



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

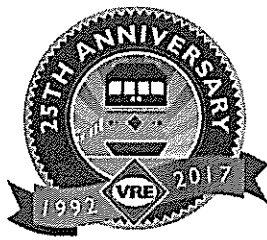
B. Recommend Approval to Refinance VRE RRIF Loan

- 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
Sahas 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
Sahas 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**

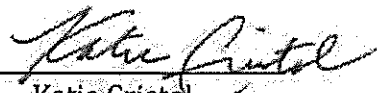
WHEREAS, each of VRE's Gallery IV Cab and Trailer Cars are equipped with variable combinations of three types of seats; and,

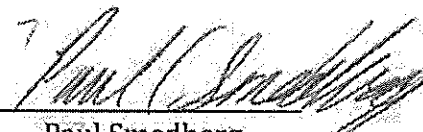
WHEREAS, the original seat bottoms on 21 Cab Cars and 50 Trailers Cars have become worn and the foam padding has deteriorated; and,

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,

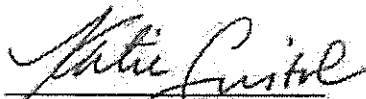
WHEREAS, the building construction is anticipated to be advertised in Spring 2018, pending property acquisition is completed; and,


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,

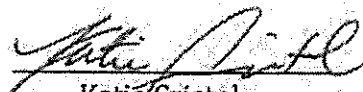
Operating Budget	\$ 85,346,443
Capital Budget	<u>64,675,346</u>
Total Operating and Capital	\$150,021,789

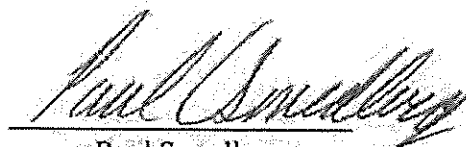
BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate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

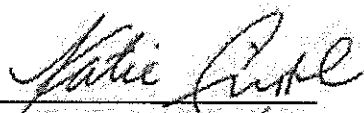
WHEREAS, as part of project development, VRE is refining initial conceptual designs by conducting preliminary engineering and environmental studies as authorized by VRE Operations Board resolution #9B-07-2017; and,

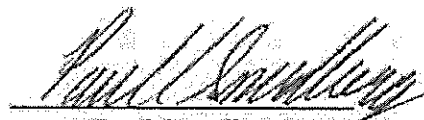
WHEREAS, this agreement will allow VRE's contractor to conduct ground surveys so that further design of a preferred layout can continue through the project development process; and,

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,

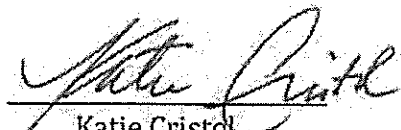
WHEREAS, the fourth option year for the contracts would begin on July 1, 2018; and,

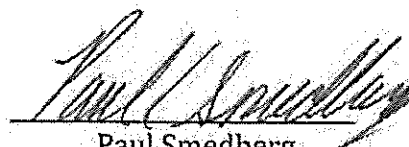
WHEREAS, exercising the option years before expiration of the prior option year will allow VRE to maximize the use of the fuel hedging mechanism to reduce cost volatility;

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,

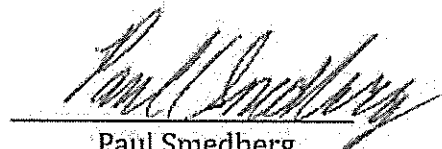
WHEREAS, the Lease has been renewed several times since with the current extension set to expire at the end of February 2018; and,

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,

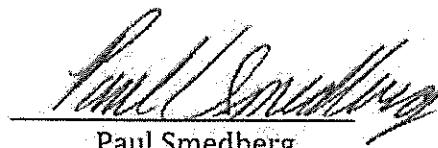
WHEREAS, a project control software package integrated with VRE's Enterprise Resource Plan for Information Technology will greatly facilitate that task; and,

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,

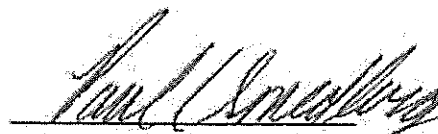
WHEREAS, the MEC VI contract term is five years with a not to exceed amount of \$5,000,000; and,

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,

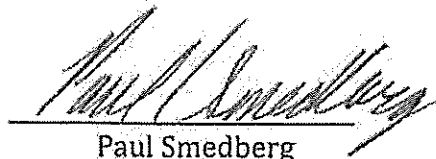
WHEREAS, the project will improve multimodal access to the VRE Broad Run station by widening the segment of Route 28 between Fitzwater Drive and Pennsylvania Avenue, including the provision of pedestrian and bicycle facilities, as a component of the VRE Manassas Line Rail Capacity Enhancements (TransAction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

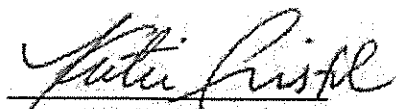
WHEREAS, Arlington County plans to apply for funding in the amount of \$87,000,000 to complete design and construction for the Crystal City Metrorail Station East Entrance and Intermodal Improvements (TransAction Project Title Crystal City Metrorail Station Second Entrance and Intermodal Connections,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

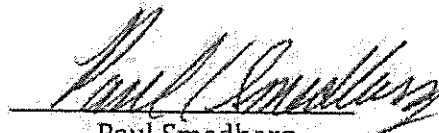
WHEREAS, the Office of Chairman shall be rotated each year between the two Commissions; and,

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