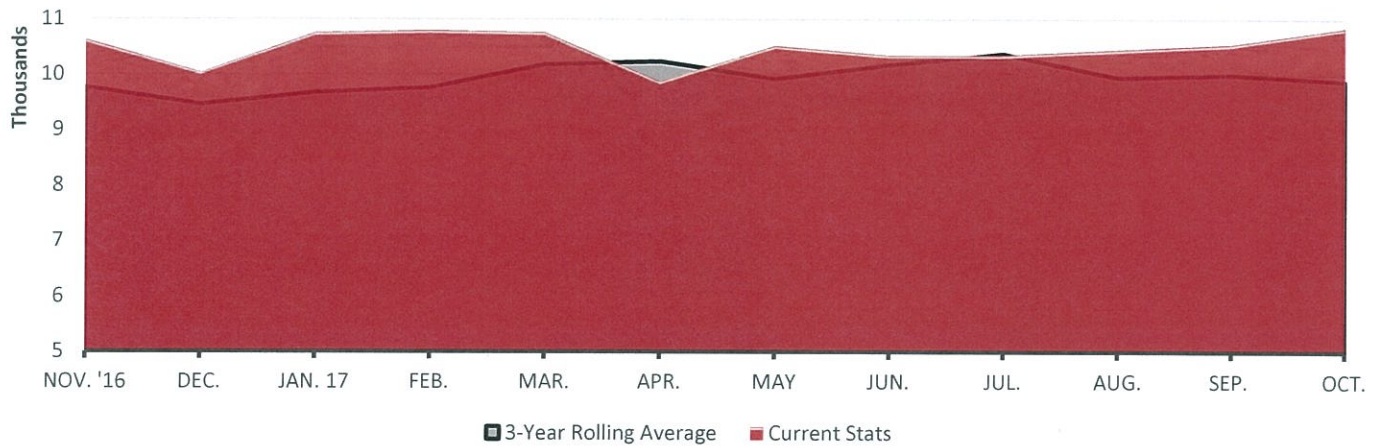


AVERAGE DAILY RIDERSHIP

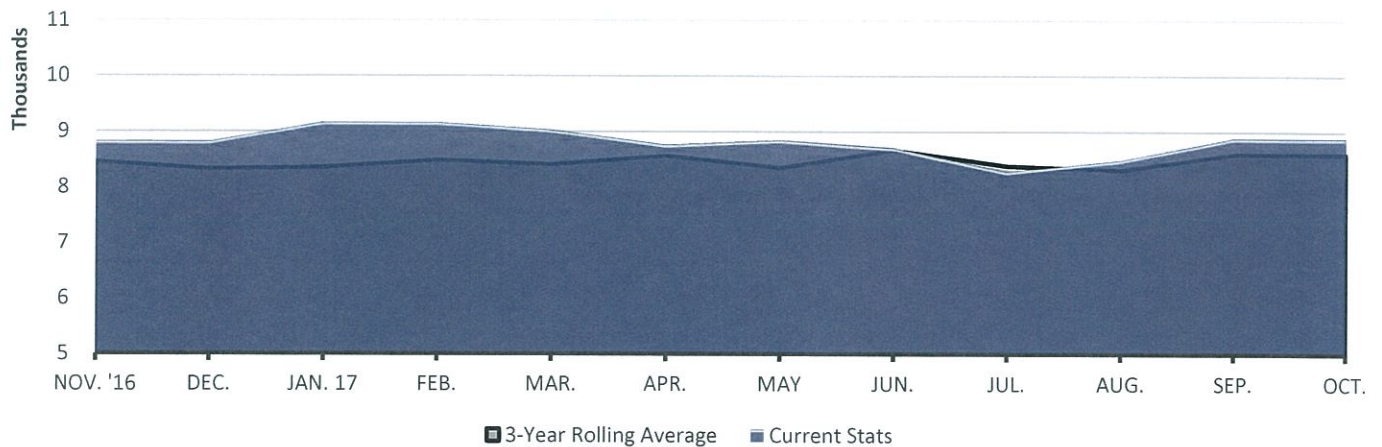
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



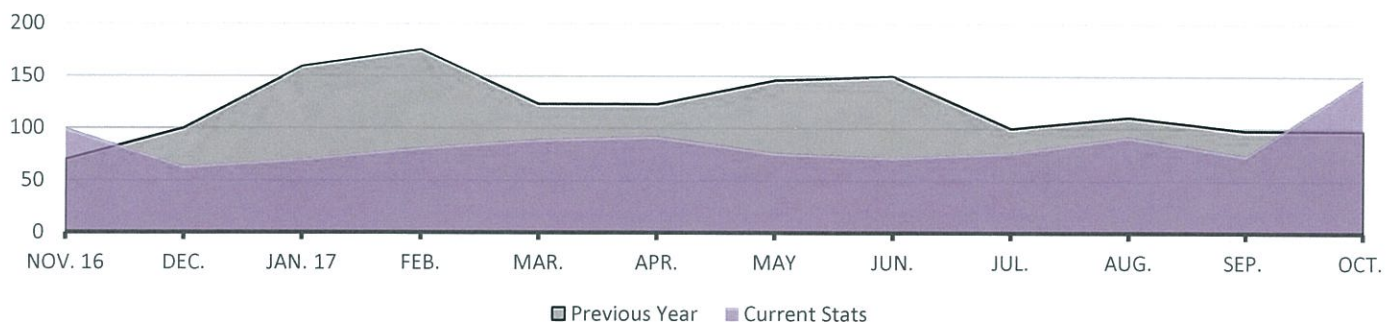
RIDERSHIP UPDATES

Average daily ridership (ADR) in October was approximately 19,700, which is about 400 more riders than last October and 300 more riders than this past September.

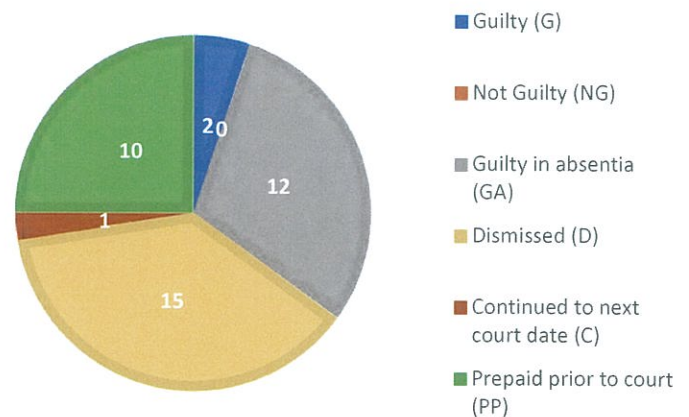
| | October 2017 | September 2017 | October 2016 |
|-------------------------|--------------|----------------|--------------|
| Monthly Ridership | 414,506 | 388,936 | 387,546 |
| Average Daily Ridership | 19,738 | 19,447 | 19,377 |
| Full Service Days | 21 | 20 | 20 |
| "S" Service Days | 0 | 0 | 0 |

SUMMONSES ISSUED

VRE SYSTEM

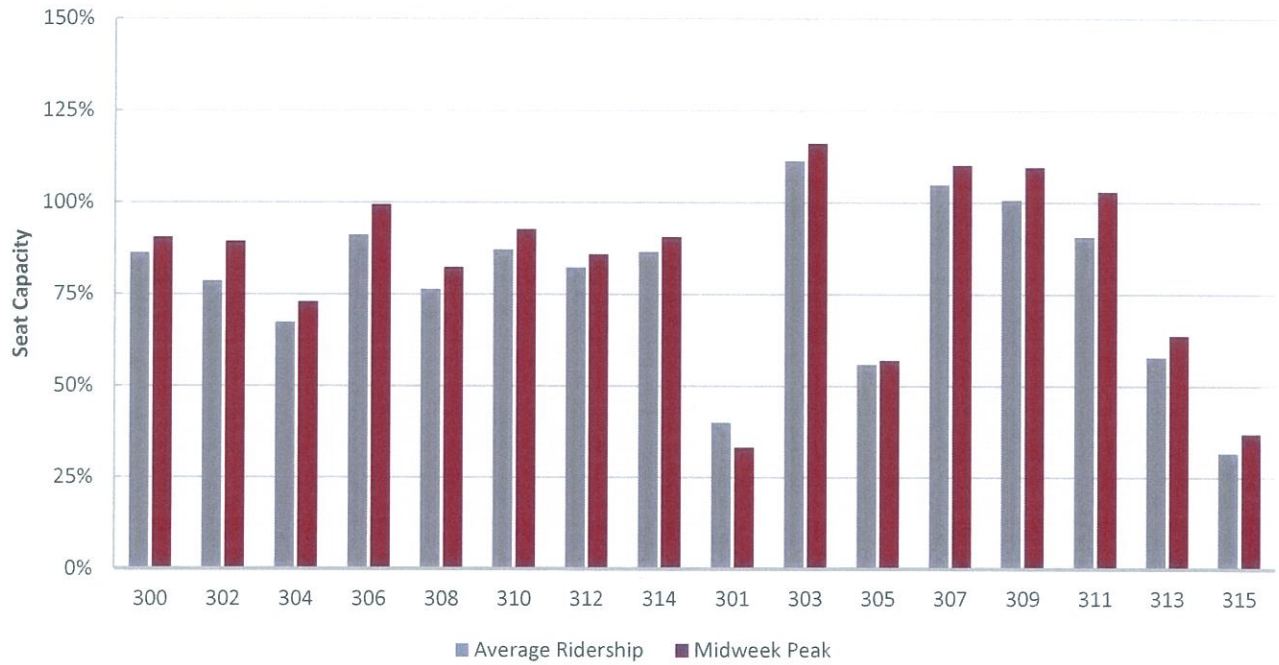
SUMMONSES WAIVED
OUTSIDE OF COURT

| Reason for Dismissal | Occurrences |
|--|-------------|
| Passenger showed proof of a monthly ticket | 14 |
| One-time courtesy | 15 |
| Per the request of the conductor | 8 |
| Defective ticket | 0 |
| Per Ops Manager | 0 |
| Unique circumstances | 0 |
| Insufficient information | 6 |
| Lost and found ticket | 0 |
| Other | 0 |
| Total Waived | 43 |

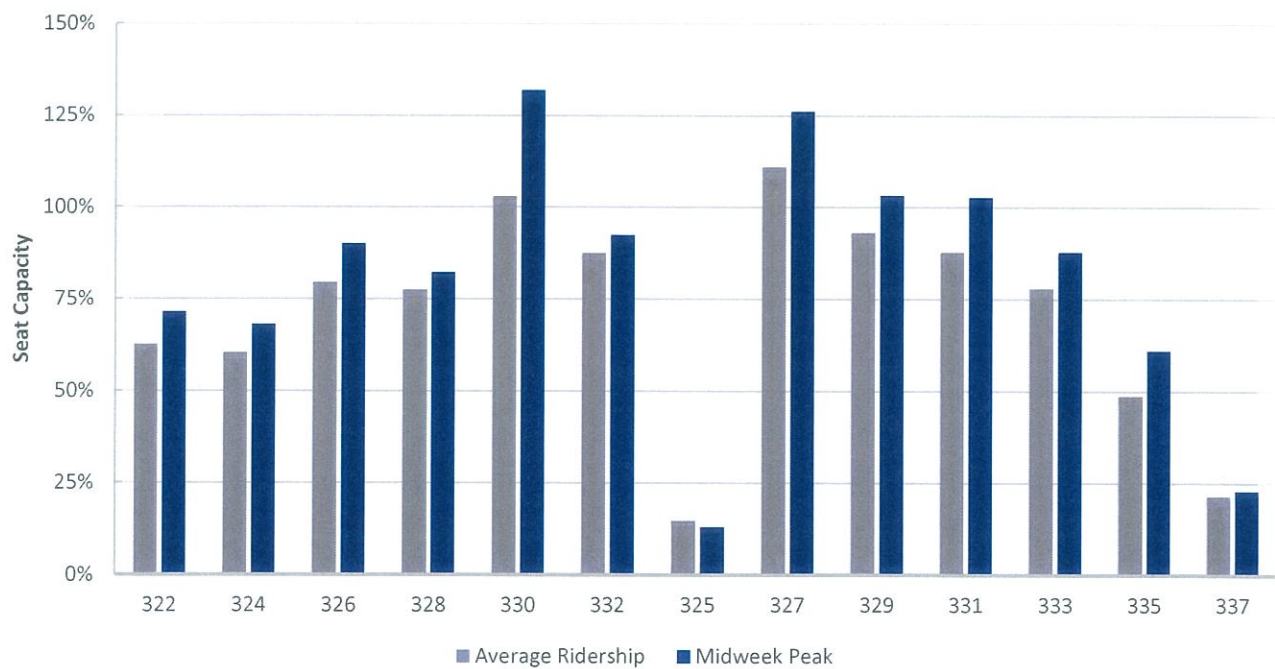
MONTHLY SUMMONSES
COURT ACTION

TRAIN UTILIZATION

FREDERICKSBURG LINE

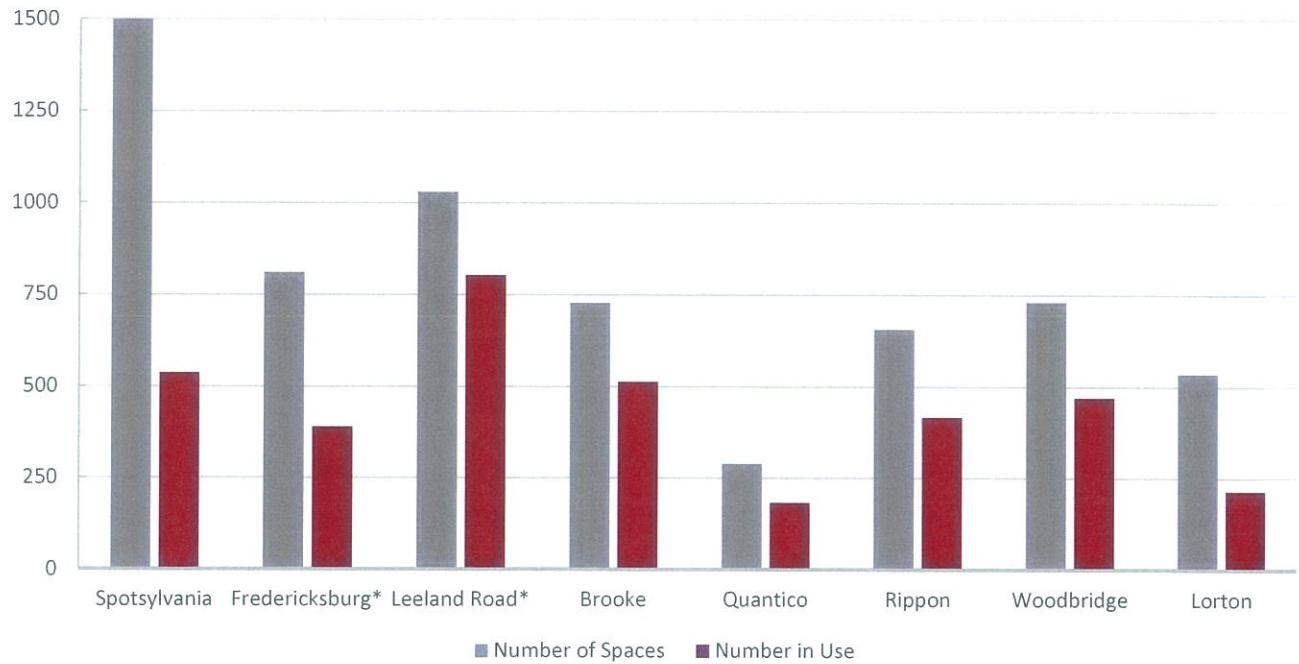


MANASSAS LINE



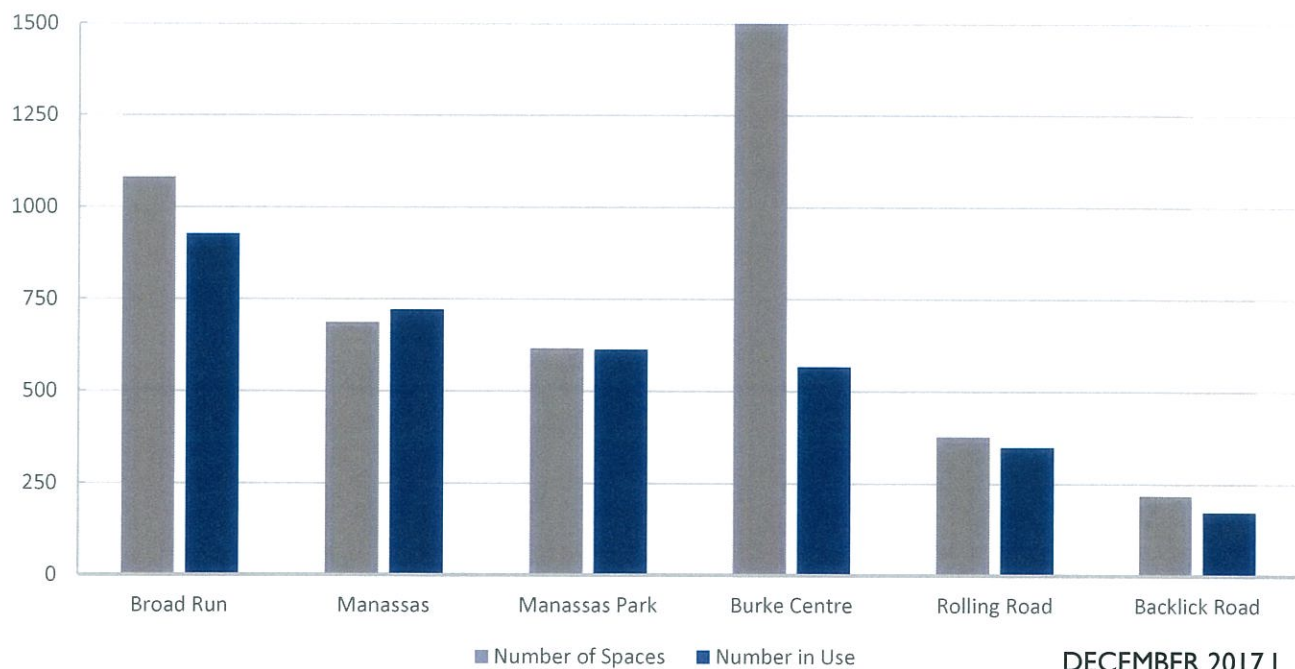
PARKING UTILIZATION

FREDERICKSBURG LINE



*Denotes stations with overflow parking available that is now being included in final counts

MANASSAS LINE



FINANCIAL REPORT

A copy of the October 2017 Operating Budget Report is attached.

Fare revenue through the first four months of FY 2018 is \$870,304 above budget (a favorable variance of 6.5%) and is up 0.4% compared to the same period in FY 2017.

The operating ratio through October is 54%. VRE's budgeted operating ratio for the full twelve months of FY 2018 is 50%.

A summary of the FY 2018 financial results through October follows, including information on the major revenue and expense categories. Please note that these figures are preliminary and unaudited.

| FY 2018 Operating Budget Report | | | | | | | |
|--|---------------------|---------------------|-------------------|-------------------|--------------------|-------------------|----------------------|
| Month Ended October 31, 2017 | | | | | | | |
| | CURR. MO. ACTUAL | CURR. MO. BUDGET | YTD ACTUAL | YTD BUDGET | YTD \$ VARIANCE | YTD % VARIANCE | TOTAL FY18 BUDGET |
| Operating Revenue | | | | | | | |
| Passenger Ticket Revenue | 3,626,518 | 3,347,014 | 14,258,358 | 13,388,054 | 870,304 | 6.5% | 39,845,400 |
| Other Operating Revenue | 12,264 | 18,900 | 74,094 | 75,600 | (1,506) | -2.0% | 225,000 |
| Subtotal Operating Revenue | 3,638,782 | 3,365,914 | 14,332,452 | 13,463,654 | 868,798 | 6.5% | 40,070,400 |
| Jurisdictional Subsidy (1) | - | - | 8,798,260 | 8,798,261 | (0) | 0.0% | 12,874,980 |
| Federal/State/Other Jurisdictional Subsidy | 2,546,155 | 2,650,438 | 10,316,139 | 10,462,692 | (146,554) | -1.4% | 31,005,851 |
| Appropriation from Reserve/Other | - | - | - | - | - | 0.0% | 955,000 |
| Interest Income | 44,039 | 6,300 | 174,195 | 25,200 | 148,995 | 591.3% | 75,000 |
| Total Operating Revenue | 6,228,976 | 6,022,651 | 33,621,046 | 32,749,807 | 871,239 | 2.7% | 84,981,231 |
| Operating Expenses | | | | | | | |
| Departmental Operating Expenses | 5,661,248 | 6,197,249 | 26,601,830 | 27,868,081 | 1,266,251 | 4.5% | 78,230,361 |
| Debt Service | 559,812 | 559,573 | 2,239,052 | 2,238,290 | (762) | 0.0% | 6,714,870 |
| Other Non-Departmental Expenses | - | - | - | - | - | 0.0% | 36,000 |
| Total Operating Expenses | 6,221,060 | 6,756,821 | 28,840,882 | 30,106,371 | 1,265,489 | 4.2% | 84,981,231 |
| Net income (loss) from Operations | 7,917 | (734,170) | 4,780,164 | 2,643,436 | 2,136,728 | 0.0% | - |
| Operating Ratio | | | 54% | 48% | | Goal | 50% |

(1) Total jurisdictional subsidy is \$17,250,240. Portion shown is attributed to Operating Fund only.

FACILITIES UPDATE

The following is a status update of VRE facilities projects:

Completed projects:

1. Replacement of waste and recycling receptacles at Lorton Station
2. Replacement of poster cases at Lorton Station
3. Replacement of signage at Lorton Station
4. Painting of Woodbridge Station and parking garage
5. Repairs to platform concrete at Alexandria, Quantico and Brooke Stations
6. Repairs to wayside power wiring connections at Broad Run Yard



New Signage and Bench at Lorton Station

Projects scheduled to be completed this quarter:

1. Repairs to platform concrete at Lorton Station
2. Replacement of building perimeter caulking at Manassas Station parking garage
3. Installation of monitoring wells on two outfall drainage pipes at Broad Run Yard to allow for accurate discharge sampling for VPDES General Permit compliance
4. Upgrades to electrical power supply for new communications cabinets at Rolling Road, Burke Centre and Fredericksburg Stations
5. Replacement of signage at L'Enfant, Crystal City, Rippon, Brooke and Backlick Road Stations



New Waste and Recycling Receptacles at Lorton Station

Projects scheduled to be initiated this quarter:

1. Design of platform widening at L'Enfant Station
2. Replacement of signage at Franconia-Springfield and Fredericksburg Stations
3. Repairs to fascia and soffit at Woodbridge Station east building



Franconia-Springfield Station West Elevator Modernization Nearing Completion

4. Replacement of ADA parking signage at Brooke and Leeland Road Stations
5. Minor renovations to VRE Fredericksburg office
6. Installation of pathfinder signs for Spotsylvania Station
7. Replacement of light poles and fixtures at Manassas Station
8. Repairs to platform concrete at Manassas Station
9. Replacement of parking lot signage at Broad Run Station
10. Replacement of tactile warning strips at various stations
11. Replacement of aging HVAC units throughout VRE system
12. Replacement of waste and recycling receptacles throughout VRE system

Ongoing projects:

1. Modernization of west elevator at Franconia-Springfield Station (scheduled for completion of work by end of December 2017, opening in January 2018)
2. Development of specifications for modernization of Woodbridge Station east elevator
3. Development of design of platform concrete rehabilitation and other station improvements at Fredericksburg Station (to be managed by Office of Development)
4. Development of IFB for Canopy Roof Replacement at the Backlick and Rolling Road Stations

UPCOMING PROCUREMENTS

Scope of Work Pending:

- Replacement of Tactile Warning Strips at Station Platforms
- Purchase of Passenger Elevators
- Construction of the Lifecycle Overhaul and Upgrade Facility
- Construction Management Services for the Lifecycle Overhaul and Upgrade Facility
- Program Management Services
- Graphic Design Services
- Canopy Roof Replacement at the Backlick and Rolling Road Stations
- Passenger Railcar Truck Overhaul Services
- Modernization of VRE Woodbridge Station East Elevator
- Repair and Overhaul of Passenger Car HVAC Assemblies
- Repair and Overhaul of Passenger Car Wheelchair Lift Assemblies
- Insurance Brokerage Services
- Maintenance/Custodial and Seasonal Services for VRE Facilities
- Disaster Management Services

CAPITAL PROJECTS UPDATES

AS OF NOVEMBER 3, 2017

Broad Run Expansion Study (was Gainesville-Haymarket Expansion Study) (BRX/GHX)

- Met with Prince William County Environmental Division Chief on October 10th
- Attended internal meeting to review design standards and yard schematics on October 10th
- Participated in BRX Project Management Team (PMT) meeting on October 11th
- Attended schematic design review meeting on October 19th
- BRX safety and security certification task order kick-off occurred on October 19th
- Participated in BRX PMT meeting on October 25th
- Met with Prince William County Planning Director to review BRX expansion on October 30th



Workers erect canopy steelover the platform extension at Lorton Station.

VRE Core Capacity Project Implementation Strategy

- Prepared project description and capacity analysis summary for Federal Transit Administration (FTA) review

Quadrennial Constrained Long Range Plan (CLRP) Financial Analysis

- VRE staff participated in Transportation Planning Board (TPB) Long Range Plan Task Force Meeting on October 18th



Final earthwork grading and seeding around a new entryway created at Lorton Station as part of the platform extension project

Midday Storage Replacement Facility

- Submitted NEPA Categorical Exclusion (CE) documentation to Federal Transit Administration (FTA)
- FTA confirmed receipt of CE and all attachments
- Public Involvement Plan being updated
- Sent concurrence memo to Amtrak and it is under legal review
- Geotech borings completed and being reviewed
- Project agreement review and discussion continued



New railings are mounted to the edge of expanded platform at Lorton.

DECEMBER 2017

- Draft survey-only agreement received from Amtrak and under Legal review

Rolling Road Platform Extension

- Submitted revised plans based on Norfolk Southern comments; followed-up with a request for updated status and comments
- Dewberry submitted plans to Fairfax County for review



The finished roof is applied to the canopy steel over the platform extension at Lorton

Crossroads Real Estate Acquisition

- At October 24th Board of Supervisors (BOS) meeting rezoning approved unanimously

Long Bridge Expansion Study

- The Department of Rail and Public Transportation (DRPT) conducted a "feasibility analysis" of Long Bridge options; DRPT provided preliminary results at PMT meeting in October
- The concept of using existing bridge and superstructure to add additional capacity and save time, costs and constructability issues was introduced by DRPT
- Level 2 screening resulted in 2 and 4 track bridge options to be selected for further analysis; this will depend on results of DRPT's feasibility analysis
- Drafted Memorandum of Agreement (MOA) with Federal Railroad Administration (FRA) comments received and forwarded for Legal review



Roofing and drainage gutters are replaced on the existing canopy at Lorton as part of the platform extension project.

Southeast High Speed Rail Corridor (DC2RVA) Coordination

- FRA approved Draft Environmental Impact Statement (DEIS)
- VRE Staff complied comments of the DEIS document for review by VRE Chief Development Officer; comments to be integrated and transmitted to DRPT

Washington Union Station Project EIS

- Provided comments to Amtrak on 90 percent drawings

Lorton Platform Extension

- On site and regular communication and coordination with CSXT, Fairfax County, utilities, and other stakeholders (including regularly scheduled project meetings with Hammerhead Construction, the prime contractor)
- Site preparation and submittals continued in preparation for fill operations, including concrete form setting, steel and concrete placement, and conduit installations and drainage installation
- Site preparation occurred for roofing and painting work
- Light poles delivered on site
- Railing installation has begun
- Drainage and Civil Earthwork continued
- Project meetings held October 25th and November 1st

Arkendale to Powell's Creek Third Track Project

- Project cleanup and work on eroded areas at Retaining Wall 14 and Bauer Road Bridge continuing as other scope, contract, and agreement issues are resolved between CSXT, DRPT and the contractor
- CSXT contractor KCC has finished Bauer Road Bridge and has demobilized off of project

Quantico Station

- 60 percent design for station and 90 percent design for site, civil, drainage, track, and retaining wall in vicinity of station released to stakeholders for review and comment
- DRPT Task Order for STV to be able to complete 60-to-90 percent design was executed
- Utility location and potential conflicts coordinated on site through CSXT
- Progress meeting/calls scheduled every 2 weeks began September 14th

Potomac Shores Station

- Re-design of station concept waiting on Arkendale to Powell's Creek agreements to be finalized
- Received and reviewing contractor's responses to previous comments; responses will be addresses with new sets of comments on 100 percent plans
- Contract Amendment 2 revised scope/description of work received from CSX to incorporate into Contract Amendment 2. VRE and Potomac Shores reviewed week ending November 3rd

Franconia-Springfield Station Improvements

- The General Engineering Consultant (GEC) 30 percent plans are pending Hazard Analysis and access decisions
- Updated the monthly Capital Improvement Program progress report

- Received additional backup material for Invoice #13 and recommended payment
- Received, reviewed, and commented on the CSX Draft Design Review Agreement
- Attended the DC2RVA DEIS public meeting in Richmond on October 10th
- Provided additional internal comments on DC2RVA Draft EIS on October 11th
- Participated in the DC2RVA VRE bi-weekly coordination meeting/call on October 17th
- Provided a project update to Northern Virginia Transportation Authority (NVTa) for grant reporting requirements
- Participated in the GEC bi-weekly coordination meeting/call on October 23rd
- Participated in internal discussions about possible programmatic categorical exclusion
- Participated in the DC2RVA bi-weekly coordination meeting/call on October 31st
- Updated the project status on the Capital Planning and Coordination spreadsheet

Lorton Station Improvements (Second Platform)

- Continued to process update on the draft design review agreement through legal
- The General Engineering Consultant (GEC) 30 percent plans are pending Hazard Analysis, NFPA 130, and access decisions
- Updated the monthly Capital Improvement Program progress report
- Received additional backup material for Invoice #13 and recommended payment
- Received, reviewed, and commented on the CSX Draft Design Review Agreement
- Attended the DC2RVA DEIS public meeting in Richmond on October 10th
- Provided additional internal comments on DC2RVA Draft EIS on October 11th
- Participated in the DC2RVA VRE bi-weekly coordination meeting/call on October 17th
- Corresponded with Department of Conservation and Recreation (DCR) regarding Laurel Hill Connector Trail Study
- Provided a project update to NVTa for grant reporting requirements
- Participated in the GEC bi-weekly coordination meeting/call on October 23rd
- Participated in the DC2RVA bi-weekly coordination meeting/call on October 31st
- Updated the project status on the Capital Planning and Coordination spreadsheet
- Participated in the internal Capital Planning and Coordination Meeting on November 1st

Rippon Station

- Continued development of 30 percent plans and cost estimate
- Updated the monthly Capital Improvement Program progress report
- Received additional backup material for Invoice #13 and recommended payment
- Attended the DC2RVA DEIS public meeting in Richmond on October 10th

- Provided additional internal comments on DC2RVA Draft EIS on October 11th
- Participated in the DC2RVA VRE bi-weekly coordination meeting/call on October 17th
- Provided a project update to NVTa for grant reporting requirements
- Participated in the GEC bi-weekly coordination meeting/call on October 23rd
- Participated in the DC2RVA bi-weekly coordination meeting/call on October 31st
- Updated the project status on the Capital Planning and Coordination spreadsheet
- Participated in the internal Capital Planning and Coordination Meeting on November 1st

Leeland Road Station

- Continued development of 30 percent plans and cost estimate
- Updated the monthly Capital Improvement Program progress report
- Received additional backup material for Invoice #13 and recommended payment
- Reviewed and provided comments to legal on Draft REF Agreement
- Attended the DC2RVA DEIS public meeting in Richmond on October 10th
- Provided additional internal comments on DC2RVA Draft EIS on October 11th
- Participated in an internal Rail Enhancement Fund (REF) grant agreement meeting with Finance on October 11th
- Participated in the DC2RVA VRE bi-weekly coordination meeting/call on October 17th
- Continued working with legal on the latest draft DRPT REF Grant Agreement
- Participated in the GEC bi-weekly coordination meeting/call on October 23rd
- Sent DRPT the latest draft REF Grant Agreement for final review and acceptance
- Participated in the DC2RVA bi-weekly coordination meeting/call on October 31st
- Updated the project status on the Capital Planning and Coordination spreadsheet
- Participated in the internal Capital Planning and Coordination Meeting on November 1st

Brooke Station

- Continued development of 30 percent plans and cost estimate
- Updated the monthly Capital Improvement Program progress report
- Received additional backup material for Invoice #13 and recommended payment
- Reviewed and provided comments to legal on Draft REF Agreement
- Attended the DC2RVA DEIS public meeting in Richmond on October 10th
- Provided additional internal comments on DC2RVA Draft EIS on October 11th
- Participated in an internal Rail Enhancement Fund (REF) grant agreement meeting with Finance on October 11th

- Began developing an estimate using the cost tool for the new Option 7 concept
- Participated in the DC2RVA VRE bi-weekly coordination meeting/call on October 17th
- Participated in the GEC bi-weekly coordination meeting/call on October 23rd
- Continued refining an estimate using the cost tool for the new Option 7 concept
- Sent DRPT the latest draft REF Grant Agreement for final review and acceptance
- Participated in the DC2RVA bi-weekly coordination meeting/call on October 31st
- Updated the project status on the Capital Planning and Coordination spreadsheet
- Participated in the internal Capital Planning and Coordination Meeting on November 1st

Alexandria Pedestrian Tunnel Project

- Participated in VRE internal meeting regarding project goals and funding
- Authorized Virginia Department of Transportation (VDOT) Draw #8 on September 15th for \$29,802.60
- Responded to inquiries about timing of the advertisement for the contracts on September 25th and September 29th
- Processed an invoice for services through September 1st from Gannet Fleming
- Prepared a timeline of major activities
- Updated NVTa matrix on status of project
- Participated in internal meeting to review information on history of project
- Requested and received a color site plan of the Expansion of the King Street Station Bus Facility from City of Alexandria
- Provided additional City of Alexandria documentation from 1975 for the tunnel to be included in Metro's plans
- Worked on revision to Level Boarding Analysis for submittal to FTA and FRA

Crossroads Lifecycle Overhaul & Upgrade Facility

- Continued working on Division 001 specifications for IFB
- Met with VRE Manager of System Safety to discuss Threat and Vulnerability Assessment task order for LOU; coordinated delivery of materials to consultant so that they can create a scope of work and task order proposal for the certification
- Discussed Safety and Security Analysis/Certification scope of work with VRE Manager of System Safety; prepared timeline for project through property acquisition and procurement to get to bid in list and calendar format
- Continue to coordinate with Spotsylvania County about the site permit and keeping VRE informed. New information concerning the conditions of the zoning change require tree buffers at the south end of the property that will be acquired once the zoning is approved and other pending FTA action

- Reviewed GEC VII scope of work for Construction Management (CM) Services task order with VRE Manager of Project Implementation
- Began Independent Cost Estimate (ICE) for the task order for CM services to include pre-construction services
- Sent update project consultant regarding progress on property acquisition
- Revised GEC VII scope of work for CM Services task order and invited consultant in to discuss
- Reviewed GEC VII timeline for CM Services task order with VRE Manager of Project Implementation
- Reviewed project schedule and construction timeline; agreed to conduct monthly internal update meetings
- Met with General Planning Consultant personnel to discuss construction management task order on November 2nd
- Sent comments on Best Management Practices Facility Agreement form to project consultant to coordinate with Spotsylvania County

L'Enfant (North) Storage Track Wayside Power

- Project consultant completed as-built inspection on October 9th and submitted summary of comments to VRE
- Met with C3M to discuss work items needed to complete as-built plans; sent comments to AECOM about discussion. Received comments back from AECOM and reviewed
- Met with C3M, AECOM, and HDR on October 23rd to discuss work items needed to complete as-built plans
- Responded to inquiry from auditors regarding CSXT invoice
- Reviewed CSXT invoice through October 11th and requested information from CSX on November 1st
- Plan for initial train storage shifted to December 4th
- Coordinated with CSX for their completion of the derail

L'Enfant (South) Storage Track Wayside Power

- Requested update from Pepco on review status on October 27th
- Sent e-mail to CSX about agreements

Slaters Lane/Alexandria Track 1 Access

- Provided comments on Construction Agreement sent by Legal to CSXT and VRE
- Reviewed request from NVTa to provide a progress report for CSX invoices
- Requested CSX to submit progress reports (as requested by NVTa) identifying the invoice numbers, dates and amounts

DECEMBER 2017

- Spoke to CSX Accounting personnel on October 26th regarding progress report request
- Reviewed CSX response for request of progress reports; they will forward

Manassas Park Station Parking Expansion

- Responded to construction contractor regarding project
- Participated in internal meeting on October 16th to discuss current project status and outstanding items
- Attended City of Manassas Park governing body public hearing on October 17th when zoning waiver for parking space size was presented
- Reviewed and revised package of materials submitted by VHB for NS submittal; sent back revised package to VHB
- Reviewed 30 percent plans and cross-checked with comment summary
- Revised comment summary into Excel format for ease in use
- Reviewed cost estimate submitted by VHB
- Sent reminder to City of Manassas Park staff about comments/discussion on the Traffic Impact Study submitted on September 15th
- Received and reviewed 5-sheet NS plan set
- Spoke to personnel at NS on October 27th about desire to coordinate
- Received details from VHB for comparing 8.5'-wide' parking spaces with 9'-wide parking spaces

Crystal City Station Improvements

- Met with VHB to develop project schedule and cost to complete concept design and ongoing tasks

Station Signage

- Brooke Station sign package, including location plans, sign list, and notes, were circulated among VRE staff for review
- Field visit to Crystal City, L'Enfant, and Backlick Road on October 13th
- Sign package for Rippon delivered to VRE Manager of Project Implementation on October 20th

As of November 3, 2017

PROJECTS PROGRESS REPORT

PASSENGER FACILITIES




| PROJECT | DESCRIPTION | PHASE | | | | | |
|--|--|-------|----|----|-----|----|----|
| | | CD | PD | EC | RW | FD | CN |
| Union Station Improvements (Amtrak/VRE Joint Recapitalization Projects) | Station and coach yard improvements of mutual benefit to VRE and Amtrak. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Alexandria Station Improvements | Pedestrian tunnel to METRO and eliminate at-grade track crossing. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| | Modify Slaters Lane Interlocking and East Platform for passenger trains on Track #1. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| | Extend East Platform and elevate West Platform. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Franconia-Springfield Station Improvements | Extend both platforms and widen East Platform for future third track. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Lorton Station Improvements | Extend existing platform. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| | Construct new second platform with pedestrian overpass. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Rippon Station Improvements | Extend existing platform, construct new second platform with pedestrian overpass. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Potomac Shores Station Improvements | New VRE station in Prince William County provided by private developer. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Quantico Station Improvements | Extend existing platform, construct new second platform with pedestrian overpass. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Brooke Station Improvements | Extend existing platform, construct new second platform with pedestrian overpass. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Leeland Road Station Improvements | Extend existing platform, construct new second platform with pedestrian overpass. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Manassas Park Parking Expansion | Parking garage to increase parking capacity to 1,100 spaces. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Rolling Road Station Improvements | Extend existing platform. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Crystal City Station Improvements | Replace existing side platform with new, longer island platform. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |
| Broad Run Station Improvements | Parking garage to increase parking capacity by 900 spaces. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |

PHASE: CD - Conceptual Design PD - Preliminary Design EC - Environment Clearance RW - Right of Way Acquisition FD - Final Design CN - Construction

STATUS: ◆ Completed ◆ Underway ◆ On Hold

◆ part of the "Penta-Platform" program

*Total project cost estimate in adopted FY2018 CIP Budget

| Total | ESTIMATED COSTS (\$) | | | Expended ^{2/} | COMPLETION | | STATUS |
|--|----------------------|------------|------------|------------------------|------------|--------------|---|
| | Funded | Unfunded | Authorized | | Percent | Date | |
| 3,201,176 | 3,201,176 | - | 1,172,309 | 602,542 | 84% | 4th QTR 2017 |  Work resumed in April, 2016, and is anticipated to be completed December 2017. |
| 10,021,865 | 10,021,865 | - | 1,814,559 | 1,504,443 | 51% | 3rd QTR 2020 |  60% Comments under review |
| 7,000,000 | 7,000,000 | - | 467,500 | 90,749 | 30% | 1st QTR 2018 |  Construction is anticipated to start as part of CSXT work program. |
| 2,400,000 | 400,000 | 2,000,000 | - | - | 5% | 3rd QTR 2020 |  Design work on East Platform only. West Platform elevation funded. |
| 13,000,000 | 13,000,000 | - | - | 272,863 | 20% | 2nd QTR 2020 |  Preliminary engineering is anticipated to be complete in Winter 2017. |
| 2,500,000 | 2,500,000 | - | 1,846,675 | 1,130,116 | 75% | 4th QTR 2017 |  Construction resumed following delay to confirm location of new third track under Atlantic Gateway. |
| 16,150,000 | 16,150,000 | - | - | 219,348 | 20% | 2nd QTR 2020 |  Preliminary engineering is anticipated to be complete in Winter 2017. |
| 16,632,716 | 16,632,716 | - | - | 153,757 | 20% | 4th QTR 2021 |  Preliminary engineering is anticipated to be completed by August 2018. |
| No costs for VRE. Private developer providing station. | | | | | 10% | TBD |  On hold pending resolution of DRPT/CSXT/FRA issues anticipated in September 2017. |
| 9,500,000 | 9,500,000 | 574,706 | - | - | 30% | TBD |  Final design up to 90% underway under DRPT management and funding |
| 21,334,506 | 21,334,506 | - | - | 167,621 | 20% | 4th QTR 2021 |  Preliminary engineering is anticipated to be completed by August 2018. |
| 14,336,156 | 14,336,156 | - | - | 140,293 | 20% | 4th QTR 2021 |  Preliminary engineering is anticipated to be completed by August 2018. |
| 19,600,000 | 2,500,000 | 17,100,000 | 182,142 | 233,186 | 10% | 2nd QTR 2018 |  30% design plans received and under review. |
| 2,000,000 | 2,000,000 | - | 442,900 | 177,660 | 14% | 3rd QTR 2020 |  60% design plans under review by NS. |
| 21,160,000 | 400,000 | 20,760,000 | 278,767 | 150,855 | 5% | 2nd QTR 2023 |  NTP for alternatives analysis and conceptual design issued December 2016. |
| 24,420,000 | 3,420,000 | 21,000,000 | 2,031,263 | 393,120 | 30% | TBD |  Project to be completed as part of Broad Run Expansion Project. |

TRACK AND INFRASTRUCTURE

| PROJECT | DESCRIPTION | PHASE | | | | | |
|------------------------------------|--|-------|----|----|-----|----|----|
| | | CD | PD | EC | RW | FD | CN |
| Hamilton-to-Crossroads Third Track | 2¼-miles of new third track with CSXT design and construction of signal and track tie-ins. | ◆ | ◆ | ◆ | N/A | ◆ | ◆ |

MAINTENANCE AND STORAGE FACILITIES

| | | | | | | | |
|--|--|---|-----|-----|-----|-----|-----|
| L'Enfant North Storage Track and Wayside Power | Conversion of existing siding into a midday train storage track. | ◆ | ◆ | ◆ | N/A | ◆ | ● |
| L'Enfant South Storage Track and Wayside Power | Conversion of CSXT Temporary Track to VRE Storage Track (1,350 feet) and Associated Signal Work and | ◆ | ◆ | ◆ | N/A | ● | ● |
| Lifecycle Overhaul and Upgrade Facility | New LOU facility to be added to the Crossroads MSF. | ◆ | ◆ | ◆ | N/A | ◆ | ● |
| Crossroads Maintenance and Storage Facility Land Acquisition | Acquisition of 16.5 acres of land, construction of two storage tracks and stormwater retention and new | ◆ | N/A | N/A | ● | N/A | N/A |
| Midday Storage | New York Avenue Storage Facility: Planning, environmental and preliminary engineering. | ◆ | ● | ● | ● | | |

ROLLING STOCK

| | | | | | | | |
|-------------------------------|--|---|-----|-----|-----|---|---|
| Passenger Railcar Procurement | Acquisition of 29 new railcars (15 received • 14 being built) | ◆ | N/A | N/A | N/A | ◆ | ● |
| Positive Train Control | Implement Positive Train Control for all VRE locomotives and control cars. | ◆ | N/A | N/A | N/A | ◆ | ● |











PLANNING, COMMUNICATIONS AND IT

| | | | | | | | |
|--|---|---|-----|-----|-----|---|---|
| Broad Run Expansion (was Gainesville-Haymarket Extension) | NEPA and PE for expanding commuter rail service capacity in Western Prince William County | ◆ | ● | ● | - | - | - |
| Mobile Ticketing | Implementation of a new mobile ticketing system. | ◆ | N/A | N/A | N/A | ◆ | ● |

PHASE: CD - Conceptual Design PD - Preliminary Design EC - Environment Clearance RW - Right of Way Acquisition FD - Final Design CN - Construction
 STATUS: ◆ Completed ● Underway ■ On Hold

1 Total project cost estimate in adopted FY2018 CIP Budget
 2 Does not include minor (< \$50,000) operating expenditures

DECEMBER 2017

| Total ¹ | ESTIMATED COSTS (\$) | | | Expended ² | COMPLETION | | STATUS |
|--------------------|----------------------|-------------|------------|-----------------------|------------|--------------|--|
| | Funded | Unfunded | Authorized | | Percent | Date | |
| 32,500,000 | 32,500,000 | - | 33,285,519 | 31,299,225 | 100% | 4th QTR 2015 |  Project complete. Close-out pending. |
| 4,283,618 | 4,283,618 | - | 4,207,057 | 2,562,069 | 80% | 2nd QTR 2017 |  Power construction 90% complete. Track and signals in service. |
| 3,965,000 | 3,965,000 | - | 2,937,323 | 1,517,774 | 40% | 3rd QTR 2017 |  Power design under review by CSXT & Pepco. Track and signals in service. |
| 35,196,323 | 35,196,323 | - | 3,176,039 | 2,071,698 | 60% | TBD |  Design 100% complete. On hold pending county zoning action. |
| 2,950,000 | 2,950,000 | - | 2,950,000 | 76,767 | 75% | TBD |  Submission of CE to FTA and county zoning action pending. |
| 88,800,000 | 88,800,000 | - | 3,171,599 | 616,070 | 20% | 4th QTR 2017 |  Developing design options and PE. Identifying real estate requirements and acquisition strategy. |
| 75,264,693 | 75,264,693 | - | 69,457,809 | 36,994,353 | 52% | 4th QTR 2018 |  8 cars were received in FY 2015, 7 cars have been received in FY 2016 and 5 cars received in FY 2017. |
| 10,553,000 | 10,553,000 | - | 10,294,079 | 7,368,521 | 80% | 4th QTR 2018 |  Onboard installations ongoing. |
| 617,791,163 | 5,885,163 | 611,906,000 | 5,483,720 | 2,709,552 | 15% | 3rd QTR 2022 |  Phase 1 directed focus on capacity improvements on existing Broad Run terminus. NTP issued for Phase 2 work program |
| 3,510,307 | 3,510,307 | - | 3,510,627 | 1,575,307 | 87% | 2nd QTR 2017 |  Integration with S&B system complete. Mobile now accounts for about 12% of monthly revenue and more than 25% of all tickets sold. |



VIRGINIA RAILWAY EXPRESS MAGAZINE

RIDE

DECEMBER 2017 / JANUARY 2018

TEMPERATURES DROP,
PARKING COUNTER
PROJECT HEATS UP



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JANUARY 2018

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- 05 | AUTOMATIC TICKET COUNTERS
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- 08 | GET NOTICED WITH VRE ADVERTISING
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Editor in Chief: Cindy King

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FROM THE CEO CRYSTAL CITY STATION: NEXT PHASE



DOUG ALLEN
Chief Executive Officer

The Crystal City station improvement project really exemplifies VRE's commitment to understanding the needs of our riders and the communities in which we operate. Crystal City is one of our busiest stations, yet it is only served by one track and the platform does not accommodate an 8-car train. We realize this is a major stovepipe in our system, and as such, our development team has been working for several months with riders who board at Crystal City, area businesses, regional transportation partners, local residents, and our host railroad to form a recommendation to relocate the station to best meet the needs of as many parties as possible.

Our goals for the new station were to enhance connectivity to Metrorail and buses, create a future four-track environment, and stay within the existing rail right-of-way -- all while supporting Crystal City's vision for growth and ensuring continuity of our service during construction. Our team promoted and held several community outreach sessions to collect feedback on three possible new locations for the station, and surveyed riders on the platform. All comments were reviewed and prepared for our Operations Board, along with a summary of how each location option ranked.

VRE staff recommended the location option on the other side of the water park, Option 2, as it provides the overall most favorable outcomes -- the best connections to local and regional transportation, and the community and environmental impacts were rated as equal to both Option 1 and Option 3. Our Operations Board member representing Crystal City, Arlington County Supervisor Katie Cristol, participated in many area meetings on the relocation, and our Operations Board was fortunate enough to hear from one area resident first-hand during the public comment portion of our October meeting. After reviewing the various factors and public comments, the Operations Board adopted the centrally-located Option 2 for further analysis and design.

We value the public involvement process in our projects, and ensuring that we are considering the needs of the jurisdictions we serve. We can confidently move into the next phase of our study with the backing of Crystal City and the support of our riders.

Sincerely,

DOUG ALLEN

Chief Executive Officer
Virginia Railway Express



Access RIDE online at
www.VRE.org/RIDE



RESULTS OF CUSTOMER SURVEY

RIDER INPUT HELPING PRIORITIZE INITIATIVES

Each spring we conduct a Customer Survey to determine rider satisfaction with various aspects of our system, ranging from communications to station lighting. Tabulating the data takes several months, so shortly after we complete our fall Master Agreement Survey, we receive the results of the spring survey. The 2017 Customer Satisfaction Survey findings are currently being used by VRE management in planning and prioritizing projects.

Highlights of this year's May survey include:

- The satisfaction with the ease of buying a ticket is at a 5-year high (87% of riders are satisfied), presumably in-part due to VRE Mobile.
- The level of satisfaction with our station signage is down (81% of riders are satisfied). We are currently working to replace signage in order of station need, starting with Brooke and Lorton.
- We are continuing to work to improve station lighting, but were happy to see a 24 percent increase in satisfaction with evening lighting at stations – with the percentage of satisfied riders increasing from 64% to 88%.
- While the satisfaction with our overall communications remains consistent with the previous four years, the quality of the information on our website is perceived at a 5-year low (only 70% of riders are satisfied). We will begin turning attention to our website early next year, and ask that you provide feedback regarding the site to us at webmaster@vre.org.
- We saw a decline in rider satisfaction with the frequency of ticket inspections. Crews are expected to check tickets in every half of every car on every trip. Passengers may report crews who are not checking tickets to gotrains@vre.org.

VRE REPORT CARD



Full survey results can be found
online at vre.org/passenger-survey

| Year-to-Year Ridership Survey Comparison | | | | | |
|--|----------------------|------|------|------|------|
| Train Crew Members | %of Riders Satisfied | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Are Knowledgeable About VRE Operations | 92% | 93% | 94% | 93% | 95% |
| Are Helpful and Courteous | 90% | 92% | 93% | 91% | 93% |
| Make Regular Station Announcements | 84% | 85% | 87% | 85% | 89% |
| Make Timely Delay Announcements | 78% | 81% | 83% | 78% | 82% |
| Check Tickets Regularly | 81% | 86% | 87% | 85% | 82% |
| Present a Professional Appearance | 93% | 94% | 96% | 95% | 95% |
| Overall Crew Performance | 90% | 92% | 94% | 92% | 94% |



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

VRE OPERATIONS BOARD

December 15, 2017

**Executive Committee Meeting – 8:30 am
Operations Board Meeting - 9:00 am**

**PRTC Headquarters
14700 Potomac Mills Road
Woodbridge, VA 22192**

1. Pledge of Allegiance
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes from the November 17, 2017 VRE Operations Board Meeting
5. Chairman's Comments
6. Chief Executive Officer's Report
7. Virginia Railway Express Riders' and Public Comment
8. Consent Items
 - A. Authorization to Issue an Invitation for Bids for the Purchase and Delivery of Seat Bottoms for Passenger Railcars
 - B. Authorization to Issue a Request for Proposals for Construction Management Services for the Lifecycle Overhaul and Upgrade Facility
9. Action Items
 - A. *Referral of the Amended FY 2018 and Recommended FY 2019 VRE Operating and Capital Budgets to the Commissions and Localities*



Northern Virginia
Transportation Commission
2300 Wilson Blvd. #620
Arlington, VA 22201
703.524.3322



Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703.684.1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703.580.6121

B. Recommend Approval to Refinance VRE RRIF Loan

- C. Authorization to Execute an Agreement with Amtrak to Conduct Ground Surveys for the Midday Storage Facility Project
- D. Authorization to Execute Contract Options for Purchase and Delivery of Locomotive Fuel to VRE Yards
- E. Authorization to Extend the Lease Agreement for Parking at the Rippon Station
- F. Authorization to Execute an Agreement for Project Controls Software License and Related Integration and Training
- G. Authorization to Amend the Mechanical Engineering Consulting Services Contract (MEC VI)
- H. VRE Operations Board Resolution of Support for Prince William County's Application for Route 28 Corridor Improvements Funding for NVTA FY 2018-2023 Six Year Program
- I. VRE Operations Board Resolution of Support for Arlington County's Application for Crystal City Metrorail Station East Entrance and Intermodal Connections Funding for NVTA FY 2018-2023 Six Year Program

J. Approval of 2018 VRE Officers

- 10. Information Items
 - A. Spending Authority Report
- 11. Closed Session
- 12. Operations Board Member's Time

**The Next VRE Operations Board Meeting
January 19, 2018 - 9:00 am at PRTC**



**Virginia Railway
Express**

Paul Smedberg
Chairman

Maureen Caddigan
Vice-Chairman

Katie Cristol
Secretary

Paul Milde
Treasurer

Sharon Bulova
John C. Cook
John D. Jenkins
Matt Kelly
Jennifer Mitchell
Suhass Naddoni
Martin Nohe
Pamela Sebesky
Gary Skinner
Bob Thomas

Alternates

Ruth Anderson
Pete Candland
Hector Cendejas
Libby Garvey
Todd Horsley
Jeremy Latimer
Jeanine Lawson
Tim Lovain
Wendy Maurer
Jeff McKay
Michael McLaughlin
Paul Trampe
Billy Withers
Mark Wolfe

Doug Allen
Chief Executive Officer

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

MINUTES

VRE Operations Board Meeting
PRTC Headquarters - Prince William County, Virginia
December 15, 2017

| Members Present | Jurisdiction |
|--------------------------------------|--|
| Sharon Bulova (NVTC) | Fairfax County |
| Maureen Caddigan (PRTC) | Prince William County |
| John C. Cook (NVTC) | Fairfax County |
| Katie Cristol (NVTC) | Arlington County |
| John D. Jenkins (PRTC) | Prince William County |
| Matt Kelly (PRTC) | City of Fredericksburg |
| Paul Milde (PRTC) | Stafford County |
| Suhass Naddoni (PRTC) | City of Manassas Park |
| Martin Nohe (PRTC) | Prince William County |
| Pamela Sebesky (PRTC) | City of Manassas |
| Gary Skinner (PRTC) | Spotsylvania County |
| Paul Smedberg (NVTC) | City of Alexandria |
| Bob Thomas (PRTC) | Stafford County |
| Members Absent | Jurisdiction |
| Jennifer Mitchell | DRPT |
| Alternates Present | Jurisdiction |
| Ruth Anderson (PRTC) | Prince William County |
| Libby Garvey (NVTC) | Arlington County |
| Michael McLaughlin | DRPT |
| Jeanine Lawson (PRTC) | Prince William County |
| Alternates Absent | Jurisdiction |
| Pete Candland | Prince William County |
| Hector Cendejas (PRTC) | City of Manassas Park |
| Todd Horsley | DRPT |
| Jeremy Latimer | DRPT |
| Tim Lovain (NVTC) | City of Alexandria |
| Wendy Maurer (PRTC) | Stafford County |
| Jeff McKay (NVTC) | Fairfax County |
| Paul Trampe (PRTC) | Spotsylvania County |
| Billy Withers (PRTC) | City of Fredericksburg |
| Mark Wolfe (PRTC) | City of Manassas |
| Staff and General Public | |
| Doug Allen - VRE | Naquana Jenkins - VRE |
| Paolo Belita - Prince William County | Cindy King - VRE |
| Nydia Blake - Prince William County | Mike Lake - Fairfax County DOT |
| Alex Buchanan - VRE | Lezlie Lamb - VRE |
| Colin Burch - DRPT | Bob Leibbrandt - Prince William County |
| Matt Cheng - NVTC | Steve MacIsaac - VRE Legal Counsel |
| Rich Dalton - VRE | Kate Mattice - NVTC |
| Andrew D'huyvetter - NVTC | Kristen Nutter - VRE |
| Curtis Duncan - STV | Mark Schofield - VRE |
| Julie Elliott - Stafford County | Cindy Shelton - Stafford County Board |
| Jeremy Flores - VRE | Steve Sindiong - City of Alexandria |
| Paul Garnett - Keolis | Alex Sugatan - VRE |
| Robert Gibbons - Citizen | Joe Swartz - VRE |
| Rhonda Gilchrest - NVTC | Norine Walker - VRE |
| Chris Henry - VRE | Ciara Williams - DRPT |
| Christine Hoeffner - VRE | Detrius Williams - VRE |
| Pierre Holloman - Arlington County | Jennifer Young - VRE |
| Robert Hostelka - VRE | |

Chairman Smedberg called the meeting to order at 9:13 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

Chairman Smedberg suggested Agenda Item #9B “Recommend Approval to Refinance VRE RRIF Loan” be moved to the end of the Agenda after a Closed Session. There were no objections.

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

Approval of the Minutes of the November 17, 2017 Operations Board Meeting – 4

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

Chairman’s Comments –5

Chairman Smedberg announced Governor-Elect Northam has reappointed Jennifer Mitchell to continue to serve in her role as DRPT Director.

Chairman Smedberg announced this is the last Operations Board meeting for Mr. Thomas and Mr. Milde. He stated Mr. Thomas has represented the Stafford County Board of Supervisors since 2011 and has served on PRTC and VRE since 2013. Mr. Thomas is the presumptive Delegate-Elect to represent the 28th District in the House of Delegates. Chairman Smedberg stated VRE looks forward to continuing to work with Mr. Thomas in his new role. He presented a plaque and framed VRE photograph to Mr. Thomas in appreciation of his service on the Operations Board. Mr. Thomas thanked the Board and observed the VRE Operations Board works well together because it is a collaborative and non-partisan. He looks forward to continuing a good relationship with VRE in his role in the General Assembly.

Chairman Smedberg stated Mr. Milde has served on the VRE Operations Board for the past 11 years and has served as an officer for seven of those years. Mr. Milde served as chairman in 2010 and 2014 and under his leadership VRE operations transitioned from Amtrak to Keolis; four locomotives were purchased; the System 2040 Plan was developed; the Corridor Improvement Project MOU was amended to add the Potomac Shores Station; the Master Agreement was amended to comply with legislation giving DRPT a weighted vote; and the Board Member Recognition Program was established. Chairman Smedberg presented Mr. Milde with a plaque and framed VRE photograph in appreciation of his service to VRE.

Mr. Milde thanked Robert Gibbons, an early member of the Operations Board, for attending today’s meeting since he was instrumental in bringing Mr. Milde onto the Operations Board

and took him under his wing. Mr. Milde stated the Operations Board is one of his favorite boards because of the way members work together, as well as seeing all the progress VRE has made over the years.

Board Members had an opportunity to express their appreciation to Mr. Thomas and Mr. Milde. Mr. Allen concluded by thanking them both for their service.

Chief Executive Officer's Report –6

Mr. Allen recapped VRE's recent safety and security activities for the past month, including a perimeter fencing upgrade at the Broad Run Station and continued training of multiple first responders. He stated VRE puts an emphasis on safety and emergency training and it is good to see it has an impact. VRE recently received a letter from a family whose son had a medical emergency at the Burke Centre Station. VRE crews and other passengers assisted with first aid. This young man has fully recovered and his family credits the availability of the emergency medical equipment and the training of VRE crews with being a factor in his positive outcome.

Mr. Allen reported on-time performance for November was 91 percent system wide and average daily ridership was 19,700. He also gave a brief update on the December 9th Operation Lifesaver Santa Trains and the associated Toys for Tots campaign. Weeks of planning, coordinating and preparing went into this annual event involving 13 trains from five different stations throughout the day. He gave special recognition to several members of VRE's Communication and Operations Department, including Jennifer Young, Jeremy Flores, Cindy King and Naquana Jenkins for their hard work to make the event a success. He also acknowledged the rest of the VRE staff, Keolis crews, CSX, Norfolk Southern, and the City of Manassas City Manager Pat Pate, as well as the police department, for their enhanced safety during the event.

Mr. Allen also reported the Lorton Station Platform Extension project was completed and opened for use on December 11th. Rolling Road is the next extension project.

Chairman Smedberg acknowledged Cindy Shelton, who was elected to the Aquia District seat on the Stafford County Board of Supervisors, replacing Mr. Milde.

VRE Riders' and Public Comment – 7

There were no rider comments.

Consent Agenda – 8

On a motion by Mr. Kelley and a second by Mr. Milde, the Board unanimously approved the following Consent Agenda Items:

- Resolution #8A-12-2017: Authorization to Issue an Invitation for Bids for the Purchase and Delivery of Seat Bottoms for Passenger Railcars
- Resolution #8B-12-2017: Authorization to Issue a Request for Proposals for Construction Management Services for the Lifecycle Overhaul and Upgrade Facility

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

Referral of the Amended FY 2018 and Recommended FY 2019 VRE Operating and Capital Budgets to the Commissions and Localities – 9A

Chairman Smedberg stated the Operations Board is asked to adopt the revised FY 2018 and recommended FY 2019 VRE Operating and Capital budgets and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption; and to recommend the Commissions authorize the executive directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding. Resolution #9A-12-2017 would accomplish this.

Mr. Buchanan reviewed the budget process and key budget assumptions. The recommended FY 2019 Operating and Capital Budget totals \$149.5 million (\$88.5 million in operating and \$60.9 million in capital). The budget is balanced and includes funding for the highest priority capital projects. Service levels will remain at 32 daily revenue trains. The jurisdictional subsidy will increase by three percent, with no fare increase except for a \$1 increase in the Amtrak Step-Up ticket. Moderate fuel costs are projected and average daily ridership is projected at 19,000. The budget includes one new FTE position (grant accountant).

Mr. Buchanan thanked the CAO Task Force for working with VRE on the budget, especially co-chairs Bob Leibbrandt and Mike Lake. The CAO Task Force supports the three percent subsidy increase, the Amtrak Step-Up increase, and one additional staffing position. The Capital Committee also reviewed the capital program in November.

Mr. Buchanan stated the FY 2018 Amended Budget has a net increase of \$0.4 million in operating and a net increase of \$16 million in capital, representing SmartScale and REF grants that were not yet committed at this time last year and capital reserve funding to keep projects moving forward.

Mr. Schofield reviewed the FY 2019 Capital Budget totaling \$60.9 million. He gave an update on the Washington Union Terminal. VRE has been budgeting future federal funds for investments for the Washington Union Terminal. Looking ahead through 2022, construction and design projects have been identified. The preliminary ask for VRE's share over the six-year period is \$25-30 million (before potential credits). Mr. Schofield reviewed the 2019-2024 CIP and the capital funding challenges facing VRE in the coming years. If not addressed, the state transit fiscal cliff will impact key capital projects like mid-day storage and matching of federal formula grants.

Mr. Schofield stated the fiscal cliff will also impact operating as funds for track access fee reimbursement will decline substantially. VRE stands to lose \$30 million over six years if the state match falls to eight percent. If access fee support drops from 84 percent to 50 percent, VRE faces a loss of an additional \$19 million over six years. He stated if the fiscal cliff is not addressed this General Assembly Session, VRE could "muddle through" for a year or two but sustained decline in access fee funding could force reduction in service. This could result in a "death spiral" if riders seek other options. He reminded the Board

discretionary funding for expansion (NVRTA, SmartScale, I-66 Outside the Beltway) cannot be repurposed, which will not solve core funding issues.

Mr. Schofield outline the six-year CIP and broke down the active and future projects, and the associated expected funding. Chairman Smedberg asked when the Long Bridge project will get elevated to "active" status. Mr. Allen stated he considers it an active project in that the project is in the Environmental Impact Statement phase, even though funding has not been committed. Funding starts to ramp up when design starts. Mr. McLaughlin stated there was a public meeting on the EIS last night. He stated when preliminary engineering begins is, generally speaking, when the real money starts being spent.

Mr. Schofield stated Resolution #9A-12-2017 has been amended to delete the last resolve clause to remove language no longer needed.

Mr. Cook expressed his opinion using capital reserve funds to respond to the fiscal cliff is not a good practice. VRE needs to be prepared if the General Assembly does not address the fiscal cliff this Session. If it is not addressed, the Operations Board should consider in April 2018 asking staff to put together a shutdown plan. He stated this is a serious issue because in 2022 VRE would not have a sustainable budget. VRE's messaging needs to include this. Mr. Schofield agreed dipping into capital reserves is bad practice. Mr. Cook stated VRE will need to look at its legal obligations regarding committed funds if service needs to shut down.

Ms. Cristol stated VRE's legislative strategy and message should use the words "death spiral" and be clear about how the fiscal cliff impacts VRE. Ms. Bulova stated the Governor's budget is being released December 18th and it is anticipated it will address Metro funding and the fiscal cliff. She stated it is critical for VRE to be clear on how VRE is impacted if the General Assembly does not address the fiscal cliff. She suggested putting together easy to understand factoids to include in VRE's legislative strategy to help convey this message to legislators. Mr. Nohe stated he is optimistic on General Assembly action to address the fiscal cliff, but expressed some concern WMATA issues may cause some problems for VRE. Ms. Cristol stated Board Members need to be unified in the message that addressing the fiscal cliff is necessary but not sufficient. Mr. Kelly expressed his concern the General Assembly will not permanently fix the issue. If VRE needs to use its capital reserves to address the fiscal cliff, it means the 2040 expansion is off the table. There needs to be a long-term solution.

Mr. Kelly moved, with a second by Ms. Bulova, to approve Resolution #9A-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Authorization to Execute an Agreement with Amtrak to Conduct Ground Surveys for the Mid-Day Storage Facility Project – 9C

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to execute an agreement with the National Passenger Railroad Corporation (Amtrak) allowing collection of ground surveys for a mid-day storage facility in an estimated amount of \$278,881, plus a 10 percent contingency of \$27,888, for a total not to exceed \$306,769. Resolution #9C-12-2017 would accomplish this.

Mr. Allen explained the agreement will provide access, flagging, and other support activities during the collection of field data in support of the proposed Mid-Day Storage Replacement Facility.

Mr. Kelly moved, with a second by Mr. Skinner, to approve Resolution #9C-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

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

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to execute a fourth option year for the purchase and delivery of locomotive fuel contracts with James River Solutions of Ashland, Virginia for fuel at the Crossroads Yard and Griffith Energy Services, Inc. of Manassas, Virginia for fuel at the Broad Run Yard for the year ending June 30, 2019. The contract option with James River Solutions is being recommended in an amount not to exceed \$2,507,500, for a period of one year. The contract option with Griffith Energy Services, Inc. is being recommended in an amount not to exceed \$1,742,500, for a period of one year. Resolution #9D-12-2017 would accomplish this.

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9D-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

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

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to extend a Lease Agreement with KP Big Crest Lane, LLC for parking at the Rippon Station in the amount of \$178,466 for one year. Resolution #9E-12-2017 would accomplish this.

Ms. Caddigan moved, with a second by Mr. Naddoni, to approve Resolution #9E-12-2017.

In response to a question from Mr. Nohe, Mr. Allen explained the proffer statement/development plan stipulates until the parking garage is constructed and available for use, VRE must lease the surface parking. Once the parking facility is built by the developer, parking for VRE will be embedded in the development. Mr. Nohe understands VRE's hands are tied with the agreement, but the original intent of the proffer was for VRE to gain parking and not have to lease it long-term.

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

Authorization to Execute an Agreement for Project Controls Software License and Related Integration and Training – 9F

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to execute an agreement to acquire e-Builder project controls software licenses and related training in the amount of \$202,028, plus a 10 percent contingency of \$20,203, for a total not to exceed \$222,231. Resolution #9F-12-2017 would accomplish this.

Mr. Allen explained this software will provide a centralized, consistent, and comprehensive tool for staff to organize, monitor and manage VRE capital improvement projects through planning, design and construction.

Mr. Thomas asked about initial costs versus future annual costs. Mr. Hostelka explained the initial costs are for acquisition of the software package and requisite licenses for its use, assistance with integrating it into VRE's system, and training. Annual costs are expected to be approximately \$50,000.

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9F-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Authorization to Amend the Mechanical Engineering Consulting Services Contract (MEC VI) – 9G

Chairman Smedberg stated the Operations Board is asked to authorize the CEO to amend the Mechanical Engineering Consulting Services Contract (MEC VI) in accordance with the revised Virginia Public Procurement Act (VPPA). Resolution #9G-12-2017 would accomplish this.

Mr. Allen explained the VPPA was amended on October 1, 2016 to increase the allowable maximum aggregate value of all Task Orders initiated to \$6,000,000 per year for Professional Engineering contracts. This action would amend the MEC VI contract's annual limit to \$6,000,000 as well as the total not to exceed amount to \$23,000,000 over the five-year term of the contract.

Ms. Bulova moved, with a second by Ms. Caddigan, to approve Resolution #9G-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Resolution of Support for Prince William County's Application for Route 28 Corridor Improvements Funding for the NVTAFY 2018-2023 Six Year Program – 9H

Chairman Smedberg stated the Operations Board is asked to support Prince William County's application for the Route 28 Corridor Improvements (Fitzwater Drive to Pennsylvania Avenue) project for funding consideration in the Northern Virginia Transportation Authority's FY 2018-2023 Six Year Program (SYP). Resolution #9H-12-2017 would accomplish this.

Ms. Caddigan moved, with a second by Mr. Milde, to approve Resolution #9H-12-2017.

Mr. Nohe gave some background on the Route 28 project, which is a longstanding project and in theory fully funded. It has become clear the project needs to be modified because of VRE's Manassas Line Rail Capacity Enhancement project. The two projects complement each other in support of future VRE growth. Chairman Smedberg noted this action has no fiscal impact to VRE.

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

Resolution of Support for Arlington County's Application for Crystal City Metrorail Station East Entrance and Intermodal Connections Funding for the NVTA FY2018-2023 Six Year Program -9I

Chairman Smedberg stated the Operations Board is asked to support Arlington County's application for the Crystal City Metrorail Station East entrance and Intermodal Connections for funding consideration in NVTA's FY 2018-2023 Six Year Program. Resolution #9I-12-2017 would accomplish this.

Mr. Allen explained Arlington County has asked for a resolution of support from the VRE Operations Board as an interested stakeholder in the project, which will provide connectivity with VRE and the Crystal City Potomac Yard Transitway. The new Metrorail station entrance is aligned with the preferred site for the proposed VRE Crystal City Station. Ms. Cristol observed synchronicity to Metro is important and Arlington County appreciates VRE's support. Chairman Smedberg noted this action has no fiscal impact to VRE.

Ms. Cristol moved, with a second by Ms. Bulova, to approve Resolution #9I-12-2017. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Skinner, Smedberg and Thomas.

Approval of 2018 VRE Officers - 9J

Chairman Smedberg asked Ms. Caddigan and Ms. Bulova, who served as the Nominating Committee, to give a report. Ms. Caddigan reminded the Board the office of chairman is rotated each year between the two Commissions. She is unable to serve as chairman next year but since she has a vested interest in the Potomac Shores Station, she would like to continue as an officer in the role of secretary. She thanked Mr. Nohe for agreeing to be nominated as chairman. The Nominating Committee recommends the following slate of officers for 2018:

| | |
|--------------------------|-------------------------|
| Chairman: | Martin Nohe (PRTC) |
| Vice-Chairman: | Katie Cristol (NVTC) |
| Secretary: | Maureen Caddigan (PRTC) |
| Treasurer: | John Cook (NVTC) |
| Immediate Past Chairman: | Paul Smedberg (NVTC) |

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9J-12-2017, which approves the recommended slate of officers.

Mr. Kelly observed Mr. Nohe will make a great chairman; however, the southern jurisdictions' priorities are often different than the northern jurisdictions so it is important to have the southern jurisdictions represented. He suggested updating the By-Laws to include an At-Large Member on the Executive Committee. Mr. Thomas observed a Stafford County member was positioned to fill an officer spot but these are unique circumstances in which both Stafford County representatives on VRE will be replaced with new members. It did not seem fair to the Operations Board to replace that position with a newly appointed member.

Mr. Nohe stated his intent, as the chair of VRE and NVTA, to meet with FAMPO to discuss and align regional issues important to the southern jurisdictions. Chairman Smedberg also noted officers are receptive to hear about any issues or concerns a jurisdiction may have. Mr. Skinner expressed his opinion it is important Ms. Caddigan remain on the Executive Committee for her involvement with the Potomac Shores Station. Mr. Cook stated Mr. Kelly makes a good point but noted the Executive Committee meetings are open meetings so any member can participate. Chairman Smedberg also noted there are several committees (Capital Committee, Legislative Committee) where Board Members can participate.

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

Chairman Smedberg stated the new officers will be sworn in at the January 19th meeting.

Spending Authority Report –10A

Chairman Smedberg stated the written report provides details on the following expenditures to report for November 2017:

- Task Order for \$59,771 to Vanasse Hangen Brustlin, Inc. for preliminary site investigations and development of a project implementation plan for L'Enfant Station and track improvements.
- Task Order for \$75,000 to Kensington Consulting, LLC for Facility Design Consulting and Assessment.
- Task Order for \$88,776 to RPI Group, Inc. for Management of Inventory of Security Camera and Access Control Components.
- Amended Blanket Purchase Order with Digilink, Inc from \$50,000 to an amount not to exceed \$100,000 for printing services.

There were no questions.

Departing Staff Recognition

Mr. Allen recognized Jeremy Flores, who will be leaving VRE to take a new job at the Federal Transit Administration. Mr. Allen thanked him for Mr. Flores for his years of service and wished him well in his new position.

Closed Session – 11

Chairman Smedberg moved, with a second by Ms. Cristol, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711.A (1) and (8) of the Code of Virginia), the VRE Operations Board authorized a Closed Session for the purpose of discussing one personnel matter involving a contractor employed by VRE, and one matter requiring consultation with legal counsel and necessary staff concerning the terms and conditions of a proposed Virginia Resources Authority refinancing of an existing Railroad and Rehabilitation Improvement Financing loan.

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

The Board entered into Closed Session at 10:53 A.M. Mr. Skinner left at 11:01 A.M. during the Closed Session and did not return. The Board returned to Open Session at 11:30 A.M.

Chairman Smedberg moved, with a second by Ms. Bulova, the following certification:

The VRE Operations Board certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session:

1. Only public business matters lawfully exempted from open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia were discussed; and
2. Only such public business matters as were identified in the motion by which the Closed Session was convened were heard, discussed or considered.

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Smedberg and Thomas.

Recommended Approval to Refinance VRE RRIF Loan – 9B

Chairman Smedberg stated the Operations Board is asked to recommend the Commissions approve a debt financing agreement with the Virginia Resources Authority (VRA) for the purpose of achieving debt service savings through a refinancing of VRE's existing Railroad Rehabilitation and Improvement Financing (RRIF) loan that was used to purchase railcars. Resolution #9B-12-2017 would accomplish this.

Mr. Nohe moved, with a second by Ms. Cristol, to approve Resolution #9B-12-2017 with the following amendments:

- Add a fifth whereas clause: "The VRE Operations Board recognizes the value of the VRA refinancing option to the VRE, due to the estimated savings of 12 percent of net present value, and also recognizing the need to move forward quickly in order to accommodate VRA's schedule."

- Amend the existing resolve clause to add "Draft" prior to "VRA Term Sheet" and to add the following wording to the end of the sentence: "subject to reasonable and responsible resolution of issues currently under negotiation."

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Cristol, Jenkins, Kelly, McLaughlin, Milde, Naddoni, Nohe, Sebesky, Smedberg and Thomas.

Operations Board Member Time – 12

Ms. Caddigan wished everyone a Merry Christmas and Happy Holidays.

Adjournment

Mr. Milde moved, with a second by Mr. Thomas, to adjourn. Without objection, Chairman Smedberg adjourned the meeting at 11:33 A.M.

Approved this 19th day of January 2018.

Martin Nohe
Chairman

Maureen Caddigan
Secretary

CERTIFICATION

This certification hereby acknowledges the minutes for the December 15, 2017 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest

**Virginia Railway Express
Operations Board**

**Resolution
8A-12-2017**

**Authorization to Issue an Invitation for Bids for the
Purchase and Delivery of Seat Bottoms for Passenger Railcars**

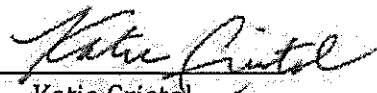
WHEREAS, each of VRE's Gallery IV Cab and Trailer Cars are equipped with variable combinations of three types of seats; and,

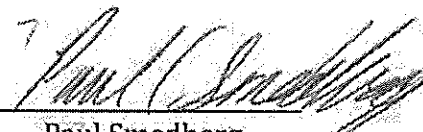
WHEREAS, the original seat bottoms on 21 Cab Cars and 50 Trailers Cars have become worn and the foam padding has deteriorated; and,

WHEREAS, VRE's lifecycle maintenance team recommends the replacement of seat bottoms for 71 cars;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids for the purchase and delivery of 21 Cab Car and 50 Trailer car seat bottoms for passenger railcars.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8B-12-2017**

**Authorization to Issue a Request for Proposals for Construction
Management Services for the Lifecycle Overhaul and Upgrade Facility**

WHEREAS, the VRE Operations Board adopted a lifecycle maintenance strategy for VRE rolling stock; and,

WHEREAS, VRE will add a new building at the Crossroads Maintenance and Storage Facility (MSF) fully dedicated to lifecycle maintenance activities; and,

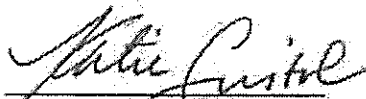
WHEREAS, the building construction is anticipated to be advertised in Spring 2018, pending property acquisition is completed; and,


WHEREAS, in anticipation of the building construction, VRE would like to engage a consultant to provide Construction Management Support from pre-construction through project closeout;

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 Construction Management Services for the Lifecycle Overhaul and Upgrade (LOU) Facility.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9A-12-2017**

**Referral of the Amended FY 2018 and Recommended FY 2019 VRE
Operating and Capital Budgets to the Commissions and Localities**

WHEREAS, the VRE Master Agreement requires the Commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the FY 2019 Operating and Capital Budget within the guidelines developed in cooperation with the chief administrative officers of the local jurisdictions; and,

WHEREAS, the FY 2019 budget proposes a 3% increase in the total jurisdictional subsidy over the FY 2018 contribution level; and,

WHEREAS, the FY 2019 budget proposes an increase to the amount charged to VRE passengers for Amtrak Step-Up tickets from \$7 to \$8, effective the first week of July 2018, with the start of the FY 2019 budget; and,

WHEREAS, apart from the Amtrak Step-Up increase described above, the FY 2019 budget proposes no other changes to passenger fares; and,

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily trains and average daily ridership of 19,000 trips;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2019 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

| | |
|-----------------------------|-------------------|
| Operating Budget | \$ 88,522,679 |
| Capital Budget | <u>60,942,515</u> |
| Total Operating and Capital | \$149,465,194 |

Resolution 9A-12-2017 continued

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2018 Operating and Capital Budget in the following amounts; and,

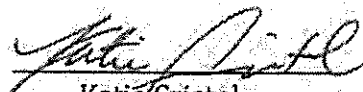
| | |
|-----------------------------|-------------------|
| Operating Budget | \$ 85,346,443 |
| Capital Budget | <u>64,675,346</u> |
| Total Operating and Capital | \$150,021,789 |

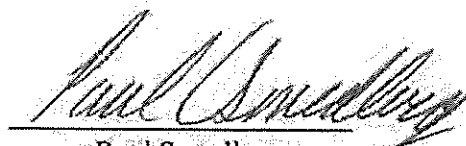
BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2018 and FY 2019; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2019 state aid grant applications.

~~**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to submit appropriate projects to the Northern Virginia Transportation Authority or other funding authorities on behalf of the Commissions.~~

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9B-12-2017**

Recommend Approval to Refinance VRE RRIF Loan

WHEREAS, the Northern Virginia Transportation District Commission ("NVTC"), with the consent of the Potomac and Rappahannock Transportation District Commission ("PRTC," and, together with NVTC, the "Commissions") and the Participating and Contributing Jurisdictions, entered into a financing agreement with the Federal Railroad Administration pursuant to its Railroad Rehabilitation and Improvement Financing program in 2007 and subsequently borrowed a total of \$68,953,913 pursuant to a series of draws under the program for railcars delivered between 2008 and 2012 (collectively, the "FRA Loan"); and,

WHEREAS, the FRA Loan is now administered by the U.S. Department of Transportation's Build America Bureau; and,

WHEREAS, the VRE Master Agreement provides that the Commissions shall utilize reasonable debt financing to the extent that such financing is advantageous to VRE and is in the interest of the parties to the Master Agreement, but requires the Commissions not incur debt related to VRE without the consent of all Participating and Contributing Jurisdictions; and,


WHEREAS, VRE staff has recommended the FRA Loan be refinanced with the proceeds of a loan to be obtained from the Virginia Resources Authority ("VRA") in an amount not to exceed \$54,000,000, for a term not to exceed 15 years from its delivery date, and generating net present value savings of at least 3% of the refunded principal (collectively, the "VRA Loan"), as set forth in the VRA Term Sheet dated December 12, 2017; *and*,


WHEREAS, *the VRE Operations Board recognizes the value of the VRA refinancing option to the VRE, due to the estimated savings of 12% of net present value, and also recognizes the need to move forward quickly in order to accommodate VRE schedule;*

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend that the VRA Loan, upon the terms and conditions set forth in the *draft* VRA Term Sheet dated December 12, 2017, with such changes thereto as may be authorized by the Commissions, be approved by the Commissions for the purpose of refinancing the FRA Loan *subject to reasonable and responsible resolution of issues currently under negotiation.*

Resolution 9B-12-2017 continued:

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9C-12-2017**

**Authorization to Execute an Agreement with Amtrak to
Conduct Ground Surveys for the Midday Storage Facility Project**

WHEREAS, VRE's equipment is currently stored during middays in or around the Ivy City Complex; and,

WHEREAS, the space currently used by VRE will be used by Amtrak for their new high-speed equipment, which is on order and expected by 2021; and,

WHEREAS, VRE in collaboration with Amtrak is developing a midday storage replacement facility site for rolling stock north of Washington Union Station between the Northeast Corridor and New York Avenue NE; and,

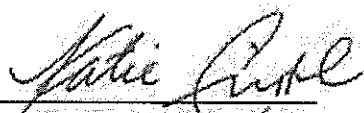
WHEREAS, as part of project development, VRE is refining initial conceptual designs by conducting preliminary engineering and environmental studies as authorized by VRE Operations Board resolution #9B-07-2017; and,

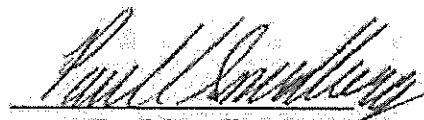
WHEREAS, this agreement will allow VRE's contractor to conduct ground surveys so that further design of a preferred layout can continue through the project development process; and,

WHEREAS, Amtrak will provide flagging and other support activities during the collection of field data;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute an agreement with the National Passenger Railroad Corporation (Amtrak) allowing collection of ground surveys for a midday storage facility in an estimated amount of \$278,881, plus a 10% contingency of \$27,888, for a total not to exceed of \$306,769.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9D-12-2017**

**Authorization to Execute Contract Options for
Purchase and Delivery of Locomotive Fuel to VRE Yards**

WHEREAS, the third option year for the contracts to provide fuel at VRE yards expires on June 30, 2018; and,

WHEREAS, both contracts have one one-year option remaining; and,

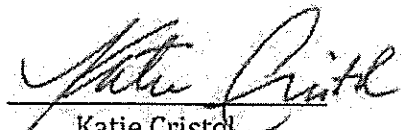
WHEREAS, the fourth option year for the contracts would begin on July 1, 2018; and,

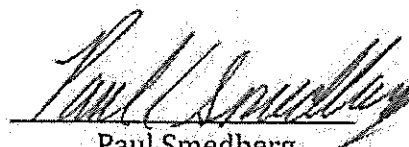
WHEREAS, exercising the option years before expiration of the prior option year will allow VRE to maximize the use of the fuel hedging mechanism to reduce cost volatility;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute the fourth option year for the Purchase and Delivery of Locomotive Fuel Contract for the Crossroads yard with James River Solutions in an amount not to exceed \$2,507,500, for a period of one year; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute the fourth option year for the Purchase and Delivery of Locomotive Fuel Contract for the Broad Run yard with Griffith Energy Services, Inc. in an amount not to exceed \$1,742,500.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9E-12-2017**

**Authorization to Extend the
Lease Agreement for Parking at the Rippon Station**

WHEREAS, in May 2002, the Operations Board approved a three-year lease with Hazel Land for 320 parking spaces at the Rippon Station; and,


WHEREAS, these additional spaces were instrumental in reducing the parking shortage at Rippon where the parking lot was routinely 97% full; and,

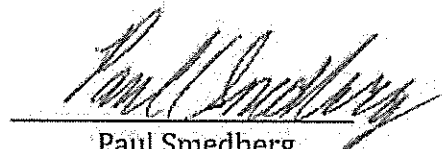
WHEREAS, the Lease has been renewed several times since with the current extension set to expire at the end of February 2018; and,

WHEREAS, VRE staff is requesting permission to extend the Lease Agreement for one additional year through February 28, 2019;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to extend the Lease Agreement with KP Big Crest Lane, LLC in the amount of \$178,466 for one year.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9F-12-2017**

**Authorization to Execute an Agreement for Project
Controls Software License and Related Integration and Training**

WHEREAS, the adopted VRE System Plan 2040 calls for a significant expansion of the number and complexity of capital improvement projects managed by VRE; and,


WHEREAS, VRE requires a more centralized, consistent, and comprehensive approach to monitoring, managing, and reporting of project progress; and,

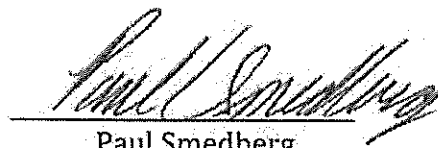
WHEREAS, a project control software package integrated with VRE's Enterprise Resource Plan for Information Technology will greatly facilitate that task; and,

WHEREAS, the e-Builder project control software package, along with requisite integration and training services, is available through a US General Services Administration (GSA) cooperative purchasing schedule in accordance with VRE Public Procurement Policies and Procedures;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to Execute an Agreement to acquire e-Builder project control software through a GSA cooperative purchasing schedule in the amount of \$202,028, plus a 10% contingency of \$20,203, for a total not to exceed \$222,231.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9G-12-2017**

**Authorization to Amend the Mechanical Engineering
Consulting Services Contract (MEC VI)**

WHEREAS, the use of Mechanical Engineering Consulting contracts at VRE has proven to be an efficient and cost-effective means of performing mechanical engineering related activities required for a limited duration or needed in a timely manner on an as-needed basis; and,


WHEREAS, in April of 2015, the VRE Operations Board authorized execution of the current Mechanical Engineering Consulting Services contract (MEC VI); and,

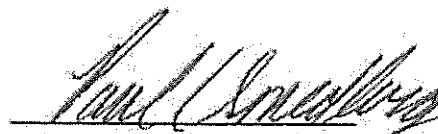
WHEREAS, the MEC VI contract term is five years with a not to exceed amount of \$5,000,000; and,

WHEREAS, HB 907, which passed during the 2016 legislative session and was signed by the Governor in March 2016, amended the Virginia Public Procurement Act granting Transportation Commissions, and thus VRE, an exception that allows the aggregate value of all Task Orders initiated under Professional Engineering contracts to be set at a maximum of \$6,000,000 per year;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to amend the Mechanical Engineering Consulting Services contract (MEC VI) to the maximum limit of \$6,000,000 per year for the remaining life of the existing contract and a total contract amount not to exceed \$23,000,000.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9H-12-2017**

**VRE Operations Board Resolution of Support for
Prince William County's Application for Route 28 Corridor
Improvements Funding for NVTa FY 2018-2023 Six Year Program**

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, Prince William County plans to apply for funding in the amount of \$15,000,000 for construction of the Route 28 Corridor Improvements (Fitzwater Drive to Pennsylvania Avenue) project; and,

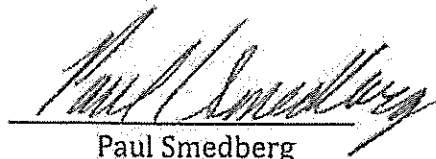
WHEREAS, the project will improve multimodal access to the VRE Broad Run station by widening the segment of Route 28 between Fitzwater Drive and Pennsylvania Avenue, including the provision of pedestrian and bicycle facilities, as a component of the VRE Manassas Line Rail Capacity Enhancements (TransAction Project ID 300); and,

WHEREAS, Prince William County staff have requested a resolution of support for the project from the VRE Operations Board for inclusion with its application to NVTa;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby endorse and support Prince William County's application for the Route 28 Corridor Improvements (Fitzwater Drive to Pennsylvania Avenue) for funding consideration in the NVTa FY 2018-2023 Six Year Program.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9I-12-2017**

**VRE Operations Board Resolution of Support for
Arlington County's Application for Crystal City Metrorail Station East
Entrance and Intermodal Connections Funding for NVTA
FY 2018-2023 Six Year Program**

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,

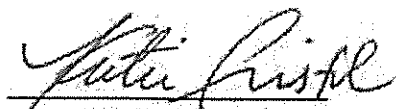
WHEREAS, Arlington County plans to apply for funding in the amount of \$87,000,000 to complete design and construction for the Crystal City Metrorail Station East Entrance and Intermodal Improvements (TransAction Project Title Crystal City Metrorail Station Second Entrance and Intermodal Connections, TransAction ID 89); and,

WHEREAS, the new entrance is aligned with and enhances connectivity to the preferred site for the relocated VRE Crystal City station; and,

WHEREAS, Arlington County staff have requested a resolution of support for the project from the VRE Operations Board for inclusion with its application to NVTA;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby endorse and support Arlington County's application for the Crystal City Metrorail Station East Entrance and Intermodal Connections project for funding consideration in the NVTA FY2018-2023 Six Year Program.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9J-12-2017**

Approval of 2018 VRE Officers


WHEREAS, the VRE Bylaws provides for the annual election of Officers to serve as Chairman, Vice Chairman, Secretary and Treasurer; and,

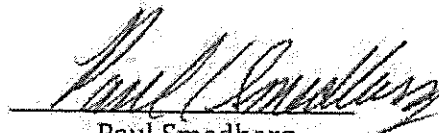
WHEREAS, the Office of Chairman shall be rotated each year between the two Commissions; and,

WHEREAS, the Chairman appointed a Nomination Committee and that Committee has made its recommendation of 2018 VRE Officers to the Operations Board;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby affirm the election of *Martin Nohe* as Chairman, *Katie Cristol* as Vice Chairman, *Maureen Caddigan* as Secretary, *John Cook* as Treasurer and Paul Smedberg as Immediate Past Chairman to serve as the 2018 VRE Officers to be installed at the January 19, 2018 Operations Board Meeting.

Approved this 15th day of December 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

MOTION:

SECOND:

**RE: ADOPT AND REFER THE REVISED FY 2018 AND RECOMMENDED FY 2019 VRE
OPERATING AND CAPITAL BUDGETS TO THE JURISDICTIONS**

ACTION:

WHEREAS, the Virginia Railway Express (VRE) Master Agreement requires the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission (the "Commissions" be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year.

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the FY 2019 Operating and Capital Budget within the guidelines developed in cooperation with the Chief Administrative Officers of the local jurisdictions; and

WHEREAS, the FY 2019 budget proposes a three percent (3%) increase in the total jurisdictional subsidy over the FY 2018 contribution level; and

WHEREAS, the FY 2019 budget proposes an increase to the amount charged to VRE passengers for Amtrak Step-Up tickets from \$7 to \$8, effective the first week of July 2018, with the start of the FY 2019 budget; and

WHEREAS, apart from the Amtrak Step-Up increase described above, the FY 2019 budget proposes no other changes to passenger fares; and

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily trains and average daily ridership of 19,000 trips; and

WHEREAS, the VRE Operations Board recommends the following action.

ITEM 9-C
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-____
VRE Item 9-A
Page Two

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby adopt the FY 2019 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement:

| | |
|-----------------------------|-------------------|
| Operating Budget | \$ 88,522,679 |
| Capital Budget | <u>60,942,515</u> |
| Total Operating and Capital | \$149,465,194 |

BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission adopts the amended FY 2018 Operating and Capital Budget in the following amounts.

| | |
|-----------------------------|-------------------|
| Operating Budget | \$ 85,346,443 |
| Capital Budget | <u>64,675,346</u> |
| Total Operating and Capital | \$150,021,789 |

BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission authorizes the Executive Directors of both NVTC and PRTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2018 and FY 2019.

BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission authorizes the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2019 state aid grant applications.

Votes:

Ayes:

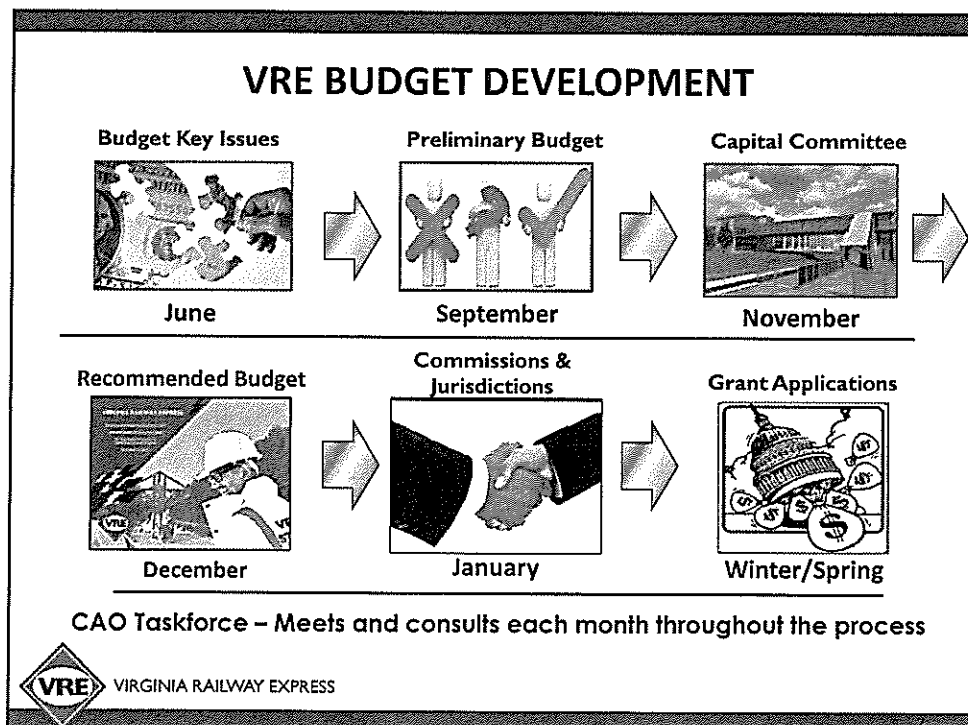
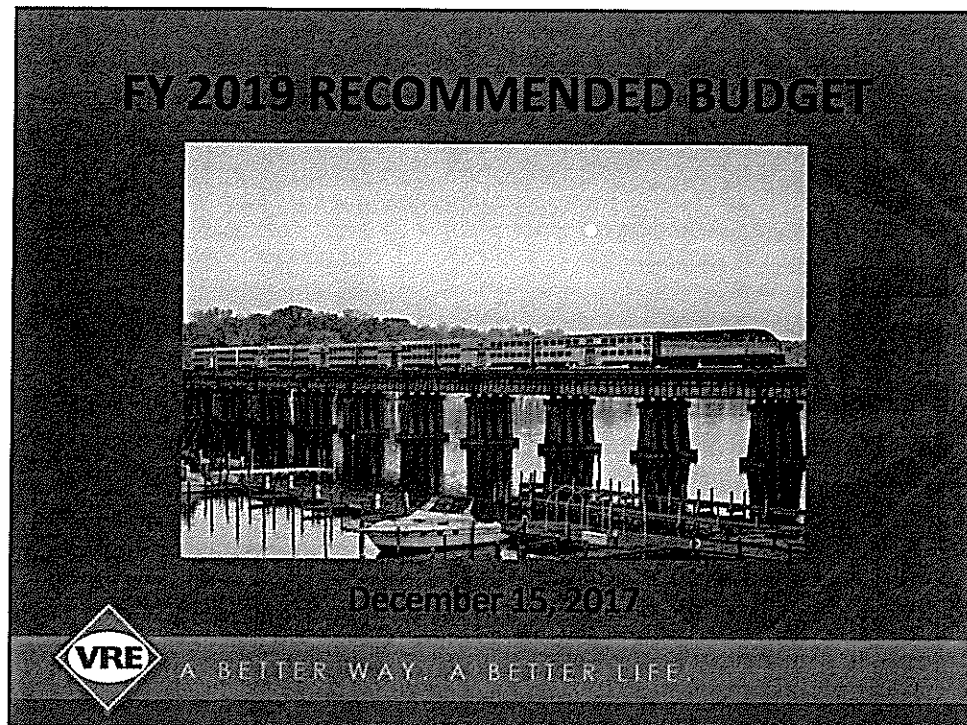
Nays:

Abstain:

Absent from Vote:

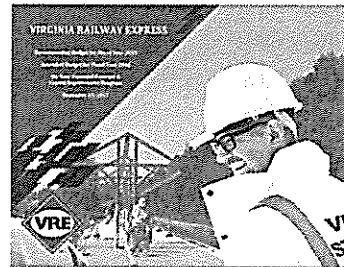
Alternate Present Not Voting:

Absent from Meeting:



FY 2019 BUDGET DOCUMENT

- Introduction
- Goals, Assumptions and Financial Principles
- Recommended FY 2019 Budget
- Amended FY 2018 Budget
- Six-Year Financial Forecast FY 2019-FY 2024
- Capital Improvement Program FY 2019-FY 2024
- Appendices & Supplementary Information



VIRGINIA RAILWAY EXPRESS

WHERE ARE WE?

- FY 2019 Recommended Budget
 - Budget is balanced
 - Highest priority capital projects are funded
- Six-Year CIP and Financial Forecast
 - Major impact to VRE (access fees and capital match) if state funding concerns not addressed
 - Focus on project delivery, but also press for long-term dedicated funding and funding for major joint corridor projects



VIRGINIA RAILWAY EXPRESS

FY 2019 KEY BUDGET ASSUMPTIONS

- Service level: 32 daily trains
- Jurisdictional subsidy increase of 3%
- No fare increase (except Amtrak Step-Up)
- Continued moderate fuel costs
- Fare revenue and ridership:

| Budget | Fare Revenue | ADR |
|---------------------|--------------|--------|
| FY 2019 Recommended | \$42.4M | 19,000 |
| FY 2018 Adopted | \$39.8M | 18,200 |
| FY 2017 Actual | \$42.3M | 18,968 |



VIRGINIA RAILWAY EXPRESS

KEY ASSUMPTIONS (CONT.)

- Diesel fuel: \$2.50/gallon, total expense of \$4.25 million
- Track access: \$17.87 million, grant funding of 84%
- State operating assistance: \$9.5 million
- Prior year funds of \$990K for one-time expenditures
- Federal formula funds: \$29.1 million in FY 2019



VIRGINIA RAILWAY EXPRESS

JURISDICTIONAL SUBSIDY INCREASE

- 3% jurisdictional subsidy increase - \$517,508 additional contribution
- Why is increase required?
 - Operating expenses and contractual obligations 4.5% higher than FY 2018
 - Potential reduction in State capital funding
 - VRE long-term funding structural issues (operating expenses increasing faster than revenues)
 - Consistent with Financial Plan, FY 2018 Approved Budget and Board Direction



VIRGINIA RAILWAY EXPRESS

FY2019 SUBSIDY BREAKDOWN

| Jurisdiction | FY 2017 | | FY 2018 | | FY 2019 | | Change FY17 to FY19 | | Change FY18 to FY19 | |
|-----------------------|--------------|---------|--------------|---------|--------------|---------|---------------------|----------|---------------------|----------|
| | Subsidy | Percent | Subsidy | Percent | Subsidy | Percent | Net +/- | % Change | Net +/- | % Change |
| Fairfax County | \$5,160,910 | 30% | \$6,099,300 | 35% | \$5,385,794 | 30% | \$224,884 | -4.36% | (\$713,506) | -11.70% |
| Prince William County | 5,968,406 | 35% | 5,363,372 | 31% | 6,183,745 | 35% | 215,339 | 3.61% | 820,373 | 15.30% |
| Stafford County | 2,647,222 | 15% | 2,344,514 | 14% | 2,475,127 | 14% | (172,095) | -6.50% | 130,613 | 5.57% |
| Spotsylvania County | 1,382,749 | 8% | 1,520,191 | 9% | 1,632,635 | 9% | 249,886 | 18.07% | 112,444 | 7.40% |
| Manassas | 749,371 | 4% | 604,586 | 4% | 785,098 | 4% | 36,527 | 4.87% | 181,312 | 14.90% |
| Manassas Park | 511,777 | 3% | 474,718 | 3% | 511,311 | 3% | (466) | -0.09% | 36,593 | 7.71% |
| Fredericksburg | 483,524 | 3% | 412,278 | 2% | 436,568 | 2% | (46,956) | -9.71% | 19,290 | 4.62% |
| Arlington | 205,692 | 1% | 205,692 | 1% | 211,863 | 1% | 6,171 | 3.00% | 6,171 | 3.00% |
| Alexandria | 140,589 | 1% | 140,589 | 1% | 144,807 | 1% | 4,218 | 3.00% | 4,218 | 3.00% |
| | \$17,250,240 | 100% | \$17,250,240 | 100% | \$17,767,748 | 100% | \$517,508 | 3.00% | \$517,508 | 3.00% |

| Jurisdiction | October 2015 | | October 2016 | | October 2017 | | Change Oct 15 to Oct 17 | | Change Oct. 16 to Oct. 17 | |
|-----------------------|--------------|---------|--------------|---------|--------------|---------|-------------------------|----------|---------------------------|----------|
| | Riders | Percent | Riders | Percent | Riders | Percent | Net +/- | % Change | Net +/- | % Change |
| Fairfax County | 2,163 | 22% | 2,777 | 27% | 2,122 | 23% | (41) | -1.90% | (655) | -23.60% |
| Prince William County | 3,095 | 32% | 3,061 | 29% | 2,995 | 31% | (100) | -3.24% | (66) | -2.15% |
| Stafford County | 1,603 | 17% | 1,610 | 15% | 1,517 | 16% | (86) | -5.36% | (93) | -5.77% |
| Spotsylvania County | 990 | 10% | 1,183 | 11% | 1,159 | 12% | 169 | 17.09% | (24) | -2.06% |
| Manassas | 428 | 4% | 418 | 4% | 416 | 4% | (12) | -2.79% | (2) | -0.41% |
| Manassas Park | 280 | 3% | 294 | 3% | 264 | 3% | (16) | -5.67% | (30) | -10.15% |
| Fredericksburg | 359 | 4% | 337 | 3% | 359 | 4% | (0) | -0.09% | 22 | 6.44% |
| Other | 777 | 8% | 778 | 7% | 759 | 8% | (18) | -2.32% | (19) | -2.44% |
| | 9,695 | 100% | 10,458 | 100% | 9,591 | 100% | (104) | -1.08% | (867) | -8.29% |



VIRGINIA RAILWAY EXPRESS

FY 2019 OPERATING EXPENSE GROWTH

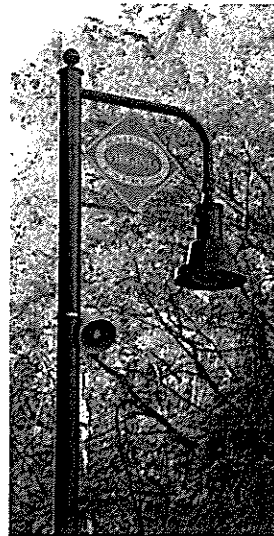
- \$3.5 million net increase (+4.5%) over FY 2018
- Primary ongoing expense increases:
 - Railroad Access Fees (\$1.0M): contractual increases, PTC, station leases
 - Contract Operations/Maintenance (\$1.0M): CPI increases, longer trains, L'Enfant storage, LOU facility operations
 - Finance & HR (\$0.5M): Additional FTE (grants accountant), costs related to higher fare revenue (bank fees, payment card fees)
 - Staff Salary/Benefits (\$0.5M): Includes 3% COLA
- One-time expenses:
 - Mechanical Operations (\$0.5M): PTC startup costs, LOU facility furniture and fixtures
 - Non-Routine Maintenance (\$0.3M): Station painting
 - Consulting (\$0.2M): Project Management and Design Standards manuals



VIRGINIA RAILWAY EXPRESS

CAO TASK FORCE

- Works with VRE Staff throughout the budget development process
- CAO Task Force supports:
 - 3% jurisdictional subsidy increase
 - \$1 increase in Amtrak step-up charge (from \$7 to \$8)
 - One additional FTE in FY2019 (grants accountant)



VIRGINIA RAILWAY EXPRESS

FY 2018 AMENDED BUDGET

- Operating – net increase of \$0.4 million:
 - Increased ridership/fare revenue projection consistent with experience so far
 - Small reduction in state operating assistance
 - Minor expense increases in various areas
- Capital – net increase of \$16 million:
 - SmartScale and REF grants that were not yet committed at this time last year
 - Capital reserve funding to keep projects moving forward



VIRGINIA RAILWAY EXPRESS

FY 2019 CAPITAL BUDGET: \$60.9 MILLION

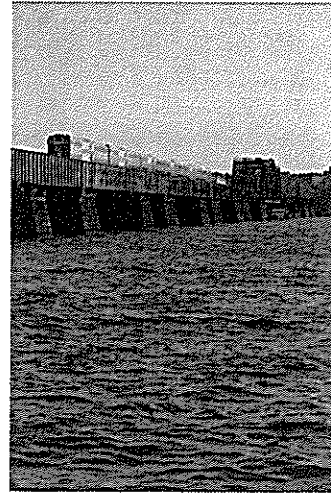
| Category | Amount | Formula (with match) | Discretionary and VRE | Category % of Total |
|-----------------------------|-----------------|-------------------------|--------------------------|------------------------|
| Asset Management | \$5,915 | \$5,915 | \$0 | 10% |
| Replacement/ Enhancement | 33,413 | 29,863 | 3,550 | 55% |
| Capacity Expansion | 18,615 | 0 | 18,615 | 31% |
| Capital Reserve | 3,000 | 0 | 3,000 | 5% |
| TOTAL FY 2019 | \$60,943 | \$35,778 | \$25,165 | 100% |

figures in thousands

VIRGINIA RAILWAY EXPRESS

FY 2019 FEDERAL FUNDING COMMITMENTS

- Railcar Debt Service
- Security Enhancements
- Facilities and Equipment Asset Management Programs
- Midday Storage (New York Avenue Yard)
- Lifecycle Overhaul and Upgrade Facility (LOU)
- Washington Union Terminal Improvements



VIRGINIA RAILWAY EXPRESS

UPDATE ON WASHINGTON UNION TERMINAL

- Costs shared among Amtrak, MARC, and VRE
- Looking ahead through 2022, have identified both construction and design projects:
 - Construction: North Hangar improvements, Track 22 rehab, concourse modernization, subbasement structural relocation, substation relocation
 - Design: Concourse Part 2, track improvements, master development plan
- VRE share of six-year plan estimated at \$25-\$30 million (before potential credits)



VIRGINIA RAILWAY EXPRESS

FY 2019-FY 2024 CIP

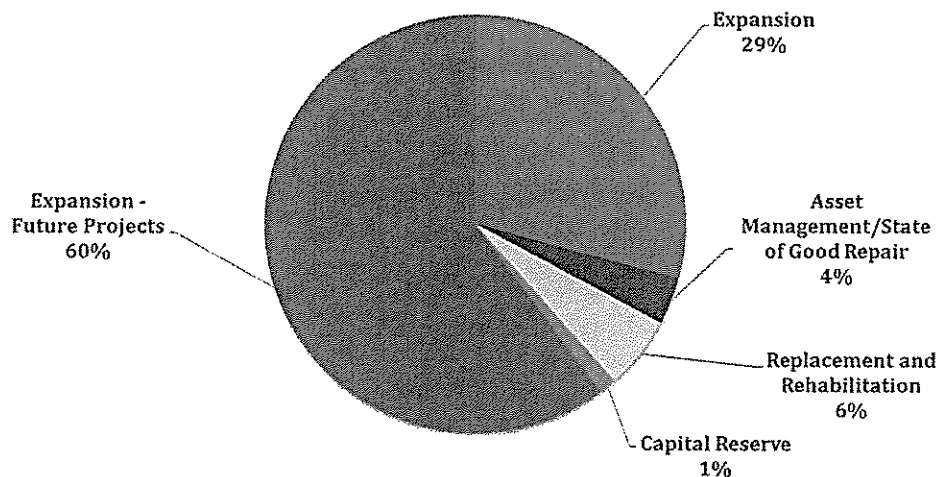
| | | Funding Status | | | | |
|--------------|---------------------|---------------------------|--------------------|---------------------|-----------|-----------------------|
| CIP Category | Total Project Costs | Life to Date (incl. FY18) | FY 2019 and Future | | | Total Project Funding |
| | | | Committed | Unfunded (I-66 OTB) | Unfunded | |
| Active | \$915.0 | \$190.3 | \$465.1 | \$128.5 | \$131.2 | \$915.0 |
| Future | \$1,384.8 | \$0.3 | \$0.7 | | \$1,383.8 | \$1,384.8 |
| TOTAL CIP | \$2,299.8 | \$190.6 | \$465.8 | \$128.5 | \$1,515.0 | \$2,299.8 |

figures in millions



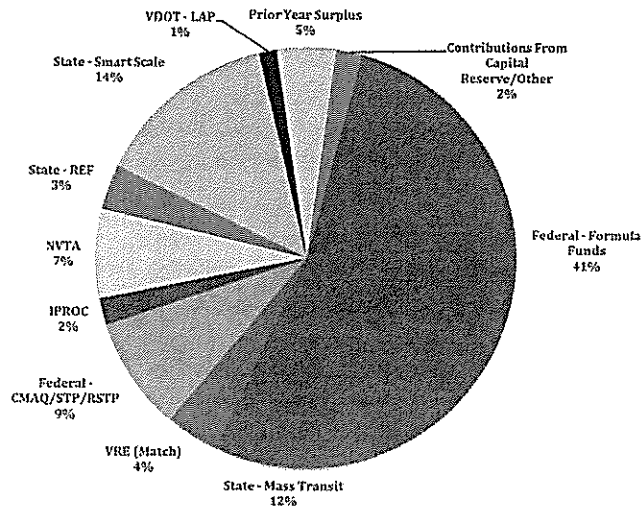
VIRGINIA RAILWAY EXPRESS

FY 2019 - FY 2024 \$2.3 BILLION CIP BY PROJECT TYPE



VIRGINIA RAILWAY EXPRESS

FY 2019 - FY 2024 CIP \$656M COMMITTED FUNDING SOURCES



VIRGINIA RAILWAY EXPRESS

FUNDING CHALLENGES

- If not addressed, state fiscal cliff will impact key capital projects like midday storage and matching of federal formula grants
- Impact will also be felt in operations as funding for track access fee reimbursement declines substantially



VIRGINIA RAILWAY EXPRESS

FUNDING CHALLENGES (CONT.)

- Relative to baseline state matching funding (34% for facilities, 16% otherwise), VRE faces loss of \$30 million over six-year period for CIP projects if state match falls to 8%
- If access fee support falls from 84% to 50% over six-year period, VRE faces loss of additional \$19 million



VIRGINIA RAILWAY EXPRESS

HOW WOULD VRE RESPOND?

- VRE's current financial practices are strong:
 - Annual contributions to capital reserve
 - Operating reserve at 3 months of expenses
 - Regular, moderate increases in fares and subsidy
- If fiscal cliff is not addressed, VRE could "muddle through" for a year or two:
 - Redirect current capital reserve contribution
 - Draw on existing reserves
 - Utilize federal formula funding for eligible preventive maintenance (PM) expenses



VIRGINIA RAILWAY EXPRESS

HOW WOULD VRE RESPOND? (CONT.)

- Sustained decline in access fee funding could force reduction in service – risk of “death spiral” if riders seek other options
- Must utilize federal formula funding for debt service and asset management (safety and state of good repair) before all else
- Discretionary funding for expansion (NVT, SmartScale, REF, I-66 OTB) cannot be repurposed – projects could be halted, but would not solve core funding issue



VIRGINIA RAILWAY EXPRESS

NEXT STEPS

Actions Requested Today:

- Adoption of Operating and Capital Budget
- Refer budget to Commissions and Jurisdictions
- Authorize submission of funding applications

Future Activities:

- Monitoring of State funding and allocation issues
- Pursuit of additional funding through State Legislature



VIRGINIA RAILWAY EXPRESS

THANK YOU



QUESTIONS?



VIRGINIA RAILWAY EXPRESS



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-A
Action Item

To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: December 15, 2017

**Re: Referral of the Amended FY 2018 and Recommended FY 2019
VRE Operating and Capital Budgets to the Commissions and
Localities**

Recommendation:

The VRE Operations Board is asked to adopt the revised FY 2018 VRE Operating and Capital Budget and the recommended FY 2019 VRE Operating and Capital budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption; and to recommend the Commissions authorize the Executive Directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding.

Summary:

Following the presentation of the preliminary FY 2019 budget in September and the budget update in November, staff is presenting the recommended FY 2019 operating and capital budget for adoption and referral. The recommended budget is balanced, with no funding gap and all projected uses of funding in FY 2019 supported by reasonably expected sources of funding. The FY 2019 budget includes a 3% increase in total jurisdictional subsidy and no increase in passenger fares, except for a \$1 increase in the cost of an Amtrak Step-Up ticket.

Background:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the preliminary FY 2019 VRE Operating and Capital Budget was prepared for review at the September VRE Operations Board meeting. Since that time, it has been discussed at subsequent meetings of the Operations Board, the Chief Administrative Officers' (CAO) Taskforce, and the Capital Committee, which reviewed the



Northern Virginia
Transportation Commission
2300 Wilson Blvd. #620
Arlington, VA 22201
703.524.3322



Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703.684.1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703.580.6121

capital program in November. The CAO Taskforce met on December 7 to present their final recommendations and discuss VRE responses to those recommendations.

Discussion:

The recommended FY 2019 Operating and Capital Budget totals \$149.5 million. The budget includes no increase in passenger fares (except for a \$1 increase in the Amtrak Step-Up ticket) and projected average daily ridership of 19,000 passengers, which results in projected annual fare revenue of \$42.4 million. The budget also includes a 3% increase in total jurisdictional subsidy from \$17,250,240 in FY 2018 to \$17,767,748 in FY 2019.

The recommended FY 2019 operating budget of \$88.5 million (which includes \$6.7 million in debt-related expenses) represents an increase of \$3.5 million or 4.2% over the FY 2018 operating budget. This expense growth is primarily the result of contractual cost increases in the access fees VRE pays to Amtrak, CSX, and Norfolk Southern, as well as increases for contracted train operations and maintenance services. Other major assumptions in FY 2019, and significant changes compared to the prior fiscal year, are provided in the FY 2019 Recommended Budget document.

In accordance with the Master Agreement, VRE conducts an annual passenger survey to determine the jurisdiction of residence of its riders. The results of this survey are used to allocate the local jurisdiction subsidy. The recommended FY 2019 subsidy by individual jurisdiction, which incorporates data from the passenger survey conducted on October 4, 2017, is provided in Attachment A, which also includes prior year subsidy and ridership data for comparison. As the attachment demonstrates, the allocation for FY 2018 was impacted by WMATA's SafeTrack program, which resulted in a temporary increase in the number of VRE riders from Fairfax County. Following the completion of SafeTrack, the allocation of subsidy by jurisdiction is back in line with FY 2017 (i.e., pre-SafeTrack) results.

Six-Year Financial Forecast

The FY 2019 budget document also includes a six-year financial forecast for the period FY 2019 through 2024. The forecast assumes the continuation of biennial 3% fare increases (in FY 2020, 2022, and 2024) and biennial 3% local subsidy increases (in FY 2019, 2021 and 2023). The forecast assumes modest capacity enhancements through lengthening of some existing trains, but no change in overall service level beyond the current 32 daily trains. The primary issue in the six-year financial forecast is the projected decline (absent any legislative action) in future State funding for capital projects and reimbursement of access fees.

Capital Budget and CIP

The multi-year CIP includes both funded and unfunded projects. The funded projects include those that are funded through federal formula grants or State Mass Transit funds

received annually by VRE; through already allocated funds from other programs, such as CMAQ or NVTa; or through other expected sources. The unfunded or partially funded projects are those that are pending a discretionary allocation by a funding authority or for which a funding source has not yet been identified.

In July 2017, VRE's *Manassas Line Capacity Expansion and Real-Time Traveler Information Project* was recommended to receive approximately \$128 million in funding from the I-66 Outside the Beltway (OTB) concessionaire payment. However, the I-66 OTB project reached financial close later than expected, and the Commonwealth Transportation Board (CTB) will not meet until January 2018 to give its final approval on the projects to be funded through the concessionaire payment. Therefore, this \$128 million cannot yet be shown as a committed funding source in the FY 2019 – 2024 CIP, and those projects are currently shown as partially or totally unfunded. However, VRE staff remain confident the CTB will recommend the Manassas Line project for funding and expect to return to the Operations Board in the future with those projects showing committed I-66 OTB funding.

The FY 2019-2024 CIP illustrates the capital funding challenges facing VRE in the coming years, since currently identified funding falls short of the system's capital needs. Projects included in the CIP are prioritized with an emphasis on passenger safety, regulatory requirements, and maintaining current equipment and facilities in a state of good repair. However, the shortfall makes it difficult for VRE to adequately reinvest to maintain the system's reliability and safety, while also making enhancements, adding capacity to serve new ridership demands and adhering to commitments to participate in the expansion of the railroad infrastructure.

The total cost of all the projects in the FY 2019-2024 CIP is approximately \$2.3 billion. Of this total, \$191 million has already been expended in prior years (or is expected to be expended in FY 2018), \$466 million is available from committed or reasonably expected funding sources, and \$1.64 billion is currently unfunded (including I-66 OTB funds). The table below separates the CIP into two categories – those which are already underway or are likely to be substantially underway within the six-year timeframe, and future projects whose initiation and completion is more uncertain. The latter category includes unfunded major joint corridor projects such as Long Bridge and Occoquan Third Track.

| CIP Category | Total Project Costs | Funding Status | | | | |
|--------------------------|------------------------|-------------------------------------|----------------------|------------------------|------------------------|--------------------------|
| | | Life to Date (including FY18) | FY2019 and Future | | | Total Project Funding |
| | | | Committed | Unfunded (I-66 OTB) | Unfunded | |
| Active Six-Year Projects | \$915,080,604 | \$190,252,773 | \$465,134,864 | \$128,496,000 | \$131,196,967 | \$915,080,604 |
| Future Projects | 1,384,760,459 | 300,000 | 650,000 | | 1,383,810,459 | 1,384,760,459 |
| TOTAL CIP | \$2,299,841,063 | \$190,552,773 | \$465,784,864 | \$128,496,000 | \$1,515,007,426 | \$2,299,841,063 |

Total programmed capital funding of \$60.9 million in the FY 2019 recommended budget is distributed across the following investment categories and funding types as follows, where Formula includes federal formula funds with the associated state and local match and Discretionary includes all other regional, state, or federal funds distributed through a competitive or other non-formula-based process, as well as VRE funding.

| Category | Amount | Formula (with match) | Discretionary/ VRE | Category % of Total |
|-------------------------|-----------------|-------------------------|-----------------------|------------------------|
| Asset Management | \$5,915 | \$5,915 | \$0 | 10% |
| Replacement/Enhancement | 33,413 | 29,863 | 3,550 | 55% |
| Capacity Expansion | 18,615 | 0 | 18,615 | 31% |
| Capital Reserve | 3,000 | 0 | 3,000 | 5% |
| TOTAL CIP | \$60,943 | \$35,778 | \$25,165 | 100% |

figures in thousands

The programmed funding in the FY 2019 recommended capital budget is approximately \$12.5 million higher than the approved FY 2018 budget, which is primarily the result of new funding available through the SmartScale program for Quantico Station improvements, the Alexandria Pedestrian Tunnel, and Fleet Expansion Coaches. SmartScale funding for these projects is also being included in the FY 2018 amended budget, as described below.

FY 2018 Amended Budget

Proposed amendments to the FY 2018 budget reflect updated projections for year-end revenue and expenses after four months of actual results. The net impact of all changes to the operating budget is an increase in total operating expenses of approximately \$365,000. This increase is offset by higher projected passenger fare revenues, and there is no change to the approved FY 2018 local subsidy. Detailed information on the changes is provided in the FY 2019 Recommended Budget document, which includes the FY 2018 Amended Budget.

The FY 2018 Amended Budget includes additional state capital funding from the Rail Enhancement Fund (REF) and the SmartScale program, as well as Board-authorized funding from VRE's capital reserve and from the sale of the Woodbridge Kiss-and-Ride property. The Amended Budget also incorporates a small reduction in the federally-funded security enhancement project from \$105,000 to \$101,010 (which includes associated reductions in required state and local match). These capital funding amendments are summarized in the table below:

| Project | Funding Source | Amendment Amount Increase / (Decrease) |
|---|-------------------------------------|---|
| <i>FUNDING INCREASES</i> | | |
| Quantico Station Improvements | SmartScale | \$1,899,745 |
| Alexandria Pedestrian Tunnel | SmartScale | 7,853,000 |
| Fleet Expansion Coaches | SmartScale | 2,000,000 |
| L'Enfant Station Improvements | REF | 1,113,000 |
| Fourth Track VA to LE | REF | 1,113,000 |
| Crystal City Station Improvements | REF | 707,000 |
| Crystal City Station Improvements | Capital Reserve | 303,000 |
| Broad Run Expansion | Capital Reserve | 750,000 |
| EMV Compliance (Fare Collection System) | Capital Reserve (property sale) | 518,000 |
| <i>FUNDING REDUCTIONS</i> | | |
| Security Enhancements | Federal (incl state/local match) | (3,990) |
| TOTAL FY 2018 CAPITAL AMENDMENT | | \$16,252,755 |

**Virginia Railway Express
Operations Board**

**Resolution
9A-12-2017**

**Referral of the Amended FY 2018 and Recommended FY 2019 VRE
Operating and Capital Budgets to the Commissions and Localities**

WHEREAS, the VRE Master Agreement requires the Commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the FY 2019 Operating and Capital Budget within the guidelines developed in cooperation with the chief administrative officers of the local jurisdictions; and,

WHEREAS, the FY 2019 budget proposes a 3% increase in the total jurisdictional subsidy over the FY 2018 contribution level; and,

WHEREAS, the FY 2019 budget proposes an increase to the amount charged to VRE passengers for Amtrak Step-Up tickets from \$7 to \$8, effective the first week of July 2018, with the start of the FY 2019 budget; and,

WHEREAS, apart from the Amtrak Step-Up increase described above, the FY 2019 budget proposes no other changes to passenger fares; and,

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily trains and average daily ridership of 19,000 trips;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2019 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

| | |
|-----------------------------|-------------------|
| Operating Budget | \$ 88,522,679 |
| Capital Budget | <u>60,942,515</u> |
| Total Operating and Capital | \$149,465,194 |

Resolution 9A-12-2017 continued

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2018 Operating and Capital Budget in the following amounts; and,

| | |
|-----------------------------|-------------------|
| Operating Budget | \$ 85,346,443 |
| Capital Budget | <u>64,675,346</u> |
| Total Operating and Capital | \$150,021,789 |

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2018 and FY 2019; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2019 state aid grant applications.

~~**BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to submit appropriate projects to the Northern Virginia Transportation Authority or other funding authorities on behalf of the Commissions.**~~

Approved this 15th day of December 2017

Paul Smedberg
Chairman

Katie Cristol
Secretary

MOTION:

SECOND:

RE: RECOMMEND APPROVAL TO REFINANCE VRE RRIF LOAN

ACTION:

WHEREAS, the Northern Virginia Transportation District Commission ("NVTC") and the Potomac and Rappahannock Transportation District Commission ("PRTC," and, together with NVTC, the "Commissions") jointly own and operate the Virginia Railway Express (the "VRE") commuter rail service in Northern Virginia and the District of Columbia pursuant to the "Master Agreement for Provision of Commuter Rail Services in Northern Virginia – Establishment of the Virginia Railway Express" dated as of October 3, 1989, as amended (the "Master Agreement"), among the Commissions and the Participating and Contributing Jurisdictions described in such Master Agreement; and

WHEREAS, NVTC, with the consent of PRTC and the Participating and Contributing Jurisdictions, entered into a financing agreement with the Federal Railroad Administration pursuant to its Railroad Rehabilitation and Improvement Financing program in 2007 and subsequently borrowed a total of \$68,953,913 pursuant to a series of draws under the program for railcars delivered between 2008 and 2012 (collectively, the "FRA Loan"); and

WHEREAS, the FRA Loan is now administered by the U.S. Department of Transportation's Build America Bureau; and

WHEREAS, the Master Agreement provides that the Commissions shall utilize reasonable debt financing to the extent that such financing is advantageous to the VRE and is in the interest of the parties to the Master Agreement, but requires that the Commissions not incur debt related to the VRE without the consent of all Participating and Contributing Jurisdictions; and

WHEREAS, the Commissions have determined to refinance the FRA Loan with the proceeds of a loan to be obtained from the Virginia Resources Authority ("VRA") in an amount not to exceed \$56,000,000, for a term not to exceed 15 years from its delivery date, and generating net present value savings of at least 3% of the refunded principal (collectively, the "VRA Loan").

ITEM 9-D

January 4, 2018

PRTC Regular Meeting

Res. No. 18-01-____

VRE Item 9-B

Page Two

WHEREAS, the VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation District Commission, as follows:

1. The VRA Loan, upon the terms and conditions set forth in the VRA Term Sheet dated December 15, 2017 (a copy of which has been provided to the Commissions), with such changes thereto as may be consented to in writing by the Chairman, Vice Chairman or Executive Director of PRTC, is hereby authorized.
2. The Chairman, Vice Chairman or Executive Director of PRTC is authorized to consent to the final details of the VRA Loan, including, without limitation, the aggregate principal amount of the VRA Loan, the interest rates on the VRA Loan, the dates (including payment dates) of the VRA Loan documents and the amounts and prices of any optional or mandatory prepayments, provided, however, that the aggregate principal amount of the VRA Loan shall not exceed \$56,000,000, its term shall not exceed 15 years from its delivery date, it shall generate net present value savings of at least 3% of the refunded principal, and its other terms and conditions shall be substantially as provided in the VRA Term Sheet described above. The VRA Loan will require that the Commissions grant the VRA security interests in the participating jurisdictions' jurisdictional payments under the Master Agreement. The consent of the Chairman, Vice Chairman or Executive Director of PRTC of such details shall be conclusively evidenced by the execution and delivery of certain of the loan documents for the VRA Loan, which VRA Loan documents shall be prepared or reviewed by VRE's bond counsel and reviewed by its general counsel, it being acknowledged and understood that the repayment obligations of the VRA Loan and the related financing covenants will be evidenced by a local bond to be issued by NVTC and a local bond sale and financing agreement to be negotiated and entered into by NVTC and VRA. The consummation of the VRA Loan shall be subject to the consent of the Participating and Contributing Jurisdictions as described in the recitals to this Resolution.

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VRE Item 9-B
Page Three

3. The Chairman, Vice Chairman or Executive Director of PRTC is authorized to approve, execute and deliver on behalf of PRTC, and, if required, the Secretary or any Assistant Secretary of PRTC is authorized to affix and attest the seal of PRTC to, the VRA Loan documents described above and such other documents, instruments or certificates as they deem necessary or appropriate, in consultation with VRE's bond counsel and general counsel, to consent to and facilitate the VRA Loan transaction authorized by this resolution. The consent of the Chairman, Vice Chairman or

Executive Director of PRTC shall be conclusively evidenced by the execution and delivery of such documents, instruments or certificates. Such officers of PRTC and the Executive Director are further authorized to do and perform such other things and acts as they deem necessary or appropriate, in consultation with VRE's bond counsel and general counsel, to consent to and facilitate the VRA Loan transaction authorized by this resolution. All of the foregoing previously consented to, approved, executed, delivered, done or performed by such officers of PRTC or the Executive Director are in all respects hereby consented to, approved, ratified and confirmed.

4. This resolution shall take effect immediately upon its adoption.

Adopted this ____ day of _____, 2018.

Authorized Officer, Potomac and Rappahannock
Transportation District Commission

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:



Northern Virginia Transportation Commission

Virginia Pooled Financing Program – Revenue Pledge –Terms and Conditions

Below is an outline of the proposed principal terms and conditions for the type of financing requested in the Northern Virginia Transportation Commission application for funding from the spring Series 2018 Virginia Pooled Financing Program ("VPFP"), which has been authorized by the Credit Committee of Virginia Resources Authority ("VRA"), subject to receipt and satisfactory review of the City of Manassas Park fiscal year 2016 audited financial statements. The final terms and conditions will be set forth in the Local Bond Sale and Financing Agreement between VRA and the Northern Virginia Transportation Commission, which will be executed in advance of the VPFP spring Series 2018 bond issue pricing in May 2018. The following proposed terms are valid through June 30, 2018.

- Borrower:** Northern Virginia Transportation Commission (the "Borrower"), as co-owner of the Virginia Railway Express ("VRE"), the provisions for which are detailed in the Master Agreement for Provision of Commuter Rail Services in Northern Virginia document originally dated October 3, 1989, as amended (the "Master Agreement").
- Amount:** Requested proceeds of up to \$52,000,000 plus costs of issuance and an amount sufficient to provide for the below-referenced local debt service reserve fund, if debt financed.
(Any changes in the Requested Proceeds amount should be submitted no later than March 23, 2018)
- Purpose:** To refinance the Borrower's promissory note payable to the Federal Railroad Administration issued in fiscal year 2008, together with related expenses (the "Project").
- Security:** Gross pledge of Borrower revenues properly allocable to VRE in accordance with generally accepted accounting principles or resulting from the ownership or operation of VRE, specifically including: (1) fares and other operating revenues, (2) contributions to costs of VRE by the below defined Participating Jurisdictions and Contributing Jurisdictions, (3) federal, state, and local grants, subsidies, or other governmental revenues received with respect to VRE that can be legally pledged and (4) any investment or other income allocable to VRE that can be legally pledged (collectively, the "Gross Revenues");
- Equity or debt-funded local debt service reserve equal to \$2,000,000 to be held by the VPFP trustee and if equity funded, the local debt service reserve requirement may be



Northern Virginia Transportation Commission
Virginia Pooled Financing Program – Revenue Pledge –Terms and Conditions

funded in four annual installments of \$500,000 on each July 1 in 2018, 2019, 2020, and 2021;

Moral obligation pledges as described below.

Moral Obligation Pledges:

Moral obligation pledges of the Counties of Fairfax, Prince William, Stafford, and Spotsylvania, and the Cities of Fredericksburg, Manassas, and Manassas Park (collectively, the “Participating Jurisdictions”) evidenced in resolutions of the governing body of each locality that acknowledge and consent to the following: (1) the issuance of the proposed debt, (2) VRA’s treatment of the Master Agreement and the related, subject to appropriation, financial responsibilities of the Participating Jurisdictions as a “local obligation” within the meaning of Section 62.1-199 of the Code of Virginia of 1950, as amended, which will enable VRA to invoke the “state-aid intercept” in the event of a non-payment under the master agreement that results in a payment default on the proposed VRA loan, and (3) VRA’s status as a third party beneficiary of the Master Agreement;

It is understood that the County of Arlington and the City of Alexandria (collectively, the “Contributing Jurisdictions”) are not providing moral obligation support for the proposed loan.

Rate Covenant:

Net revenues available for debt service consisting of Gross Revenues less cash-based operating and maintenance expenses (“Net Revenues Available for Debt Service”) shall be 100% of Borrower’s annual debt service on the proposed loan and any other debt obligations secured by a pledge of Gross Revenues, inclusive of contributions from the Participating Jurisdictions and Contributing Jurisdictions (the “Rate Covenant”); it is understood that debt obligations secured by a leasehold interest in property are excluded from the rate covenant calculation.

In the event that the Borrower does not meet the Rate Covenant based on results of the Borrower’s annual audited financial statements, the Borrower agrees to take immediate action to adjust the VRE budget to restore compliance with

Northern Virginia Transportation Commission
Virginia Pooled Financing Program – Revenue Pledge –Terms and Conditions

the Rate Covenant, including adjusting revenues and / or expenses and / or taking action under Section III(D) of the Master Agreement to seek supplemental appropriations from all Participating Jurisdictions that provided funding in support of VRE in the then current budget year and the most recent prior fiscal year.

**Qualified Independent
Consultant Report:**

If as of the end of any fiscal year, the Borrower is not in compliance with the revenue covenant, the Borrower will within 30 days of receipt of the annual audited financial statements request a consultant report with recommendations to bring the Borrower into compliance with the rate covenant.

Liquidity Covenant:

Borrower covenants to maintain no less than 90 days of budgeted annual cash operating expenses (excluding budgeted annual debt service) in unrestricted cash as a working capital reserve fund (the “Working Capital Reserve Fund Requirement”); VRA will test compliance as of the end of the Borrower’s fiscal year (each June 30) based on audited financial statements, and if at any time during the life of the proposed loan the Borrower maintains an amount less than the Working Capital Reserve Fund Requirement, the Borrower covenants to replenish the related, unrestricted cash balance to the Working Capital Reserve Fund Requirement within six months of completion of the audited financial statements that showed non-compliance.

Parity Provisions:

In addition to the necessary local approvals required to issue additional debt, the Borrower may issue parity bonds on behalf of VRE provided that while the proposed VRA 2018 loan is outstanding: (1) Borrower provides evidence of compliance with the Rate Covenant in each of the five most recently audited fiscal years, (2) Borrower provides evidence of compliance with the Working Capital Reserve Fund Requirement in each of the five most recently audited fiscal years, and (3) Borrower will provide a third-party independent consultant certification that during the first three complete fiscal years following the completion of the improvements to be financed with the parity debt, the projected Net Revenues Available for Debt Service will be sufficient to meet the Rate Covenant; it is understood that the



Northern Virginia Transportation Commission

Virginia Pooled Financing Program – Revenue Pledge – Terms and Conditions

independent consultant may use the Borrower's six-year plan as the basis for projected Net Revenues Available for Debt Service.

Other Conditions:

Notice to VRA prior to the pricing of the VPFP spring Series 2018 bond issue if the Borrower becomes aware of any threatened or filed litigation with respect to the Project¹;

Notice to VRA of intent to participate in the VPFP spring Series 2018 bond issue no later than March 30, 2018² through the execution of the Borrower's Local Bond Sale and Financing Agreement related to the proposed loan;

Loan commitment is contingent on receipt and satisfactory review of the fiscal year 2016 audited financial statements of the City of Manassas Park.

Other Highlighted Documentation:

Certified copies of the Borrower, Potomac and Rappahannock Transportation Commission, Participating Jurisdictions, and Contributing Jurisdictions local resolutions authorizing the proposed financing.

Legal Opinions:

Customary opinions as to authorization, validity, no litigation, and no private activity and other matters requested by VRA

General Covenants:

To include those customary for these types of transactions, including events of taxability and others that are appropriate in the context of the financing

Payment Dates:

April 1 - Interest
October 1 – Principal and interest

Final Local Bond Maturity:

No later than October 1, 2032

¹ In the event of threatened or filed litigation with respect to the Borrower or the Project, VRA reserves the right to withdraw or alter the terms of this commitment in its sole discretion.

² If a material adverse change has occurred in the financial condition of the Borrower as indicated in the financial statements, application and other information furnished to VRA between the date of the Borrower's loan application to the VPFP and the VPFP bond pricing, VRA reserves the right to withdraw or alter the terms of this commitment in its sole discretion.



Northern Virginia Transportation Commission
Virginia Pooled Financing Program – Revenue Pledge –Terms and Conditions

| | |
|-----------------------------------|---|
| VRA Loan Origination Fee: | 12.5 basis points of par amount and added to costs of issuance (not to exceed \$25,000) |
| Annual Administrative Fee: | 12.5 basis points of outstanding principal and payable semi-annually |
| Annual Pass-through fees: | Annual trustee fees; allocable costs associated with arbitrage rebate calculations |

Acknowledgement:

The foregoing terms and conditions are hereby acknowledged the _____ day of _____, 2017 / 2018.

By: _____

Its: _____

VRA Contact:

Peter D'Alema
Director of Program Management
Virginia Resources Authority
1111 East Main Street
Suite 1920
Richmond, VA 23219
804-616-3446
pdalema@virginiareources.org



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

ITEM 9-E
January 4, 2018
PRTC Regular Meeting

Agenda Item 9-I
Action Item

To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: December 15, 2017

Re: Approval of 2018 VRE Officers

Recommendation:

The VRE Operations Board is asked to approve the nominees for the 2018 VRE Officers as recommended by the Nominating Committee. The nominees are as follows:

Chairman: ***Martin Nohe*** (PRTC)
Vice Chairman: ***Katie Cristol*** (NVTC)
Secretary: ***Maureen Caddigan*** (PRTC)
Treasurer: ***John Cook*** (NVTC)
Immediate Past Chairman: Paul Smedberg (NVTC)

Installation of the 2018 VRE Officers shall take place at the January 19, 2018 VRE Operations Board Meeting.

Background:

According to the VRE Bylaws, each of the Commissions shall provide two officers from among its Operations Board Members. The offices of Chairman and Vice Chairman shall not be held at the same time by members representing the same jurisdiction or the same appointing Commission and the office of Chairman shall be rotated each year between the two Commissions.



Northern Virginia
Transportation Commission
2300 Wilson Blvd. #620
Arlington, VA 22201
703.524.3322



Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703.684.1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703.580.6121

**Virginia Railway Express
Operations Board**

**Resolution
9J-12-2017**

Approval of 2018 VRE Officers

WHEREAS, the VRE Bylaws provides for the annual election of Officers to serve as Chairman, Vice Chairman, Secretary and Treasurer; and,

WHEREAS, the Office of Chairman shall be rotated each year between the two Commissions; and,

WHEREAS, the Chairman appointed a Nomination Committee and that Committee has made its recommendation of 2018 VRE Officers to the Operations Board;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby affirm the election of ***Martin Nohe*** as Chairman, ***Katie Cristol*** as Vice Chairman, ***Maureen Caddigan*** as Secretary, ***John Cook*** as Treasurer and Paul Smedberg as Immediate Past Chairman to serve as the 2018 VRE Officers to be installed at the January 19, 2018 Operations Board Meeting.

Approved this 15th day of December 2017

Paul Smedberg
Chairman

Katie Cristol
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

ITEM 9-F
January 4, 2017
PRTC Regular Meeting

Agenda Item 10-A
Information Item

To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: December 15, 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 November 7, 2017, VRE issued a Task Order in the amount of \$59,771 to Vanasse Hangen Brustlin, Inc. under the General Planning Consulting Contract for preliminary site investigations and development of a project implementation plan for L'Enfant Station and track improvements.
- On November 21, 2017, VRE issued a Task Order in the amount of \$75,000 to Kensington Consulting, LLC for Facility Design Consultation and Assessment which will provide hazard, risk and other safety and security assessments for new and redeveloped VRE facilities.
- On November 27, 2017, VRE issued a Task Order in the amount of \$88,776 to RPI Group, Inc. for Management of Inventory of Security Camera and Access Control Components to include inventory control, physical and software assessments and storage in a climate controlled environment.
- On November 30, 2017, VRE amended a Blanket Purchase Order with Digilink, Inc., from \$50,000 to an amount not to exceed \$100,000 for printing services for VRE marketing materials to include the RIDE Magazine, posters, flyers and brochures.



Northern Virginia
Transportation Commission
2300 Wilson Blvd. #620
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703.524.3322



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1500 King Street, Suite 202
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VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703.580.6121

ITEM 10
January 4, 2018
PRTC Regular Meeting

M495 Corridor Fast Ferry Study and Project Update
(PowerPoint Presentation – hand out at the meeting)

ITEM 11
January 4, 2018
PRTC Regular Meeting

PRTC Action Items

- A. RES Authorization to Execute Funding Agreements Related to the I-66 Express Lanes**
- B. RES Authorization to Execute Agreements with VDRPT for Funding Projects Under the Vanpool!VA Program**
- C. RES Authorization to Award a New Fleet Audit Contract**
- D. RES Approval of Legislative Agenda**
- E. RES Authorization to Refer the PRTC Proposed FY19 Budget to Member Jurisdictions for Consideration and Hold Public Hearings on the Proposed FY19 Budget and Federal Grant Applications**

MOTION:

SECOND:

**RE: AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS WITH VDRPT
FOR FUNDING ELEMENTS OF THE I-66 OUTSIDE THE BELTWAY TRANSPORTATION
MANAGEMENT PROGRAM**

ACTION:

WHEREAS, construction of the I-66 Express Lanes is expected to begin this winter; and

WHEREAS, the Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (VDRPT) has developed and funded a Transportation Management Program (TMP) to alleviate congestion during the construction period; and

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") has been selected to provide services for the TMP including a fare buy-down on OmniRide express and Metro Direct services, additional bus trips to meet demand, and vanpool incentives; and

WHEREAS, these services will be subject to one or more funding agreements; and

WHEREAS, execution of a funding agreement is necessary to receive these funds; and

WHEREAS, the actual services and budgeted amounts may change during the course of the TMP necessitating additional funding agreements; and

WHEREAS, management will seek the review and approval of legal counsel prior to the execution of any agreements.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to execute funding agreements related to the I-66 Express Lanes Transportation Management Program.

ITEM 11-A
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-____
Page Two

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:




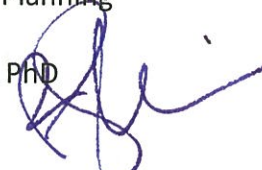
Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Chuck Steigerwald 
Director of Strategic Planning

THROUGH: Robert A. Schneider, PhD 
Executive Director

SUBJECT: Authorize the Executive Director to Execute Agreements with VDRPT Funding Elements of the I-66 Outside the Beltway Transportation Management Program

Recommendation:

Authorize the Executive Director to execute agreements with the Virginia Department of Rail and Public Transportation (VDRPT) providing funding for elements of the I-66 Outside the Beltway Transportation Management Program.

Background:

As a part of the preparation for the construction of the I-66 Express Lanes outside the Beltway the Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (VDRPT) have developed a Transportation Management Program (TMP) designed to alleviate congestion during the construction period. The TMP includes a number of transit and Transportation Demand Management (TDM) strategies to encourage transit use and ridesharing and a number of these will be administered by PRTC or directly impact PRTC services. These elements will be funded by the Commonwealth and subject to funding agreements between PRTC and VDRPT. Implementation of these strategies is expected to occur in late winter of 2018. PRTC staff has actively participated in the development and selection of the transit and TDM strategies in the TMP.

The TMP will fund two transit strategies. The most significant consists of a fare buy-down on all OmniRide express and Metro Direct services in the I-66 corridor (riders will pay only half of the current fare). Riders on the express services will pay a cash fare of \$4.60 or \$3.45 if paying with a SmarTrip card. Metro Direct riders will a cash fare of \$2.15 or \$1.75 if paying with SmarTrip.

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Chairman Principi and PRTC Commissioners

January 4, 2018

Page 2

PRTC will be reimbursed the difference between revenue at the regular fares and revenue at the half fares. The TMP has budgeted \$4.4 million for this element.

The second transit strategy consists of \$736,000 budgeted to fund the operating costs of additional express or Metro Direct trips. These trips would be added to schedules on an as-needed basis to address overcrowding on existing services.

The Vanpool alliance program has been tasked with administering an incentives program for newly formed vanpools in the I-66 corridor. The incentives include a \$200 per seat subsidy (up to four seats) monthly, preloaded SmartTrip Cards, and a \$350 gas card for larger vans. The TMP has budgeted \$520,000 for vanpool incentives.

Several other TMP strategies will impact PRTC services, but will not be administered or provided by the agency. The most significant of these is the construction of a new 230 space commuter lot near the intersection of Route 15 and I-66. The TMP will also provide support for commuter bus service from the Front Royal area. This service will be privately operated and will connect with OmniRide express and Metro Direct routes at commuter lots in Prince William County. Carpooling incentives through Commuter Connections Pool Rewards program, telework incentives, and additional resources for employer outreach in the I-66 corridor will also be funded through the TMP.

Each strategy will be subject to evaluation throughout the duration of the TMP. Line item budget amounts may be adjusted, strategies eliminated, and new strategies added throughout the duration of the construction. The attached resolution would allow the Executive Director to execute any TMP-related funding agreements throughout the life of program without further action from the Commission.

Fiscal Impact:

All strategies will be fully funded by VDRPT during the construction period.

MOTION:

SECOND:

**RE: AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS WITH VDRPT
FOR FUNDING PROJECTS UNDER THE VANPOOL!VA PROGRAM**

ACTION:

WHEREAS, the Virginia Department of Rail and Public Transportation (VDRPT) has made funding available for projects that promote and incentivize vanpooling through the Vanpool!VA program; and

WHEREAS, the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission"), on behalf of the Vanpool Alliance, has developed projects eligible for Vanpool!VA funding; and

WHEREAS, PRTC has applied for and been awarded project funding through Vanpool!VA; and

WHEREAS, required local matching funds will be provided using the "soft match" provision; and

WHEREAS, PRTC may receive funding for additional projects under the Vanpool!VA program; and

WHEREAS, execution of one or more funding agreements are necessary to receive these funds; and

WHEREAS, management will seek the review and approval of legal counsel prior to the execution of any agreement.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to execute funding agreements under the Vanpool!VA Program.

ITEM 11-B
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-____
Page Two

Votes:

Ayes:

Nays:

Abstain:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:




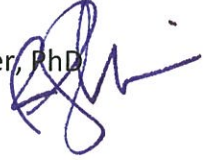
Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Chuck Steigerwald 
Director of Strategic Planning

THROUGH: Robert A. Schneider, PhD 
Executive Director

SUBJECT: Authorize the Executive Director to Execute Agreements with VDRPT for Project Funding Under the Vanpool!VA Program

Recommendation:

Authorize the Executive Director to execute agreements with VDRPT for project funding under the Vanpool!VA Program.

Background:

As a part of the FY2018 grant cycle the Virginia Department of Rail and Public Transportation (VDRPT) created an opportunity to provide funding for projects or programs designed to promote and incentivize vanpooling through the new Vanpool!VA program. In its FY2018 grant application package PRTC included several projects eligible for this opportunity; however, grant funds were not awarded to PRTC for the proposed projects.

Working with VDRPT staff and Deputy Secretary of Transportation Nick Donohue, PRTC and Vanpool Alliance staff developed a refined proposal for a FY2018 mid-cycle grant application submission. VDRPT approved the application and awarded PRTC \$1.4 million.

The funded project consists of an additional monthly payment for new vanpools enrolling in the Vanpool Alliance program. The funds would allow doubling the current monthly payment of \$200 to \$400. Vanpools will be eligible for the increased payment if a minimum of 75% of the riders are new to the Vanpool Alliance program and the vanpool meets all of the requirements for participating in the Vanpool Alliance program. The increased payment is limited to a two-year period from the time the new vanpool is enrolled into the Vanpool Alliance program.

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Chairman Principi and PRTC Commissioners

January 4, 2018

Page 2

Management believes vanpool activity in the region has leveled off with the number of new vanpools being formed roughly equivalent to the number ceasing operation. It is expected the increased monthly payment will further encourage the formation of new vanpools by allowing vanpool operators to reduce the cost burden for riders.

The awarded grant also includes funding for one additional full-time employee (FTE) for Vanpool Alliance for a two-year period. This is necessary due to the additional work load involved in the implementation and administration of the increased monthly payment. When the two-year grant funding for the FTE is depleted, the position will be funded through Vanpool Alliance program earnings (which will increase as new vanpools are enrolled).

The Vanpool!VA grant has a local match requirement of 20% (\$350,000). VDRPT has agreed to allow the use of "soft match" funds to meet the local match requirement. Federal legislation allows the value of the privately owned vans enrolled in the Vanpool Alliance program to be used as local match for projects receiving certain types of federal funds. This "soft match" provision was introduced in MAP-21 and continued in FAST-ACT. VDRPT has agreed to extend this federal provision to apply specifically to this grant under the Vanpool!VA program. Management has determined sufficient "soft match" funds exist, not only to meet the local match obligations for this grant, but to also meet the "soft match" requirement for the anticipated federal funds that will be earned by the Vanpool Alliance program.

Because PRTC anticipates the potential for additional projects to be funded through the Vanpool!VA program, if authorized, the attached resolution will allow the Executive Director to execute any further agreements related to the Vanpool!VA program without further action from the Commission.

Fiscal Impact:

Local match requirements will be met using the "soft match" provision. Out year costs for additional staff will be paid for through Vanpool Alliance program earnings.

ITEM 11-C
January 4, 2018
Regular Meeting
Res. No. 18-01-___

MOTION:

SECOND:

**RE: AUTHORIZATION TO ENTER INTO A CONTRACT FOR FLEET AUDITING SERVICES
 WITH TRANSIT RESOURCE CENTER**

ACTION:

WHEREAS, an independent fleet audit is essential to the Potomac and Rappahannock Transportation Commission's ("PRTC" or the "Commission") bus operations for providing quality service; and

WHEREAS, PRTC received one proposal in response to the solicitation; and

WHEREAS, Transit Resource Center (TRC) is the incumbent to providing these services and understands PRTC's fleet; and

WHEREAS, a fair and reasonable analysis review was conducted and concluded that PRTC is justified in awarding the contract to TRC; and

WHEREAS, fleet auditing costs are currently included in the annual operating budget.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to award a new contract to Transit Resource Center for one year and to exercise nine option years if, in the Executive Director's judgment, doing so would be in PRTC's interest.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Note Voting:

Absent from Meeting:




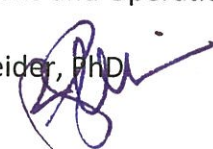
Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and Commissioners

FROM: Perrin Palistrant 
Director of Operations and Operations Planning

THROUGH: Dr. Robert A. Schneider, PhD 
Executive Director

RE: Authorization to Enter into a Contract for Fleet Auditing Services

Recommendation:

Authorize the Executive Director to award a contract to Transit Resource Center (TRC), for Fleet Auditing Services.

Background:

In September 2007, PRTC entered into a contract with Ameritrans Service Corp, Inc. (dba Transit Resource Center—TRC) for fleet auditing and technical specifications services as part of a competitive Request for Proposal (RFP) process. These services are vital to the organization for providing quality service to thousands of passengers that rely on PRTC's bus services within Prince William County as well as to major employment centers in Northern Virginia and Washington, D.C.

While PRTC does contract with First Transit to provide overall operations and maintenance services, the independent fleet audit allows a third party to review records to ensure proper preventative maintenance per the contract is being completed, as well as other general maintenance audit to protect the capital assets that PRTC owns.

TRC is one of the few companies that provides this level of service and was the only company to submit a proposal. A fair and reasonable analysis review was conducted and concluded that PRTC is justified in awarding the contract to TRC due to the following:

Chairman Principi and Commissioners

January 4, 2017

Page 2

- PRTC's fleet auditing service is already conducted by TRC.
- TRC has provided technical services for the creation of Requests for Proposals for vehicle mid-life overhauls as well as related line inspections and auditing of overhauls being conducted.
- Provided line inspection services after competitive bidding for new vehicles.
- Understands PRTC's fleet and high quality demands for maintenance.
- Excellent track record and willingness to work with PRTC and First Transit staff on any outstanding issues.

The term for this Contract shall be for one year from the date of execution. PRTC shall have the option to extend the Contract for nine additional one (1) year periods, contingent upon availability of funds for the purpose. The option to renew shall be exercised at the sole discretion of PRTC.

Fiscal Impact:

Fleet Auditing costs are included in the annual operating budget. There was no per unit cost change for the audit in the new contract. There is sufficient operating budget to cover the estimated fleet auditing costs for the remainder of FY17. Future year operating budgets will incorporate estimated fleet auditing costs in accordance with the contract.

ITEM 11-D
January 4, 2018
PRTC Regular Meeting
Res. No. 18-01-____

MOTION:

SECOND:

RE: APPROVAL OF LEGISLATIVE AGENDA

ACTION:

WHEREAS, each year the Potomac and Rappahannock Transit Commission (“PRTC” or the “Commission”) adopts state and federal legislative agenda to guide its advocacy efforts; and

WHEREAS, the 2018 agenda remains focused on the Commission’s priorities of stabilized operating and capital revenues sources from the Commonwealth.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transit Commission does hereby approve its 2018 legislative agenda.

Votes:

Ayes:

Nays:

Abstain:

Absent from Vote:

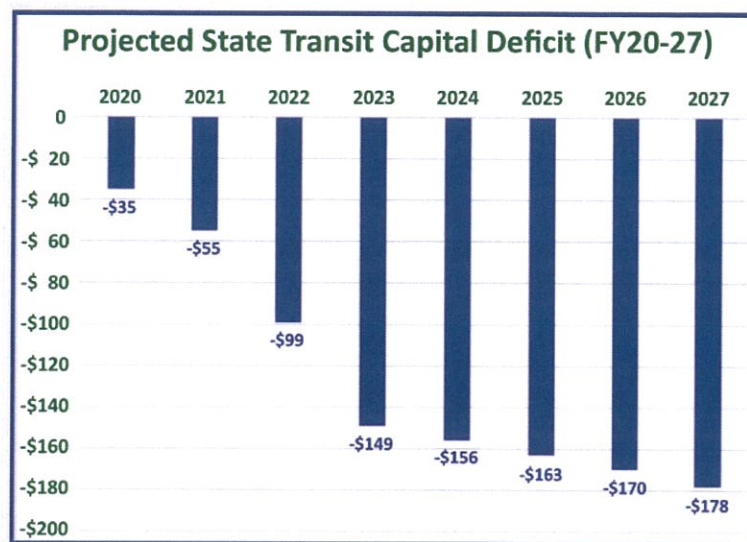
Alternate Present Not Voting:

Absent from Meeting:

TRANSIT CAPITAL FISCAL CLIFF

WHAT IS THE TRANSIT CAPITAL FISCAL CLIFF?

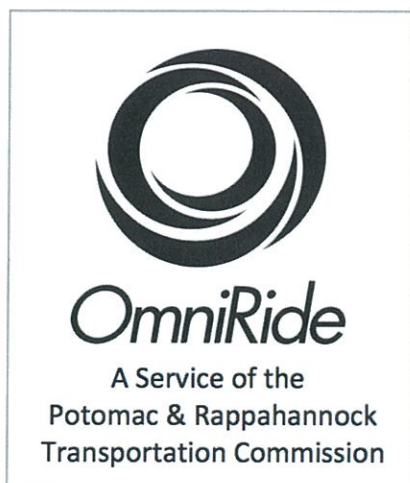
Virginia has a long history of providing funds for public transportation capital expenditures. For PRTC, that includes rolling stock (buses), facility upgrades and maintenance, transit technology, and on-street amenities such as benches and shelters for customers. PRTC is particularly reliant on capital funds from Virginia because a long-standing agreement gives away an extremely high percentage of federal funds to WMATA and VRE. To provide this funding, the Commonwealth Transportation Board (CTB) has relied on bonds from the Commonwealth Transportation Capital Projects Bond Act (2007), which comprised 45% of the total statewide investment in transit capital in the past 4 years alone. In June 2018, the CTB will begin allocating the last of the Capital Projects Bond's revenues. By 2020, the estimated gap between transit capital needs and available funds will be \$35 million and reaching as high as \$178 million by 2027. The revenue shortfall will impact transit systems across the Commonwealth, but due to the unique takeaway of federal funds from PRTC to WMATA, greater Prince William County jurisdictions will be hit particularly hard.



WHERE THINGS STAND The Commonwealth formed a Revenue Advisory Board (RAB) after learning that \$110 million in dedicated revenues will begin to phase out in June 2018 as the Capital Project Revenue (CPR) bonds expire. The Revenue Advisory Board issued a report in August 2017, which examined the impending fiscal cliff and offered four funding packages, each of which would raise \$130 - \$140 million annually to meet Virginia's share of transit capital. If the Commonwealth's General Assembly doesn't replace the funds from the former bond measure, it will severely limit the ability of transit systems throughout Virginia—and especially PRTC/OmniRide—to offer safe and reliable service. If the funds are used to match federal grants, transit systems across the state may lose access to federal revenues because the localities may not be able to make up the difference in matching revenues.

WHAT CAN THE COMMONWEALTH DO? During its 2018 session, the General Assembly must dedicate a steady and reliable stream of revenues to fund transit capital investments throughout Virginia. An advisory board has presented lawmakers with four funding alternatives, including two that rely solely on state revenues and two that rely on a combination of state and regional revenues. Tapping regional revenue sources to fund a state program can only go so far, so the legislature must secure a sustainable source of revenue that can meet the needs of its transit systems. Without the ability to buy transit equipment, systems could be forced to reduce or eliminate routes or services and limit the flow of federal transit dollars to Virginia—a major issue in the National Capital Region.

COMMITMENT TO COMMUTER TAX BENEFITS Nearly 70 percent of ALL PRTC riders rely on the commuter tax benefit, the tax relief program that was restored in 2015 that provides employees of federal agencies or supporting businesses with transit commuter benefits. The tax benefits offer incentives for commuters to use transit and vanpools on par with the tax incentive provided for parking. Commuter tax benefits make transit service more attractive to commuters who currently drive alone and support the use of carpools, vanpools, rideshare, bike share, and transportation demand management (TDM) as effective tools to eliminate traffic congestion in our region.

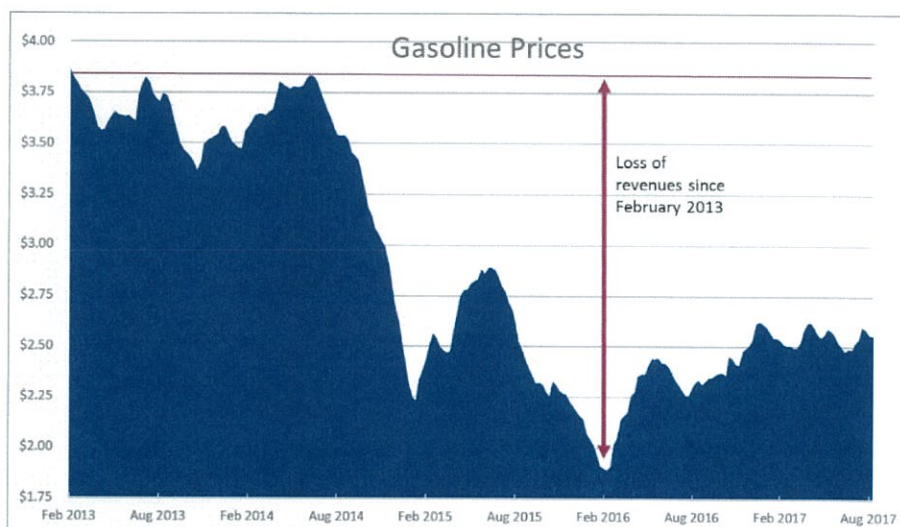


2018 Legislative Solutions to Addressing Transportation Problems within the PRTC Jurisdictions

OUR IMPACT The Potomac and Rappahannock Transportation Commission is a governing body for transportation funding and service operations under the name *OmniRide*, which includes local and express transit, vanpool, and ride-matching services for Prince William County, Manassas and Manassas Park. Key destinations are the Pentagon, Washington DC, and Tyson's Corner—with connections to Virginia Railway Express & WMATA Metro Rail stations—*OmniRide* removes nearly 17,000 car trips from regional roadways every day.

The GAS TAX FLOOR

GAS TAX REVENUE DECLINE Wholesale gas sales in Northern Virginia are regionally taxed an additional 2.1 % with revenues provided to jurisdictions based on sales. Gas tax revenues must be used for specific purposes and PRTC jurisdictions use them for OmniRide and VRE expenses. Revenues are down 40% because the tax is tied to the price of fuel. In early 2013 prices were \$3.50 per gallon, but are now near \$2.00 per gallon.



THE FIX While the state gas tax has protections that ensure a minimum level of revenue (a “floor”), the regional gas tax does not. This means the local jurisdictions don’t enjoy the same protections the Commonwealth created for itself. From June 2016—July 2017, PRTC partners left \$14.7M “on the floor”.

THE IMPACT If the regional floor matched the Commonwealth’s floor, it ensures a minimum level of funding for transit, road improvements and traffic management solutions when fuel prices drop—a time when it becomes less expensive to drive and increases congestion.

If the regional gas tax had the same protections as the state’s gas tax, PRTC jurisdictions would have received over \$35 million in revenues instead of \$20 million.

July 2016 – June 2017 Regional Fuel Tax Collection: Actuals & Lost

| | Actual Collections | | Lost Revenue Without Floor Based on Statewide Gas Tax Floor | |
|------------------------|--------------------|-----------------|---|-----------------|
| City of Fredericksburg | \$ | 1,257.0 | \$ | 936.1 |
| City of Manassas | | 760.7 | | 511.3 |
| City of Manassas Park | | 658.0 | | 414.8 |
| Prince William County | | 10,702.2 | | 7,841.2 |
| Spotsylvania County | | 3,653.0 | | 2,895.1 |
| Stafford County | | 3,334.4 | | 2,173.0 |
| Total PRTC | \$ | 20,365.3 | \$ | 14,771.5 |

MOTION:

SECOND:

RE: AUTHORIZATION TO REFER THE PRTC PROPOSED FY19 BUDGET TO MEMBER JURISDICTIONS FOR CONSIDERATION AND HOLD PUBLIC HEARINGS ON THE PROPOSED FY19 BUDGET AND FEDERAL GRANT APPLICATIONS

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission (PRTC) adopted the Executive Director's Vision 2020 Plan at its October 5, 2017 meeting, which has shaped preparation of the FY19 budget; and

WHEREAS, the proposed FY19 PRTC budget and separately proposed FY19 VRE budget assume that federal funding will be sought for a program of projects as specified in the proposed budget materials; and

WHEREAS, the PRTC public participation policy requires a public review process (including public hearings) prior to adoption of the proposed annual budget, as well as an invitation for public comment on the proposed program of projects for which federal funds are being sought.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to refer the proposed FY19 PRTC budget to the jurisdictions for consideration.

BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to commence a public review process (including public hearings) on the proposed FY19 budget and federal grant applications.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:



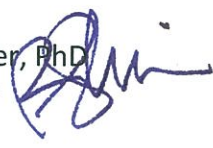
Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Joyce Embrey
Director of Finance and Administration

THROUGH: Robert A. Schneider, PhD
Executive Director 

RE: Authorization to Refer the PRTC Proposed FY19 Budget to Member Jurisdictions for Consideration and Hold Public Hearings on the Proposed FY19 Budget and Federal Grant Applications

Recommendation:

Authorize the Executive Director to refer the proposed FY19 PRTC budget to member jurisdictions for consideration and hold public hearings on the proposed FY19 budget and federal grant applications.

Background:

The Executive Director presented a Vision 2020 Plan to the Commission at its September 7, 2017 meeting, and subsequently discussed the Plan with individual Commission members. The Commission adopted the Vision 2020 Plan at its October 5, 2017 meeting, which has guided the preparation of the FY19 budget.

The following is a summary of major budget assumptions:

▪ Fuel tax revenue

Projections used for the proposed FY19 budget and six-year plan were prepared in November 2017, with total revenue for the period FY18 – FY23 slightly down from the projections prepared in November 2016 for the FY18 budget. The latest projections anticipate an increase in revenue for FY18 – FY20, with a decrease in revenue for FY21 – FY23 based on forecasted prices. The projections were prepared assuming no tax floor. As part of its 2018 legislative agenda, the Commission is again seeking legislation to implement a 2.1 percent motor fuels tax floor because

the reduction in gas prices has directly affected the revenue available for local governments to fund their transportation commitments. The Governor's proposed state budget includes a tax floor for the regional fuel sales tax, but there is no certainty that it will be approved by the General Assembly.

- Bus service levels

Management has analyzed existing services and has held initial discussions with the bus sponsoring jurisdictions regarding possible budget neutral changes to western bus services. These changes are still in the planning stages, so the bus service levels reflected in the FY19 budget do not incorporate such changes. The six-year plan assumes no bus service expansion other than state-sponsored services associated with the I-95/395 and I-66 transit/TDM plans. PRTC management proposes to continue incorporating a modest revenue hour contingency of six daily hours to allow for schedule adjustments and to ease chronic overcrowding.

- Fares

The FY19 budget assumes no fare increases. Fare increases of 10 – 13% are tentatively assumed for FY20, with fare increases averaging 5% tentatively planned every year thereafter (FY21 – FY24).

- State assistance

DRPT has projected state capital assistance for the three tiers (replacement/expansion vehicles; infrastructure/facilities; and other) for FY19 through FY24. PRTC incorporated DRPT's estimates for state funding in the FY19 budget and six-year plan, resulting in a larger local match. In FY19, the projected state percentages for the tiers remain at 68%, 34%, and 17%, respectively. In FY20, tier one remains at 68%, with tier two at 18%, and tier three at 0%. For FY21 – FY24, tier one percentages continue to decline with 0% assumed for tiers two and three.

- Federal funding

The proposed FY19 budget and six-year plan assumes PRTC will not receive any funds from the Fixing America's Surface Transportation Act (FAST Act) Discretionary Bus Program for bus replacements or refurbishments during the six year period. If the opportunity arises, PRTC will apply. The budget also assumes relatively steady federal funding for preventive maintenance.

Annual federal 5307 earnings of \$1.64 million from the VanPool Alliance Program will be “swapped” and used for preventive maintenance at a higher federal participation percentage than if used to support the VanPool Alliance Program costs.

- Carryforward

The proposed FY19 budget includes a carryforward of \$5.68 million from FY17 allocated among the various PRTC jurisdictions, which is \$4.08 million higher than anticipated for FY19 in the FY18 six-year plan. The FY18 budget and six year plan had assumed a \$1.6 million carryforward for FY19 - FY24. This ongoing carryforward assumption has been removed from the FY19 budget and six-year plan.

- Western maintenance facility

The proposed six-year plan assumes the western facility will be constructed in FY19 – FY20, with occupancy at the start of FY21. Construction will be funded by a combination of NVT, CMAQ, state, and I-66 concessionaire funding.

- Bus purchases – replacements/expansions

The proposed FY19 budget and six-year plan assumes state and local funding for bus replacements. No debt financing for local match is assumed. Bus purchases for expansion are assumed to be 100 percent funded by the state.

- Bus mid-life overhauls

The FY19 budget and six-year plan assume state and local funding for bus overhauls based on a typical mid-life schedule.

- Administrative

The FY19 budget assumes one new position – a Graphic and Web Designer. Since the proposed reduction-in-force was tabled at the December 7, 2017 Commission meeting pending the outcome of an EEO investigation, the FY19 proposed budget has been developed using the existing PRTC positions. If the reduction in force is approved and implemented, the creation of any other new positions would be budget neutral.

The FY19 budget incorporates a COLA/merit allowance sized after surveying the member jurisdictions.

▪ Federally participating projects

The program of projects for which federal funds are envisioned/sought on behalf of PRTC and VRE appears below:

- ❖ PRTC Bus Preventive Maintenance
- ❖ PRTC TDM/Commuter Assistance Program
- ❖ PRTC Security Enhancements
- ❖ VRE Track Lease/Improvement Payments
- ❖ VRE Facilities Asset Management
- ❖ VRE Equipment Storage Projects
- ❖ VRE Capital Fleet Replacement and Expansion
- ❖ VRE Broad Run Station Expansion
- ❖ VRE Rippon Platform Projects
- ❖ VRE Positive Train Control (PTC)
- ❖ VRE Equipment Asset Management Program
- ❖ VRE Grant and Project Management
- ❖ VRE Cameras and Station Security Enhancements
- ❖ VRE Washington Union Station Improvements

Fiscal Impact:

Administrative expenses - All PRTC member jurisdictions support the administration portion of the PRTC budget based on respective percentages of fuel tax receipts.

Bus service subsidies - The local subsidy required for OmniRide, Metro Direct, and the easterly OmniLink routes has been and continues to be borne exclusively by Prince William County. Local subsidy required for the westerly OmniLink routes has been and continues to be an expense shared by Prince William County and the cities of Manassas and Manassas Park (allocated among the three local government sponsors by a Board-adopted formula accounting for both riders' residency and population).

Chairman Principi and PRTC Commissioners
January 4, 2018
Page 5

Marketing - Marketing is supported by federal and state grants, advertising revenue, Prince William County, and the cities of Manassas and Manassas Park.

The proposed FY19 PRTC subsidies will be provided at the January 4, 2018 Commission meeting.

ITEM 12
January 4, 2018
PRTC Regular Meeting

Chairman's Time

- A. RES Approval of Nominating Committee Recommendations for 2018 PRTC
Officers and Concurrence with PRTC Member Jurisdiction VRE Operations
Board Appointments**
- B. RES Express of Appreciation -- Delegate Ricard Anderson**
- C. RES Expression of Appreciation -- Delegate Jackson Miller**

ITEM 12-A
January 4, 2018
Regular Meeting
Res. No. 18-01-____

MOTION:

SECOND:

**RE: APPROVAL OF NOMINATING COMMITTEE RECOMMENDATIONS FOR 2018 PRTC
OFFICERS AND VRE OPERATIONS BOARD APPOINTMENTS**

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission Bylaws require the appointment of Officers and concurrence with PRTC member jurisdiction appointments to the Virginia Railway Express (VRE) Operations Board at PRTC's annual meeting by Commission resolution; and

WHEREAS, PRTC's Chairman appointed a Nominating Committee and tasked it with preparing recommendations for consideration at PRTC's January annual meeting; and

WHEREAS, the Chairman also invited nominations for these positions; and

WHEREAS, the Nominating Committee met at a publicly advertised meeting on December 7, 2017 to consider the nominations received and to ready its recommendations; and

WHEREAS, the recommendations comply with PRTC Bylaws.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the recommended PRTC Executive Board Officers and concurs with member jurisdiction VRE appointments.

Votes:

Ayes:

Nays:

Abstain:

Absent from Vote:

Alternates Present Not Voting:

Absent from Meeting:

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Robert A. Schneider, PhD
Executive Director

RE: Approval of Nominating Committee Recommendations for 2018 PRTC Officers and
VRE Operations Board Appointments

Recommendation:

Approve Nominating Committee recommendations for 2018 PRTC officers and concur with PRTC member jurisdiction VRE Operations Board appointments.

Background:

PRTC's Bylaws call for appointment of Officers who collectively comprise the Executive Board, and concurrence with PRTC member jurisdiction VRE Operations Board appointments, at PRTC's annual meeting (in January) by Commission resolution. At a previous Commission meeting, Chairman Principi:

1. Asked for volunteers to serve as the Nominating Committee;
2. Directed the Nominating Committee to ready recommendations for the full Commission's consideration at its annual meeting; and
3. Invited nominations in advance of the annual meeting.

The Nominating Committee met on December 7, 2017 at a publicly advertised meeting to discuss this matter and to prepare its recommendations. The recommendations comply with all Bylaw requirements regarding these appointments, namely that:

- Officers of the Commission shall be elected annually and shall consist of a Chairman, Vice Chairman, Secretary, Treasurer, Immediate Past Chairman, and such officers at large and subordinate officers as may from time to time be elected or appointed by the Commission. *Note: historically, the Commission has included at large members to ensure each member jurisdiction is represented on the Executive Board, which consists of Commission officers;*
- The Chairman and Vice Chairman not be from the same member jurisdiction;
- The Chairman shall be elected from amongst the regular members whose jurisdictions contributed at least 25% of the total PRTC local subsidy in the previous fiscal year;
- Only Commissioners, not Alternates, hold positions as PRTC Officers; and
- Membership by jurisdiction on the VRE Operations Board in accordance with the provisions of the VRE Master Agreement as amended which means three elected officials representing Prince William County, two representing Stafford County, one representing Spotsylvania County, one each representing the three PRTC member cities, and a comparable number of Alternates, who must also be elected officials.

Fiscal Impact:

Not applicable.

ITEM 12-B
January 4, 2018
Regular Meeting
Res. No. 18-01-__

MOTION:

SECOND:

**RE: EXPRESSION OF APPRECIATION FOR SERVICES RENDERED BY DELEGATE
 RICHARD ANDERSON**

ACTION:

WHEREAS, Virginia General Assembly House Member and PRTC Commissioner Richard Anderson will cease his service as a PRTC Commissioner following the Commission's January 4, 2018 meeting; and

WHEREAS, Delegate Anderson has served as a PRTC Commissioner since April 2010; and

WHEREAS, Delegate Anderson has been a true champion of regional cooperation, both in his capacity as a PRTC Commissioner and as a member of the Virginia House of Delegates; and

WHEREAS, regional cooperation is a core part of PRTC's Founding Ordinance; and

WHEREAS, it is PRTC's long-standing practice of lauding the work of those who serve as Commissioners, throughout their time as Commissioners and more particularly upon learning of their pending departure.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby express its sincere gratitude to Delegate Richard Anderson for his distinguished service as a PRTC Commissioner and continued success in all of his future endeavors.

Votes:

Ayes:

Nays:

Abstain:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:

ITEM 12-C
January 4, 2018
Regular Meeting
Res. No. 18-01-__

MOTION:

SECOND:

**RE: EXPRESSION OF APPRECIATION FOR SERVICES RENDERED BY DELEGATE
 JACKSON MILLER**

ACTION:

WHEREAS, Virginia General Assembly House Member and PRTC Commissioner Jackson Miller will cease his service as a PRTC Commissioner following the Commission's January 4, 2018 meeting; and

WHEREAS, Delegate Anderson has served as a PRTC Commissioner since April 2007; and

WHEREAS, Delegate Miller has been a true champion of regional cooperation, both in his capacity as a PRTC Commissioner and as a member of the Virginia House of Delegates; and

WHEREAS, regional cooperation is a core part of PRTC's Founding Ordinance; and

WHEREAS, it is PRTC's long-standing practice of lauding the work of those who serve as Commissioners, throughout their time as Commissioners and more particularly upon learning of their pending departure.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby express its sincere gratitude to Delegate Jackson Miller for his distinguished service as a PRTC Commissioner and continued success in all of his future endeavors.

Votes:

Ayes:

Nays:

Abstain:

Absent from Vote:

Alternate Present Not Voting:

Absent from Meeting:

ITEM 13

Other Business/Commissioners' Time

ITEM 14

Adjournment

Upcoming Meetings: PRTC 2018 Meeting Schedule (attached)



Potomac and Rappahannock
Transportation Commission

PRTC 2018 MEETING SCHEDULE

PRTC Commission Meetings are held on the first Thursday at 7:00 p.m. in the second Floor Conference Room of the PRTC Transit Center, 14700 Potomac Mills road, Woodbridge, Virginia, unless otherwise noted.

January 4

February 1

March 1

April 5

May 3

June 7

July 5

August – *Board Recess (no meeting)*

September 6

October 4

November 1

December 6 – *Nominating Committee meets at 6:00 p.m. prior to PRTC Board Meeting*

**Date changed due to holiday and/or VaCO County Government Day (February 8, 2018)*

PRTC Executive Board and Operations Committee (bus-sponsoring jurisdictions) meet on an “as needed” basis at 6:00 p.m. prior to the regular scheduled PRTC Board Meeting – advance notification is provided.

All VRE Operations Board meetings are scheduled for the third Friday of each month at 9:00 a.m. and takes place at PRTC Headquarters (except for the Board’s August recess).

January 4, 2018
PRTC Regular Meeting

Information Items

FTA Triennial Review

Performance Service Reports

Revised Purchasing Authority Report

Wheels-to-Wellness Funding Status



Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Robert A. Schneider, PhD
Executive Director 

RE: Federal Transit Administration Triennial Review

Every year management certifies (by executing the Certifications and Assurances) that the Commission complies with the requirements related to the receipt and use of Federal funds from the Federal Transit Administration (FTA).

Every three years FTA sends a review team to ascertain, if in fact, grantees are complying with the Federal requirements, this is called the Triennial Review (Triennial). PRTC was notified in October 2016 by FTA that its Triennial would take place in fiscal year 2017 and the site visit was held on May 16 and 17, 2017.

The Triennial encompasses the review of seventeen (17) areas for compliance. Grantees provide answers to questions to the FTA review team in each of the areas before the site visit, as well as, requested documents for each of the areas. The Final Triennial Report was received July 20, 2017 and indicated findings in eight (8) of the review areas and provided a time-table in which corrective actions had to be accomplished. (Attachment I is a spreadsheet with findings, rationale, corrective action, and due date). FTA requested additional information on two findings after the correction action information was submitted extending the due dates to November 27, 2017.

CORRECTIVE ACTIONS DUE 8 21 17

Attachment I

| Area | Rationale | Corrective Action | Due Date |
|------|---|--|-----------|
| 2 | Technical Capacity Inadequate oversight of third-party contractor/relating to its service contractors. Plans lack coverage of ADA, DBE, Title VI and EEO | The grantee must submit procedures and a staffing plan to the FTA regional office to monitor other entities with responsibility for meeting FTA requirements. | 8/21/2017 |
| 6 | Procurement Improper Use of Options - Pricing for option years were not evaluated in the base procurement | The grantee must submit revised procedures covering options, specifically to ensure that options are evaluated and priced initially. For the next applicable procurement, the grantee must submit to the FTA regional office documentation that the required process was implemented. | 8/21/2017 |
| 7 | DBE Grantee not ensuring prompt payment - relevant clauses not included in contracts | The grantee must submit to the FTA RCRO documentation of efforts to ensure compliance with prompt payment and return of retainage requirements. | 8/21/2017 |
| 10 | Planning/Program of Projects No agreement in place with the MPO | The grantee must provide the FTA regional office with a schedule for providing a fully executed agreement that specifies the cooperative procedures for carrying out transportation planning and programming and addresses at least the grantee's responsibilities, the development and sharing of information for financial plans, and the development of the annual listing of obligated projects. | 8/21/2017 |
| 10 | Planning/Program of Projects POP public notice - specific language not included | Before the next notice is due to be published, the grantee must submit to the FTA regional office proposed public notice language with the required statement. After the notice is published, the grantee must submit a copy of the published notice. | 8/21/2017 |
| 17 | EEO EEO monitoring/reporting - status report for 2015 not performed | Grantee must develop and submit to the FTA RCRO a detailed monitoring and reporting system. | 8/21/2017 |

CORRECTIVE ACTIONS DUE 9 19 17

| Area | Rationale | Corrective Action | Due Date |
|-------------------------|---|--|-----------|
| 1 Management & Capacity | Lacking officially approved and implemented financial procedures | Provide documentation that procedures have been approved and implemented (training conducted with appropriate staff). | 9/19/2017 |
| 3 Maintenance | Late facility/equipment preventive maintenance - PRTC's new program not implemented | The grantee must submit to the FTA regional office a monthly report signed by the chief executive officer or other senior management designed on its preventive maintenance results until the data demonstrates it has conducted at least 80 percent of its preventive maintenance on time for three consecutive months. | 9/19/2017 |
| 7 DBE | DBE policy not updated for roles of DBELO, use of financial institutions, use of running tally, overconcentration, evaluation of business development program, implementation of SBE and consultative process | The grantee must upload an update of its DBE program to the TRAMS for approval and notify the FTA RCRO once completed | 9/19/2017 |

CORRECTIVE ACTIONS DUE 10 20 17

| Area | Rationale | Corrective Action | Due Date |
|------------|--|---|------------|
| 5 Title VI | Lacking assessment of provisions for LEP persons | The grantee must submit to the RCRO a revised language assistance plan based on the completed four factor analysis, along with a list of language assistance it has provided or intends to provide, based on the analysis and a timeline for providing this assistance. Additional translations, if needed, must be completed and evidence provided to the Regional RCRO. | 10/20/2017 |



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION III
Delaware, District of
Columbia, Maryland,
Pennsylvania, Virginia,
West Virginia

RECEIVED 12/12/17

1760 Market Street
Suite 500
Philadelphia, PA 19103-4124
215-656-7100
215-656-7260 (fax)

December 5, 2017

Mr. Robert Schneider
Executive Director
Potomac and Rappahannock Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192

**Re: Potomac and Rappahannock Transportation Commission
2017 Triennial Review Finding and Review Closeout**

Dear Mr. Schneider:

The Federal Transit Administration (FTA) is in receipt of the Potomac and Rappahannock Transportation Commission's (PRTC) November 27, 2017 correspondence in response to the Corrective Action associated with the following finding from the FY 2017 Triennial Review: D-208 (Inadequate oversight of third-party contractor) in the Technical Capacity Review Area.

The Corrective Action under D-208 (Inadequate oversight of third-party contractor) in the Technical Capacity Review Area states "The grantee must submit procedures and a staffing plan to the FTA regional office to monitor other entities with responsibility for meeting FTA requirements." On August 21, PRTC submitted a plan titled "Contract Operations Monitoring". This plan was for the bus operations only. There was no plan submitted for the oversight of the third-party contractor who oversees the railcar operation. As these railcars are federally funded, oversight of that contractor should be monitored for maintenance including preventive maintenance. That contractor also has to accept PRTC/VRE's Title VI program, including requirements for public notice, implementation of the Language Assistance Program, and training. Please submit a plan that addresses the oversight of the contractor for the railcars.

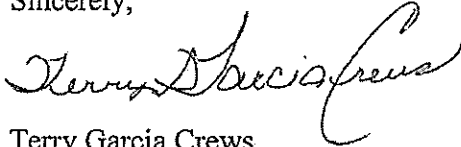
On November 27, PRTC submitted a "Grants Management Procedures" document that included a section on Contractor Oversight and a Grants Management Calendar. FTA has reviewed the document and determined that it addresses the Corrective Action. *As a result, Finding D-208 (Inadequate oversight of third-party contractor) in the Technical Capacity Review Area of the FY 2017 Triennial Review is now considered closed.*

Mr. Robert Schneider
December 5, 2017
Page 2

As a result of this last finding being closed, the FY 2017 Triennial Review is also considered closed.

If you have any questions, please contact Karen Roscher at 215-656-7002 or via email at karen.roscher@dot.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry Garcia Crews". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Terry Garcia Crews
Regional Administrator





Potomac and Rappahannock
Transportation Commission


14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Perrin A. Palistrant 
Director of Operations and Operations Planning

Doris Lookabill 
Director of Customer Service and Dispatch

THROUGH: Robert A. Schneider, PhD 
Executive Director

SUBJECT: November System Performance and Ridership Report

OmniRide Express and Metro Direct Service*

- November average daily ridership increased 1.5 percent compared to October
- Year over year decline continues to decrease
- Emergency Service Plan operated on November 30 for National Christmas Tree Lighting
- Additional mid-day service operated before Thanksgiving to assist with heavier crowds

OmniLink Local Bus Service*

- November average daily ridership decreased 4.5 percent compared to October
- Average Saturday ridership decreased slightly more than expected
- Staff canvassed area last week of November promoting December service change

Vanpool Alliance Program

- Enrollment increased to 663 vans
- November ridership was 5,000 trips higher than the same month from last year

OmniMatch Program

- Hosted an Employer Focused Vanpool Workshop at PRTC
 - Guest Speakers: John Hawkins – Transportation Manager for Department of Homeland Security and Susan Shaw, Northern Virginia Mega Projects Director for VDOT
- Promoted the program at the following events:
 - Gold Sponsor at the PWC Chamber of Commerce Transit Focused Economic Development Luncheon/Expo – 11/15
 - Quantico Welcome Aboard Brief – 11/20

Customer Service Statistics

- Received 9,278 calls in November
 - Automated system handled 47 percent of calls
- Average wait time for remaining calls went down to 0:54 seconds
- Responded to 44 general information emails
- Percentage of OmniLink trip denials increased

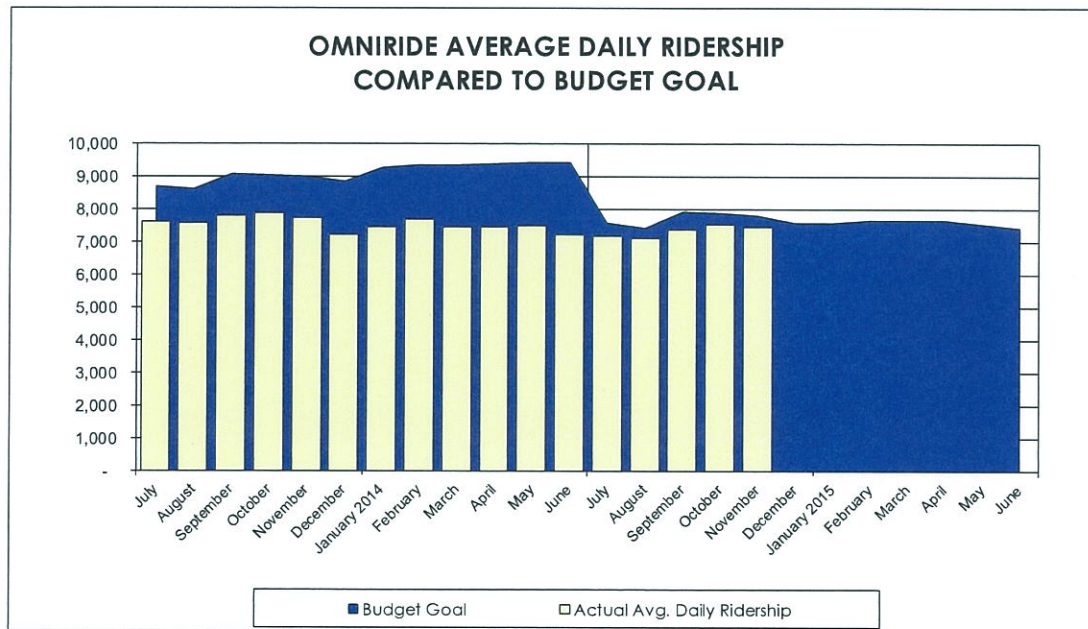
Passenger Complaints

- Complaint rate for both OmniRide and OmniLink increased in November
 - OmniRide complaint rate for FY18 year-to-date is four percent lower than FY17
 - OmniLink complaint rate for FY18 year-to-date is 48 percent higher than FY17
 - Increase in OmniLink YTD complaint rate is the result of an increase in missed stops and late buses.

*Average Daily Ridership for OmniRide does not include November 10th (Veterans Day Observed), week of Thanksgiving and Monday after Thanksgiving (20-24 and 27) and National Christmas Tree Lighting (30). For OmniLink, does not include Election Day (7), Veterans Day Observed (10), Wednesday before and Friday after Thanksgiving (23 and 25).

OMNIRIDE EXPRESS SERVICE

| Month | Monthly Ridership | | Average Daily Ridership | | | FY18 Budget Goal | Change from Goal |
|---------------------|-------------------|----------------|-------------------------|--------------|--------------|---------------------|---------------------|
| | FY17 | FY18 | FY17 | FY18 | % Change | | |
| July | 150,922 | 140,343 | 7,621 | 7,225 | -5.2% | 7,599 | (374) |
| August | 175,881 | 164,929 | 7,599 | 7,114 | -6.4% | 7,427 | (313) |
| September | 162,621 | 147,004 | 7,811 | 7,417 | -5.0% | 7,943 | (526) |
| October | 158,700 | 158,222 | 7,919 | 7,572 | -4.4% | 7,913 | (341) |
| November | 146,086 | 138,188 | 7,735 | 7,458 | -3.6% | 7,806 | (348) |
| December | | | | | | | |
| January | | | | | | | |
| February | | | | | | | |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 794,210 | 748,686 | 7,737 | 7,357 | -4.9% | 7,738 | (380) |



At year's end figures are revised, if needed, to account for any lingering data latency.

7/16 - Avg. Daily Ridership excludes the Friday before and Tuesday after July 4

9/16 - Avg. Daily Ridership excludes the Friday before Labor Day

10/16 - Avg. Daily Ridership excludes Friday before Columbus Day (7) and Columbus Day (11).

11/16 - Avg. Daily Ridership excludes Election Day (8), Veterans Day (11), and days before and after Thanksgiving (22,23,25 and 30)

12/16 - Avg. Daily Ridership excludes Christmas tree lighting (1), and holiday period (19-30)

1/17 - Avg. Daily Ridership excludes MLK Day (16), Inauguration ESP Service (18-20), AM snow/PWC School in service day (30)

2/17 - Avg. Daily Ridership excludes Friday before President's Day (17) and President's Day (20)

3/17 - Avg. Daily Ridership Excludes Snow/Schools Closed (14,15)

4/17 - Avg. Daily Ridership excludes PWC Spring Break (10-14 and 17)

5/17 - Avg. Daily ridership excludes days before and after Memorial Day holiday (26 and 30)

6/17 - Avg. Daily Ridership excludes Friday before Fourth of July Holiday (30)

7/17 - Avg. Daily ridership excludes days before and after Fourth of July Holiday (3,5,6,7)

9/17 - Avg. Daily Ridership Excludes Friday before Labor Day Holiday (1)

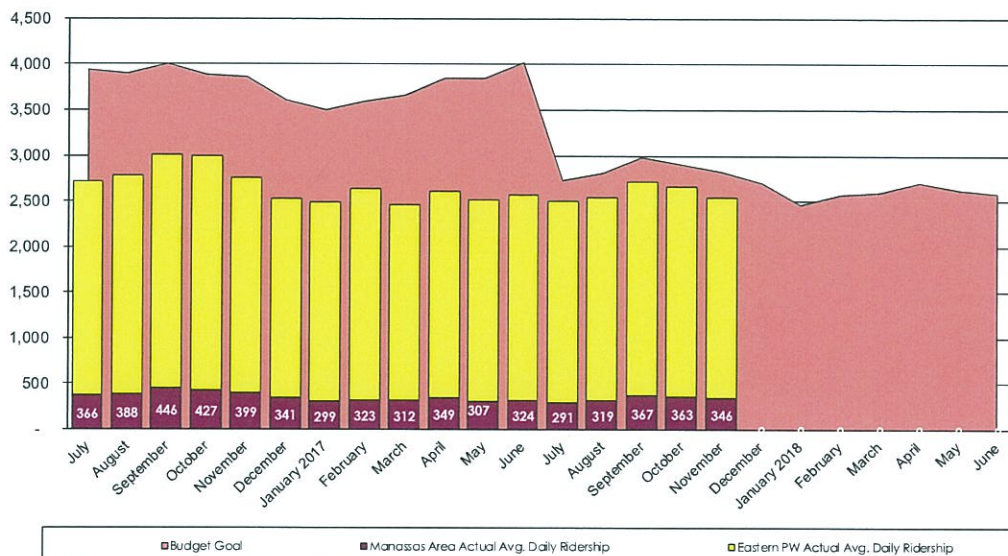
10/17 - Avg. Daily Ridership Excludes Friday before Columbus Day and Columbus Day (5, 8)

11/17 - Avg. Daily Ridership Excludes Day before Veterans Day (10), Week of Thanksgiving and Monday after (20-24 and 27), Christmas Tree Lighting ESP

OMNILINK LOCAL SERVICE

| WEEKDAY | | | | | | | |
|---------------------|-------------------|----------------|-------------------------|--------------|--------------|------------------|------------------|
| Month | Monthly Ridership | | Average Daily Ridership | | | FY18 Budget Goal | Change from Goal |
| | FY17 | FY18 | FY17 | FY18 | % Change | | |
| July | 54,174 | 49,365 | 2,715 | 2,507 | -7.7% | 2,723 | (216) |
| August | 63,944 | 58,330 | 2,780 | 2,536 | -8.8% | 2,807 | (271) |
| September | 61,832 | 54,048 | 3,003 | 2,709 | -9.8% | 2,985 | (276) |
| October | 61,742 | 57,288 | 2,991 | 2,659 | -11.1% | 2,906 | (247) |
| November | 54,900 | 50,905 | 2,753 | 2,540 | -7.7% | 2,824 | (284) |
| December | | | | | | | |
| January | | | | | | | |
| February | | | | | | | |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 296,592 | 269,936 | 2,848 | 2,590 | -9.1% | 2,849 | (259) |

OMNILINK AVERAGE WEEKDAY RIDERSHIP COMPARED TO BUDGET GOALS



At year's end figures are revised, if needed, to account for any lingering data latency.

7/16 - Avg. Daily ridership excludes Tuesday after Fourth of July holiday.

9/16 - Avg. Daily Ridership excludes heavy rainfall and storms on the 29th and 30th.

10/16 - Avg. Daily Ridership excludes Columbus Day (11).

11/16 - Avg. Daily Ridership excludes Election Day (8), Veterans Day (11), and days before and after Thanksgiving (22,23,25 and 30)

12/16 - Avg. Daily Ridership excludes holiday period (19-30)

1/17 - Avg. Daily Ridership excludes MLK Day (16), Inauguration Day schools closed (20), AM Snow/PWC school in service day (30)

2/17 - Avg. Daily Ridership excludes President's Day (20)

3/17 - Avg. Daily Ridership excludes Snow/Schools Closed (14,15)

4/17 - Avg. Daily Ridership excludes PWC Spring Break (10-14 and 17)

7/17 - Avg. Daily Ridership excludes days before and after Fourth of July Holiday (3,5,6,7)

9/17 - Avg. Daily Ridership excludes Friday before Labor Day (1)

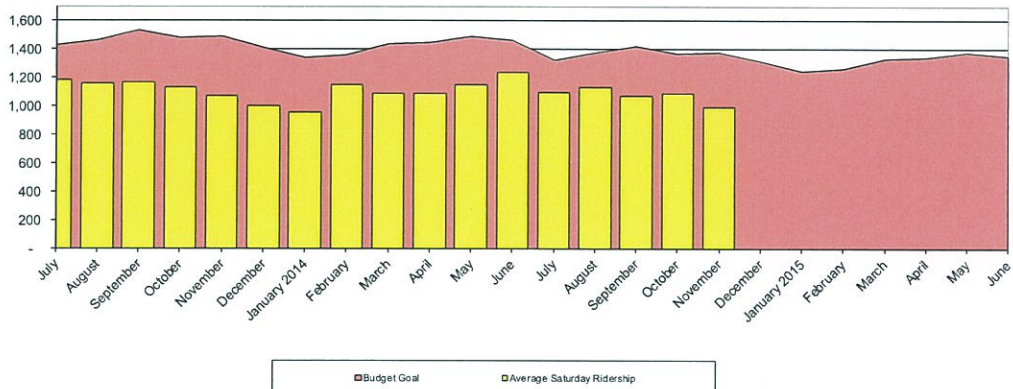
10/17 - Avg. Daily Ridership excludes Columbus Day (8)

11/17 - Avg. Daily Ridership excludes Election Day (7), Veterans Day Observed (10), Wednesday before and Friday after Thanksgiving (23 and 25)

OMNILINK LOCAL SERVICE

| SATURDAY | | | | | | | |
|--------------|-------------------|--------|----------------------------|-------|----------|---|---------------------|
| Month | Monthly Ridership | | Average Saturday Ridership | | | Average Saturday FY18 Budget Goal | Change from Goal |
| | FY17 | FY18 | FY17 | FY18 | % Change | | |
| July | 5,931 | 5,606 | 1,186 | 1,099 | -7.4% | 1,433 | (334) |
| August | 4,628 | 4,528 | 1,157 | 1,132 | -2.2% | 1,482 | (350) |
| September | 4,672 | 5,350 | 1,168 | 1,070 | -8.4% | 1,529 | (459) |
| October | 5,661 | 4,349 | 1,132 | 1,087 | -4.0% | 1,474 | (387) |
| November | 4,294 | 3,966 | 1,074 | 992 | -7.6% | 1,474 | (482) |
| December | | | | | | | |
| January | | | | | | | |
| February | | | | | | | |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 25,186 | 23,799 | 1,143 | 1,076 | -5.9% | 1,478 | (402) |

OMNILINK AVERAGE SATURDAY RIDERSHIP COMPARED TO BUDGET GOAL



At year's end figures are revised, if needed, to account for any lingering data latency.

12/16 - Excludes weather/delayed start of service (17) and Christmas Eve (24)

1/17 - Excludes snow/ice (7)

OMNIMATCH / VANPOOL ALLIANCE

| Omnimatch | | | | | Vanpool Alliance | | | |
|-----------|---------------------------|---------------------------|-----------------------------|-----------------------------|-------------------|-------------------|-------------------------|-------------------------|
| | FY17 | FY18 | FY17 | FY18 | FY17 | FY18 | FY17 | FY18 |
| | New Applications Received | New Applications Received | Other Applications Received | Other Applications Received | Vanpools Enrolled | Vanpools Enrolled | Monthly Passenger Trips | Monthly Passenger Trips |
| July | 30 | 34 | 16 | 5 | 577 | 653 | 108,930 | 117,257 |
| August | 16 | 36 | 16 | 20 | 586 | 658 | 123,562 | 133,874 |
| September | 84 | 22 | 10 | 15 | 588 | 659 | 117,862 | 116,527 |
| October | 71 | 52 | 25 | 12 | 606 | 662 | 117,283 | 127,548 |
| November | 40 | 40 | 13 | 17 | 614 | 663 | 115,731 | 120,117 |
| December | | | | | | | | |
| January | | | | | | | | |
| February | | | | | | | | |
| March | | | | | | | | |
| April | | | | | | | | |
| May | | | | | | | | |
| June | | | | | | | | |
| Average | 43 | 37 | 13 | 14 | 616 | 659 | 119,336 | 123,065 |

1) "New PRTC Applications Received" include all new customers inquiring about rideshare options in Prince William, Manassas, and Manassas Park.

2) "Other Applications Received" include reapplicants, deletions and commuters contacted as a follow-up interested in remaining in the program.

3) "Vanpools Enrolled" includes all vanpools approved as of last day of the month.

FY18 Customer Service Department Monthly Service Totals

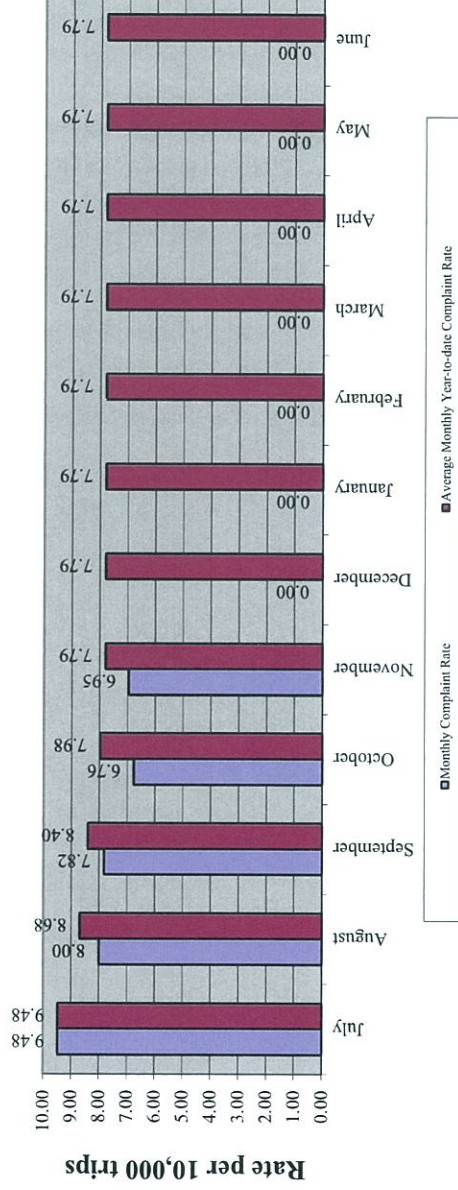
| | <u>November</u> | <u>October</u> | <u>Change</u> | <u>% Change</u> |
|----------------------------|-----------------|----------------|---------------|-----------------|
| CALL ACTIVITY | | | | |
| Total Incoming Calls | 9,278 | 8,911 | 367 | 4% |
| Percentage Handled by IVR | 47% | 47% | 0 | 1% |
| Percentage Handled by CS | 48% | 46% | 0 | 5% |
| Percentage Abandoned | 5% | 6% | 0 | -25% |
| Daily Average | 179 | 165 | 14 | 8% |
| Average Waiting Time | 00:54 | 1:12 | 00:18 | 25% |
| RIDERSHIP | | | | |
| Off-route trips Scheduled: | | | | |
| One Time Trips | 1,759 | 1,662 | 97 | 6% |
| Standing Order Trips | 777 | 774 | 3 | 0% |
| Sub Total | 2,536 | 2,436 | 100 | 4% |
| Daily Average | 101 | 90 | 11 | 12% |
| Fixed Route: | 52,335 | 59,201 | -6,866 | -12% |
| Total Ridership* | 54,871 | 61,637 | -6,766 | -11% |
| RIDER ACCOMODATIONS | | | | |
| Total Trip Turn Downs | 65 | 46 | 19 | 41% |
| % Of Trips Turned Down | 2.50% | 1.85% | 0.65% | 35% |

* - Includes Saturday ridership

| FY 2017 Year-to-date OmniRide Complaints | | | |
|--|----------------|------------|---------------|
| | Ridership | Complaints | Per 10k Trips |
| July | 150,922 | 154 | 10.20 |
| August | 175,881 | 127 | 7.22 |
| September | 162,621 | 141 | 8.67 |
| October | 158,700 | 126 | 7.94 |
| November | 146,086 | 99 | 6.78 |
| December | | | |
| January | | | |
| February | | | |
| March | | | |
| April | | | |
| May | | | |
| June | | | |
| Year-to-date totals | 794,210 | 647 | 8.15 |

| FY 2018 Year-to-date OmniRide Complaints | | | |
|--|----------------|------------|---------------|
| | Ridership | Complaints | Per 10k Trips |
| July | 140,343 | 133 | 9.48 |
| August | 164,929 | 132 | 8.00 |
| September | 147,004 | 115 | 7.82 |
| October | 158,222 | 107 | 6.76 |
| November | 138,188 | 96 | 6.95 |
| December | | | |
| January | | | |
| February | | | |
| March | | | |
| April | | | |
| May | | | |
| June | | | |
| Year-to-date totals | 748,686 | 583 | 7.79 |

FY 2018 OmniRide Complaint Rate per 10,000 Trips Compared to Monthly Average

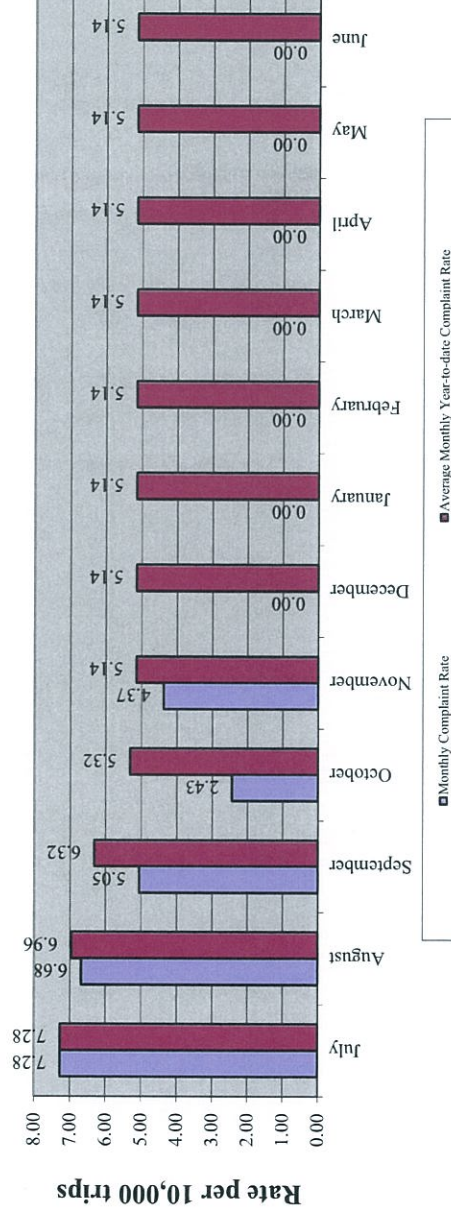


Complaint rates for OmniRide service for the current month and for the year-to-date in contrast to fiscal year 2017 overall rate, which is the benchmark for evaluating contractor performance for fiscal year 2018 in the bus services contract.

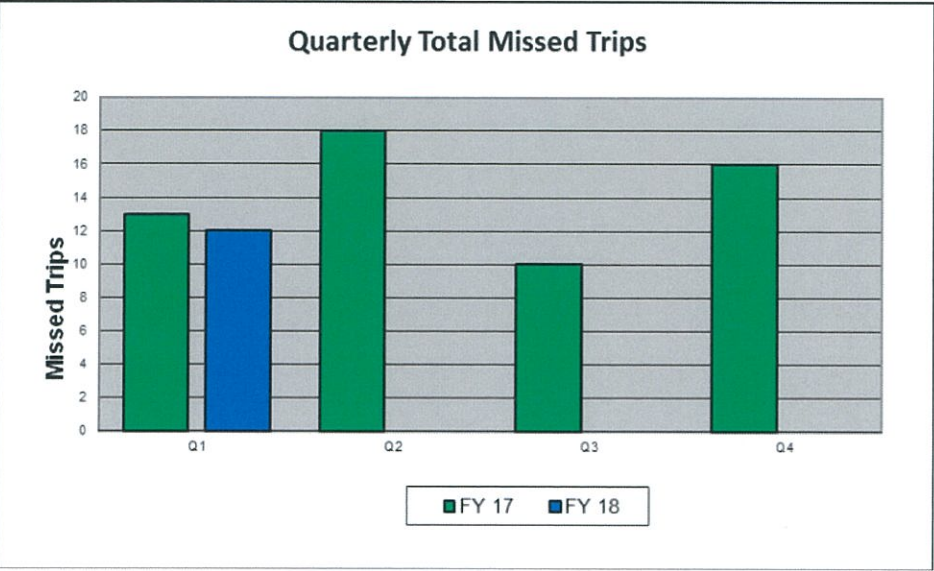
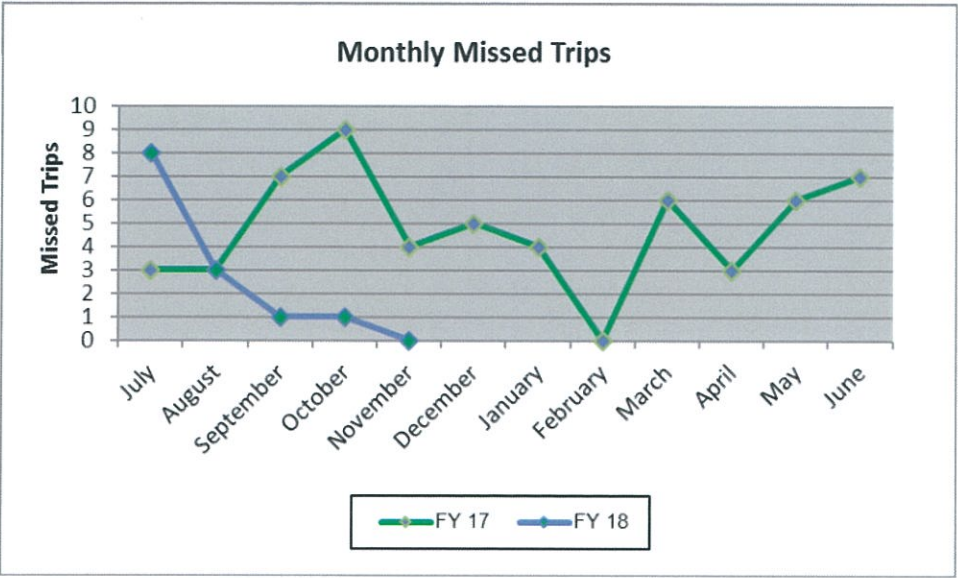
| FY 2017 Year-to-date OmniLink Complaints | | | |
|--|----------------|------------|---------------|
| | Ridership | Complaints | Per 10k Trips |
| July | 60,105 | 20 | 3.33 |
| August | 68,572 | 24 | 3.50 |
| September | 66,504 | 25 | 3.76 |
| October | 67,403 | 30 | 4.45 |
| November | 59,194 | 13 | 2.20 |
| December | | | |
| January | | | |
| February | | | |
| March | | | |
| April | | | |
| May | | | |
| June | | | |
| Year-to-date totals | 321,778 | 112 | 3.48 |

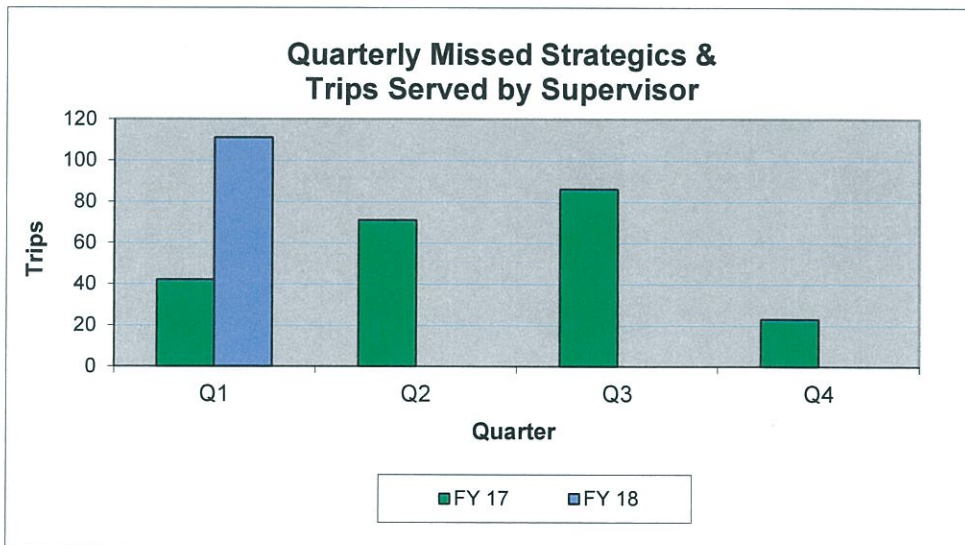
| FY 2018 Year-to-date OmniLink Complaints | | | |
|--|----------------|------------|---------------|
| | Ridership | Complaints | Per 10k Trips |
| July | 54,971 | 40 | 7.28 |
| August | 62,858 | 42 | 6.68 |
| September | 59,398 | 30 | 5.05 |
| October | 61,637 | 15 | 2.43 |
| November | 54,871 | 24 | 4.37 |
| December | | | |
| January | | | |
| February | | | |
| March | | | |
| April | | | |
| May | | | |
| June | | | |
| Year-to-date totals | 293,735 | 151 | 5.14 |

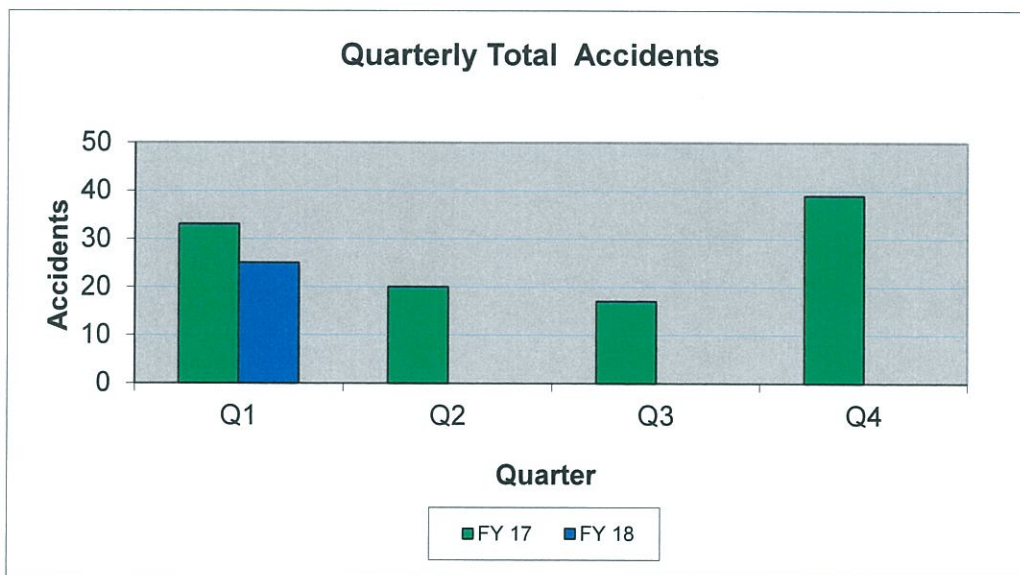
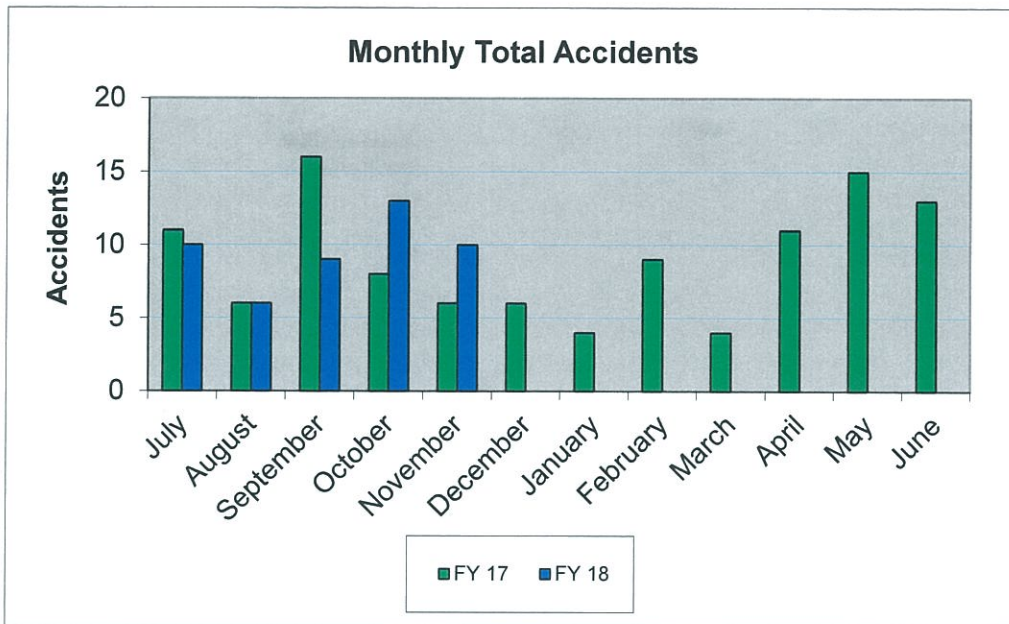
FY 2018 OmniLink complaint rate per 10,000 Trips compared to monthly average

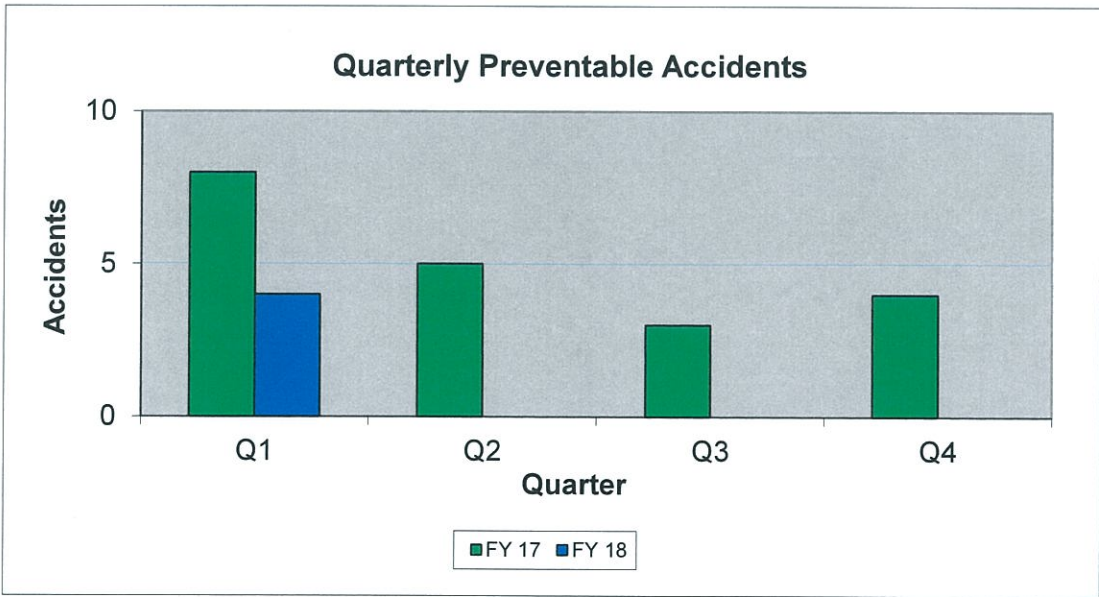
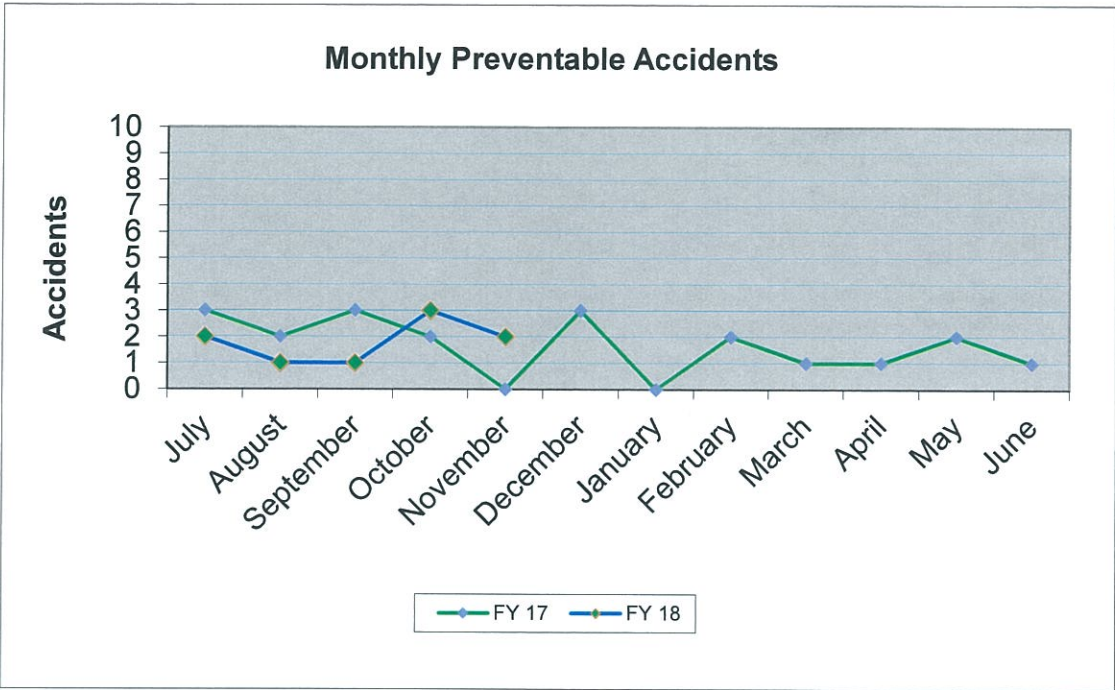


Complaint rates for OmniLink service for the current month and for the year-to-date in contrast to fiscal year 2017 overall rate, which is the benchmark for evaluating contractor performance for fiscal year 2018 in the new bus services contract.

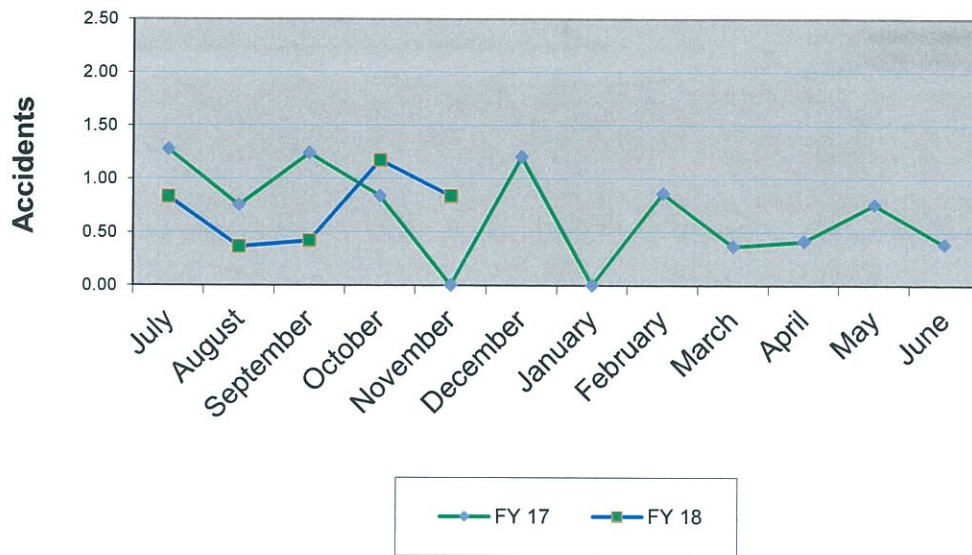




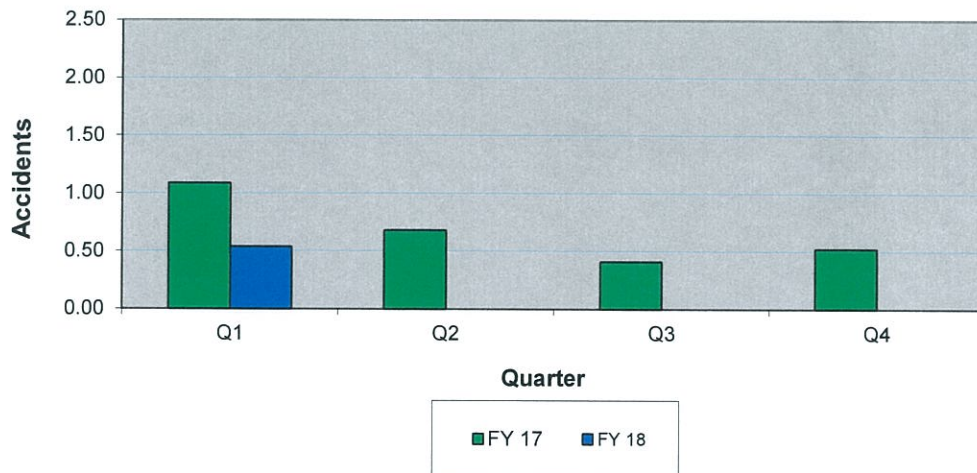




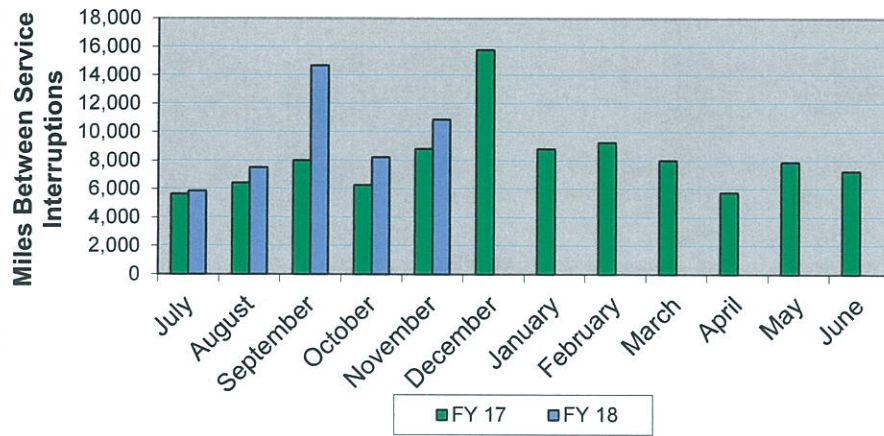
Monthly Preventable Accidents per 100,000 Miles



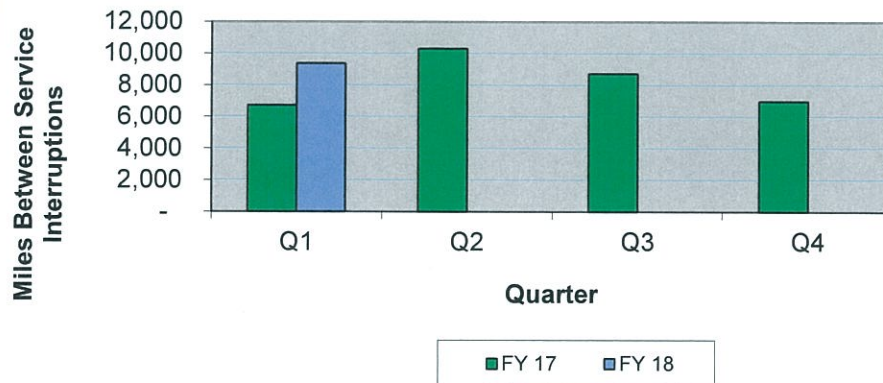
Quarterly Average Preventable Accidents per 100,000 Miles



Monthly Miles Between Service Interruptions



Average Quarterly Miles Between Service Interruptions



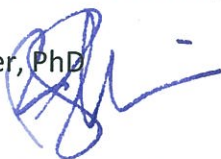


Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

January 4, 2018

TO: Chairman Principi and PRTC Commissioners

FROM: Robert A. Schneider, PhD
Executive Director 

RE: Revised Purchasing Authority Report

On June 4, 2015, the Potomac and Rappahannock Transportation Commission (PRTC) approved increasing the Executive Director's delegated purchasing authority from \$50,000 to \$100,000. It was resolved that any purchase of greater than \$50,000 would be communicated to the Board as an information item.

On November 28, 2017 a purchase order was issued to SIR (Southeastern Institute of Research) in the amount of \$79,960 for a Task Order to conduct an on-board survey of transit riders required by FTA under Title VI to take place every four years.

Wheels-to-Wellness Funding Status
As of November 30, 2017

| Grant/Contribution | Organization | Amount | Notes | |
|---------------------------|--------------|--------------|-------|--|
| Enrollment Fees Collected | | \$150 | | |
| | | | | |
| Sub Total | | \$150 | | |

Pending

| Grant/Contribution | Organization | Amount | Notes | |
|--------------------|--------------|------------|-------|--|
| | | | | |
| Sub Total | | \$0 | | |

Previously Reported

| Grant/Contribution | Organization | Amount | Notes | Date |
|--|--|------------------|--|-----------|
| Enrollment Fees | | \$2,490 | | |
| Grant | MWCOG Enhanced Mobility Grant/Potomac Health Foundation 50% match (disabled and seniors) | \$250,000 | | 06/14/16 |
| Contribution | First United Presbyterian Church of Dale City | \$500 | | 08/31/16 |
| Contribution | St. Francis of Assisi Church | \$2,000 | | 08/25/16 |
| Grant | Kaiser Permanente (low income individuals) | \$72,750 | Net IEC 3% admin fee per agreement (actual grant was \$75,000) | 8/9/2016 |
| Contribution | Prince William County | \$75,000 | | July 2016 |
| Contribution | First United Presbyterian Church of Dale City | \$500 | | 06/21/16 |
| Contribution | Zion Baptist Church in Baltimore | \$700 | | 05/10/16 |
| Contribution | First United Presbyterian Church of Dale City | \$500 | | 04/25/16 |
| Contribution | Gregg and Jean Reynolds | \$50 | | 04/19/16 |
| Contribution | NOVEC (corporate) | \$500 | | 04/14/16 |
| Grant | Transurban Express Lane Grant | \$1,500 | | 04/11/16 |
| Contribution | Malloy | \$500 | | 04/11/16 |
| Contribution | NOVEC HELPS | \$485 | Net IEC 3% admin fee per agreement (actual contribution was \$500) | 04/08/16 |
| Contribution | Findley Asphalt | \$1,000 | | 03/31/16 |
| Contribution | Lustine Toyota | \$2,000 | | 03/29/16 |
| Contribution | Infinity Solutions, Inc | \$250 | | 03/29/16 |
| Contribution | Sacred Heart Catholic Church | \$200 | | 03/21/16 |
| Contribution | Holy Family Catholic Church | \$1,000 | | 03/21/16 |
| Contribution | First Baptist Church of Woodbridge | \$5,000 | | 03/08/16 |
| Contribution | First United Presbyterian Church of Dale City | \$1,000 | | 02/25/16 |
| Contribution | First Mount Zion | \$5,000 | | 02/01/16 |
| Contribution | Prince William County | \$160,000 | | Aug 2015 |
| Sub Total: | | \$582,925 | | |
| Grand Total (excluding Pending) | | \$583,075 | | |
| Remaining (excluding Pending) | | \$238,390 | | |