



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

VRE Operations Board Meeting

September 18, 2020

Operations Board Meeting - 9:00 A.M.

**Legislative Committee Meeting follows adjournment of
Operations Board Meeting.**

VIA WebEx

1. Call to Order
2. Roll Call
3. Resolution Finding Need to Conduct September 18, 2020 Meeting Electronically
4. Approval of Agenda
5. Approval of Minutes from the July 17, 2020 VRE Operations Board Meeting
6. Chairman's Comments
7. Chief Executive Officer's Report
8. Virginia Railway Express Riders' and Public Comment
9. Action Items:
 - A. Referral of the Preliminary FY 2022 VRE Operating and Capital Budget to the Commissions
 - B. Approval of Increases to Chief Executive Officer Procurement Authorization and Contract Award Authorities



Northern Virginia
Transportation Commission
2300 Wilson Blvd., Suite 230
Arlington, VA 22201
703-524-3322



Virginia Railway Express
1500 King Street, Suite 202
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703-684-1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703-580-6121

- C. Authorization to Execute a Contract for Construction of the Lifecycle Overhaul and Upgrade Facility
 - D. Authorization to Execute a Contract for Safety and Security Consulting Services
 - E. Authorization to Execute a Contract for Construction of Quantico Station Improvements
 - F. Authorization to Execute a Contract for Construction Management Services for the Quantico Station Improvements
 - G. Authorization to Execute General Engineering Consulting Services Contracts for Project Design and Construction Management
 - H. Authorization to Issue a General Planning Consulting Services Task Order for Surveying Services to Support Real Estate Acquisition Activities for the Broad Run Expansion Project***
 - I. Authorization to Amend the GEC VII Task Order for Final Design Services for the Fredericksburg Station Rehabilitation Project
 - J. Authorization to Amend the GEC VII Task Order for Design Services for VRE Suite 202 Phase 2 Renovations
- 10. Information Items:
 - A. Spending Authority Report
 - B. Equipment Storage Update
 - 11. Closed Session
 - 12. Operations Board Member's Time

**The Next VRE Operations Board Meeting
October 16, 2020 - 9:00 am (location TBD)**



MINUTES

VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD MEETING

September 18, 2020

14700 Potomac Mills Road, Woodbridge, VA 22192

Members Present

*Walter Alcorn (NVTC)
*Andrea Bailey (PRTC)
*Preston Banks (PRTC)
*Elizabeth Bennet-Parker (NVTC)
*Meg Bohmke (PRTC)
*Katie Cristol (NVTC)
*Margaret Franklin (PRTC)
*Matt Kelly (PRTC)
*Jeanine Lawson (PRTC)
*Ralph Smith (PRTC)
*Dan Storck (NVTC)
*James Walkinshaw (NVTC)

Jurisdiction

Fairfax County
Prince William County
City of Manassas Park
City of Alexandria
Stafford County
Arlington County
Prince William County
City of Fredericksburg
Prince William County
City of Manassas
Fairfax County
Fairfax County

Members Absent

Jennifer Mitchell (DPRT)
Gary Skinner (PRTC)

Commonwealth of Virginia
Spotsylvania County

Alternates Present

Michael McLaughlin (DRPT)

Commonwealth of Virginia

Alternates Absent

Canek Aguirre (NVTC)
Victor Angry (PRTC)
Pete Candland (PRTC)
Hector Cendejas (PRTC)
Deborah Frazier (PRTC)
Libby Garvey (NVTC)
Jason Graham (PRTC)
Jeff McKay (NVTC)
Pam Sebesky (PRTC)

City of Alexandria
Prince William County
Prince William County
City of Manassas Park
Spotsylvania County
Arlington County
City of Fredericksburg
Fairfax County
City of Manassas

*Voting Member

**Delineates arrival/departure following the commencement of the Operations Board Meeting. Notation of exact arrival/departure time is included in the body of the minutes.

Staff and General Public

Rich Dalton – VRE
Christine Hoeffner – VRE
Lezlie Lamb – VRE
Steve MacIsaac – VRE Legal Counsel
Kate Mattice - NVTC

Kristin Nutter – VRE
Dallas Richards - VRE
Mark Schofield – VRE
Joe Swartz – VRE

Call to Order – 1

Vice-Chair Bennett-Parker called the meeting to order at 9:12 A. M.

Roll Call – 2

Resolution Finding Need to Conduct September 18, 2020 Meeting Electronically – 3

Mr. Dalton briefed the Operations Board on Agenda Item 3, a Resolution Finding Need to Conduct September 18, 2020 Meeting Electronically.

Ms. Cristol moved, with a second by Ms. Bailey, approve Resolution #03-09-2020, Finding Need to Conduct September 18, 2020 Meeting Electronically. The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, Shelton, Smith, Storck, and Walkinshaw. Mr. McLaughlin did not respond to roll call vote.

Approval of the Agenda – 4

Ms. Bailey moved, with a second by Mr. Smith, to approve the agenda as presented. The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Shelton, Smith, Storck, and Walkinshaw.

Approval of the Minutes of the July 17, 2020 VRE Operations Board Meeting – 5

Ms. Cristol moved, with a second by Ms. Bailey, to approve the Minutes from July 17. The vote in favor was cast by Members Bailey, Bennett-Parker, Cristol, Franklin, Kelly, Lawson, Shelton, Smith, Storck, and Walkinshaw. Members Alcorn, Banks, Bohmke, and McLaughlin abstained.

Vice -Chair's Comments – 6

- Vice-Chair Bennett-Parker congratulated Rich Dalton on being named the VRE Chief Executive Officer. He thanked the members of the New CEO Search Committee and it's Chair, Katie Cristol for the thorough search and evaluation of candidates.
- Vice-Chair reminded Members of the Legislative Committee that they would hold a meeting following the adjournment of the VRE Operations Board meeting.

Chief Executive Officer's Report – 7

Mr. Dalton briefed the Operations Board on the following items of interest:

- Safety/ COVID-19 update
- Ridership
- Performance
- Train Utilization
- "Welcome Back" efforts

- Project Spotlight
 - Potomac Shores
 - Long Bridge

Public Comment Time – 8

Vice-Chair Bennett-Parker announced that public comments were being accepted electronically through the Public Comments Form. A link to the form can be found at vre.org and the link would remain active through the end of the meeting. The Clerk will read the comments into the record prior to adjournment.

Action Items – 9

Referral of the Preliminary FY 2022 Operating and Capital Budget to the Commissions – 9A

Ms. Bailey moved, with a second by Mr. Alcorn, to refer the Preliminary FY 2022 Operating and Capital Budget to the Commissions.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Approval of Increases to Chief Executive Officer Procurement Authorization and Contract Award Authorities – 9B

Ms. Bailey moved, with a second by Ms. Shelton, to approve increases to two delegations of authority to the Chief Executive Officer: contract award authority to \$200,000, and procurement authorization authority to \$1,000,000. Mr. Kelly asked the CEO to advise the Operations Board of significant procurements prior to their issue.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Execute a Contract for Construction of the Lifecycle Overhaul and Upgrade Facility – 9C

Ms. Cristol moved, with a second by Ms. Cristol, to authorize the Chief Executive Officer to execute a contract with Clark Construction Group, for the construction of the VRE Lifecycle Overhaul and Upgrade facility.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Execute a Contract for Safety and Security Consulting Services – 9D

Ms. Shelton moved, with a second by Ms. Bailey, to authorize the Chief Executive Officer to execute a contract with ADS System Safety Consulting, LLC for safety and security consulting services for one base year, and four option years.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Execute a Contract for Construction of Quantico Station Improvements – 9E

Ms. Bailey moved, with a second by Ms. Bohmke, to authorize the Chief Executive Officer to execute a contract with Archer Western Construction, LLC for the construction of Quantico Station improvements.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Execute a Contract for Construction Management Services for the Quantico Station Improvements – 9F

Ms. Bailey moved, with a second by Ms. Cristol, to authorize the Chief Executive Officer to execute a contract with Dewberry Engineers, Inc. for construction management services for the Quantico Station improvements.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, and Walkinshaw. Members Smith and Storck did not respond to the roll call vote.

Authorization to Execute General Engineering Consulting Services Contracts for Project Design and Construction Management – 9G

Ms. Bailey moved, with a second by Mr. Banks, to authorize the Chief Executive Officer to execute contract with HDR Engineering, Inc. for project design services; and STV Incorporated for construction management services for a base year and four option years.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Issue a General Planning Consulting Services Task Order for Surveying Services to Support Real Estate Acquisition Activities for the Broad Run Expansion Project – 9H

Ms. Lawson moved, with a second by Ms. Bailey, to authorize the Chief Executive Officer to issue a GPC Task Order to Vanasse Hangen Burstlin, Inc. for surveying services to support real estate acquisition activities for the Broad Run Expansion Project.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Amend the GEC VII Task Order for Final Design Services for the Fredericksburg Station Rehabilitation Project – 9I

Mr. Kelly moved, with a second by Ms. Bohmke, to authorize the Chief Executive Officer to amend the current Task Order for Final Design Services for the Fredericksburg Station Rehabilitation Project, executed with STV Incorporated under the GEC VII contract.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Authorization to Amend the GEC VII Task Order for Design Services for VRE Suite 202 Phase 2 Renovations – 9J

Ms. Bailey moved, with a second by Mr. Alcorn, to authorize the Chief Executive Officer to amend the current Task Order for Design Services for VRE Suite 202 Phase 2 Renovations executed with STV Incorporated under the GEC VII contract.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Smith, Storck, and Walkinshaw.

Information Items – 10

Spending Authority Report – 10A

In July and August, the following purchases greater than \$50,000 but less than \$100,000 were made:

- On July 8, 2020, VRE issued a Blanket Purchase Order in an amount not to exceed \$60,000 to Fairmont Supply Company to acquire crimper hoses and fittings on an as needed basis for VRE's fleet of locomotives.
- On July 17, 2020, VRE issued a Task Order in the amount of \$99,295 to STV Incorporated under the Mechanical Engineering Consulting Services VII contract to provide monitoring and support for Positive Train Control.
- On July 22, 2020, VRE issued a Task Order in the amount of \$96,525 to STV Incorporated under the Mechanical Engineering Consulting Services VII contract to provide procurement support for the acquisition of new railcars.
- On August 12, 2020, VRE issued a Sole Source Blanket Purchase Order in an amount not to exceed \$70,000 to Carter Machinery (Alban CAT) to acquire Head End Power (HEP) filters and thermostat components on an as needed basis for the Caterpillar engines utilized by VRE's fleet of locomotives.
- On August 29, 2020, VRE issued a Task Order in the amount of \$64,605 to STV Incorporated under the General Engineering Consulting Services VII contract to design the communications and power infrastructure for the security camera system at Broad Run and Crossroads.
- On August 29, 2020, VRE issued a Blanket Purchase Order in an amount not to exceed \$100,000 to CDWG to acquire IT hardware and maintenance services on an as needed basis.

Equipment Storage Update – 10B

Manager of Project Development, Christine Hoeffner and VRE Chief Engineer, Dallas Richards briefed the Operations Board on several storage facility projects at various stages of development.

Closed Session – 11

A Closed Session was not necessary.

Vice-Chair Bennett-Parker asked if there was any other business. There was none.

Mr. Alcorn moved, with a second by Ms. Lawson, to adjourn the meeting.

The vote in favor was cast by Members Alcorn, Bailey, Banks, Bennett-Parker, Bohmke, Cristol, Franklin, Kelly, Lawson, McLaughlin, Storck, Smith, and Walkinshaw.

Approved this 16th day of October 2020

Gary Skinner
Chair

Jeanine Lawson

Secretary

CERTIFICATION

This certification hereby acknowledges the minutes for the September 18, 2020 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

A handwritten signature in black ink, appearing to read "Leslie M. Lamb".

Leslie M. Lamb

DRAFT



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-A
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Referral of the Preliminary FY 2022 VRE Operating and Capital Budget to the Commissions

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to refer the preliminary FY 2022 VRE Operating and Capital Budget to the Commissions for their consideration, so the Commissions, in turn, can refer their preliminary budget recommendations to the jurisdictions for review and comment.

Summary:

VRE's preliminary FY 2022 operating budget totals \$91.9 million, which includes operations, maintenance, and existing debt service. This preliminary budget amount is nearly flat to the approved FY 2021 budget of \$91.4 million (an increase of one-half percent), and staff are continuing to review departmental budgets to identify further expense reductions.

In light of the reduced ridership and ongoing economic challenges from the COVID-19 pandemic, the preliminary operating budget includes no changes to passenger fares and no increase to jurisdictional subsidy. Before the application of any available emergency funding, the preliminary operating budget has a net unfunded amount of \$25.7 million. However, VRE's federal CARES Act funding will be available to backfill lost passenger revenue and ensure that no additional jurisdictional contribution is required.

VRE's preliminary FY 2022 capital budget includes commitments of \$101.8 million from federal, state, regional, and local funding sources towards the Capital Improvement Program (CIP). VRE's CIP is undergoing substantial revisions as a result of the *Transforming Rail in Virginia* program being pursued by the Commonwealth, and the



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scopes, funding sources, and timelines of many projects are being modified in coordination with the Department of Rail and Public Transportation (DRPT).

A final FY 2022 budget will be submitted in December for the Operations Board's consideration and referral to the Commissions for final approval. Projections of revenues and expenses are still under review by VRE staff and may change materially as the COVID-19 pandemic progresses. The final FY 2022 budget (which will include an amended FY 2021 budget) will ensure VRE can continue to provide safe and reliable commuter rail service as Virginians return to work while equitably and strategically sharing the cost of that service across riders, local jurisdictions, and the available federal CARES Act funds.

Background:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the preliminary FY 2022 VRE Operating and Capital Budget is attached for the Operations Board's review.

As noted during the discussion of "key issues" at the July 2020 Operations Board meeting, the budget adoption process for FY 2022 will be unlike any in recent years as a result of the COVID-19 pandemic and its significant impacts on the economy and VRE's ridership. Broad economic and policy issues – rather than technical or methodological issues – will be paramount, and accurately forecasting ridership and revenue will be difficult. Amending the current (FY 2021) budget will also be a substantive part of this year's budget process.

Key Operating Budget Assumptions:

VRE's preliminary operating budget totals \$91.9 million. This includes \$85.7 million for daily operations and maintenance (as compared to \$85.1 million in the approved FY 2021 budget) and \$6.2 million for debt service (the same as FY 2021). As noted above, both revenues and expenses continue to be reviewed and may change materially before adoption of the final budget depending on the evolution of the COVID-19 pandemic over the next few months. The key assumptions used in preparing the preliminary operating budget are summarized below:

- 1. Service Levels:** Although VRE is currently running a modified "S" schedule in response to reduced ridership demand, the preliminary FY 2022 budget assumes a return to a full normal schedule of 32 daily revenue trains. Well before daily ridership returns to pre-pandemic levels, this level of service will be required to ensure convenient travel times for riders and also to provide adequate social spacing for riders if that remains necessary.
- 2. Subsidy and Fare Increases:** Under the Board's existing policy direction to consider fare and subsidy increases in alternating years, the starting point for a "normal" FY 2022 would be zero change to the total subsidy and consideration of a 3% fare increase. However, given the challenges faced by both riders and jurisdictions, other alternatives will be considered. This preliminary budget includes three key assumptions:

- The total subsidy amount for FY 2022 is \$18,300,780, the same amount as in FY 2021.
- The allocation of the subsidy (i.e., the percentage of the total assigned to each of the nine jurisdictions) for FY 2022 is unchanged from FY 2021, so that each jurisdiction contributes the same amount as in FY 2021. As discussed with the Finance Committee in July 2020, the usual Master Agreement survey in October – which determines the subsidy allocation for the upcoming fiscal year – would be difficult to administer in the current environment and would be unlikely to produce reliable results. Therefore, instead of performing the survey, the Committee recommended simply using the FY 2021 allocation percentages for FY 2022. The Federal Transit Administration has taken a similar approach in using prior year (pre-pandemic) data for the allocation of federal formula program funds this year.
- Passenger fares for FY 2022 are unchanged from FY 2021. Raising fares in the current environment is unlikely to have a materially positive impact on total revenue while potentially generating negative publicity and rider sentiment. At the same time, the primary factors driving the current low ridership are perceptions of safety and the ability to work at home rather than at the office, not the level of the fare (particularly given the availability of the transit benefit for many riders). Lowering fares is thus unlikely to drive significant new ridership in the short term and would only increase the operating deficit.

3. Ridership and Fare Revenue: Projecting ridership in the current environment is challenging given near-term uncertainty about the course of the pandemic (including any potential vaccine), the unknown medium-term impacts on businesses and schools, and potential long-term shifts in the number of employees working remotely rather than in an office. After increasing steadily during the early summer, ridership has plateaued in August and early September at 1300-1400 riders per day, and monthly fare revenue has been in the \$800,000-\$900,000 range.

For the purposes of the preliminary budget, we assume that fare revenue will stay in this range for the rest of FY 2021, which would result in total annual fare revenue of approximately \$10 million, or less than 25% of pre-pandemic revenue. Since March, some riders have continued to purchase monthly and other tickets while riding infrequently or not at all, and so the average fare paid per trip is currently abnormally high. As average daily ridership increases, some of it will come from people already purchasing a monthly ticket but riding infrequently, while other non-riders will eventually cancel their recurring purchases, thus reducing revenue even as other riders return.

For FY 2022, preliminary passenger revenue is budgeted at approximately \$18 million, or about 40% of pre-pandemic annual revenue. This figure is functioning essentially as a placeholder to represent a slow, steady increase in ridership that still falls well short of a return to normal. If a vaccine is widely available more quickly than expected, and offices and schools are able to fully reopen, then revenues could be higher.

- 4. Operating Expenses:** All discretionary expenses in the operating budget – particularly consulting, professional services, new non-critical initiatives, and replacement of existing items (furniture, equipment, etc.) – are being reviewed for potential deferral or elimination in order to reduce expenses and extend the availability of the federal CARES Act funds.

Department heads submitted their initial FY 2022 budgets earlier this summer with the direction to proactively identify discretionary expense reductions, and the preliminary budget reflects this, with only a \$0.5 million increase over the approved FY 2021 budget. Further expense reductions will be identified as the budget process continues as more deferrals are found, contingencies are reduced, and contracts are renegotiated.

- 5. State Operating Assistance and Access Fee Reimbursement:** As part of the Commonwealth’s response to the pandemic, DRPT has been reallocating funds to prioritize state operating assistance to transit agencies over capital matching grants. So far, it appears that VRE will receive the same amount of operating assistance in FY 2021 as it did in FY 2020 (less the one-time ‘transition assistance’), which was approximately \$9.7 million. However, the preliminary budget conservatively assumes that operating assistance in FY 2022 will decline to \$8.5 million in response to reduced tax collections.

The Commonwealth has also committed to maintaining the 84% reimbursement rate for the track access fees paid to VRE’s host railroads, which is critical to VRE’s financial sustainability. This arrangement will be evolving through FY 2021 as the Virginia Passenger Rail Authority (VPRA) is stood up and takes on responsibilities from DRPT. DRPT has advised that VPRA is likely to use entirely state funds (rather than a combination of federal STP and state funds) for the access fee reimbursements. This may have a positive impact for VRE on eligible federal CARES Act reimbursements of the remaining 16% of the cost.

Capital Funding:

After seeking and successfully securing a substantial amount of discretionary grant funding in recent years, VRE’s capital program is now focused on project delivery. As noted above, the *Transforming Rail in Virginia* program has impacted a number of projects, particularly planned station expansions on the Fredericksburg Line.

As a result of the new operating plan in the corridor, second/island platforms at four stations (Lorton, Rippon, Brooke, and Leeland Road) are no longer being pursued, though smaller expansions and rehabilitations are still planned. This in turn has freed up funding from various sources to complete the Quantico Station project and to support expansion of the Rolling Road platform on the Manassas Line. These significant changes to the CIP continue to evolve in coordination with DRPT, and a full review will occur later in the budget process.

The major capital funding that is expected to be obligated in FY 2022 includes:

- *Federal formula funds:* Federal funding allocations are lagged by one year relative to VRE's fiscal year, so the federal funding allocated in Federal Fiscal Year (FFY) 2021 will be available to be obligated and spent beginning in VRE's FY 2022. Based on funding received in FFY 2020, total projected formula funding for FFY 2021 is \$30.5 million (federal portion only), including both Section 5337 State of Good Repair funding and Section 5307 Urbanized Area Formula Program funding.

As in previous years, VRE's formula funds will be committed to debt service, asset management programs, and key CIP projects such as the midday storage facility and VRE's joint responsibilities at Washington Union Terminal. Staff continues to look at options for utilizing currently unprogrammed funding, including station expansions that also have a replacement component, but is also choosing to keep some funding uncommitted until updated cost estimates are received for various projects.

- *State capital match:* The preliminary budget assumes a continuation of the 16% state match on debt service and asset management, as well as the 34% state match on midday storage and Washington Union Terminal, but these figures may be modified as discussions with DRPT continue about how best to fit VRE into the state's MERIT program that is primarily oriented towards bus operators.
- *Discretionary state and regional funding:* The FY 2022 budget will obligate previously allocated funds for a number of important CIP projects. SMART SCALE funding totaling \$40.3 million will be obligated in FY 2022 for projects including Alexandria Station, Leeland Road Station, Leeland Road Parking, Quantico Station, Fredericksburg Line Expansion Coaches, and the Crossroads Maintenance and Storage Facility (MSF). CMAQ funding of \$4.6 million will be obligated in FY 2022 for projects including the Broad Run Expansion, Brooke Station, Leeland Road Station, and Woodbridge Station.

Commuter Rail Operating and Capital (C-ROC) Fund:

As noted in the "key issues" discussion, VRE staff are continuing discussions with DRPT about a contribution to the *Transforming Rail in Virginia* program from VRE's Commuter Rail Operating and Capital (C-ROC) funds. These discussions – which contemplate a combination of debt issuance proceeds and pay-as-you-go cash – will occur separately from, but in parallel with, the budget adoption process. We do not expect to recommend any further C-ROC commitments to specific VRE capital projects (currently \$15 million is committed to the Crystal City Station and \$30 million to the L'Enfant Station and Fourth Track, covering FY2019-2021 C-ROC funds) until these negotiations are resolved.

Next Steps:

VRE staff will continue to update and modify the FY 2022 budget throughout the Fall as the current fiscal year progresses and as more information is received about the pandemic and economic conditions that may affect projections of revenues and expenses. VRE staff will review the budget with the Finance Committee and with jurisdictional staff and ultimately provide a balanced budget to the Operations Board in December for consideration and approval.

**Virginia Railway Express
Operations Board**

**Resolution
9A-09-2020**

**Referral of the Preliminary FY 2022 VRE Operating and
Capital Budget to the Commissions**

WHEREAS, the VRE Master Agreement requires the VRE Operations Board submit to the Commissions a preliminary fiscal year budget by September 30 each year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2022 Operating and Capital Budget; and,

WHEREAS, the preliminary FY 2022 budget proposes no increase in the total or individual annual jurisdictional subsidy and no increase in passenger fares;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board refers the preliminary FY 2022 Operating and Capital Budget to the Commissions for their consideration; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board recommends the budget be forwarded to the jurisdictions for further formal review and comment; and,

BE IT FURTHER RESOLVED THAT, VRE staff is directed to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2020 meeting for consideration and referral to the Commissions for adoption in January 2021.

Approved this 18th day of September 2020

Jeanine Lawson
Secretary

Gary Skinner
Chairman

FY 2022 Sources and Uses

LEVEL OF SERVICE FOR FY 2021

Daily Trains 32 Avg. Daily Riders 6,000

Leases 18,792,000
-
Total Access Fees 18,792,000

Access and Lease Fees
Amtrak 6,830,000
NS 3,418,000
CSX 8,544,000
Total 18,792,000

| | USES OF FUNDS | SOURCES OF FUNDS | | | | | | | | | | | | | |
|--|---------------|------------------|----------|---------|---------------|---------------|--------------|--------------------|-----------------|---------------|-------------------|------------|--------------------|-----------|-------------|
| | | | | | LOCAL SUBSIDY | OTHER SOURCES | NVTA FUNDING | -----STATE----- | | | -----FEDERAL----- | | | | TOTAL |
| | | FARE INCOME | INTEREST | MISC | | | | STATE CROC FUNDING | STATE OPERATING | STATE CAPITAL | STATE STP | 5307/5337 | New FY22 CARES ACT | OTHER | |
| Operating Expenses | 85,667,175 | 18,236,000 | 350,000 | 300,000 | 41,975,895 | - | - | - | 8,500,000 | 6,389,280 | 9,396,000 | 520,000 | - | - | 85,667,175 |
| Non-Operating Expenses: | | | | | | | | | | | | | | | |
| Operating Reserve | - | | | | - | | | | | | | | | | - |
| Debt Service BTMU - Gallery IV - 11 Cabcars | 1,931,357 | | | | 77,254 | | | | | 309,017 | | 1,545,086 | | | 1,931,357 |
| Debt Service VRA - 60 Railcars (Local) | 99,072 | | | | 99,072 | | | | | | | | | | 99,072 |
| Debt Service VRA - 60 Railcars (Fed/State/Local) | 4,191,769 | | | | 167,671 | | | | | 670,683 | | 3,353,415 | | | 4,191,769 |
| Non-Operating Summary | 6,222,198 | - | - | - | 343,997 | - | - | - | - | 979,700 | - | 4,898,501 | - | - | 6,222,198 |
| Total Expenses (Subtotal) | 91,889,373 | 18,236,000 | 350,000 | 300,000 | 42,319,892 | - | - | - | 8,500,000 | 7,368,980 | 9,396,000 | 5,418,501 | - | - | 91,889,373 |
| Capital Projects: | | | | | | | | | | | | | | | |
| New York Avenue Midday Storage Facility | 11,697,029 | | | | 467,881 | | | | | 3,976,990 | | 7,252,158 | | | 11,697,029 |
| Equipment Asset Management Program | 2,090,000 | | | | 83,600 | | | | | 334,400 | | 1,672,000 | | | 2,090,000 |
| Security Enhancements | 105,000 | | | | 4,200 | | | | | 16,800 | | 84,000 | | | 105,000 |
| L'Enfant Station Improvements | 2,438,707 | | | | 97,548 | | | | | 390,193 | | 1,950,966 | | | 2,438,707 |
| Crystal City Station Improvements | 13,018,750 | | | | 520,750 | | | | | 2,083,000 | | 10,415,000 | | | 13,018,750 |
| Washington Union Station Improvements | 5,000,000 | | | | 200,000 | | | | | 1,700,000 | | 3,100,000 | | | 5,000,000 |
| Unprogramed Federal Formula Funds | 7,522,585 | | | | 300,903 | | | | | 1,203,614 | | 6,018,068 | | | 7,522,585 |
| Unprogramed CROC Funds | 15,000,000 | | | | - | | | 15,000,000 | | - | | - | | | 15,000,000 |
| Capital Reserve Contribution | 0 | | | | - | | | | | | | | | | - |
| Capital Project Summary | 56,872,071 | - | - | - | 1,674,883 | - | - | 15,000,000 | - | 9,704,997 | - | 30,492,192 | - | - | 56,872,071 |
| CMAQ/REF/IPROC | | | | | | | | | | | | | | | |
| Broad Run Expansion (CMAQ) | 2,000,000 | | | | - | | | | | 400,000 | | - | | 1,600,000 | 2,000,000 |
| Woodbridge Station Improvements (CMAQ) | 2,000,000 | | | | - | | | | | 400,000 | | - | | 1,600,000 | 2,000,000 |
| Brooke Station Improvements (CMAQ) | 313,394 | | | | - | | | | | 62,679 | | - | | 250,715 | 313,394 |
| Leeland Road Station Improvements (CMAQ) | 313,394 | | | | - | | | | | 62,679 | | - | | 250,715 | 313,394 |
| Crossroads MSF Expansion (Smart Scale) | 5,057,000 | | | | - | | | | | 5,057,000 | | - | | - | 5,057,000 |
| Leeland Road Parking Improvements (Smart Scale) | 5,159,178 | | | | - | | | | | 5,159,178 | | - | | - | 5,159,178 |
| Alexandria Station Improvements (Smart Scale) | 6,284,000 | | | | - | | | | | 6,284,000 | | - | | - | 6,284,000 |
| Brooke Station Improvements (Smart Scale) | 4,300,000 | | | | - | | | | | 4,300,000 | | - | | - | 4,300,000 |
| Leeland Road Station Improvements (Smart Scale) | 2,749,725 | | | | - | | | | | 2,749,725 | | - | | - | 2,749,725 |
| Quantico Station Improvements (Smart Scale) | 850,700 | | | | - | | | | | 850,700 | | - | | - | 850,700 |
| Fleet Expansion Coaches (Smartscale) | 15,855,000 | | | | - | | | | | 15,855,000 | | - | | - | 15,855,000 |
| Summary | 44,882,391 | - | - | - | - | - | - | - | - | 41,180,961 | - | - | - | 3,701,430 | 44,882,391 |
| TOTAL | 193,643,835 | 18,236,000 | 350,000 | 300,000 | 43,994,775 | - | - | 15,000,000 | 8,500,000 | 58,254,937 | 9,396,000 | 35,910,692 | - | 3,701,430 | 193,643,835 |

FY21 Subsidy surplus (deficit) 18,300,780 (25,693,995)

| | Soft Capital Projects | Program | Funding | Federal Amt | State Amt |
|--|-----------------------|------------|---------|-------------|------------|
| Debt Service 11 Cabcars | 1,931,357 | 5337 | | 1,545,086 | 309,017 |
| Access lease funding (50%/34%) | 18,792,000 | SSTP/State | | 9,396,000 | 6,389,280 |
| Local only Debt Service VRA - 60 Railcars | 99,072 | | | - | - |
| Fed/State/Local Debt Service VRA - 60 Railcars | 2,445,198 | 5337 | | 1,956,159 | 391,232 |
| Fed/State/Local Debt Service VRA - 60 Railcars | 1,746,570 | 5307 | | 1,397,256 | 279,451 |
| Grant & Project Management | 650,000 | 5307 | | 520,000 | - |
| Subtotal | 25,664,198 | | | | 7,368,980 |
| Capital Projects/Earmarks | 101,754,462 | | | 34,193,622 | 50,885,957 |
| Federal Cap Program | 127,418,660 | | | 49,008,122 | 58,254,937 |

FY 2022 Summary Proposed Budget

| Category | Approved FY 2021 | | Proposed FY 2022 | | Changes | % Change |
|---|----------------------|----------------------|---------------------|--------------------|---------------------|--------------|
| | FY 2021 Operating | FY 2021 Capital | FY 2022 Operating | FY 2022 Capital | | |
| Revenue: | | | | | | |
| Fare Revenue | 44,090,000 | | 18,236,000 | | (25,854,000) | -58.6% |
| Miscellaneous Revenue | 300,000 | | 300,000 | | - | 0.0% |
| Jurisdictional Subsidy | 13,817,632 | 4,483,148 | 16,625,897 | 1,674,883 | - | 0.0% |
| Other Sources (Use of Prev. Surplus) | - | - | - | - | - | #DIV/0! |
| NVTA Grant Funding | - | - | - | - | - | - |
| State CROC Dedicated Funding | - | 15,000,000 | - | 15,000,000 | - | - |
| Federal/State Subsidy - Operating | 31,879,656 | | 30,683,481 | | (1,196,175) | -3.8% |
| Federal/State Subsidy - Capital | | 53,024,602 | | 85,079,579 | 32,054,978 | 60.5% |
| Operating/Capital Reserves | - | - | - | - | - | #DIV/0! |
| Interest Income | 1,300,000 | | 350,000 | | (950,000) | -73.1% |
| Total Revenue | 91,387,287 | 72,507,750 | 66,195,378 | 101,754,462 | 4,054,803 | 2.5% |
| Operating/Non-Operating Expenses: | | | | | | |
| Non-Departmental Operating | 5,800,514 | | 7,215,000 | | 1,414,486 | 24.4% |
| Executive Management | 1,263,000 | | 1,423,000 | | 160,000 | 12.7% |
| Chief of Staff | 683,600 | | 653,850 | | (29,750) | -4.4% |
| Marketing | 409,300 | | 389,800 | | (19,500) | -4.8% |
| Finance and Human Resources | 4,507,800 | | 2,981,800 | | (1,526,000) | -33.9% |
| Purchasing and Contract Administration | 745,850 | | 758,600 | | 12,750 | 1.7% |
| Project Development | 956,900 | | 1,303,255 | | 346,355 | 36.2% |
| Project Implementation | 1,117,500 | | 1,074,500 | | (43,000) | -3.8% |
| Rail Operations | 2,386,500 | | 2,362,000 | | (24,500) | -1.0% |
| Information Technology | 2,078,500 | | 2,166,350 | | 87,850 | 4.2% |
| Facilities Maintenance | 4,527,300 | | 4,048,200 | | (479,100) | -10.6% |
| Mechanical Operations | 10,565,700 | | 11,154,620 | | 588,920 | 5.6% |
| System Safety & Security | 1,488,200 | | 1,349,200 | | (139,000) | -9.3% |
| PRTC | 102,000 | | 102,000 | | - | 0.0% |
| NVTC | 90,000 | | 90,000 | | - | 0.0% |
| Train Operations | 16,591,500 | | 17,239,500 | | 648,000 | 3.9% |
| Maintenance of Equipment | 7,832,285 | | 8,113,500 | | 281,215 | 3.6% |
| Amtrak | 5,181,000 | | 4,450,000 | | (731,000) | -14.1% |
| Amtrak Access Fees | 6,879,000 | | 6,830,000 | | (49,000) | -0.7% |
| Norfolk Southern Access Fees | 3,442,000 | | 3,418,000 | | (24,000) | -0.7% |
| CSX Access Fees | 8,468,000 | | 8,544,000 | | 76,000 | 0.9% |
| | | | | | - | |
| Total Operating/Non-Operating Expenses | 85,116,449 | - | 85,667,175 | - | 550,726 | 0.6% |
| CIP Expenditures | | 72,507,750 | | 101,754,462 | 29,246,712 | |
| Debt Service | 6,270,838 | | 6,222,198 | | (48,641) | |
| Total CIP and Other Expenditures | 6,270,838 | 72,507,750 | 6,222,198 | 101,754,462 | 29,198,071 | 37.1% |
| | | | | | | |
| Grand Total Expenses | 91,387,287.14 | 72,507,750.00 | 91,889,373 | 101,754,462 | 29,748,798 | 18.2% |
| Difference by Fund | - | - | (25,693,995) | - | (25,693,995) | |
| Total Difference | | - | (25,693,995) | | (25,693,995) | |



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-B
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Approval of Increases to Chief Executive Officer Procurement Authorization and Contract Award Authorities

Recommendation:

The VRE Operations Board is asked to approve increases to two delegations of authority to the Chief Executive Officer (CEO): contract award authority to \$200,000, and procurement authorization authority to \$1,000,000.

Summary:

The Operations Board has delegated to the CEO the authority to award contracts up to \$100,000 and to authorize procurements up to \$100,000 without requiring the Operations Board's approval. This policy change would increase the delegated limits to \$200,000 for contract award and \$1,000,000 for procurement authorization.

Background:

As VRE has grown and the number of procurements has increased, and as inflation has led to a general increase in costs over time, the CEO delegation of authority limits have been periodically raised.

| Year | CEO Spending Limit |
|------|--------------------------|
| 1991 | \$15,000 |
| 2001 | \$30,000 |
| 2006 | \$50,000 |
| 2015 | \$100,000 |



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The most recent increase to \$100,000 applies to both the procurement authorization limit (i.e., approving the issuance of a Request for Proposals or an Invitation for Bids) and the contract award limit. This increase was one of the recommendations from the 2015 Management Audit that was intended to streamline the approval process and allow the Operations Board to focus on procurements with greater budget and policy implications. The Management Audit also recommended consideration of a separate, higher delegation limit only for procurement authorizations – knowing the Operations Board would still get a “bite at the apple” with contract award – but that recommendation was not acted upon.

The Management Audit made two additional recommendations regarding delegation limits. First, it recommended that any purchase of over \$50,000 be communicated to the Board as an information item to ensure transparency. Second, it recommended the Board regularly revisit these delegations of authority to determine whether the approval levels should be adjusted for inflation or other factors. A ‘Spending Authority Report’ that summarizes these purchases is provided monthly to the Operations Board, and a reevaluation of the thresholds has resulted in this proposed policy change.

The proposed increases were presented to the VRE Finance Committee on July 17, 2020, for consideration. The key points in support of the changes included:

During the 24-month period of CY2018-2019, fourteen contract awards came before the Operations Board with a value between \$100,000 and \$200,000. Of those awards, only three were for new contracts, while the other eleven were task orders under existing contracts for which the Board had previously approved award of the contract, amendments to existing contracts or purchase orders, or extensions of existing leases.

During its 2020 session, the Virginia General Assembly enacted legislation (HB 452 / SB 650) that raises the state’s small purchase limit to \$200,000, which exempts such purchases from some of the competitive procurement requirements in the Virginia Public Procurement Act (VPPA).

Procurement authorizations in the \$200,000 to \$1,000,000 range during the same CY2018-2019 period were primarily for items such as LED light fixtures, pavement repairs and striping, website management services, and forklift trucks. These procurement authorizations are almost always placed on the consent agenda and are not discussed by the Operations Board.

Examples of recent authorizations greater than \$1,000,000 that would still require two approvals by the Operations Board (i.e., for both solicitation and award) even under the proposed changes include final design for the Broad Run expansion; new passenger railcars; delivery of diesel fuel for VRE locomotives; and construction of Quantico Station improvements.

The Finance Committee expressed its support for these proposed increases and for incorporating a summary of all actions that would have previously gone to the Operations Board for approval into an expanded Spending Authority Report. Any

procurement authorization over \$1,000,000 or contract award over \$200,000 would continue to require Operations Board approval. The Operations Board has authority to approve this amendment to the CEO spending authority based on the delegation of authority plan approved by the Commissions in December 2005.

Fiscal Impact:

There are no direct funding implications associated with this policy change.

**Virginia Railway Express
Operations Board**

**Resolution
9B-09-2020**

**Approval of Increases to Chief Executive Officer Procurement
Authorization and Contract Award Authorities**

WHEREAS, the Operations Board has delegated authority to the Chief Executive Officer to authorize procurements and to award contracts below a certain value without requiring Operations Board approval; and,

WHEREAS, the last change to the Chief Executive Officer's delegated authority was in 2015, which raised the authority limit to \$100,000 for both procurement authorization and contract award; and,

WHEREAS, VRE staff, in accordance with the recommendations of the 2015 Management Audit and the desire to streamline approval processes, have reevaluated the current delegation limits in light of cost inflation, changes to Virginia procurement law, and the recent history of procurement actions coming before the Operations Board; and,

WHEREAS, the Operations Board may approve an amendment to the Chief Executive Officer spending authority based on the delegation of authority plan approved by the Commissions in December 2005;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby approve an increase in the Chief Executive Officer's procurement authorization authority to \$1,000,000 and an increase in the Chief Executive Officer's contract award authority to \$200,000; and,

BE IT FURTHER RESOLVED THAT, all procurement authorization and contract award actions that would have previously come before the Operations Board for approval will now be reported in the monthly Spending Authority Report; and,

BE IT FURTHER RESOLVED THAT, the Operations Board will revisit delegation thresholds regularly to determine whether approval levels should be adjusted to account for inflation or other factors.

Approved this 18th day of September 2020

Gary Skinner
Chairman

Jeanine Lawson
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-C
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Execute a Contract for Construction of the Lifecycle Overhaul and Upgrade Facility

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with Clark Construction Group, LLC of Bethesda, Maryland for Construction of the Lifecycle Overhaul and Upgrade (LOU) Facility in the amount of \$37,673,006, plus a 10% contingency of \$3,767,301, for a total amount not to exceed \$41,440,307.

Summary:

VRE has adopted a lifecycle maintenance strategy for VRE rolling stock. To fully implement this strategy, VRE will construct a new building at the Crossroads Maintenance and Storage Facility (MSF) dedicated to lifecycle maintenance activities. Currently, these critical maintenance activities must be undertaken at offsite locations, requiring additional time and expense. Authorization will allow VRE to execute a contract with Clark Construction Group, LLC for construction of the LOU Facility.

Background:

In January 2014, the VRE Operations Board adopted a lifecycle maintenance strategy for VRE rolling stock. The basis of this strategy is to maintain VRE locomotives and passenger cars at the highest level of reliability throughout the lifecycle of the equipment. To fully implement this strategy, VRE will construct a new building at the Crossroads MSF fully dedicated to lifecycle maintenance activities such as removal, repair and reinstallation of main engines, head end power units, trucks, car bodies, main generators, auxiliary



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generators, traction motors, etc. Currently, these critical maintenance activities must be undertaken at offsite locations, requiring additional time and expense.

The land needed to expand the Crossroads MSF was purchased at the end of 2019, with the corresponding documentation, filings, recordings, and subsequent submittals with Spotsylvania County occurring during the first three months of 2020. The engineering design and environmental phases of the project have also been completed.

A mailing list of more than 100 prospective Bidders was established for the solicitation to ensure access to adequate sources of services. On July 7, 2020, an IFB was issued and bids were due on August 20, 2020. Two bids were received.

The bid tabulation is as follows:

| Bidder | Total Bid Price |
|----------------------------------|------------------------|
| 1. Clark Construction Group, LLC | \$37,673,006 |
| 2. W.M. Schlosser Company, Inc. | \$37,933,000 |

After review of the bids, it was determined Clark Construction Group, LLC was the lowest responsive-responsible bidder. VRE staff has certified the price is fair and reasonable.

Fiscal Impact:

Funding for the LOU project, including construction, is provided through VRE's federal formula funds and associated state and local matching funds, as indicated in VRE's approved FY 2020-2025 Capital Improvement Program (CIP).

**Virginia Railway Express
Operations Board**

**Resolution
9C-09-2020**

**Authorization to Execute a Contract for Construction of the
Lifecycle Overhaul and Upgrade Facility**

WHEREAS, VRE has adopted a lifecycle maintenance strategy for its rolling stock; and,

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

WHEREAS, on July 7, 2020, an Invitation for Bids was issued, and two bids were received in response to the solicitation on August 20, 2020; and,

WHEREAS, the VRE Operations Board's approval of this procurement does not represent its independent assessment of the candidate's responses to the solicitation or of each step in the procurement process followed by staff; rather, the VRE Operations Board's action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Clark Construction Group, LLC of Bethesda, Maryland for Construction of the Lifecycle Overhaul and Upgrade Facility in the amount of \$37,673,006, plus a 10% contingency of \$3,767,301, for a total amount not to exceed \$41,440,307.

Approved this 18th day of September 2020

Jeanine Lawson
Secretary

Gary Skinner
Chairman



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-D
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Execute a Contract for Safety and Security Consulting Services

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer (CEO) to execute a contract with ADS System Safety Consulting, LLC of Baltimore, Maryland for the provision of Safety and Security Consulting Services for one base year and four option years, in a total amount not to exceed \$2,500,000 for the five-year term, with the CEO exercising the option years at his discretion.

Summary:

The Safety and Security Consulting Services contract will be a task order agreement. VRE Operations Board approval is required prior to award of each task order in excess of the Chief Executive Officer's delegated spending authority.

The services to be provided through task orders may include safety and security policy analysis, regulatory compliance management, general project and program management, site and infrastructure design analysis, and safety training program enhancements.

Background:

On September 20, 2019, the VRE Operations Board authorized the CEO to issue a Request for Proposals (RFP) for safety and security consulting services. An RFP is the preferred method of procurement for this solicitation because there may be different approaches to the desired services, and an evaluation of technical merit is required. Upon completion of evaluation of proposals, negotiations are conducted with the highest ranked firms deemed



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to be fully qualified and best suited among those submitting proposals, based on the factors specified in the evaluation criteria. Price is considered in context of technical performance for this service to achieve a best value determination. After receipt of the best and final offer from the top-ranked firm, an analysis is performed to compare the proposed billing rates with the independent cost estimate to determine that the proposed rates are fair and reasonable.

A solicitation for competitive proposals for safety and security consulting services was necessary because it was essential that the capabilities and qualifications of the firms and key personnel be evaluated to ensure that they possess demonstrated experience with, and expertise in, Federal Railroad Administration (FRA), Transportation Security Administration (TSA), and Federal Transit Administration (FTA) regulations, programs, and guidelines associated with commuter rail.

This contract will support compliance with regulations issued by the TSA in 49 CFR part 1582. This regulation specifies new security training requirements for surface transportation employees effective September 21, 2020. This contract will also support compliance with regulations issued by the FRA in 49 CFR part 270. This regulation establishes new system safety program (SSP) requirements for commuter railroads effective March 4, 2020. Due to the complexities of such regulations, technical merit must be evaluated in addition to price.

A mailing list of twelve prospective Offerors was established for the solicitation to ensure access to adequate sources of services. On June 22, 2020 an RFP was issued and proposals were due on July 30, 2020. Nine responses were received.

Evaluation of the proposals received was performed by the Technical Evaluation Team (TET), which consisted of three VRE staff members.

The TET met to discuss and evaluate the proposals using the following criteria:

- Capability and expertise of the Offeror
- Project approach and understanding
- Experience of proposed key personnel
- Cost/billing rates

Interviews were conducted with the top three firms. It was determined that the proposal from ADS System Safety Consulting, LLC was technically compliant and selected to be the best value for the project.

Below is the final ranking of firms who submitted a proposal for safety and security consulting services:

| Offerors | |
|----------|---|
| 1. | ADS System Safety Consulting, LLC |
| 2. | Transportation Resource Associates, Inc. |
| 3. | K&J Safety and Security Consulting Services, Inc. |
| 4. | Virginkar & Associates, Inc. |
| 5. | Potomac Wave Consulting, Inc. |
| 6. | Transit Safety & Security Solutions, Inc. |
| 7. | True North Consulting Group |
| 8. | Axios Investigations Firm, LLC |
| 9. | IMEG Corp. |

The Offerors' proposed pricing/hourly billing rates for project management were in the range of \$75 to \$230. Complete pricing information may not be publicly disclosed until after execution of a contract. VRE staff has certified the highest ranked Offeror's price is fair and reasonable based on the cost estimate for this project.

The contract will be for one base year and four option years, with the CEO exercising the option years at his discretion.

Fiscal Impact:

The current operating budget for safety and security includes funding of \$500,000 for the first year of this activity. Funding for future years will be included in each proposed annual budget.

**Virginia Railway Express
Operations Board**

**Resolution
9D-09-2020**

**Authorization to Execute a Contract for
Safety and Security Consulting Services**

WHEREAS, the Federal Railroad Administration (FRA) issued regulations in 49 CFR part 270 outlining new federal system safety program (SSP) requirements for commuter railroads effective March 4, 2020; and,

WHEREAS, the Transportation Security Administration (TSA) issued regulations in 49 CFR part 1582 outlining new federal security training requirements for surface transportation employees effective September 21, 2020; and,

WHEREAS, VRE requires third-party support for safety and security management as recommended by the National Transportation Safety Board (NTSB), the FRA, and TSA; and,

WHEREAS, On September 20, 2019, the VRE Operations Board authorized the Chief Executive Officer to issue a Request for Proposals for safety and security consulting services; and,

WHEREAS, it was determined that the proposal from ADS System Safety Consulting, LLC received in response to the Request for Proposals was technically compliant and selected as the highest ranked; and,

WHEREAS, the Operations Board's approval of this procurement does not represent its independent assessment of the candidate's responses to the solicitation or of each step in the procurement process followed by staff; rather, the Operations Board's action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and

responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with ADS System Safety Consulting, LLC of Baltimore, Maryland for the provision of safety and security consulting services for one base year and four option years, in a total amount not to exceed \$2,500,000 for the five-year term, with the Chief Executive Officer exercising the option years at his discretion.

Approved this 18th day of September 2020

Gary Skinner
Chairman

Jeanine Lawson
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-E
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

**Re: Authorization to Execute a Contract for Construction of
Quantico Station Improvements**

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with Archer Western Construction, LLC of Herndon, Virginia, for construction of Quantico Station Improvements in the amount of \$16,709,330, plus a 10% contingency of \$1,670,933, for a total amount not to exceed \$18,380,263.

Summary:

Authorization will allow VRE to execute a contract with Archer Western Construction, LLC for Construction of Quantico Station Improvements, which includes extending the existing platform, constructing a new center platform and pedestrian bridges as well as other ancillary improvements.

Background:

CSX Transportation (CSXT), the Virginia Department of Rail and Public Transportation (DRPT), and VRE are collaborating to construct approximately eleven miles of third track between Arkendale and Powell's Creek in Prince William County, which includes the Quantico Station. VRE and DRPT, through their joint design consultant STV, Inc., have completed final design for the station improvements and corresponding third track modifications at the Quantico Station. DRPT requested VRE manage final design and construction of the Quantico Station Improvements Project along with additional elements of work including site/civil, track roadbed, ballast, and a retaining wall. DRPT has increased the available funding via the Intercity Passenger Rail Operating and Capital (IPROC) Fund



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and SMART SCALE Funds for the Quantico Station Improvements to provide for the requested additional scope items.

The added scope elements will enhance safety and increase operational flexibility for CSXT, Amtrak and VRE trains while accommodating both the federally funded third track project and the passenger improvements at Quantico.

A mailing list of more than one hundred prospective Bidders was established for the solicitation to ensure access to adequate sources of services. On June 18, 2020, an IFB was issued and bids were due on July 30, 2020. Three bids were received.

The bid tabulation is as follows:

| Bidder | Total Bid Price |
|--|-----------------|
| 1. Archer Western Construction, LLC | \$16,709,330.00 |
| 2. Polivka International Company, Inc. | \$16,852,360.00 |
| 3. W.M. Schlosser Company, Inc. | \$19,877,000.00 |

After review of the bids, it was determined Archer Western Construction, LLC was the lowest responsive-responsible bidder. VRE staff has certified the price is fair and reasonable.

Fiscal Impact:

Funding for the Quantico Station Improvements Project, including construction, is provided by the Commonwealth of Virginia through its IPROC and SMART SCALE programs, as noted in VRE's approved FY 2020-2025 Capital Improvement Program.

DRPT's Transforming Rail in Virginia program includes the purchase of rail right of way in the CSXT RF&P corridor, a commitment to construct a new Long Bridge across the Potomac River, and a new operating plan for freight and passenger rail in the corridor that will improve capacity and reliability. As part of this program, some of VRE's planned station expansion projects in the corridor have changed, which has allowed DRPT and VRE to work collaboratively to update their investment plans to use available funding sources most effectively.

Specifically, DRPT and VRE have agreed that a portion of the SMART SCALE funding previously allocated to the Brooke Station project will be transferred to the Quantico Station project to ensure full funding of all expected project costs, including the Construction Management efforts that are the subject of this action. DRPT and VRE are currently working to incorporate this additional funding in an updated SMART SCALE funding agreement.

**Virginia Railway Express
Operations Board
Resolution**

9E-09-2020

**Authorization to Execute a Contract for
Construction of Quantico Station Improvements**

WHEREAS, CSX Transportation, the Virginia Department of Rail and Public Transportation, and VRE are collaborating to construct approximately eleven miles of third track between Arkendale and Powell's Creek in Prince William County, which includes the Quantico Station; and,

WHEREAS, DRPT requested VRE manage final design and construction of the Quantico Station Improvements Project with funding provided through the Commonwealth's Intercity Passenger Rail Operating and Capital Fund and SMART SCALE programs; and,

WHEREAS, on June 18, 2020, an Invitation for Bids was issued, and bids were due on July 30, 2020 with three bids being received; and,

WHEREAS, after review of the bids, it was determined Archer Western Construction, LLC was the lowest responsive-responsible bidder; and,

WHEREAS, the VRE Operations Board's approval of this procurement does not represent its independent assessment of the candidate's responses to the solicitation or of each step in the procurement process followed by staff; rather, the VRE Operations Board's action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Archer Western Construction, LLC of Herndon, Virginia for Construction of Quantico Station Improvements in the amount of \$16,709,330, plus a 10% contingency of \$1,670,933, for a total amount not to exceed \$18,380,263.

Approved this 18th day of September 2020

Gary Skinner
Chairman

Jeanine Lawson
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-F
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

**Re: Authorization to Execute a Contract for Construction
Management Services for the Quantico Station Improvements**

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer (CEO) to execute a contract with Dewberry Engineers Inc. of Fairfax, Virginia, for Construction Management Services for the Quantico Station Improvements in the amount of \$1,868,776, plus a 10% contingency of \$186,878, for a total amount not to exceed \$2,055,654.

Summary:

Approval of this item will authorize the CEO to execute a contract for Construction Management Services for the Quantico Station Improvements. The Quantico Station Improvements construction requires a dedicated construction manager to provide oversight for the safe implementation of the project in conformity with plans and specifications and with the requirements of CSX Transportation (CSXT), Amtrak, the Federal Railroad Administration, Marine Corps Base Quantico, the Virginia Department of Rail and Public Transportation (DRPT), and VRE itself.

Background:

CSXT, DRPT and VRE are collaborating to construct approximately eleven miles of third track between Arkendale and Powell's Creek in Prince William County. VRE and DRPT, through their joint design consultant STV Inc., have completed final design for the station improvements and corresponding third track modifications at the Quantico Station. DRPT requested VRE manage final design and construction of the Quantico Station Improvements Project along with additional elements of work including site/civil, track roadbed, ballast,



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and a retaining wall. DRPT has increased the available funding via the Intercity Passenger Rail Operating and Capital (IPROC) Fund and SMART SCALE Funds for the Quantico Station Improvements to provide for the requested additional scope items.

The added scope elements will enhance safety and increase operational flexibility for CSXT, Amtrak and VRE trains while accommodating both the federally funded third track project and the passenger improvements at Quantico.

An Invitation for Bids (IFB) for construction of the Quantico Station Improvements was issued on June 18, 2020, and bids were received on July 30, 2020. Construction Notice to Proceed (NTP) is anticipated in the last quarter of this calendar year, and the construction schedule is anticipated to extend into the first quarter of calendar 2023.

The purpose of this contract is to provide Construction Management Services from pre-construction through the point of placing the improvements in-service. VRE anticipates a construction contract of 26 months from NTP to project closeout. In addition, pre-construction and post-construction services are anticipated to be approximately two months in duration each.

The scope of work for Construction Management Services includes Project Administration, Pre-Construction Services, Safety and Security Monitoring, Project Documentation, Construction Observation and Regulatory Compliance, Contractor Oversight, and Project Closeout.

On November 15, 2019, the VRE Operations Board authorized the CEO to issue a Request for Proposals (RFP) for Construction Management Services for the Quantico Station Improvements. In accordance with Section 2.2-4303 of the Virginia Public Procurement Act, these services must be procured through an RFP because they include Professional Services. Upon completion of evaluation of proposals, negotiations are conducted with the highest ranked firm deemed to be fully qualified and best suited among those submitting Proposals, based on the factors specified in the evaluation criteria. Price is not a criterion for evaluation of Professional Services proposals. After receipt of the best and final offer from the top-ranked firm, a cost analysis is performed to compare the proposed cost with the independent cost estimate to determine the proposed cost is fair and reasonable.

A mailing list of more than one hundred prospective Offerors was established for the solicitation to ensure access to adequate sources of services. On May 11, 2020, an RFP was issued, and proposals were due on June 12, 2020. Two responses were received.

Evaluation of the Proposals received was performed by the Technical Evaluation Team (TET), which consisted of three VRE staff members. The TET met to discuss and evaluate the Proposals using the following criteria:

- Capability, Expertise and Past Performance of the Prime Firm and Proposed Team/Subcontractor(s)
- Knowledge, Qualifications and Relevant Experience of the Proposed Project Manager and Key Personnel
- Project Approach and Understanding

Project Management and Quality Control Plan
Workplace Safety and Security Plan

Interviews were conducted with the two firms. It was determined that the proposal from Dewberry Engineers Inc. was technically compliant and unanimously selected to be best value for the project.

Below is the final ranking of firms who submitted a proposal and were interviewed for Construction Management Services for the Quantico Station Improvements.

| Offerors |
|---------------------------------------|
| 1. Dewberry Engineers Inc. |
| 2. Rummel, Klepper & Kahl, LLP (RK&K) |

VRE staff has certified the highest ranked Offeror's price is fair and reasonable based on the independent cost estimate for this project.

Fiscal Impact:

Funding for the Quantico Station Improvements Project, including Construction Management Services, is provided by the Commonwealth of Virginia through its IPROC and SMART SCALE programs.

DRPT's Transforming Rail in Virginia program includes the purchase of rail right of way in the CSXT RF&P corridor, a commitment to construct a new Long Bridge across the Potomac River, and a new operating plan for freight and passenger rail in the corridor that will improve capacity and reliability. As part of this program, some of VRE's planned station expansion projects in the corridor have changed, which has allowed DRPT and VRE to work collaboratively to update their investment plans to use available funding sources most effectively.

Specifically, DRPT and VRE have agreed that a portion of the SMART SCALE funding previously allocated to the Brooke Station project will be transferred to the Quantico Station project to ensure full funding of all expected project costs, including the Construction Management efforts that are the subject of this action. DRPT and VRE are currently working to incorporate this additional funding in an updated SMART SCALE funding agreement.

**Virginia Railway Express
Operations Board**

**Resolution
9F-09-2020**

**Authorization to Execute a Contract for Construction Management
Services for the Quantico Station Improvements**

WHEREAS, the Virginia Department of Rail and Public Transportation requested VRE manage final design and construction of the Quantico Station Improvements Project with funding provided through the Commonwealth's Intercity Passenger Rail Operating and Capital Fund and SMART SCALE programs; and,

WHEREAS, bids for construction of the project have been received and it is anticipated construction work will start this calendar year; and,

WHEREAS, the VRE Operations Board authorized the Chief Executive Officer to issue a Request for Proposals for Construction Management Services for the Quantico Station Improvements in November 2019; and,

WHEREAS, the VRE Operations Board's approval of this procurement does not represent its independent assessment of the candidate's responses to the solicitation or of each step in the procurement process followed by staff; rather, the VRE Operations Board's action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Dewberry Engineers Inc. of Fairfax, Virginia, for Construction Management Services for the Quantico Station Improvements in

the amount of \$1,868,776, plus a 10% contingency of \$186,878, for a total amount not to exceed \$2,055,654.

Approved this 18th day of September 2020

Jeanine Lawson
Secretary

Gary Skinner
Chairman



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-G
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Execute General Engineering Consulting Services Contracts for Project Design and Construction Management

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute contracts with HDR Engineering, Inc. (HDR) of Vienna, Virginia, for Project Design Services and STV Incorporated (STV) of Fairfax, Virginia, for Construction Management Services for a base year and four option years in an amount not to exceed \$6 million in aggregate per year for a total not to exceed amount of \$30 million in aggregate for the five-year term of the contract. The option years may be exercised at the discretion of the Chief Executive Officer.

Summary:

VRE uses General Engineering Consulting (GEC) contracts to provide on-call engineering, planning, environmental and construction management services. On February 21, 2020, the VRE Operations Board authorized the CEO to issue a Request for Proposals (RFP) for General Engineering Consulting Services for Project Design Services and Construction Management Services (GEC VIII).

The GEC VIII contracts will be task order agreements. VRE Operations Board approval is required prior to award of each task order in excess of the CEO's delegated spending authority.



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Background:

On February 21, 2020, the VRE Operations Board authorized the CEO to issue an RFP for General Engineering Consulting Services for Project Design Services and Construction Management Services (GEC VIII). The purpose of the GEC VIII RFP was to solicit proposals from firms to provide on-call services to support projects in the design and construction phases.

In accordance with Section 2.2-4303 of the Virginia Public Procurement Act, these services must be procured through an RFP because they include professional services. Upon completion of evaluation of proposals, negotiations are conducted with the highest ranked firm in each program area (Project Design and Construction Management) deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors specified in the evaluation criteria. After receipt of the best and final offer from the top-ranked firm in each program area, an analysis is performed to compare the proposed billing rates with the independent cost estimate to determine that the proposed billing rates are fair and reasonable.

VRE has found the use of GEC contracts to be more efficient than completing numerous separate procurements. GEC contracts help VRE access specialized skills and expertise from consultants as an extension of staff on an as-needed basis. GEC contracts are not intended to address all projects, and separate procurements will continue to be issued using the RFP process when appropriate.

A mailing list of more than 100 prospective Offerors was established for the solicitation to ensure access to adequate sources of services. On May 4, 2020, an RFP was issued, and proposals were due on June 12, 2020. Nine total responses were received: five for Project Design Services and four for Construction Management Services.

Evaluation of the proposals received was performed by the Technical Evaluation Team (TET), which consisted of three VRE staff members. The TET met to discuss and evaluate the proposals using the following criteria for each program area:

- Capability, Expertise and Past Performance of the Prime Firm and Proposed Team/Subcontractor(s)
- Knowledge, Qualifications and Relevant Experience of the Proposed Project Manager and Key Personnel
- Overall Program Approach and Understanding
- Project Management and Quality Control Plan
- Workplace Safety and Security Plan and Performance

Interviews were conducted with the three highest ranked firms in each program area. It was determined the proposal from HDR Engineering, Inc was technically compliant and selected to be best value for the Project Design Services program area. It was determined

the proposal from STV Incorporated was technically compliant and selected to be best value for the Construction Management Services program area.

Below is the final ranking of firms who submitted a proposal for GEC VIII for Project Design Services and Construction Management Services.

| Offerors for Project Design Services |
|---|
| 1. HDR Engineering, Inc. |
| 2. STV Incorporated |
| 3. Gannett Fleming, Inc. |
| 4. Michael Baker International, Inc. |
| 5. Burns Engineering |

| Offerors for Construction Management Services |
|--|
| 1. STV Incorporated |
| 2. Johnson, Mirmiran & Thompson, Inc. |
| 3. Gannett Fleming, Inc. |
| 4. WSP USA Inc. |

STV Incorporated and HDR Engineering, Inc. have performed services for VRE under previous contracts for General Engineering Consulting Services.

Each contract will be for a base year and four option years, with the VRE CEO exercising the option years at his discretion. VRE will initiate task orders for services as needed up to the limit allowed by the Virginia Public Procurement Act (VPPA), presently set at a maximum of \$6,000,000, in aggregate, per year.

Fiscal Impact:

The funding for each task order issued under GEC VIII will be identified at the time the task order is approved. Depending on the project for which the task order is issued, funding may come from grant funds, VRE operating or capital funds, or a combination of those funding sources.

**Virginia Railway Express
Operations Board**

**Resolution
9G-09-2020**

**Authorization to Execute General Engineering Consulting Services
Contracts for Project Design and Construction Management**

WHEREAS, it is the experience of VRE that General Engineering Consulting Services contracts are an efficient and cost-effective means of performing engineering, planning, environmental and construction management related activities required for a limited duration or needed in a timely manner on an as-needed basis; and,

WHEREAS, the VRE Operations Board authorized issuance of a Request for Proposals for on-call services under General Engineering Consulting VIII in February 2020; and,

WHEREAS, nine proposals were received from prospective Offerors on June 12, 2020; and,

WHEREAS, following evaluation of the proposals, VRE staff recommends contracting with the highest ranked Offeror in each respective program area; and,

WHEREAS, the VRE Operations Board's approval of this procurement does not represent its independent assessment of the candidates responses to the solicitation or of each step in the procurement process followed by staff; rather, the VRE Operations Board's action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute contracts with HDR Engineering, Inc. (HDR) of Vienna, VA for Project Design Services and STV Incorporated (STV) of Fairfax, VA for Construction Management Services for a base year and four option years in an amount not to exceed \$6 million in aggregate per year for a total not to exceed amount of \$30 million in aggregate for the five-year term of the contract. The option years may be exercised at the discretion of the Chief Executive Officer.

Approved this 18th day of September 2020

Gary Skinner
Chairman

Jeanine Lawson
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-H
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Issue a General Planning Consulting Services Task Order for Surveying Services to Support Real Estate Acquisition Activities for the Broad Run Expansion Project

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a General Planning Consulting (GPC) Services Task Order to Vanasse Hangen Brustlin, Inc. (VHB) for surveying services to support real estate acquisition activities for the Broad Run Expansion Project in the amount of ***\$433,637, plus a 20 percent contingency of \$86,727, for a total amount not to exceed \$520,364.***

Summary:

As part of its due diligence activities, VRE needs to conduct land surveys, locate utilities and easements and perform preliminary platting to support real estate acquisitions associated with the VRE Broad Run Expansion project.

Background:

The Broad Run Expansion project allows for additional Manassas Line service capacity, a larger Broad Run Station and expands the capacity of the existing Broad Run Maintenance and Storage Facility (MSF). Proposed improvements include:

- Additional railcars and expansion of the existing Broad Run MSF to accommodate more and longer trains;



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- Additional parking spaces at Broad Run Station;
- A new third mainline track between Manassas and Broad Run within the existing Norfolk Southern (NS) right-of-way, subject to NS review and approval; and
- Adjustments to the Broad Run Station platform to accommodate the above changes.

Design objectives include accommodating near-term growth and a long-term focus consistent with proposed System Plan 2040 service expansion; improving vehicular, pedestrian and bicycle access to the station; and mitigating current and future traffic impacts on Route 28 and the surrounding road network.

On July 20, 2018, the Operations Board selected a preferred development concept for the Broad Run complex so that more detailed preliminary engineering (PE) plans could be initiated and environmental review completed. PE plans are now complete and property requirements to support the current design have been identified. The survey services to be completed under this GPC Task Order are needed to inform the pending final design activities and ongoing property acquisitions.

At VRE's request, VHB submitted a proposal to provide survey services to support real estate acquisition. A cost analysis was subsequently performed by VRE staff to compare the proposed cost with the independent cost estimate, and it was determined that VHB's proposed cost is fair and reasonable.

Fiscal Impact:

Funding for the survey services is provided from the Commonwealth's I-66 Outside the Beltway (OTB) concessionaire payment and Federal CMAQ/RSTP funds allocated to the Broad Run Expansion project.

**Virginia Railway Express
Operations Board**

**Resolution
9H-09-2020**

**Authorization to Issue a General Planning Consulting Services Task Order
for Surveying Services to Support Real Estate Acquisition Activities for the
Broad Run Expansion Project**

WHEREAS, as part of its due diligence activities, VRE needs to conduct land surveys, locate utilities and easements and perform preliminary platting to support real estate acquisitions associated with the VRE Broad Run Expansion project; and,

WHEREAS, the Broad Run Expansion continues the operation of Manassas Line service out of a larger Broad Run Station and expands the capacity of the existing Broad Run Maintenance and Storage Facility (MSF); and,

WHEREAS, on July 20, 2018, the Operations Board selected a preferred development concept for the Broad Run complex so that more detailed preliminary engineering (PE) plans could be initiated and environmental review completed; and,

WHEREAS, preliminary engineering plans are now complete and property requirements to support the current design have been identified. The survey services to be completed under this GPC Task Order are needed to inform the pending final design activities and ongoing property acquisitions; and,

WHEREAS, Vanasse Hangen Brustlin, Inc., VRE's General Planning Consultant, has the qualifications to conduct this work and has presented an acceptable proposal to perform said services;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a General Planning Consulting Services Task Order to Vanasse Hangen Brustlin, Inc. for surveying services to support real estate acquisition activities for the Broad Run Expansion Project in the amount of ***\$433,637, plus a 20 percent contingency of \$86,727, for a total amount not to exceed \$520,364.***

Approved this 18th day of September 2020

Gary Skinner
Chairman

Jeanine Lawson
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-I
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Amend the GEC VII Task Order for Final Design Services for the Fredericksburg Station Rehabilitation Project

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to amend the current Task Order for Final Design Services for the Fredericksburg Station Rehabilitation Project executed with STV Incorporated (STV) under the General Engineering Consulting Services (GEC) VII contract in the amount of \$30,916, plus a 20% contingency of \$6,183, for a total not to exceed \$37,099. This will increase the authorization for this Task Order from \$431,020 to a total amount not to exceed \$468,119.

Summary:

This action reflects refinements to the original Final Design Services for the Fredericksburg Station Rehabilitation Project. Refinement of the design has resulted in additional costs. Amending the Task Order now will reduce the need for future supplemental design changes and potential delays later in the implementation process.

Background:

In 2011, concrete modifications and repairs were performed on both platforms at the Fredericksburg Station. The current length of each platform is approximately 400 feet. South of these repaired platforms are the original platforms, which are rarely used due to their uneven surfaces, cracking and delamination.



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The scope of work for the project includes concrete modifications and repairs extending approximately 125 feet to the south of each of the currently used platforms, improving the boarding capacity for VRE and Amtrak trains. Due to the lengthening of platforms, additional stairs will be added at the southeast corner of the station for a safe passenger egress option that does not require crossing Princess Anne Street at-grade.

For this Task Order specifically, the scope of work includes final design services as required to advance 100% complete plans, technical specifications, pre-construction documents, and updated cost estimates. Additional design efforts incorporated within this amendment include replacement of existing station facility signage, modifications to Parking Lot D, design changes related to recent VMS and lighting upgrades, supplementary permitting services, and added project management support.

STV is the prime consultant for Task Area C (Design Services: Passenger Facilities) under the VRE GEC VII contract. In June 2017, the VRE Operations Board authorized award of a GEC VII Task Order to STV for Final Design Services for the Fredericksburg Station Rehabilitation Project.

Amending the Task Order with STV and extending the schedule will permit the Final Design to continue towards completion including the necessary additional work items. The amendment will extend the completion date for Final Design through March 31, 2021.

At VRE's request, STV submitted a proposal to provide this additional support to complete Final Design for the project. A cost analysis was subsequently performed by VRE staff to compare the proposed additional cost with the independent cost estimate, and it was determined that STV's proposed cost is fair and reasonable.

Fiscal Impact:

Funding for this consultant effort is provided for in the VRE Capital Improvement Program under the Fredericksburg Station Rehabilitation project. Funding sources include FTA formula funds, specifically Section 5337 funds (State of Good Repair).

**Virginia Railway Express
Operations Board**

**Resolution
9I-09-2020**

**Authorization to Amend the GEC VII Task Order for Final Design Services
for the Fredericksburg Station Rehabilitation Project**

WHEREAS, in 2011, concrete modifications and repairs were performed on both 400-foot platforms at the Fredericksburg Station; and,

WHEREAS, south of these 400-foot platforms are the original platforms, which are rarely used due to their uneven surfaces, cracking and delamination; and,

WHEREAS, in June 2017, the VRE Operations Board authorized award of a Task Order to STV for final design services for the Fredericksburg Station Rehabilitation Project; and,

WHEREAS, the scope of work for the project includes concrete modifications and repairs extending approximately 125 feet to the south of each of the currently used platforms, improving the boarding capacity for VRE and Amtrak trains; and,

WHEREAS, the scope of work for this Task Order includes final design services as required to advance 100% complete plans, technical specifications, pre-construction documents, and updated cost estimates; and,

WHEREAS, VRE has received a proposal from STV for completion of the additional work and has deemed it to be fair and reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to amend the current Task Order for Final Design Services for the Fredericksburg Station Rehabilitation Project executed with STV Incorporated under the General Engineering Consulting Services VII contract in the amount of \$30,916, plus a 20% contingency of \$6,183, for a total not to exceed \$37,099. This will increase the authorization for this Task Order from \$431,020 to a total amount not to exceed \$468,119.

Approved this 18th day of September 2020

Gary Skinner
Chairman

Jeanine Lawson
Secretary



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-I
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Amend the GEC VII Task Order for Design Services for VRE Suite 202 Phase 2 Renovations

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to amend the current Task Order for Design Services for VRE Suite 202 Phase 2 Renovations executed with STV Incorporated (STV) under the General Engineering Consulting Services (GEC) VII contract in the amount of \$49,839, plus a ten percent contingency of \$4,984, for a total not to exceed \$54,823. This will increase the authorization for this Task Order from \$96,221 to a total amount not to exceed \$151,044.

Summary:

VRE has opted to advance the reception area portion of the headquarters renovation project as a separate design, permitting and construction effort, in order to complete this work and minimize disruption prior to staff safely returning to headquarters as the COVID-19 pandemic evolves. This change in project approach has resulted in additional costs, and this action will authorize the CEO to amend the Task Order to address the increased costs.

Background:

VRE will continue its renovations of the office spaces at VRE headquarters, begun in 2016, in an effort to improve employee safety and security, provide workspace for future additional staff and maximize the efficiency of the office layout and flow.



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703-580-6121

The original project scope of work includes reconfiguring the reception area and providing emergency egress passageways to improve safety and security, converting existing half-wall cubicles and larger individual offices to modular cubicle areas to increase workspace efficiency, creating an employee break room, and modifying the kitchen, mail and supply room and rest room. Renovation work will also require revisions to certain electrical, plumbing, HVAC and fire protection system devices and floor coverings.

Construction work in the reception area would create a substantial disruption to office activities and the ability to greet riders and others visiting the office if headquarters were fully occupied. However, due to VRE's response to governmental guidelines related to the COVID-19 pandemic, all non-essential headquarters staff are presently working remotely. Although VRE is developing a tentative, phased approach for employees to return to headquarters, an exact timeline is difficult to predict due to the ever-changing impacts of the pandemic.

Accordingly, VRE made the decision to advance the reception portion of the project with the goal of completion prior to staff returning to the office. This has resulted in additional costs for design, permit application and coordination, and construction support services. At VRE's request, STV submitted a proposal to provide this additional support. A cost analysis was subsequently performed by VRE staff to compare the proposed additional cost with the independent cost estimate, and it was determined that STV's proposed cost is fair and reasonable.

Fiscal Impact:

Funding for the VRE Headquarters Renovations Project is provided through the VRE Capital Reserve.

**Virginia Railway Express
Operations Board**

**Resolution
9J-09-2020**

**Authorization to Amend the GEC VII Task Order for Design
Services for VRE Suite 202 Phase 2 Renovations**

WHEREAS, VRE will continue its renovations of the office spaces at VRE headquarters, begun in 2016; and,

WHEREAS, planned improvements will improve employee safety and security, provide workspace for future additional staff and maximize the efficiency of the office layout and flow; and,

WHEREAS, due to VRE's response to governmental guidelines related to the COVID-19 pandemic, all non-essential headquarters staff are presently working remotely; and,

WHEREAS, VRE opted to advance the reception area portion of the project with the goal of completion prior to staff returning to the office, resulting in additional design, permit application and coordination, and construction support services costs;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on September 18, 2020, and that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the September 18, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to amend the current Task Order for Design Services for VRE Suite 202 Phase 2 Renovations executed with STV Incorporated under the General Engineering Consulting Services VII contract in the amount of \$49,839, plus a ten percent contingency of \$4,984, for a total not to exceed \$54,823. This will increase the authorization for this Task Order from \$96,221 to a total amount not to exceed \$151,044.

Approved this 18th day of September 2020

Jeanine Lawson
Secretary

Gary Skinner
Chairman