ITEM 06D June 6, 2019 PRTC Regular Meeting Res. No. 19-06-____

MOTION:

SECOND:

RE: AUTHORIZE THE VIRGINIA RAILWAY EXPRESS CHIEF EXECUTIVE OFFICER TO AMEND THE AMTRAK ACCESS AND STORAGE AGREEMENT TO REDUCE THE COST OF THE AMTRAK STEP-UP TICKET

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission and the Northern Virginia Transportation Commission (the "Commissions") have an Access and Storage Agreement with Amtrak to access and store Virginia Railway Express (VRE) trains at Washington Union Station; and

WHEREAS, the Agreement includes the ability for monthly and multi-ride VRE passengers to ride Amtrak regional trains by purchasing an additional Step-Up ticket; and

WHEREAS, the Agreement establishes the cost VRE pays to Amtrak for each Step-Up ticket sold; and

WHEREAS, a provision within the Agreement allows for Amtrak to change the cost VRE pays to Amtrak for each Step-Up ticket sold if notified in writing by the Virginia Department of Rail and Public Transportation to make this change; and

WHEREAS, the Department of Rail and Public Transportation, with the support of the Commonwealth Transportation Board, has notified Amtrak in writing and directed Amtrak to reduce the cost VRE pays for each Step-Up ticket to \$4.00 effective May 1, 2019, and continuing for the expected duration of the Metrorail platform improvement work and associated service interruptions; and

WHEREAS, the VRE Operations Board recommends the Commissions retroactively authorize the Chief Executive Officer to amend the Amtrak Access and Storage Agreement to reflect a change to the cost to VRE for the Amtrak Step-Up ticket from \$13.00 per ticket to \$4.00 per ticket in a form approved by legal counsel; and

WHEREAS, the VRE Operations Board recommends the Commissions authorize the Chief Executive Officer to amend the Amtrak Access and Storage Agreement to restore the cost to VRE for the Amtrak Step-Up ticket at the cost identified in the existing agreement when the Metrorail work is completed.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby retroactively authorize the VRE Chief Executive Officer to amend the Amtrak Access and Storage Agreement to reflect a change to the cost to VRE for the Amtrak Step-Up ticket from \$13.00 per ticket to \$4.00 per ticket in a form approved by legal counsel.

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BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the VRE Chief Executive Officer to amend the Amtrak Access and Storage Agreement to restore the cost to VRE for the Amtrak Step-Up ticket at the cost identified in the existing agreement when the Metrorail work is completed.

Votes: Ayes: Nays: Abstain: Absent from Vote: Alternate Present Not Voting: Absent from Meeting:

Virginia Railway Express Operations Board

Resolution 9E-05-2019

Recommend Authorization to Amend the Amtrak Access and Storage Agreement to Reduce the Cost of the Amtrak Step-Up Ticket

WHEREAS, the Commissions have an Access and Storage Agreement with Amtrak to access and store VRE trains at Washington Union Station, and;

WHEREAS, the Agreement includes the ability for monthly and multi-ride VRE passengers to ride Amtrak regional trains by purchasing an additional Step-Up ticket; and,

WHEREAS, the Agreement establishes the cost VRE pays to Amtrak for each Step-Up ticket sold; and,

WHEREAS, a provision within the Agreement allows for Amtrak to change the cost VRE pays to Amtrak for each Step-Up ticket sold if notified in writing by the Virginia Department of Rail and Public Transportation to make this change; and,

WHEREAS, the Department of Rail and Public Transportation, with the support of the Commonwealth Transportation Board, has notified Amtrak in writing and directed Amtrak to reduce the cost VRE pays for each Step-Up ticket to \$4 effective May 1, 2019, and continuing for the expected duration of the Metrorail platform improvement work and associated service disruption;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions retroactively authorize the Chief Executive Officer to amend the Amtrak Access and Storage Agreement to reflect a change to the cost to VRE for the Amtrak Step-Up ticket from \$13 per ticket to \$4 per ticket in a form approved by legal counsel; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to amend the Amtrak Access and Storage Agreement to restore the cost to VRE for the Amtrak Step-Up ticket at the cost identified in the existing agreement when the Metrorail work is completed.

Approved this 17th day of May 2019

John Cook Secretary

Katie Crist

Chair



<u>Agenda Item 9-E</u> <u>Action Item</u>

То:	Chair Cristol and the VRE Operations Board
From:	Doug Allen
Date:	May 17, 2019
Re:	Recommend Authorization to Amend the Amtrak Access and Storage Agreement to Reduce the Cost of the Amtrak Step-Up Ticket

Recommendation:

The VRE Operations Board is asked to recommend the Commissions retroactively authorize the Chief Executive Officer to amend the Amtrak Access and Storage Agreement to reflect an agreed upon change to the cost of an Amtrak Step-Up ticket from \$13 to \$4 effective May 1, 2019 until Metrorail's platform improvement work is complete.

Summary:

In an attempt to create capacity on VRE trains during WMATA's summer 2019 Platform Improvement Project, Amtrak has agreed to reduce the cost VRE pays for each Step-Up ticket from \$13 to \$4, allowing VRE to lower the price per Step-Up ticket to the rider to \$4. The reduced cost should incentivize additional monthly and multi-ride users to ride Amtrak regional trains, creating capacity on VRE trains to accommodate Metrorail riders displaced by the closure of stations on the Yellow and Blue lines.

Background:

The Access and Storage Agreement with Amtrak provides the ability to access and store VRE trains at Washington Union Station. The Agreement also provides the ability for VRE passengers to ride certain Amtrak trains with a Step-Up ticket in conjunction with a



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Potomac and Rappahannock Transportation Commission 14700 Potomac Mills Road Woodbridge, VA 22192 703.580.6121 properly validated VRE multi-ride ticket (Monthly, Ten-Ride, Five-Day Pass, or Transit Link Card.) Approximately 250 to 300 VRE passengers per day ride Amtrak trains using the Step-Up tickets.

Per the Access and Storage Agreement, VRE pays Amtrak \$13 for each Step-Up ticket sold, of which passengers pay \$8 and VRE subsidizes the remaining \$5. A provision within the Agreement allows for Amtrak to change the cost VRE pays to Amtrak for each Step-Up ticket sold if notified in writing by the Virginia Department of Rail and Public Transportation (DRPT) to make a change.

In order to create capacity on VRE trains during WMATA's summer 2019 Platform Improvement Project, Amtrak and DRPT, with the support of the Commonwealth Transportation Board, have agreed to lower the cost VRE pays for each Step-Up ticket to \$4 to attempt to incentivize additional monthly and multi-ride VRE passengers to ride Amtrak trains. VRE has lowered the price per Step-Up ticket to \$4 for riders. This should create capacity on VRE trains to accommodate Metrorail riders displaced by the closure of stations on the Yellow and Blue lines.

Fiscal Impact:

Given current utilization of 250 to 300 Step-Ups per day, VRE expects to save approximately \$25,000 per month in net Step-Up expense while the reduced fare is in effect. If more current VRE riders choose to utilize the Amtrak Step-Up option, this will have no net impact on VRE's financial position. If current WMATA patrons choose to ride VRE during the shutdown, this will have a positive impact on VRE's revenues and overall financial position.