



## MONTHLY COMMISSION MATERIALS

September 2015

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**NVTC COMMISSION MEETING  
THURSDAY, SEPTEMBER 3, 2015  
MAIN FLOOR CONFERENCE ROOM  
2300 Wilson Blvd.  
Arlington, VA 22201**

**8:00 P.M.**

**6:00 P.M. NVTC's Legislative and Policy Committee  
7:00 P.M. NVTC's Executive Committee (dinner is available at that time)**

**AGENDA**

1. OPENING REMARKS
2. ACTION ITEM: Approve the Minutes of the July 9, 2015 Meeting
3. ACTION ITEM: Approve the **CONSENT AGENDA** (subject to approval by Chairman)
  - A. Resolution #2277: Appoint Kelley Coyner as an Alternate to the VTA Board of Directors
  - B. Resolution #2278: Authorization to Submit an Application to the CTB for the VRE Gainesville-Haymarket Extension Project for Evaluation Under HB2
  - C. Authorization for Chairman Snyder to Send Letters Regarding Reauthorization of Surface Transportation Programs
4. INFORMATION ITEM: Legislative and Policy Committee Co-Chairs Update
5. Executive Director Report
6. WMATA: Report of the Virginia Members of the Board of Directors
  - A. Safety and Related Issues
  - B. Financial Management
  - C. Budget and Finance
  - D. WMATA Virginia Ridership
  - E. Key WMATA Milestones/Dates

7. Virginia Railway Express

- A. VRE CEO Report and Minutes
- B. ACTION ITEM: Resolution #2281: Authorization to Amend the Contract for VRE Passenger Railcars
- C. ACTION ITEM: Resolution #2282: Authorization to Execute a DRPT Intercity Passenger Rail Operating and Capital (IPROC) Program Funding Agreement with DRPT
- D. ACTION ITEM: Resolution #2283: Authorization to Execute an Agreement with Norfolk Southern for Analysis Related to the Gainesville-Haymarket Extension
- E. INFORMATION ITEM: VRE Financial Plan
- F. INFORMATION ITEM: FY2017 VRE Key Budget Issues

8. INFORMATION ITEM: I-66 Inside the Beltway Update

9. DISCUSSION: FY2017 Key NVTC Budget Issues

10. INFORMATION ITEM: Commonwealth and Regional Agency Reports

- A. Department of Rail and Public Transportation (DRPT)
- B. Commonwealth Transportation Board (CTB)
- C. Northern Virginia Transportation Authority (NVTa)

11. INFORMATION ITEM: Financial Items for June and July 2015





## AGENDA ITEM #2

### MINUTES NVTC COMMISSION MEETING – JULY 9, 2015 NAVY LEAGUE BUILDING – FIRST FLOOR CONFERENCE ROOM ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Snyder at 8:15 P.M.

#### **Members Present**

Sharon Bulova  
John Cook  
Jim Corcoran  
John Foust  
Jeff Greenfield  
Catherine Hudgins  
Mary Hynes  
David LaRock  
James LeMunyon  
Jeff McKay  
J. Randall Minchew  
Jennifer Mitchell (DRPT Alternate)  
Ken Reid  
Thomas D. Rust  
David F. Snyder  
J. Walter Tejada  
Jennifer Wexton

#### **Members Absent**

Richard Black  
William Euille  
Jay Fisette  
Paul Smedberg

#### **Staff Present**

Doug Allen (VRE)  
Karen Finucan Clarkson  
Kelley Coyner  
Rhonda Gilchrest  
Laurel Hammig  
Bryan Jungwirth (VRE)  
Scott Kalkwarf  
David Koch  
Kate Mattice  
Joe Swartz (VRE)

### Minutes of NVTC's June 4, 2015 Meeting

Mr. McKay moved, with a second by Mrs. Bulova, to approve the minutes. The vote in favor was cast by Commissioners Bulova, Cook, Corcoran, Foust, Greenfield, Hudgins, Hynes, LaRock, LeMunyon, McKay, Reid, Rust, Snyder, Tejada and Wexton.

### I-66 Inside the Beltway Framework Agreement

Ms. Coyner stated that Secretary Layne has designated NVTC as the regional partner with VDOT on the I-66 Multimodal Improvements Inside the Beltway project to allocate toll revenues for multimodal projects. Staff from Arlington County, City of Falls Church and Fairfax County is present to brief the Commission on the key components of the framework. This is the first opportunity for the Commission to discuss this partnership. The Commonwealth Transportation Board (CTB) will discuss this partnership at its September meeting. NVTC is scheduled to approve a framework agreement in October followed by CTB consideration.

Ms. Coyner introduced Amanda Baxter, I-66 Multimodal Improvements Inside the Beltway Project Manager; Larry Marcus, Bureau Chief, Transportation Engineering & Operations for Arlington County; Tom Biesiadny, Director, Department of Transportation for Fairfax County; and Cindy Mester, Assistant City Manager for the City of Falls Church.

Ms. Baxter gave an overview of the status of the project and reviewed the multimodal element of the project. The toll revenues would be used for multimodal projects that stem from the 2012 I-66 Multimodal Study (Inside the Beltway), which was refined in 2013. These projects have been included in the Constrained Long Range Plan (CLRP) and cover a range of projects including conversion of I-66 Inside the Beltway to peak period HOT lanes, improving Metrorail and other transit service, completing bicycle and pedestrian facilities, and implementing other transportation demand management initiatives. The draft list of potential projects should be completed in August.

Mr. Marcus asked for initial project questions from Commissioners before discussing the Framework Agreement. Mr. Reid stated that Loudoun County passed a resolution on July 1, 2015 opposing this project and asked if comments are still being considered. Ms. Baxter responded that there is no deadline for comments and comments are always welcome.

Delegate LeMunyon stated assuming the project is approved by the CTB, he asked what toll revenues will be used for after all the projects have been funded. Ms. Baxter stated that the expectation is that the toll revenues would continue to be used to make improvements along the corridor that are reasonably beneficial to the toll paying customers. She observed that this region does not tend to run out of projects that need to be funded. There will also be a "call for projects" to seek projects.

Delegate LeMunyon asked what consideration was given to selecting the Northern Virginia Transportation Authority (NVTA) as a partner instead of NVTC. Ms. Baxter replied that NVTC has a broader multimodal background; the 2012 Multimodal Study was

coordinated with NVTC and the jurisdictions; and the three jurisdictions requested NVTC serve in this role. Secretary Layne acknowledged their request and selected NVTC. There will still be continued coordination with NVTA.

Delegate LeMunyon asked if this project has been rated under HB2 or HB599. Ms. Baxter stated that this is a conglomeration of multiple projects already in the CLRP. The project will measure the effectiveness of congestion mitigation. The ultimate goal is to move more people through the corridor. Ms. Mitchell stated that HB2 requirements apply to funding sources and not necessarily to projects. She explained that HB2 does not apply to toll revenue projects. Projects going through NVTA for funding go through the HB599 rating process. Delegate LeMunyon stated that he believes the Commonwealth is obligated to rate this project.

Delegate Minchew arrived at 8:28 P.M.

Mr. Foust asked if traffic studies have been done to look at the impact to outside the corridor. Ms. Baxter stated that VDOT conducted traffic counts which are being used to do an operational analysis along the corridor, including Routes 29 and 50. Results should be available mid-August. Mr. Biesiadny stated that this information including the list of projects can be shared with the Commission.

Ms. Baxter stated that two weeks ago Governor McAuliffe announced that he will consider retaining HOV-2 status on I-66 until 2021, until the I-66 Outside the Beltway project is completed. This would provide time for marketing the transition of I-66 Inside the Beltway to toll lanes and other structural considerations.

Chairman Snyder stated that the Framework Agreement will ensure that toll revenues will be used for multimodal improvements in the corridor that benefits users of the corridor. The objective is to improve the throughput in the corridor.

Mr. Marcus, Ms. Mester and Mr. Biesiadny presented recommended principles for the Framework Agreement. Mr. Marcus reviewed the project timeline, background and map. He stated that NVTC will be briefed again at its September 3<sup>rd</sup> meeting. The three jurisdictions (Arlington County, Falls Church and Fairfax County) will be asked to endorse the Framework Agreement before it comes to NVTC for approval on October 1<sup>st</sup>. Following the jurisdictions' and NVTC's approval, it will go before the CTB in October.

Ms. Mester stated that the project goals are to move more people, enhance connectivity in the corridor, and provide new travel choices. It is assumed that the HOT lanes facility may impact the transportation network in the corridor. The Framework Agreement will provide the mechanism for the allocation of the remaining toll revenues from the HOT lanes for the multimodal transportation improvements. Ms. Mester explained that VDOT will collect the toll revenue, operate and maintain the facility, and distribute the remaining toll funding. NVTC will serve as the fiduciary body and receive, manage and segregate all remaining toll revenues; develop and facilitate a project application process; approve use of funds for multimodal projects; and ensure lawful use of revenues; and report on use. Ms. Mester stated that a major reason that the jurisdictions requested NVTC as a partner was for NVTC's strong financial management.

Mr. Foust asked if toll revenues would be used for road improvements. Mr. Biesiadny replied that it would as it relates to I-66 and adjacent roadways. One of the potential projects is to widen I-66 to three lanes. Mr. Foust asked if NVTC would be coordinating with NVTa in regards to plans for this corridor or does NVTa just walk away from the corridor. Mr. Biesiadny replied that it doesn't mean NVTa walked away but there would be coordination with VDOT, the jurisdictions, and NVTC. Mrs. Hynes reminded Commissioners that NVTa cannot fund railcars for WMATA or VRE since NVTa funds cannot be used outside of the planning district. Both of these projects could be eligible for funding within this I-66 project. These are two huge gaps in the region that NVTa cannot fund. Ms. Baxter also noted that toll funding could be supplemental to other funding.

Mr. Biesiadny reviewed a recommendation by the project working group for the process for projects. He explained that all the jurisdictions in Planning District 8 (NVTC jurisdictions, Prince William County, Manassas and Manassas Park) as well as VDOT, DRPT and other transit agencies, can submit project applications. The group recommends NVTC conduct preliminary screening of the projects to determine if they benefit the corridor. Next NVTC would determine if the project aligns with VDOT requirements and the Meeks Case, which provides how toll revenues can be used. The project working group model calls for NVTC's Management Advisory Committee (MAC) to prepare a draft list of projects for consideration. Public hearings would follow. Based on the feedback from the public, NVTC would finalize the list. The project group then recommends that it first go to the three jurisdictions for approval and it would come back to the Commission for approval. He explained that the project jurisdictions recommendations include fail safes so if there is some disagreement among the jurisdictions, the Chief Administrative Officers for the three jurisdictions would become the arbitrators.

In response to a question from Delegate LeMunyon, Mr. Biesiadny gave an example how a jurisdictions outside the three jurisdictions can submit projects that would benefit the corridor. The City of Manassas could submit a funding request for bus service that travels on I-66. Delegate LeMunyon stated that he would like to understand the legal underpinning of why staff is so certain toll revenues could be used. Mr. Biesiadny stated that it is based on the understanding of the Meeks case and how toll revenues can be used.

In response to a question from Mr. Foust, Mr. Biesiadny explained that NVTC's Management Advisory Committee (MAC) is comprised of jurisdictional staff from the six NVTC jurisdictions, as well as staff from VRE, DRPT, PRTC and WMATA.

Mrs. Hynes acknowledged all the hard work that has gone into this project and the Framework Agreement. Her predominant concern is that it is not clear what NVTC's role is. She asked staff to clarify what would be the Commission's responsibilities. She also asked for a list of what types of projects would be eligible for funding. She observed that finding funding for bike and pedestrian trails can be a challenge, but it matters to people in this corridor. The toll revenues could be used for these types of projects.

Mr. McKay observed that there seems to be a lot of upfront work that NVTC needs to do before the first dollar is collected from the tolls. He requested that VDOT work with NVTC to have a better understanding how this effort will be implemented including resources to support it.

Mr. Reid expressed his concern about Mrs. Hynes comments about bike trails. In comparison, there are 90,000 cars that travel thru the I-66 corridor during peak period every day. He doesn't see the need for toll roads without extra capacity. Tolls will also impact airport traffic. Loudoun County favors widening I-66 not tolling it. It was his understanding that NVTC was going to just collect the toll revenues and not make decisions on what projects would be funded. NVTC now would be making decisions on interchanges, which is under the purview of NVTa. In response to a question from Delegate Minchew, Mr. Biesiadny replied that if the CTB doesn't approve the project, the Framework Agreement does not go forward.

Mr. Cook suggested NVTC approve criteria of what types of projects could be funded. It is also important that NVTC as a Commission approve the projects. Mrs. Bulova agreed. It is her understanding that NVTC, as a body of elected officials, would be approving the projects for funding. Those projects that are auxiliary to transit (bike and pedestrian trails, sidewalks, bus service) could be selected because they make it more advantageous for transit to operate in the corridor. If road projects are selected it would be because the projects would help to make transit operate better, such as intersection improvements. She suggested NVTC draft a resolution or criteria to clearly state this.

Mr. McKay stated that there may be some disagreement among Commissioners about who should be partnering with VDOT, but the long-term goal is to divert people to transit and therefore, this is one of the reasons that NVTC was chosen. Initial projections are \$10 million a year in toll revenues available for multimodal projects. It would take 30 years to collect enough toll revenue to build a medium size interchange. This is not meant to be a revenue source for building mega projects but to enhance the corridor to move people and not just cars. He agreed criteria is essential so NVTC Commissioners have guidance on selecting eligible projects. It is also important for the public to understand the project and to manage their expectations of what can be accomplished with these revenues. Mr. Reid observed that you can get more mileage out of the revenues if they are bonded. Chairman Snyder stated the objective is to use whatever revenues are collected to improve throughput in the I-66 Corridor and NVTC seems to be the best organization to ensure this.

Mr. Reid stated that there is a potential liability issue with the Bus on Shoulder project. He also expressed his concern that the I-66 Inside the Beltway project does not help Loudoun transit.

Mr. Foust asked if any jurisdiction has gone on record supporting tolling on I-66. Mr. Biesiadny replied no and explained that NVTC is not being asked to vote to approve tolling. The CTB will take this action. Mr. Foust stated that the small amount of revenue that will be produced will not come close to dealing with the impact of the tolls. Mr. Biesiadny stated that revenue projections will be available in August. Some of the revenues could be used to address some of the diversions. Ms. Baxter stated the tolling

component is the managed lane component of the multimodal improvements, which is the way traffic will be managed through dynamic pricing in the corridor. By expanding managed time to four hours, capturing the shoulders, the project estimates are that it will move approximately 66 percent more people through the corridor than the current number.

In response to a question from Mr. Corcoran, Ms. Coyner stated that NVTC has already voted to accept the responsibility of the project. Delegate Minchew cautioned that until the ultimate decision is made for the project to proceed, NVTC shouldn't go too far in the process. Chairman Snyder stated that it is important to be ready to play a role that benefits users of this corridor and focus of the toll revenues and what projects will get the maximum benefit for the corridor.

Mrs. Hudgins left the meeting at 9:18 P.M. and did not return.

### Regional Bus Agenda

Ms. Coyner stated that given the heightened demand for high quality, cost effective bus service in Northern Virginia, the Commission directed staff to propose a three- to five-year agenda that advances the region toward frequent, reliable bus service that connects riders and businesses to economic opportunities. The Management Advisory Committee (MAC) reviewed the draft Regional Bus Agenda at its June meeting and will discuss it again at its July meeting. The Commission will be asked to approve the Regional Bus Agenda in September.

Chairman Snyder stated that this is an important initiative to look at the gaps in bus service and find ways to improve service to benefit the rider. NVTC is the right organization to do this work since it has the expertise and a transit focus to work with the local jurisdictions, DRPT, WMATA, PRTC and other organizations to look at how to create a truly effective regional bus system. He stated that over time, bus service has become balkanized.

Mr. Cook stated that the concept of coordinating bus lines to connect riders travelling from different jurisdictions and to provide a seamless service may be implied in the Regional Bus Agenda but it should be highlighted and clearly stated. Mrs. Bulova observed that there are places with good coordination. She agreed it is a good idea to look at the big picture and how to improve overall bus service.

Ms. Coyner stated NVTC intends to compile the data together with GIS mapping to show all the regional bus service. This will show the gaps in service throughout the entire region as well as the connections between services.

Delegate Rust asked if this work will look at the regional governance structure for all bus service. Chairman Snyder stated that the focus is to start on the outcomes, including what service is available, where the gaps are in the system and where service connections can be improved, but it may ultimately result in an interest that there could be a better way to govern.

Mr. Reid stated again that there is a liability issue with the Bus on Shoulder project. He asked if NVTC could help with this issue. Ms. Coyner agreed to follow-up with Mr. Reid on this issue. She also stated that staff will come back in September to discuss where Bus of Shoulder fits into a regional bus system.

Mrs. Hynes stated that the bus agenda should also look at unused capacity such as the buses that currently deadhead after morning service. These are assets that are not being used. She asked if there is a way to collaborate with PRTC to allow passengers to use this capacity to meet other regional needs. This matters because Arlington is running out of space for mid-day bus storage.

Ms. Coyner stated that staff will solicit additional comments from Commissioners over the next few weeks. She asked for further clarification and direction from the Commission on whether to move forward with baseline activity or to wait until after formal approval in September. Staff could provide a preliminary report on several products. Chairman Snyder stated that a baseline is fundamental and staff could address where there is service and where there are gaps. Ms. Coyner stated staff could also come back with a proposal on how to tackle coordination issues on regional bus over the next year, including looking at ways to coordinate funding, coordination on how to do routes, looking for new service opportunities, etc. There were no objections.

#### Report of the Virginia Members of the WMATA Board of Directors

Mr. Corcoran announced that WMATA's 2014 financial audit will be released by the end of July. It will not be a clean audit. He stated that a lot of the financial problems have been addressed by the new financial management team. Delegate LeMunyon renewed a suggestion that after the audit is released, that WMATA auditors come to a NVTC meeting.

Mr. Corcoran stated that the WMATA Board voted to conduct public hearings on a proposal to reduce the number of railcars on the Orange and Silver Lines and add railcars to the Blue Line. Mrs. Hynes explained that only 26 trains can run through the Rosslyn Tunnel in an hour. Trains tend to back-up at Rosslyn and then it ripples through the system impacting other stations, including L'Enfant Station where three lines connect. Over the last 6-8 months, WMATA has been averaging 24 trains instead of 26. WMATA staff has now proposed going to 23 trains to try to eliminate the back-ups. The WMATA Board has some concerns about how this will impact crowding on the platforms and further analysis has been requested. Mrs. Hynes further stated that until the power upgrades can happen, there is not enough power to run full service eight-car trains. WMATA is currently running the maximum number of eight-car trains.

Mr. McKay noted that ridership on the Blue Line is steadily declining and riders are not transferring to other stations, which means more cars on the roads. There is not capacity for another Metrorail station in Virginia until another river crossing is built. He expressed his opinion that the problem cannot be fixed until Momentum is implemented. He asked if there is a way to request the Momentum plan be front-loaded so a river crossing is one

of the first projects to be funded. Mrs. Hynes stated that the WMATA Board of Directors has scheduled a retreat and Momentum will be discussed.

Mrs. Hynes reported that WMATA has restarted the General Manager/CEO search. WMATA also submitted the last of the corrective actions to the Federal Transit Administration (FTA) that resulted from the Financial Management Oversight (FMO) by the June 30 deadline.

Mr. Corcoran noted that today the Customer Service Committee heard an update on the New Electronic Payments Program (NEPP). The pilot project has just concluded. WMATA Board members have some concern about the pilot because only 400 people participated and the parking lot payments were not tested so the decision to move forward is on hold until further review.

### Virginia Railway Express

Authorization for the VRE CEO to Amend the Parking Agreement with the City of Manassas. The VRE Operations Board recommends the Commission authorize the VRE CEO to reallocate assigned spaces within the city's parking facility. The proposed amendment will allocate 80 percent of the 542 spaces as VRE commuter spaces and 20 percent of the total spaces for use as public parking. VRE spaces would increase by 100 spaces. Resolution #2276 would accomplish this.

Mr. Cook moved, with a second by Mrs. Bulova, to approve Resolution #2276 (copy attached). The vote in favor was cast by Commissioners Bulova, Cook, Corcoran, Foust, Greenfield, Hynes, LaRock, LeMunyon, McKay, Minchew, Reid, Rust, Snyder, Tejada and Wexton.

Mrs. Hynes left the meeting at 9:53 P.M. and did not return.

Update from the VRE Operations Board Chair on the Management Audit. Ms. Coyner suggested deferring this update until the September meeting. There were no objections. To help set the discussion for next month's meeting, Mr. Cook briefly reviewed NVTC's role in VRE. He explained that ultimately the two Commissions, NVTC and PRTC, are the legal owners of VRE and there are liability implications. The Management Audit looked at the relationship between the Commissions and VRE and had four recommendations, as well as observations about the role of NVTC and PRTC with respect to VRE, which will be reviewed at next month's meeting. One recommendation is to hold quarterly meetings of the chairs and executive directors of VRE, NVTC and PRTC. He reported that their first meeting has already been held.

Positive Train Control Briefing. Mr. Allen stated that safety is VRE's number one priority. He briefed the Commission on Positive Train Control (PTC) and the implications for VRE service as the federal deadline for installation and implementation of PTC is December 31, 2015. PTC was mandated by Congress in the Rail Safety Improvement Act of 2008 for all railroads that carry passengers or hazardous materials. It is a set of highly advanced technologies designed to automatically stop a train before certain types



of accidents occur. PTC must prevent train-to-train collisions; derailments caused by excessive speed; unauthorized incursions by trains onto sections of track where maintenance activities are taking place; and movement of a train through a track switch left in the wrong position.

Mr. Allen explained that since VRE operates on Amtrak, CSX and Norfolk Southern (NS) tracks, it is working with the host freight railroads to have a seamless PTC system. VRE will not be required to use PTC in Amtrak territory since VRE trains do not go over 20 mph entering into Union Station. Mr. Allen explained that VRE has already purchased the radio equipment and has begun installation on the locomotives and cab cars. VRE will need to maintain the software to be totally interoperable with CSX and NS. To-date, both CSX and NS have both spent about \$1.2 billion, which is about half of the estimated total needed to implement PTC. VRE's capital costs are relatively modest at \$10.5 million.

Mr. Allen stated that VRE, CSX and Norfolk Southern (NS) will not be able to make the deadline, although it is hoped that testing can begin in 2016. He reviewed the implications of not meeting the deadline, which could include not being able to operate service. The cost implications are huge since half of VRE's operating revenues come from fares. CSX's Vice President has said that if PTC is not extended, CSX would be in legal jeopardy if it continued to allow passenger rail on its tracks. The law does not allow the Federal Railroad Administration to grant any extensions. VRE is looking into liability issues and some technical regulations. VRE is unsure if it could continue service. There is also significant impact to the riders. VRE is working on legislative efforts to encourage Congress to pass legislation to extend the deadline.

Mrs. Bulova asked if the Commission should send a letter to the Congressional delegation. Ms. Coyner stated that staff has discussed this and it may be premature to send a letter now. Legal counsel has also recommended waiting to send letters as it is important how to address the issue of risks. Mr. Allen stated that VRE plans to meet with congressional staff early next week to discuss a legislative solution to get the deadline extended. Mr. Cook agreed that it is important for VRE to have a full legal opinion before sending a letter.

Mr. Cook stated that he is aware of only one commuter rail system (MetroLink in Los Angeles) that will meet the deadline. It is a timing issue not a safety issue. No one disagrees that PTC is a good thing to have and will make rail travel more safe. The problem is if the deadline doesn't get extended, then VRE can't run the trains.

Chairman Snyder asked if VRE has done everything it can to meet the deadline and if not, why not. Mr. Cook stated that VRE has done all it can up to this point. VRE has bought the radio equipment and has begun the process of installing it on 20 locomotives and 21 cab cars. VRE is ready to implement PTC to the extent it can but for the system to work the railroads need to implement it first and test it. Mr. Cook stated VRE can't do everything it is required to do because the work is in tandem with the railroads. Mr. Allen stated that CSX and NS are working hard to complete PTC. Ms. Mitchell observed that this is a national industry-wide issue. Chairman Snyder stated that in his opinion, VRE needs to be specific about what it has accomplished with implementing PTC and that it is waiting for the railroads.

Mrs. Bulova stated that she doesn't see a problem with putting all this information into a letter. Mr. Cook stated that since VRE does not have a full legal opinion on all the ramifications, it should wait on the letter. Chairman Snyder suggested staff could begin to draft a potential letter over the next month for the Commission's consideration in September.

Chairman Snyder stated that he can't underscore the importance of conveying that VRE is doing what it is supposed to do to meet the deadline and provide for safety. Ms. Mitchell stated that VRE is not in a unique situation. VRE is doing what it absolutely needs to do, as well as the host railroads. In some cases the technology just wasn't ready to meet the congressional deadline.

Delegate Minchew wondered if there is a better business model for VRE as an organization to avoid some of these liability issues possibly by sovereign immunity. Mrs. Bulova noted that VRE is indemnified by the Commonwealth of Virginia. She suggested staff could look at VRE's current arrangement to see if there are any gaps that need to be addressed.

#### Legislative and Policy Committee Chairs Update

Mr. McKay reported that he and Mr. Greenfield as co-chairs of the Legislative and Policy Committee, met with the Executive Director prior to this meeting to discuss the draft Legislative and Policy Agenda for 2016. The chairs expect that the agenda will be similar to the 2015 version. Commissioners wishing to provide input should submit comments to staff. The committee plans to present the 2016 Federal and State Legislative and Policy Agenda in September, discuss the proposed agenda with the Commission in October and to seek Commission approval in November.

#### Executive Director Report

Ms. Coyner stated that an updated Executive Director Report has been provided to Commissioners. She reported that NVTC is moving forward with DRPT on project agreements for WMATA. Approvals from jurisdictions are expected in September.

#### Commonwealth and Regional Agency Reports

Department of Rail and Public Transportation (DRPT). Ms. Mitchell directed Commissioners' attention to the written DRPT report. The Commonwealth Transportation Board is scheduled to meet on July 15<sup>th</sup> in Richmond and will hear an update on I-66 Outside the Beltway.

Commonwealth Transportation Board (CTB). There were no questions.

Financial Items for March 2015

The financial reports were provided to Commissioners and there were no questions.

Adjournment

Without objection, Chairman Snyder adjourned the meeting at 10:28 P.M.

Approved this 3<sup>rd</sup> day of September, 2015.

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David F. Snyder  
Chairman

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Jeffrey McKay  
Secretary-Treasurer



## **RESOLUTION #2276**

**SUBJECT:** Authorization to Amend the Agreement with VRE and the City of Manassas for the Operation and Maintenance of the Parking Facility

**WHEREAS:** The City of Manassas and the Commissions executed an Agreement in October 2009, for the Operation and Maintenance of the Parking Facilities in the City of Manassas;

**WHEREAS:** The Parking Facility is jointly owned and used by VRE and the City of Manassas;

**WHEREAS:** The Agreement designates spaces by floor for VRE Commuters;

**WHEREAS:** Both parties wish to amend the Agreement to assign the second level to the City of Manassas and assign the fourth and fifth levels to VRE thereby increasing the allocated spaces by 100 for VRE Commuter use;

**WHEREAS:** This agreement is for five years at which time it will be renewable; and

**WHEREAS:** The VRE Operations Board recommends the following Commission action.

**NOW, THEREFORE, BE IT RESOLVED** by the Northern Virginia Transportation Commission hereby authorizes the VRE Chief Executive Officer to amend the Agreement with the City of Manassas to reallocate assigned spaces within the Parking Facility.

Approved this 9<sup>th</sup> day of July 2015.

  
\_\_\_\_\_  
Jeffrey McKay  
Secretary-Treasurer

  
\_\_\_\_\_  
David F. Snyder  
Chairman

## AGENDA ITEM #3: CONSENT AGENDA

**TO:** Chairman Snyder and NVTC Commissioners

**FROM:** Kelley Coyner

**DATE:** August 27, 2015

**SUBJECT:** Consent Agenda

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**A. RECOMMENDED ACTION: Resolution #2277: Appoint Kelley Coyner as an Alternate Representative to the VTA Board of Directors**

The Commission is asked to appoint Kelley Coyner as an Alternate to the Virginia Transit Association (VTA) Board of Directors. Mary Hynes is stepping down as an Alternate. Jeff McKay will continue to serve as an Alternate.

**B. RECOMMENDED ACTION: Resolution #2278: Authorization to Submit an Application to the Commonwealth Transportation Board for the VRE Gainesville-Haymarket Extension Project for Evaluation Under HB2**

The Commission is asked to authorize the Executive Director to submit an application for the Virginia Railway Express Gainesville-Haymarket Extension Project to the Commonwealth Transportation Board (CTB) for evaluation under the House Bill 2 (HB2) High-Priority Projects Program project selection process. This High-Priority Projects Program was established earlier under HB1887, whereby projects are prioritized with projects statewide. Applications under the HB2 High-Priority Projects Program are due by September 30, 2015. The Management Advisory Committee (MAC) and the VRE Coordinating Committee (VCC) have discussed this project. NVTC will work with the jurisdictions and the Northern Virginia Transportation Authority to comply with all requirements of HB2. The attachment provides details on the project.

**C. RECOMMENDED ACTION: Authorization for Chairman Snyder to Send Letters Regarding Reauthorization of Surface Transportation Programs**

The Commission is asked to authorize NVTC's Chairman to send letters to Congress requesting the timely passage of a multi-year surface transportation reauthorization bill. The letters would be sent to the House and Senate Northern Virginia congressional delegation. In July 2015, the Senate passed the DRIVE Act (S. 1647), a six-year authorization bill for highway, transit and rail programs. This establishes a multi-year commitment to meet state of good repair and system expansion needs. The House has not acted and will need to do so before October 29, 2015 in order to avert insolvency.

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**RESOLUTION #2277**

**SUBJECT:** Appoint Kelley Coyner as an Alternate to the Virginia Transit Association Board of Directors

**WHEREAS:** NVTC is empowered to make appointments to the Virginia Transit Association (VTA);

**WHEREAS:** David Snyder and William Eulle represent NVTC on the VTA Board of Directors and Jeffrey C. McKay serves as an alternate representative; and

**WHEREAS:** Mary Hynes will step down from her role as an alternate.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby appoints Kelley Coyner to be an alternate to the Virginia Transit Association.

Approved this 3<sup>rd</sup> day of September 2015.

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David F. Snyder  
Chairman

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Jeffrey McKay  
Secretary-Treasurer

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## **RESOLUTION #2278**

**SUBJECT:** Authorization to Submit an Application to the Commonwealth Transportation Board for the VRE Gainesville-Haymarket Extension Project for Evaluation Under HB2

**WHEREAS:** The passage of HB2 requires the development of a prioritization process to evaluate candidate projects and directs the Commonwealth Transportation Board (CTB) to develop and use a scoring process for project selection;

**WHEREAS:** The CTB will review the prioritization project list and will use the scoring, along with other information to inform future funding decisions;

**WHEREAS:** Projects must go through the HB2 process to receive funding under the new transportation funding formula including the High-Priority Projects Program;

**WHEREAS:** The VRE Gainesville-Haymarket Extension Project is a transit/rail capacity expansion project that is eligible for funding through the High-Priority Projects Program; and

**WHEREAS:** The VRE Operations Board recommends the following Commission action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission authorizes its Executive Director to submit the Gainesville-Haymarket Extension Project to the CTB for evaluation under the HB2 scoring process and funding consideration in the SYIP, to make necessary corrections to project amounts or descriptions, and to execute all project funding agreements that may result from CTB consideration of the project.

Approved this 3<sup>rd</sup> day of September 2015.

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David F. Snyder  
Chairman

---

Jeffrey McKay  
Secretary-Treasurer



VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 8-K**  
**Action Item**

**To: Chairman Cook and the VRE Operations Board**

**From: Doug Allen**

**Date: July 17, 2015**

**Re: Approval of Submission of VRE Gainesville – Haymarket  
Extension Project to the Commonwealth Transportation  
Board for Evaluation under HB2**

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**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions approve the submission of the Gainesville-Haymarket Extension Project to the Commonwealth Transportation Board (CTB) for evaluation under the House Bill Two (HB2) project scoring process and funding consideration in the FY 2017-2022 Six-Year Improvement Program (SYIP).

**Background:**

House Bill Two (HB2), signed into law in 2014, is about investing limited tax dollars in the right projects that meet the most critical transportation needs in Virginia. At the heart of the new law is scoring projects based on an objective process. Once projects are scored, the Commonwealth Transportation Board (CTB) use the results in determining which projects to fund as part of the FY17-22 SYIP.

Projects must go through the HB2 process to receive state funding under the new transportation funding formula approved by the General Assembly in February 2015 (HB 1887). The High-Priority Projects Program funds projects of regional or statewide significance that meet a need identified in the VTrans 2040 Multi-modal



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Virginia Railway Express  
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Alexandria, VA 22314  
703.684.1001  
VRE.org



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

Transportation Plan, including highway, transit and rail capacity expansion projects. Local government projects and strategies that address a need for a Corridor of Statewide Significance (COSS), regional network, improvements to promote urban development areas, or safety improvements identified in VTrans 2040 must also go through the HB2 process for funding through the Construction District Grants Program. Local jurisdictions may submit projects at VRE stations (e.g., station or parking expansion projects) for evaluation and scoring in the HB2 process for consideration for a Construction District Grant.

The CTB adopted the HB2 scoring process on June 17, 2015. Candidate Projects must be submitted between August 1 and September 30, 2015. Candidate Projects will be screened and scored from October 1 to December 31, 2015. The CTB will then consider the results of the scoring as they develop the FY17-22 SYIP between January and June 2016.

The VRE Gainesville-Haymarket Extension Project is a capacity expansion project located within the I-66 COSS and qualifies for funding through the High-Priority Projects Program. The project is currently funded through the NEPA/Preliminary Engineering phase of project development with a state Rail Enhancement Fund grant, Northern Virginia Transportation Authority (NVTa) FY2014 funds and VRE Core Capacity/Project Development funds. NVTa has also allocated \$1,000,000 in FY21CMAQ funding for the project. An estimate of the unfunded project costs by phase is listed below.

Final Design	\$ 24,500,000
Right-of-way Acquisition	\$ 116,000,000
Construction	\$ 264,200,000
Rolling Stock to Support Gainesville-Haymarket Service	\$ 86,500,000
Total Project Cost	\$ 491,200,000

The costs are preliminary estimates. Detailed cost estimates will be developed during the NEPA/Preliminary Engineering study currently underway.

The Operations Board is being asked to recommend the Commissions authorize the VRE Chief Executive Officer to submit the Gainesville-Haymarket Extension Project to the CTB for evaluation under the HB2 scoring process and funding consideration in the FY 2017-2022 Six-Year Improvement Program (SYIP), to make necessary corrections to project amounts or descriptions, and to execute all project funding agreements that may result from CTB consideration of the project

#### **Fiscal Impact:**

The submission of a project list has no fiscal impact. If selected for funding, the funds would allow the VRE Gainesville-Haymarket Extension Project to be completed on an accelerated schedule.

**Virginia Railway Express  
Operations Board**

**Resolution  
8K-07-2015 Amended**

**Approval of Submission of VRE Gainesville – Haymarket  
Extension Project to the Commonwealth Transportation  
Board for Evaluation under HB2**

**WHEREAS**, the passage of House Bill Two (HB2) requires the development of a prioritization process to evaluate candidate projects and directs the Commonwealth Transportation Board (CTB) to develop and use a scoring process for project selection; and,

**WHEREAS**, the CTB will review the prioritized project list and will use the scoring, along with other information to inform their funding decisions for the Six-Year Improvement Program (SYIP); and,

**WHEREAS**, projects must go through the HB2 process to receive funding under the new transportation funding formula including the High-Priority Projects Program; and,

**WHEREAS**, the VRE Gainesville-Haymarket Extension Project is a transit/rail capacity expansion project that is eligible for funding through the High-Priority Projects Program;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends that the Commissions submit the Gainesville-Haymarket Extension Project to the CTB for evaluation under the HB2 scoring process and funding consideration in the SYIP, to make necessary corrections to project amounts or descriptions, and to execute all project funding agreements that may result from CTB consideration of the project.

Approved this 17<sup>th</sup> day of July 2015

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John C. Cook  
Chairman

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Paul Smedberg  
Secretary

**Chairman:**

Hon. David Snyder

**Vice Chairman:**

Hon. Jay Fiset

**Secretary/Treasurer:**

Hon. Jeffrey McKay

**Commissioners:****City of Alexandria**

Hon. William D. Euille

Hon. Paul C. Smedberg

**Arlington County**

Hon. Mary Hynes

Hon. Jay Fiset

Hon. Walter Tejada

**Fairfax County**

Hon. Sharon Bulova

Hon. John Cook

Hon. John Foust

Hon. Catherine M. Hudgins

Hon. Jeffrey McKay

**City of Fairfax**

Hon. Jeffrey C. Greenfield

**City of Falls Church**

Hon. David Snyder

**Loudoun County**

Hon. Kenneth Reid

**Commonwealth of Virginia**

Hon. Jim Corcoran

**Virginia General Assembly**

Sen. Richard Black

Sen. Jennifer Wexton

Del. David LaRock

Del. James LeMunyon

Del. J. Randall Minchew

Del. Thomas D. Rust

**Executive Director:**

Kelley Coyner

September 3, 2015

The Honorable \_\_\_\_

Dear Senator/Representative \_\_\_\_:

On behalf of the Northern Virginia Transportation Commission, I urge you to pass a long-term surface transportation bill that increases overall investment in public transportation and provides dedicated revenues to the Highway Trust Fund to support transit programs. Transit has a proven track record not only of moving people, but also of bringing about economic development and growth, supporting access to jobs leading to more equality of opportunity, and helping to create a healthier environment.

We were pleased to see that the DRIVE Act (S.1647) increases transit funding over the six-year authorization period. This increase in investment is essential to addressing the growing demand for public transportation services across the Commonwealth and the country. We also support the proposed increased investment in the bus program, greater opportunities in financing and grant programs for commuter rail, continued commitment to state of good repair programs for heavy and commuter rail, additional funding for Capital Investment Grants (New Starts/Small Starts Core Capacity) as well as the language in extending the Positive Train Control deadline until 2018.

In addition, final legislation should include:

- **Sustainable, Long Term Funding for Highway and Transit Programs**—The current DRIVE Act only provides funding guarantees for three years. This means that we will face the same uncertainty in three short years, when highway transportation construction projects across the Commonwealth will stall, capital and operating assistance for smaller Virginia transit systems will run out, and payments to transit systems in Northern Virginia, such as WMATA and VRE, will be delayed.
- **Increase the High Intensity Motor Bus State of Good Repair Apportionment from the Current 2.85 Percent to 3.8 Percent** - MAP-21 converted the Fixed Guideway Modernization Program of SAFETEA-LU to a two-part State of Good Repair Program (one part for rail, one part for commuter bus). While the SGR program in its entirety is more substantial than its Fixed Guideway Modernization predecessor, program changes in MAP-21 had impacts on some providers of High Intensity Motorbus (HIM) services. For Northern Virginia, this change in program has affected funding for commuter services along I-66, I-495, and I-95. The American Public Transportation Association recently estimated HIM needs at a range between 3.5 to 4.45 percent of the total SGR program; as compared to the current 2.85 percent.

- ***HOT Lanes Qualifying for HIM Funding*** – Buses running on HOT lanes should receive the same credit as buses running on HOV lanes. Following enactment of MAP-21, FTA made a policy decision that does not allow HIM transit providers to receive credit in the funding formula for route miles running on HOT lanes, including those lanes that were converted from HOV to HOT. As a result, high-quality bus operations that support key commuter service along I-95 and I-495 are no longer receiving the full promise of funding under this program. As Virginia looks to expand its network of HOT lanes, transit providers operating bus services on converted lanes in Virginia will continue to see their share of federal funding decline.

In addition to those items being considered as part of the surface transportation reauthorization process, NVTC also supports these other legislative actions that support transit:

- ***Full Funding for WMATA under PRIIA*** – NVTC supports the Senate's FY 2016 appropriation that provides the full \$150 million authorized under PRIIA (Passenger Rail Investment and Improvement Act). This annual investment is key to supporting the state of good repair needs of WMATA.
- ***Permanent Parity between Transit and Parking Commuter Benefits*** - NVTC supports Congressional action to restore commuter benefit parity between transit and parking as it boosts transit ridership, eases the cost of commuting, and reduces congestion. Since January 2014, the commuter benefits transit cap has been stuck at \$130/month while the parking benefit has increased to \$250/month. As a result, both Metro and the Virginia Railway Express have experienced loss of work-trip riders and a decline in fare box revenues. As recently as July, the Senate Finance Committee introduced a two-year extension for transit benefit on parity with the parking benefit in its Tax Extenders Bill. Also, several bills have been introduced in the House this session that seek permanent parity between transit and parking benefits.
- ***In-State Collection of Online Retail Sales Tax*** - NVTC supports passage of legislation that would allow the Commonwealth of Virginia to collect sales tax on purchases made with online retailers, such as was introduced with the Marketplace Fairness Act of 2013. Enactment of legislation similar to the Marketplace Fairness Act is integral to Virginia's historic transportation funding package, HB2313. Without it, funding will fall short of needs in Northern Virginia and the rest of the Commonwealth.

Long-term investment in our nation's transportation systems creates jobs and will provide the underpinning for a healthy dynamic economy in the years ahead. Without these investments to maintain and modernize our transportation systems, we risk undermining our future prosperity and may actually face greater costs in the future as our valuable assets deteriorate. Therefore, we ask you to act now to pass a multi-year bill that includes increased funding for all years and addresses our priorities as referenced.

Please do not hesitate to contact us if you need additional information or have questions about transit in your district. Thank you for your consideration of our concerns.

Sincerely,

David F. Snyder  
Chairman

## AGENDA ITEM #4: LEGISLATIVE AND POLICY COMMITTEE CO-CHAIRS UPDATE

**TO:** Chairman Snyder and NVTC Commissioners  
**FROM:** Kelley Coyner  
**DATE:** August 27, 2015  
**SUBJECT:** Legislative and Policy Committee Co-Chairs Update

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Legislative and Policy Committee Co-Chairs, Jeff McKay and Jeff Greenfield, will provide an update on the status of Federal legislative actions and other policy matters.

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## AGENDA ITEM #5: EXECUTIVE DIRECTOR REPORT

**TO:** Chairman Snyder and NVTC Commissioners

**FROM:** Kelley Coyner

**DATE:** August 27, 2015

**SUBJECT:** Executive Director Report

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Since the last Commission meeting, we have published two issues of NoVa Transit News, both focused on WMATA safety and financial issues. Both newsletters – one published August 12<sup>th</sup> and the other published August 14<sup>th</sup> – were sent to members of the Commission and the General Assembly and are attached. An updated NVTC Annual Agenda is attached as well.

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## WMATA FY2014 Audit Accepted

The WMATA Board of Directors on Thursday accepted the external audit of its FY2014 financial statement. As a result, the FY2013 audit has been restated. The independent auditor's opinion is qualified with respect to Metro's restricted net position (i.e. total funds remaining after all expenses paid). Some federal capital costs may shift to nonfederal sources and vice versa as WMATA management and the FTA work to conclude ongoing grant analyses, accounting and reconciliations for unreimbursed costs. This was identified in the FTA's 2014 Financial Management Oversight Report. In accordance with a budget amendment adopted by the Virginia General Assembly, WMATA's Interim General Manager Jack Requa has forwarded the audit to the Director of DRPT and Chairmen of the Senate Finance, House Appropriations, and both Senate and House Transportation committees. WMATA will provide a plan to remedy the one material weakness identified in the audit within 30 days.

[\*FY2014 Financial Audit\*](#)

[\*Audit Firm's Opinion\*](#)

[\*Letter to General Assembly\*](#)

## WMATA Completes Corrective Actions

WMATA completed three remaining corrective actions, identified in the FTA's Financial Management Oversight Report, prior to the June 30th deadline. FTA is testing WMATA's new financial practices reflected in the responses. The FTA identified 25 material weaknesses and 31 significant deficiencies requiring corrective action in a report issued in June 2014.

[See WMATA CAPs](#) [Page 2](#)

		Completion Risk				TOTAL
		Complete	Significantly Complete	In Progress	Extended	
Financial Controls Risk ↑	Material Weaknesses (MW)	25	0	0	0	25
	Significant Deficiencies (SD)	31	0	0	0	31
	<b>Total CAPs</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>56</b>
	Advisory Comments (AC)	9	0	0	0	9

### WMATA Info & Update Links

- [\*FY2014 Financial Audit\*](#)
- [\*Audit Firm's Opinion\*](#)
- [\*WMATA Audit Transmittal Letter to VA General Assembly\*](#)
- [\*Financial Report to VA General Assembly\*](#)
- [\*Safety and Security Update\*](#)
- [\*FTA Safety Inspection Report\*](#)
- [\*FTA Administrator's Presentation\*](#)
- [\*WMATA Response\*](#)
- [\*NTSB Safety Investigation\*](#)
- [\*NTSB Safety Recommendation R-15-008\*](#)
- [\*NTSB Safety Recommendation R-15-009\*](#)
- [\*NTSB Safety Recommendation R-15-010\*](#)
- [\*NTSB Safety Recommendation R-15-025\*](#)
- [\*GAO Report\*](#)

As a result, FTA limited WMATA's authority to draw down federal funds under its existing grants without prior written approval, as is the general practice for FTA grantees. The restriction created a cash-flow problems for WMATA, forcing it to rely on lines of credit to fund expenses.

## WMATA Safety Update

On June 17, FTA released a [Safety Management Inspection Report](#) documenting 54 findings (44 for Metrorail and 10 for Metrobus) and requiring WMATA to respond to 91 actions. WMATA must prioritize corrective actions by risk and identify resources – reallocation of budget line items or new revenue – to implement those actions.

[Three key areas of concern](#), according to FTA Acting Administrator Therese McMillan, are:

- lack of compliance with WMATA's own safety program
- lack of adequate/timely safety training and certification for WMATA employees
- need to balance safety-critical track work with demand for passenger service.

By mid-September, WMATA must provide a response that includes a tracking matrix identifying specific actions that will be performed to address each element in the safety directive and the parties responsible for their implementation, the milestone schedule, and a verification strategy for completing the work. WMATA is already addressing many of the findings.

**WMATA Addressing NTSB Recommendations.** The NTSB investigation into the smoke and electrical arcing accident at WMATA's L'Enfant Plaza Station is ongoing. The federal agency, at its [June 23-24 hearing](#), shared information about the fatal incident with the public. Following the January accident involving a Metrorail train, the NTSB issued four recommendations – [R-15-008](#), [R-15-009](#), [R-15-010](#) and [R-15-025](#) – asking WMATA to assess its tunnel ventilation system, develop and train staff in emergency tunnel ventilation procedures, and ensure that all power cable connector assemblies are properly constructed and installed in accordance with engineering design specifications. WMATA is addressing all of the current recommendations.

### **Virginia Must Act on Metro Safety Commission.**

To comply with federal requirements, Virginia, along with Maryland and the District, must pass a bill in its upcoming legislative session to establish and fund a new state safety oversight agency, known as the Metro Safety Commission (MSC). This new entity, which will replace the Tri-State Oversight Commission, will be financially independent of WMATA and have investigative and enforcement authority. Establishment of the MSC is essential if the region is to receive \$4.5 million in federal grants.

### **Cellular Access in Metro Tunnels Limited.**

Testing by the Metropolitan Washington Council of Governments earlier this year found that 90 percent of cellular calls from station platforms went through but only 28 percent of calls made from tunnels were successful. Improved cellular access depends on implementation of an agreement, known as the Neutral Host Project, between WMATA and four major cellular carriers. A contractor hired by the wireless companies filed bankruptcy in 2013 before completing its work in Metro's tunnels.

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Executive Director  
Kelley Coyner



## WMATA Board Directs Report on Rail Defect

The WMATA Board of Directors yesterday ordered the transit agency's interim general manager to complete an operational investigation within 10 days and publicly explain how a known track deficiency went unrepaired for nearly a month. "The board is outraged and dismayed that anyone working at Metro would have critical safety information and not act on it immediately. It is totally unacceptable that the wide-gauge track problem reported yesterday by the interim general manager could go unaddressed and unrepaired for four weeks. This is a breakdown of the organization's chain of command and our safety culture. We obviously have much work ahead of us to improve the organization's safety culture, and we will do so," said Metro Safety Committee Chair Michael Goldman, speaking on behalf of the WMATA Board of Directors Thursday afternoon. "However, Jack Requa's transparent release of information, as well as his actions to order immediate track inspections and gather information to hold people accountable at every level, is what the board expects and what the circumstances demand."

The board's statement followed Requa's announcement that a track defect, detected July 9, caused a train to derail near Smithsonian Metro Station on Aug. 6. The train was not carrying any passengers. Such detection should have triggered an immediate shutdown and repair of the damaged rail, according to Requa. "It is unacceptable to me, and it should be unacceptable to everyone within the chain of command all the way down to the track laborers and track inspectors who are out on the front lines. We found this and should have addressed it earlier," he said.

## WMATA Sends FY2014 Audit to General Assembly & DRPT Director

In accordance with a budget amendment adopted by the Virginia General Assembly, the WMATA Board of Directors has sent a copy of its 2014 financial audit and a report indicating the completion of corrective actions identified by the FTA. Copies of the audit and quarterly report — transmitted Aug. 11 and July 16, respectively — went to the Director of DRPT and Chairmen of the Senate Finance, House Appropriations, and both Senate and House Transportation committees.

The independent auditor's opinion, which accompanied the audit, is qualified with respect to Metro's restricted net position (i.e. total funds remaining after all expenses paid). Some federal capital costs may shift to nonfederal sources and vice versa as WMATA management and the FTA work to conclude on-going grant analyses, accounting and reconciliations for unreimbursed costs. This was identified in the FTA's 2014 Financial Management Oversight (FMO) Report.

The FMO identified 25 material weaknesses and 31 significant deficiencies requiring corrective action. WMATA completed the last three corrective actions in advance of the June 30 deadline. As a result of the FMO, FTA limited WMATA's authority to draw down federal funds under its existing grants without prior written approval, as is the general practice for FTA grantees. The restriction created a cash-flow problems for WMATA, forcing it to rely on lines of credit to fund expenses. FTA is testing WMATA's new financial practices reflected in the responses before removing the financial restrictions.

[FY2014 Financial Audit](#)

[Audit Firm's Opinion](#)

[Audit Letter to General Assembly](#)

[Financial Report to General Assembly](#)



# WMATA Safety Update

On June 17, FTA released a [\*Safety Management Inspection Report\*](#) documenting 54 findings (44 for Metrorail and 10 for Metrobus) and requiring WMATA to respond to 91 actions. WMATA must prioritize corrective actions by risk and identify resources – reallocation of budget line items or new revenue – to implement those actions. [\*Three key areas of concern\*](#), according to FTA Acting Administrator Therese McMillan, are:

- lack of compliance with WMATA's own safety program
- lack of adequate/timely safety training and certification for WMATA employees
- need to balance safety-critical track work with demand for passenger service.

By mid-September, WMATA must provide a response that includes a tracking matrix identifying specific actions that will be performed to address each element in the safety directive and the parties responsible for their implementation, the milestone schedule, and a verification strategy for completing the work. WMATA is already addressing many of the findings.

**WMATA Addressing NTSB Recommendations.** The NTSB investigation into the smoke and electrical arcing accident at WMATA's L'Enfant Plaza Station is ongoing. The federal agency, at its [\*June 23-24 hearing\*](#), shared information about the fatal incident with the public. Following the January accident involving a Metrorail train, the NTSB issued four recommendations – [\*R-15-008\*](#), [\*R-15-009\*](#), [\*R-15-010\*](#) and [\*R-15-025\*](#) – asking WMATA to assess its tunnel ventilation system, develop and train staff in emergency tunnel ventilation procedures, and ensure that all power cable connector assemblies are properly constructed and installed in accordance with engineering design specifications. WMATA is addressing all of the current recommendations.

**Virginia Must Act on Metro Safety Commission.** To comply with federal requirements, Virginia, along with Maryland and the District, must pass a bill in its upcoming legislative session to establish and fund a new state safety oversight agency, known as the Metro Safety Commission (MSC). This new entity, which will replace the Tri-State Oversight Commission, will be financially independent of WMATA and have investigative and enforcement authority. Establishment of the MSC is essential if the region is to receive \$4.5 million in federal grants.

**Cellular Access in Metro Tunnels Limited.** Testing by the Metropolitan Washington Council of Governments earlier this year found that 90 percent of cellular calls from station platforms went through but only 28 percent of calls made from tunnels were successful. Improved cellular access depends on implementation of an agreement, known as the Neutral Host Project, between WMATA and four major cellular carriers. A contractor hired by the wireless companies filed bankruptcy in 2013 before completing its work in Metro's tunnels.

## WMATA Info & Update Links

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- [\*Audit Firm's Opinion\*](#)
- [\*WMATA Audit Transmittal Letter to VA General Assembly\*](#)
- [\*Financial Report to VA General Assembly\*](#)
- [\*Safety and Security Update\*](#)
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- [\*FTA Administrator's Presentation\*](#)
- [\*WMATA Response\*](#)
- [\*NTSB Safety Investigation\*](#)
- [\*NTSB Safety Recommendation R-15-008\*](#)
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- [\*NTSB Safety Recommendation R-15-010\*](#)
- [\*NTSB Safety Recommendation R-15-025\*](#)
- [\*GAO Report\*](#)

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Executive Director  
Kelley Coyner



## 2015 ANNUAL COMMISSION AGENDA

### JANUARY 2015

- Board Reorganization
- Public Comment
- Acceptance of NVTC Implementation Plan
- NVTC FY2016 G&A Budget
- Work Session: Route 7 Alternatives Analysis
- New Electronic Payments Program (NEPP)
- Update: Status of Pilot and Funding
- WMATA Report\*
- VRE Report and Action Items
- Approve VRE FY2016 Budget
- NVTC Financial Report

\* Monthly WMATA Report includes:

- Budget
- Capital Funding Agreement (CFA)
- Safety and Related Issues
- Management Audit
- Financials (Dashboard)
- Financial Management Oversight (FMO)
- Key WMATA Milestones/Dates

### FEBRUARY 2015

- Submission of State Assistance Request to DRPT
- General Assembly Update
- Comments: I-66 Outside the Beltway
- WMATA Report\*
- VRE Report and Action Items
- NVTC Financial Report

### MARCH 2015 – Meeting Cancelled

- VRE Management Audit
- I-66 Multimodal Corridor Projects
- Consideration of FY2016 NVTC G&A Budget<sup>1</sup>
- 2<sup>nd</sup> Quarter Ridership Report
- Legislative and Policy Issues
  - General Assembly Update
  - Federal Legislation
  - State Planning and Legislative Implementation Items
- Contract for NVTC Financial Auditing Services
- WMATA Report\*
- VRE Report and Action Items
- NVTC Financial Report

### APRIL 2015

- WMATA Budget Session (Scheduled Annually before Adoption of WMATA Budget)
- VRE Management Audit
- I-66 Multimodal Corridor Projects
- Consideration of FY2016 NVTC G&A Budget<sup>1</sup>
- 2<sup>nd</sup> Quarter Ridership Report
- Legislative and Policy Issues
  - General Assembly Update
  - Federal Legislation
  - State Planning and Legislative Implementation Items
- Contract for NVTC Financial Auditing Services
- WMATA Report\*
- VRE Report and Action Items
- NVTC Financial Report

<sup>1</sup>Annual calendar to be updated to reflect approved NVTC G&A budget process.

## 2015 ANNUAL COMMISSION AGENDA

### MAY 2015

- NVTC FY2015 3rd Quarter Ridership Report
  - Annual Transit Performance Data
  - Adopt Annual Budget Process
  - Tiger Grant Endorsements
  - High-Speed Rail Presentation
  - WMATA Report\*
  - VRE Report and Action Items
  - NVTC Financial Report

### JUNE 2015

- VRE Mobile Ticketing Demonstration
  - VTRANS Update and Comment
  - Transit Means Business Forum Report and Next Steps
  - WMATA Report\*
  - Quarterly WMATA System Performance (Vital Signs) – prepared by NVTC
  - VRE Report and Action Items
  - Authorization to Execute First Option Period of the Operations and Maintenance Contract
  - NVTC Financial Report

### JULY 2015

- Draft Regional Bus Agenda
  - I-66 Framework Agreement Discussion
  - Washington to Richmond High-Speed Rail Project Update
  - WMATA Report\*
  - VRE Report and Action Items
    - Update from Operations Board Chair on Management Audit
    - Positive Train Control Briefing
  - NVTC Financial Report

### AUGUST 2015 – No Commission Meeting

### SEPTEMBER 2015

- Regional Bus Agenda
- I-66 Inside the Beltway Update
- WMATA Report\*
- VRE Report and Action Items
- FY2017 Key Budget Issues
- NVTC Financial Report





## 2015 ANNUAL COMMISSION AGENDA

### OCTOBER 2015

- FY2017 NVTC G&A Budget Work Session (6:00 pm session prior to Commission Meeting/daytime session TBD)<sup>1</sup>
- Work Session: Route 7 Transit Corridor Study
- I-66 Framework Agreement
- Washington to Richmond High-Speed Rail Project Update
- Approve Pre-Allocation Testimony to the Commonwealth Transportation Board (CTB)
- Notice of Direct Contributions to Jurisdictions
- NVTC FY2015 4<sup>th</sup> Quarter Ridership Report
- WMATA Report\*
  - Quarterly WMATA System Performance (Vital Signs) – prepared by NVTC
- VRE Report and Action Items
  - Forward VRE Budget to Jurisdictions
- NVTC Financial Report

### NOVEMBER 2015

- FY2017 Budget Presented for Approval
- Approve NVTC Legislative and Policy Agenda
- NVTC FY2016 1<sup>st</sup> Quarter Ridership Report
- WMATA Report\*
- VRE Report and Action Items
- Approve VRE Legislative Agenda
- NVTC Financial Report

### DECEMBER 2015

- NVTC and VRE Audit Presentations and Acceptance
- General Assembly Legislative Briefing
- Washington to Richmond High-Speed Rail Project Update
- Approve 2016 NVTC Meeting Schedule
- WMATA Report\*
  - Quarterly WMATA System Performance (Vital Signs) – prepared by NVTC
- VRE Report and Action Items
- NVTC Financial Report

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## AGENDA ITEM #6: REPORT OF THE VIRGINIA MEMBERS OF THE WMATA BOARD OF DIRECTORS

**TO:** Chairman Snyder and NVTC Commissioners

**FROM:** Kelley Coyner and Laurel Hammig

**DATE:** August 27, 2015

**SUBJECT:** Report of the Virginia Members of the WMATA Board of Directors

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Please note: The WMATA Board meeting scheduled for Sept. 24th was re-scheduled for Friday, Sept. 25<sup>th</sup> due to activities related to the Pope's visit.

In July and August, WMATA took actions and received updates on key financial and safety matters including:

- General Manager acts on findings of derailment investigation and will present the operational investigation report at the September 3<sup>rd</sup> meeting of the Safety Committee. The Board held a special closed session on August 26<sup>th</sup> on the investigation report.
- Status update on safety issues by FTA Acting Administrator and regional leaders including the Tri State Oversight Commission, the Deputy Director of the Metropolitan Washington Council of Governments, the Fire Chief of Prince George County, and WMATA's Chief of Metro Transit Police.
- Board acceptance of the FY2013 and FY2014 Financial Audits on August 6<sup>th</sup>. Transmitted to the Department of Rail and Public Transportation and the General Assembly on Tuesday, August 11<sup>th</sup>.
- Budget action required to finalize the purchase of 7000 series railcars.
- Board discussion of Momentum as an opener for determining the investments to be included the FY2017-2021 Capital Funding Agreement.
- WMATA submission of the first quarter report on its progress on its FMO findings to the General Assembly and the Department of Rail and Public Transportation.
- The Silver Line celebrates its first year of operation with ridership

### A. Safety and Related Issues

#### Derailment Investigation

On Thursday, August 6<sup>th</sup>, a non-passenger train derailed outside of Smithsonian Station. WMATA has determined the cause was a track condition known as "wide gauge" where the running rails are wider than the specified distance. The General Manager ordered emergency track inspections across the system. The problem was originally identified in early July and the investigation into and how and why it was not corrected is ongoing. The WMATA Board Safety Committee will meet on September 3<sup>rd</sup> and review the General Manager's operational investigation report on the August 6<sup>th</sup> wide-gauge derailment incident.

### FTA Safety Audit

On June 17<sup>th</sup>, FTA released a Safety Management Inspection Report documenting 54 findings (44 for Metrorail and 10 for Metrobus) and requiring WMATA to respond to 91 actions. WMATA must prioritize corrective actions by risk and identify resources – reallocation of budget line items or new revenue – to implement those actions. Three key areas of concern, according to FTA Acting Administrator Therese McMillan, are:

- lack of compliance with WMATA's own safety program.
- lack of adequate/timely safety training and certification for WMATA employees.
- need to balance safety-critical track work with demand for passenger service.

By mid-September, WMATA must provide a response that includes a tracking matrix identifying specific actions that will be performed to address each element in the safety directive and the parties responsible for their implementation, the milestone schedule, and a verification strategy for completing the work. WMATA is already addressing many of the findings.

### Metro Safety Commission

To comply with federal requirements, Virginia, along with Maryland and the District, must pass a bill in its upcoming legislative session to establish and fund a new state safety oversight agency, known as the Metro Safety Commission (MSC). This new entity, which will replace the Tri-State Oversight Commission, will be financially independent of WMATA and have investigative and enforcement authority. Establishment of the MSC is essential if the region is to receive \$4.5 million in federal grants.

### Wireless Service on Platforms and Tunnels

Testing by the Metropolitan Washington Council of Governments earlier this year found that 90 percent of cellular calls from station platforms went through but only 28 percent of calls made from tunnels were successful. Improved cellular access depends on implementation of an agreement, known as the Neutral Host Project, between WMATA and four major cellular carriers. A contractor hired by the wireless companies filed bankruptcy in 2013 before completing its work in Metro's tunnels.

### National Transportation Safety Board (NTSB): L'Enfant Plaza Accident

The NTSB investigation into the smoke and electrical arcing accident at WMATA's L'Enfant Plaza Station is ongoing. The federal agency, at its [June 23-24 hearing](#), shared information about the fatal incident with the public. Following the January accident involving a Metrorail train, the NTSB issued four recommendations – [R-15-008](#), [R-15-009](#), [R-15-010](#) and [R-15-025](#) – asking WMATA to assess its tunnel ventilation system, develop and train staff in emergency tunnel ventilation procedures, and ensure that all power cable connector assemblies are properly constructed and installed in accordance with engineering design specifications. WMATA is addressing all of the current recommendations.

### Quarterly Safety and Crime Reports

WMATA's [Safety & Environmental Management Quarterly Report](#) shows an increase in passenger and employee injuries when compared to second quarter CY2014. Overall crime within the Metro system dropped for the month of June when compared to the same month in 2014. The year-to-date crime rate (724 incidents) is higher than the same period last year (717 incidents).

## **B. Financial Management**

### Financial Audit

The WMATA Board of Directors on August 6<sup>th</sup> accepted the [external audit of its FY2014 financial statement](#). As a result, the [FY2013 audit has been restated](#). The independent [auditor's opinion](#) is qualified with respect to WMATA's restricted net position (i.e. total funds remaining after all expenses paid). Some federal capital costs may shift to nonfederal sources and vice versa as WMATA management and the FTA work to conclude ongoing grant analyses, accounting and reconciliations for unreimbursed costs. This was identified in the FTA's 2014 Financial Management Oversight Report. In accordance with a budget amendment adopted by the Virginia General Assembly, WMATA's Interim General Manager Jack Requa sent [a letter accompanying the audit](#) to the Director of DRPT and the Chairmen of the Senate Finance, House Appropriations, and both Senate and House Transportation committees. WMATA will provide a plan to remedy the one material weakness identified in the audit within 30 days.

### Financial Management Oversight

WMATA completed three remaining corrective actions, identified in the FTA's Financial Management Oversight Report, prior to the June 30<sup>th</sup> deadline. FTA is testing WMATA's new financial practices reflected in WMATA's responses. The FTA identified 25 material weaknesses and 31 significant deficiencies requiring corrective action in a report issued in June 2014. Restricted drawdown will remain in place until FTA can verify WMATA's internal controls and processes support proper reimbursement. FTA is working to provide a path WMATA can take to be removed from restricted drawdown status.

In July, WMATA submitted its first [quarterly report](#) to the Director of the Virginia Department of Rail and Public Transportation and the Chairmen of the Virginia House and Senator Transportation Committees on the actions taken to address recommendations cited in the FTA's Full Scope of Systems Review of WMATA. The report noted that documentation has been submitted to FTA for all of the 65 Corrective Action Plan items, reconciled all 35 open grants and submitted all required grant budget revisions.

## **C. Budget and Finance**

### FY2015 Capital Budget

On July 23<sup>rd</sup>, the WMATA Board approved the transfer of existing capital budget authority to the Railcar Rehabilitation Program (CIP0063). Following guidance provided by FTA regarding the eligibility of costs, this action allows for FTA reimbursement of additional eligible labor and parts costs for railcar component rehabilitation.

### Capital Funding Agreement (CFA)

In a special work session, the Board reviewed [Momentum](#), WMATA's strategic plan, as an opener for determining the investments to be included in the FY2017-2021 CFA. The new CFA will determine how capital investments would be funded, including the first phase of *Momentum* known as [Metro 2025](#). One key area of the CFA is how the Metrobus Priority Corridor Network will be reflected, who leads the effort and how it will be funded. The Board will continue in-depth discussions on how to prioritize among the competing

needs while ensuring investments benefit all users to prepare for the CFA agreement in principle by December 2015. The December target coincides with the with the General Manager's presentation on the Proposed FY2017 Annual Work Plan (AWP) and Capital Improvement Program (CIP).

Although the current CFA does not expire until June 30, 2016, a CFA working group completed most of the work on the administrative portion of the new CFA. Staff of WMATA Compact members along with Loudoun County and NVTC and DRPT staff participated in this working group.

#### Financial Dashboard

The following financial reports for FY 2015 are now available. The April through June FY2015 reports are not yet available.

- [July FY 2015](#)
- [August FY 2015](#)
- [September FY 2015](#)
- [October FY 2015](#)
- [November FY 2015](#)
- [December FY 2015](#)
- [January FY 2015](#)
- [February FY 2015](#)
- [March FY 2015](#)

#### **D. Virginia Metro Ridership**

<b>WMATA Virginia Ridership June 2014 - 2015</b>			
	<b>June 2014</b>	<b>June 2015</b>	<b>Percent Change</b>
<b>Metrorail</b>			
<b>Total</b>	9,124,280	9,606,730	5.30%
<b>Weekday Average</b>	340,093	350,292	3.00%
<b>Metrobus</b>			
<b>Total</b>	1,870,145	1,837,011	-1.80%
<b>Weekday Average</b>	76,652	73,688	-3.90%
<b>MetroAccess</b>			
<b>Total</b>	26,684	27,118	1.60%

<b>WMATA Virginia Ridership July 2014 - 2015</b>			
	<b>July 2014</b>	<b>July 2015</b>	<b>Percent Change</b>
<b>Metrorail</b>			
<b>Total</b>	9,783,269	9,172,818	-6.2%
<b>Weekday Average</b>	347,270	346,019	-0.4%
<b>Metrobus</b>			
<b>Total</b>	1,941,646	1,829,398	-5.8%
<b>Weekday Average</b>	76,106	71,399	-6.2%
<b>MetroAccess</b>			
<b>Total</b>	27,132	26,389	-2.7%

### **Silver Line First Year Highlights**

At the request of the Commission, WMATA has prepared the following highlights of the Silver Line's first year of operation. Overall, ridership has grown slightly since the Silver Line opened last July 2014. Adjusting for seasonal trends, the five stations have been a stable share of system-wide ridership, falling in the winter and rising in the spring and summer just like the rest of the system. While ridership levels have not met the projections developed in 2004, WMATA notes that ridership has been strong at the Wiehle-Reston East and Tysons Corner stations. The impact on Orange Line ridership matches expectations. Related economic development is strong, with planned development around the Silver Line stations accounting for 15 percent of office, residential and hospitality development around all Metrorail stations in the National Capital region.

### **Ridership**

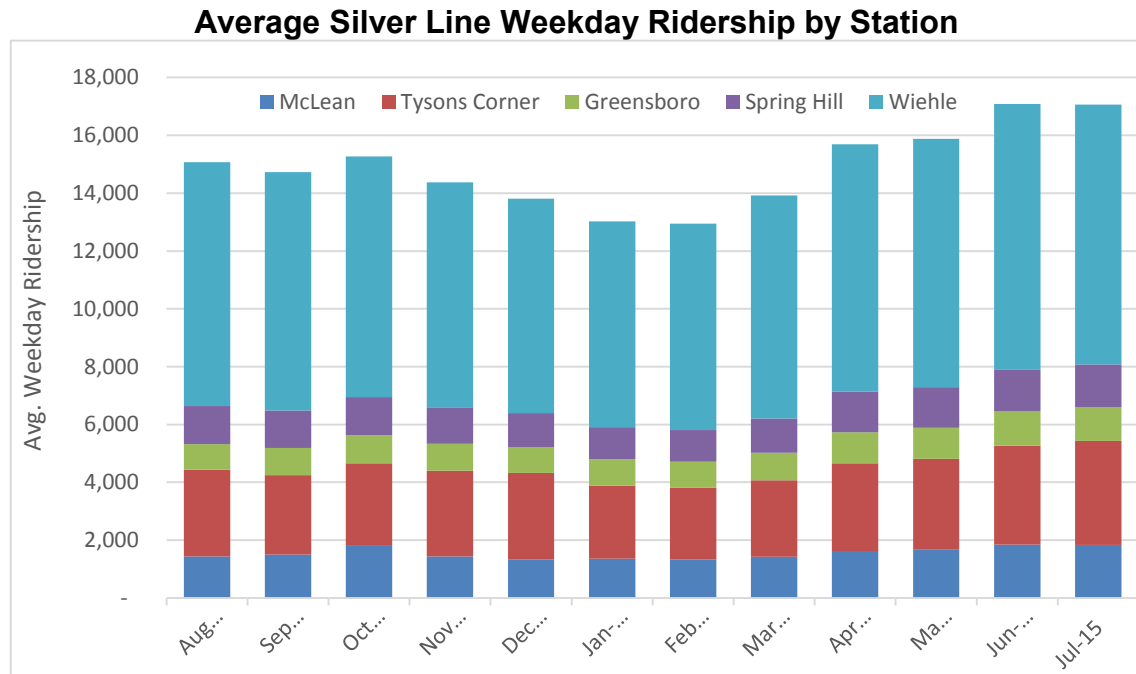
The Wiehle-Reston East station is experiencing very strong ridership:

- Wiehle-Reston East station averages about 9,000 boardings on an average weekday.
- It is a real commuting powerhouse. High ridership in the morning and evening peak periods and very quiet during off peak times.
- The parking garage at Wiehle-Reston East is nearing capacity at over 90 percent use.
- Compared to one year projections from the 2004 Federal Environmental Impact Statement (FEIS), Wiehle is exceeding projections.

The Tysons Corner station is also experiencing good ridership, particularly in the off peak times and on the weekends:

- Tysons Corner station averages about 3,600 boardings on an average weekday.
- Most of these trends are likely generated by the nearby Tysons Corner Center and Tysons Galleria.

- Friday ridership at Tysons Corner is higher than the rest of the weekdays, which is the opposite trend of most stations.
- On Black Friday 2014 (the day after Thanksgiving) the Tysons Corner station entries and exits were double their normal number.



The McLean, Greensboro, and Spring Hill stations are not experiencing the level of ridership that was expected after one year of Silver Line operation:

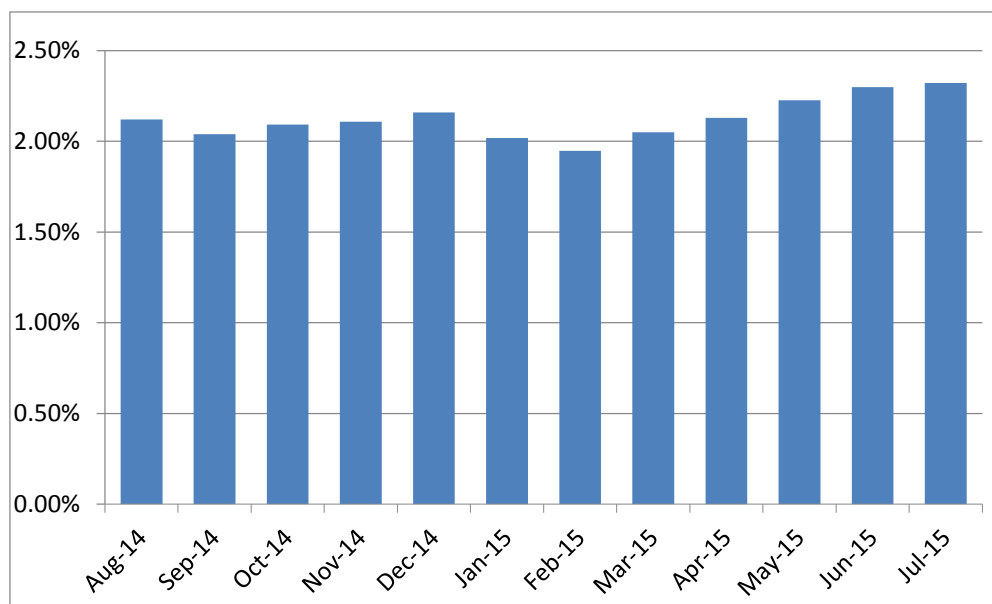
- The McLean station averages about 1,800 boardings on an average weekday, Greensboro nearly 1,200 and Spring Hill about 1,500.
- As development continues to progress around these stations, ridership will likely start to pick up.
  - The company Cvent recently moved their headquarters adjacent to the Greensboro station. Part of their reasoning for the move was to be accessible to transit.
  - Capital One is expanding their headquarters adjacent to the McLean station, a move that will allow an increasing number of jobs to be transit accessible.
  - The Ascent Apartments and other planned projects are adjacent to the Spring Hill station, which should encourage growth.
  - As pedestrian accessibility increases in the area, walkability around these stations will improve, driving up ridership.
  - Job densities around Tysons Corner and Greensboro in particular are significant – on par with many stations in downtown DC – so these stations should drive ridership.



The opening of the Silver Line had an immediate impact on the Orange Line:

- Using July data, the West Falls Church station is down 70 percent from the previous year, Dunn Loring down 20 percent, and Vienna down 15 percent.
- This was largely an expected shift because it was always anticipated that about 60 percent of Silver Line riders would come from Orange Line riders and the remaining 40 percent would be new riders.
- Parking at Vienna is down 15 percent, at West Falls Church down 37 percent, and at Dunn Loring down 17 percent.
- Before the Silver Line, many commuters took buses or drove from the Reston area to the West Falls Church station. Many of those commuters are now taking the Silver Line.

**Silver Line Ridership as a Percentage of System Ridership (By Month)**



### ***Economic Development***

There are already about 20 development projects, valued at an estimate of \$18 billion, underway near Silver Line Metrorail stations, including:

- 20 million square feet of new office space, which would increase Tyson's already massive job pool by 40 percent;
- More than 2 million square feet of retail, which is bigger than the size of the Tysons Galleria;
- 17,800 new residential units, or more than double the current population of the Tysons area; and
- 9,300 hotel rooms.

Metro estimates that Fairfax County received approximately \$30 million in property tax revenues/year from properties within a half-mile of its five non-Silver stations, and the Silver Line likely increases that number on a massive scale.

Additionally, planned development around the Silver Line accounts for 15 percent of office, residential, and hospitality development around all Metrorail stations in the National Capital region.

#### **E. Key WMATA Milestones/Dates**

<b>DATE</b>	<b>MEETING</b>	<b>Key Issues</b>
<b>9/3</b>	Safety and Security Committee	Derailment Report
<b>9/10</b>	Planning, Program Development and Real Estate Committee	
<b>9/10</b>	Customer Service and Operations Committee	
<b>9/10</b>	Finance and Administration Committee	
<b>9/25</b>	Safety and Security Committee	
<b>9/25</b>	Board of Directors	
<b>9/25</b>	Executive Committee	

## AGENDA ITEM #7: VIRGINIA RAILWAY EXPRESS

**TO:** Chairman Snyder and NVTC Commissioners

**FROM:** Kelley Coyner and Rhonda Gilchrest

**DATE:** August 27, 2015

**SUBJECT:** Virginia Railway Express

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### **A. VRE CEO Report and Minutes**

Mr. Allen will update the Commission on VRE highlights. The [VRE CEO July and August 2015 Reports](#) and the [Minutes of the July 17<sup>th</sup> Meeting of the VRE Operations Board](#) are attached.

### **B. ACTION ITEM: [Resolution #2280](#): Authorization to Amend the Contract for VRE Passenger Railcars**

The VRE Operations Board recommends the Commissions authorize the VRE Chief Executive Officer to amend the contract with Sumitomo Corporation of America (SCOA) to place an option order for nine additional railcars and increase the contract by \$18,900,000, from \$47,118,174, plus a contingency of \$890,000, for a total amount not to exceed \$66,908,174. [The attached VRE memorandum provides more details about this purchase including funding information.](#)

### **C. ACTION ITEM: [Resolution #2281](#): Authorization to Execute an Intercity Passenger Rail Operating and Capital (IPROC) Program Funding Agreement with DRPT**

The VRE Operations Board recommends the Commission authorize VRE's CEO to execute an IPROC Funding Agreement with the Department of Rail and Public Transportation (DRPT). CSX Transportation (CSXT), DRPT and VRE are collaborating to construct 11 miles of third track between Arkendale and Powells Creek in Prince William County. The FY 2016-2021 Six-Year Improvement Program (SYIP) includes \$9.5 million allocated for VRE to complete the work. IPROC funding will be used to cover 100 percent of the cost of the work, so no matching funds are required. [The attached VRE memorandum provides more information about the work](#), including Quantico Station improvements and Potomac Shores track redesign.

**D. ACTION ITEM: Resolution #2282: Authorization to Execute an Agreement with Norfolk Southern for Analyses Related to the Gainesville-Haymarket Extension**

The VRE Operations Board recommends the Commission authorize VRE's CEO to execute an agreement with Norfolk Southern (NS) for Analyses Related to the Gainesville-Haymarket Extension project, which is included in VRE's adopted System Plan 2040 and will extend service to the I-66 Corridor in Western Prince William County. Norfolk Southern has agreed to consider VRE's request to operate this service extension in its "B-line" tracks. NS proposes to conduct a series of engineering and planning analyses to determine the potential impact of the proposed Gainesville-Haymarket extension on its operations, infrastructure and property. NS agrees to coordinate with VRE during the course of the analyses and provide VRE with its conclusions. VRE's memorandum provided to the Operations Board includes more information.

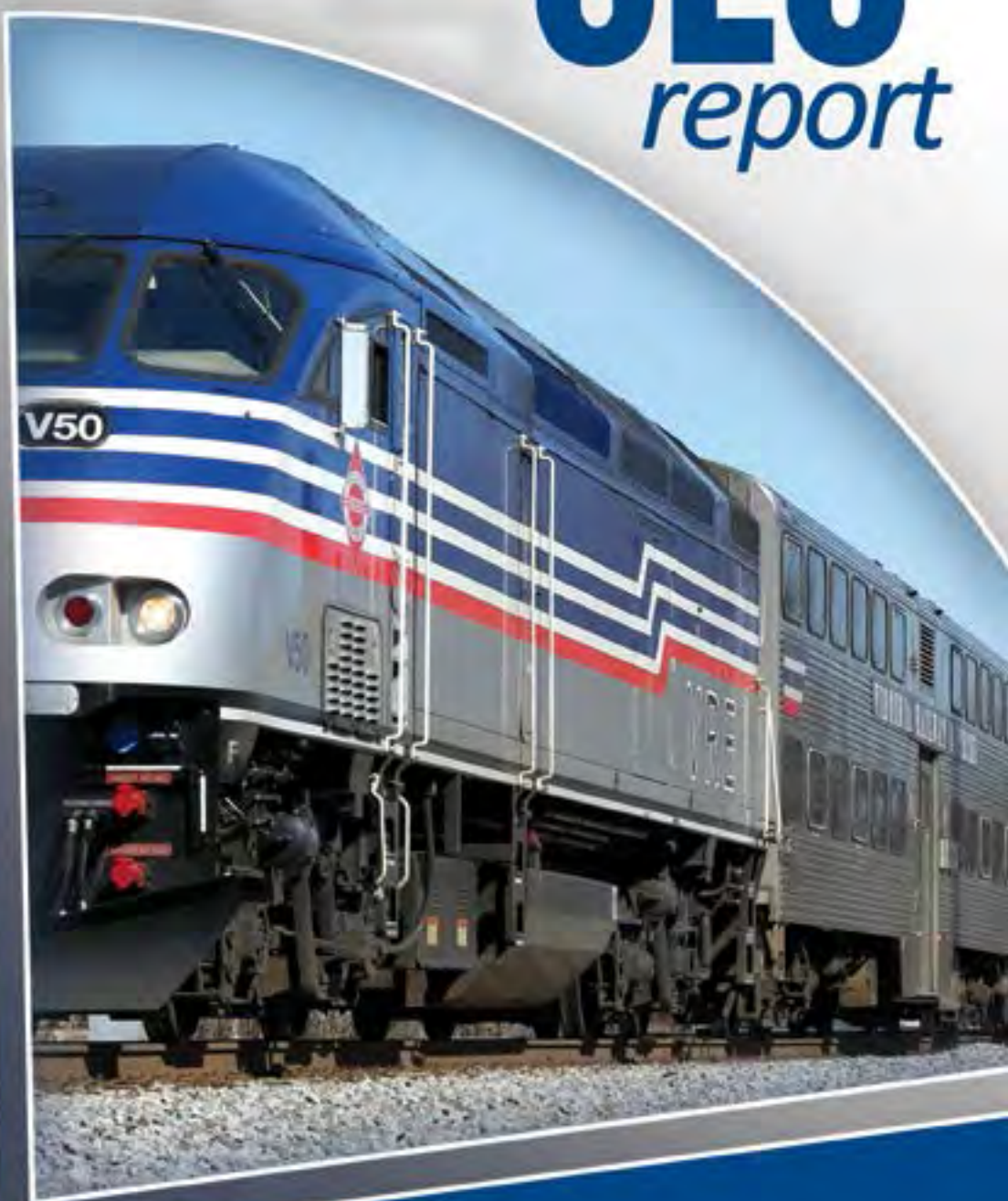
**E. INFORMATION ITEM: VRE Financial Plan**

The VRE Operations Board held a Work Session at its July 17<sup>th</sup> meeting. VRE's consultants, PFM and AECOM, gave a detailed Strategic Financial Forecasting Presentation on the customized financial model, the development of chosen scenarios, and the results of the financial modeling process. Board Members agreed to have another Work Session devoted to the Financial Plan.

**F. INFORMATION ITEM: FY2017 VRE Key Budget Issues**

At its July 17<sup>th</sup> meeting, the VRE Operations Board was given a presentation on key budget issues for the development of the FY2017 Budget and Capital Improvement Program (CIP). VRE staff has begun to meet monthly with the member jurisdictions' Chief Administrative Offices (CAO) Budget Taskforce. The final budget will be presented to the Operations Board at its December meeting to be referred to the Commissions for their January meetings. Attached is VRE's memorandum outlining the key budget issues as well as the Budget Presentation given to the Operations Board.

# CEO *report*



**JULY 2015**

**VIRGINIA RAILWAY EXPRESS**  
*A Better Way. A Better Life.*





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report

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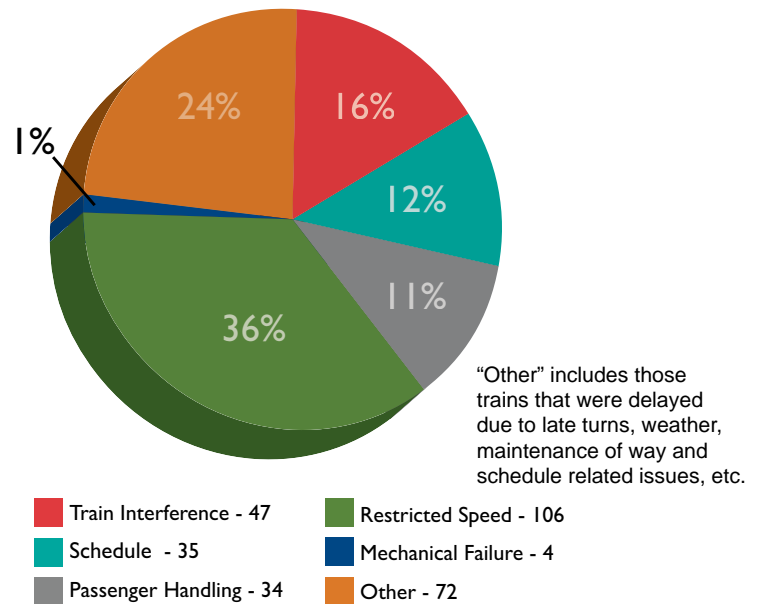


### ON-TIME PERFORMANCE

On-Time Performance (OTP) for June 2015 was 87 percent, the same as the previous month. The Manassas Line operated at 91 percent while the Fredericksburg Line was 82 percent. Restricted speed orders and maintenance of way (60 instances) were the principal causes of reduced overall OTP. Typical passenger handling, schedule issues and train interference were the remaining principal causes of delays. In June, VRE operated 658 trains with 86 trains arriving more than five minutes late to their final destination. There were 32 late trains on the Manassas Line and 54 late trains on the Fredericksburg Line.



### REASON FOR DELAYS



**Note:** There were a total of 298 delays during the month of June but only 86 late trains. The reason for the difference is that a train may encounter several delays during its operation which may or may not cause it to be late. For example, a train could be late leaving Union Station waiting for another train to depart the station. During the course of its run it could also encounter a signal issue, yet still arrive at its final destination on time. That train experienced two delays but was not "LATE" (arriving at its final destination later than five minutes).

### TRIP DELAYS

SYSTEM-WIDE	APR.	MAY	JUN.
Total late trains	29	79	86
Average length of delay (mins.)	13	14	14
Number over 30 minutes	2	7	5
Total days with heat restrictions	0/22	7/22	10/22
On-Time Performance	96%	87%	87%
<b>FREDERICKSBURG LINE</b>			
Total late trains	14	53	54
Average length of delay (mins.)	16	14	13
Number over 30 minutes	2	2	0
On-Time Performance	95%	81%	82%
<b>MANASSAS LINE</b>			
Total late trains	15	26	32
Average length of delay (mins.)	9	16	17
Number over 30 minutes	0	5	5
On-Time Performance	96%	92%	91%

## RIDERSHIP UPDATE

Average daily ridership in June 2015 was 18,621\* compared to 19,274 in June 2014. The total monthly ridership was 409,667\*, up from 404,753 the previous June. However, the number of full service days in June 2015 was 22, versus 21 the previous June.

\*Using estimated Amtrak ridership.

### RIDERSHIP MONTH-TO-MONTH COMPARISON

DESCRIPTION	MONTHLY RIDERSHIP
June 2014	404,753
June 2015	409,667*
Full Service Days (Current/Prior)	22/21
Ridership Percent Change	-3.5%

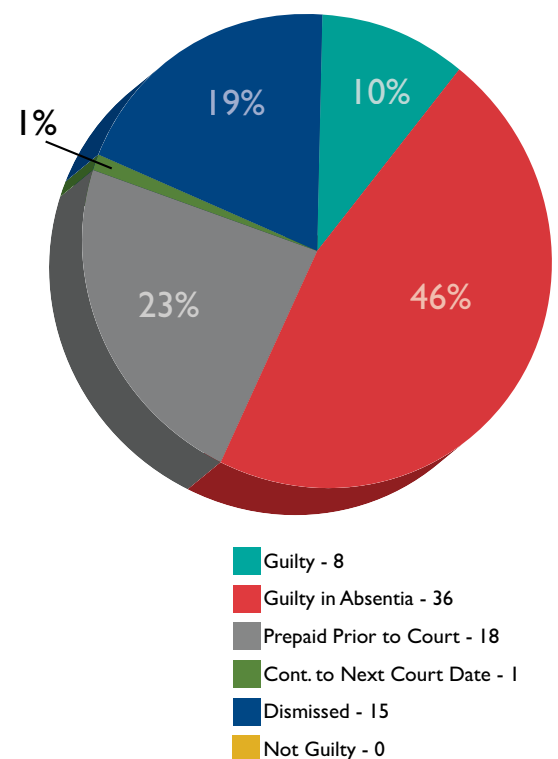
## MONTHLY CITATIONS UPDATE

During the month of June, Keolis wrote 170 citations; 45 more than last month. VRE waived 43 citations after riders showed proof of purchase of a monthly ticket and 49 others were waived as a one-time courtesy, per the conductor's request, unique circumstances or other reasons. Of the remaining 78 that did go to court, eight were found guilty, zero were found not guilty, 15 were dismissed, 36 were guilty in absentia, 18 were prepaid and one was continued to next month.

### WAIVED CITATIONS

VRE ACTIONS	OCCURRENCES
Waived – Passenger showed proof of a monthly ticket	43
Waived – One-time courtesy	13
Waived – Per the request of the conductor	34
Waived – TVM error	0
Waived – Defective ticket	0
Waived – Per Ops Manager	1
Waived – Unique circumstances	1
Waived – Insufficient processing time	0
Waived – Insufficient information	0
Waived – Lost and found ticket	0
Waived – Other	0
<b>TOTAL WAIVED CITATIONS</b>	<b>92</b>

### FARE EVASION COURT ACTIONS





### RIDERSHIP CHART

DATE	MSS AM	MSS PM	TOTAL MSS	ACTUAL OTP TD	FBG AM	FBG PM	FBG TOTAL	ACTUAL OTP TD	TOTAL TRIPS	ACTUAL OTP TD
1	4,545	4,584	9,129	100%	5,051	5,305	10,357	79%	19,486	90%
2	4,445	4,665	9,111	94%	5,167	5,312	10,479	86%	19,589	90%
3	4,685	4,532	9,217	100%	4,942	5,179	10,121	100%	19,338	100%
4	4,474	4,564	9,039	100%	5,310	5,169	10,478	93%	19,517	97%
5	3,307	3,283	6,590	94%	3,963	3,994	7,957	100%	14,547	97%
6										
7										
8	4,316	4,229	8,545	63%	4,665	4,823	9,489	64%	18,034	63%
9	4,458	5,067	9,525	88%	5,118	5,353	10,472	64%	19,996	77%
10	4,633	4,610	9,244	94%	5,133	5,380	10,513	64%	19,757	80%
11	4,578	4,613	9,191	88%	4,809	4,876	9,685	79%	18,876	83%
12	3,249	3,735	6,984	88%	3,620	4,087	7,706	71%	14,690	80%
13										
14										
15	4,341	4,422	8,763	94%	5,005	4,871	9,876	71%	18,639	83%
16	4,530	4,903	9,433	56%	5,079	5,154	10,232	43%	19,665	50%
17	4,798	4,781	9,579	81%	5,638	5,196	10,835	100%	20,414	90%
18	4,389	4,280	8,669	94%	4,912	5,138	10,050	100%	18,719	97%
19	3,474	3,614	7,088	100%	3,969	3,915	7,884	93%	14,972	97%
20										
21										
22	4,245	4,068	8,313	94%	4,589	4,524	9,114	64%	17,427	80%
23	4,538	4,739	9,277	75%	5,224	5,222	10,446	71%	19,723	73%
24	3,948	4,108	8,056	100%	4,961	5,033	9,994	100%	18,049	100%
25	4,121	4,178	8,299	100%	4,937	4,964	9,901	93%	18,200	97%
26	3,226	3,058	6,284	100%	3,996	4,025	8,021	93%	14,305	97%
27										
28										
29	4,468	4,137	8,605	100%	4,801	4,842	9,643	100%	18,248	100%
30	4,334	4,115	8,449	100%	5,127	5,200	10,327	86%	18,776	93%
	<b>93,103</b>	<b>94,285</b>	<b>187,388</b>	<b>91%</b>	<b>106,016</b>	<b>107,563</b>	<b>213,579</b>	<b>82%</b>	<b>400,967</b>	<b>87%</b>

Amtrak Trains:	700*
Adjusted total:	188,088

Amtrak Trains:	8,000*
Adjusted total:	221,579

Amtrak Total:	8,700*
Adjusted Total:	409,667

# of Service Days:	22	Full Service Days:	22
Manassas Daily Avg. Trips:	8,518	Adjusted Avg.:	8,549
Fred'burg Daily Avg. Trips:	9,708	Adjusted Avg.:	10,072
Total Avg. Daily Trips:	18,226	Adjusted Avg.:	18,621

Total Trips This Month:	409,667
Prior Total FY-2015:	4,207,197
Total Trips FY-2015:	4,616,864
Total Prior Years:	66,970,373
Grand Total:	71,587,237

Total Number of Service Days to Date:	248
Average Daily Riders to Date:	18,616

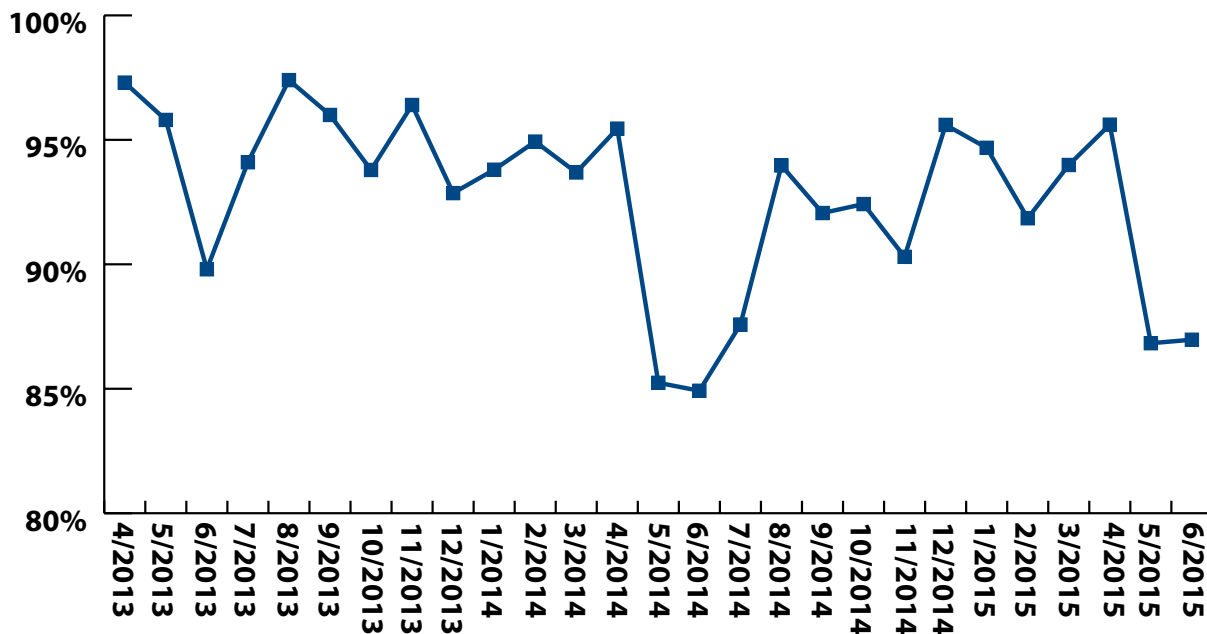
**NOTE:** Adjusted Averages and Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days.

\*Designates "S" schedule day.

\*Numbers in red are estimated.

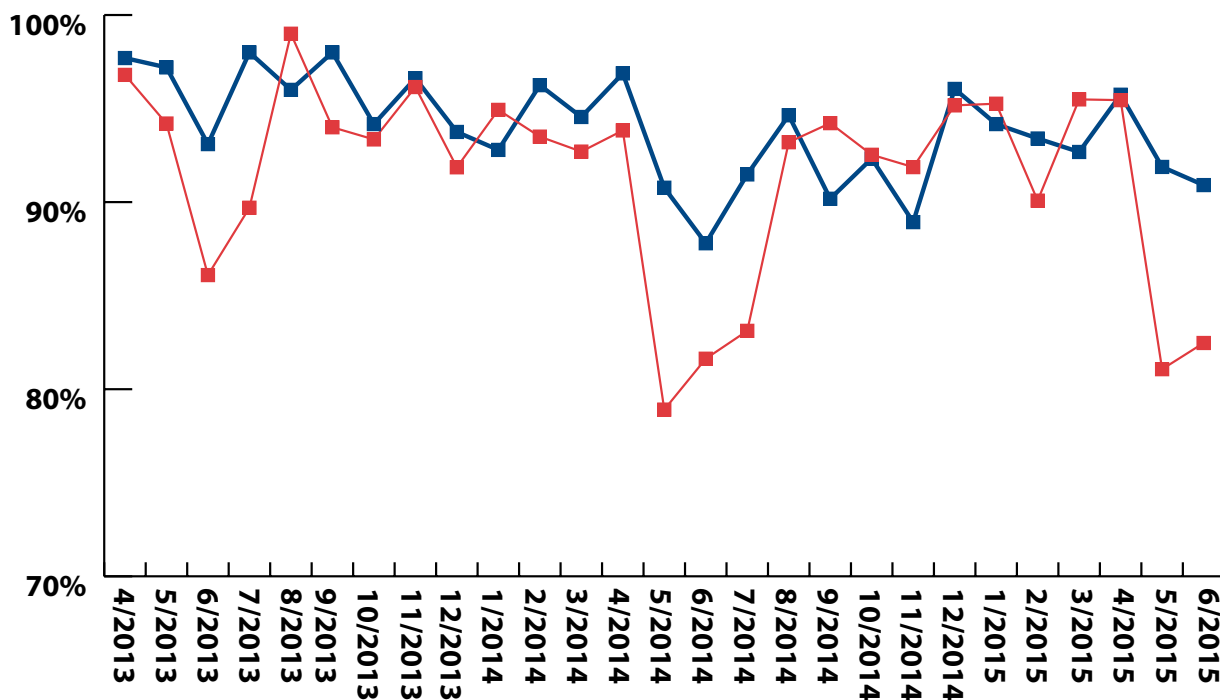
## ON-TIME PERFORMANCE

### SYSTEM PERFORMANCE

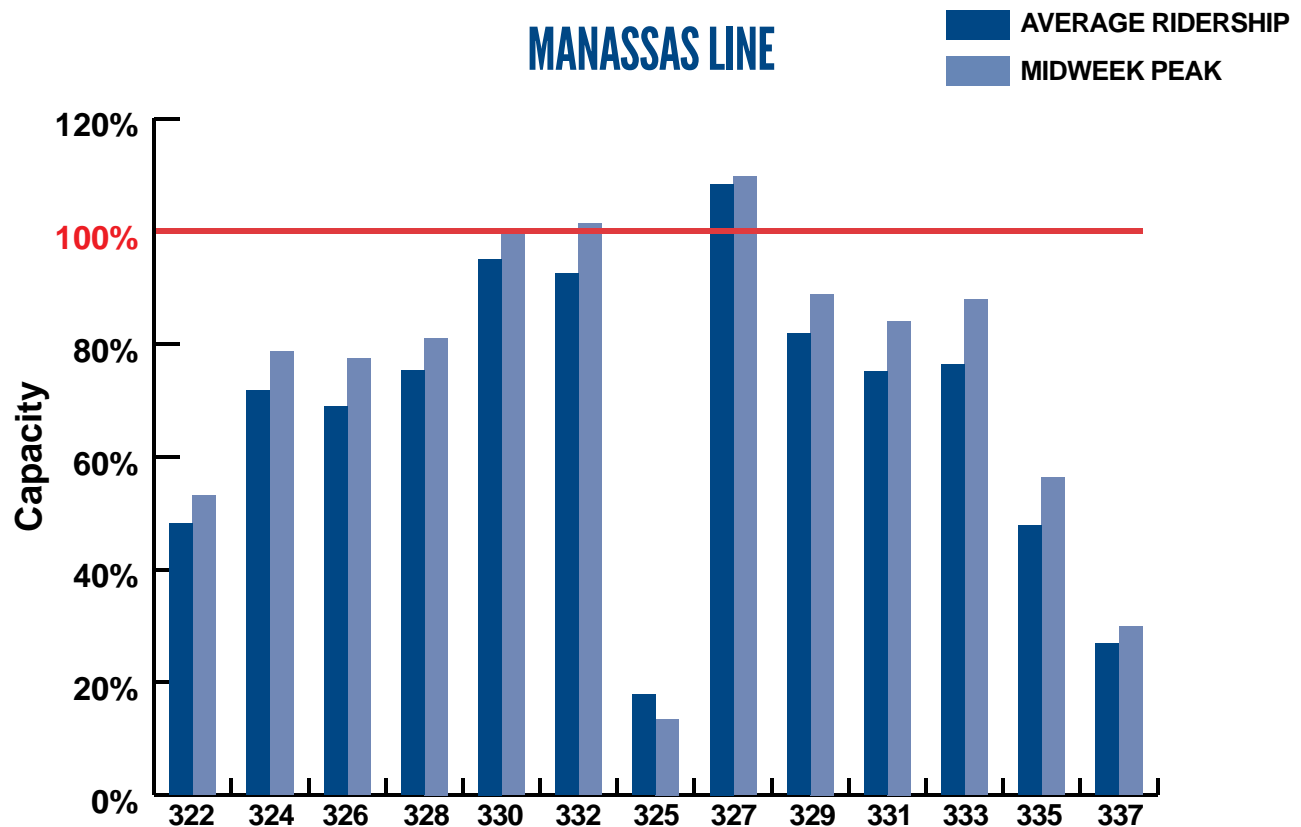
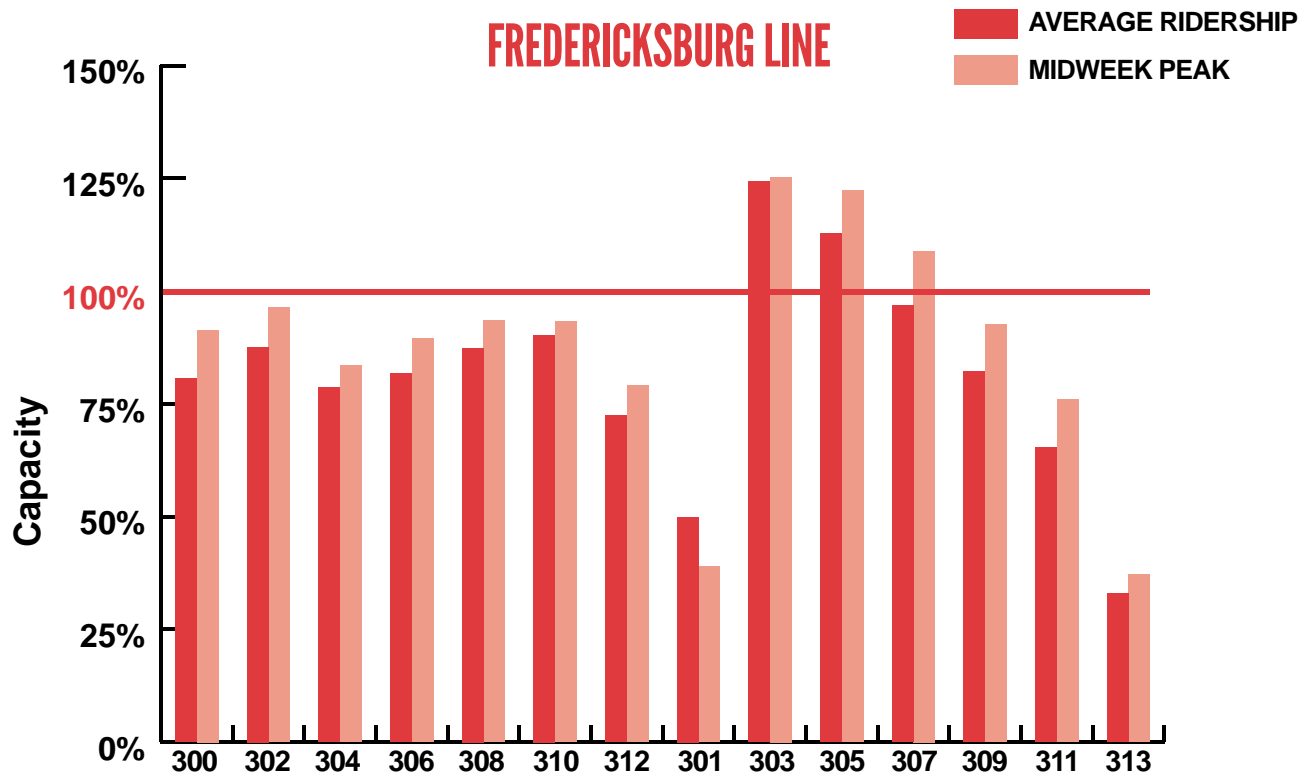


### PERFORMANCE BY LINE

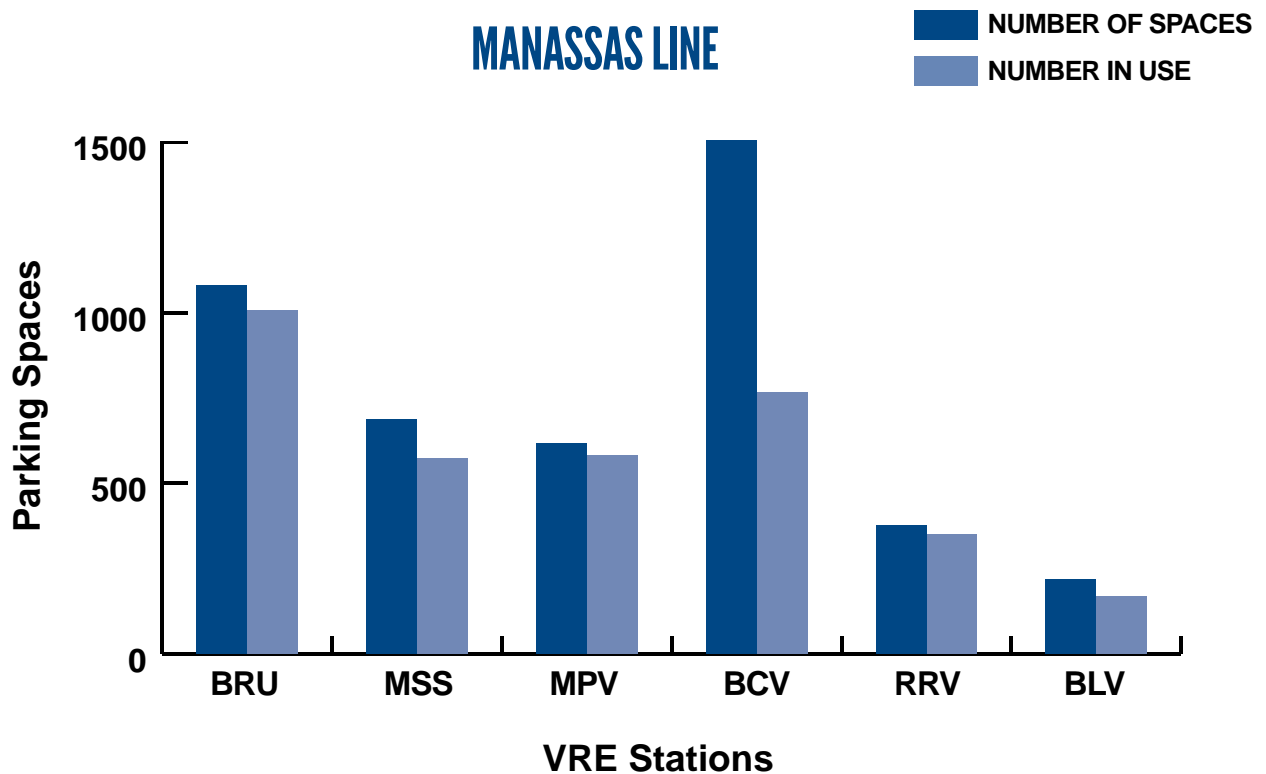
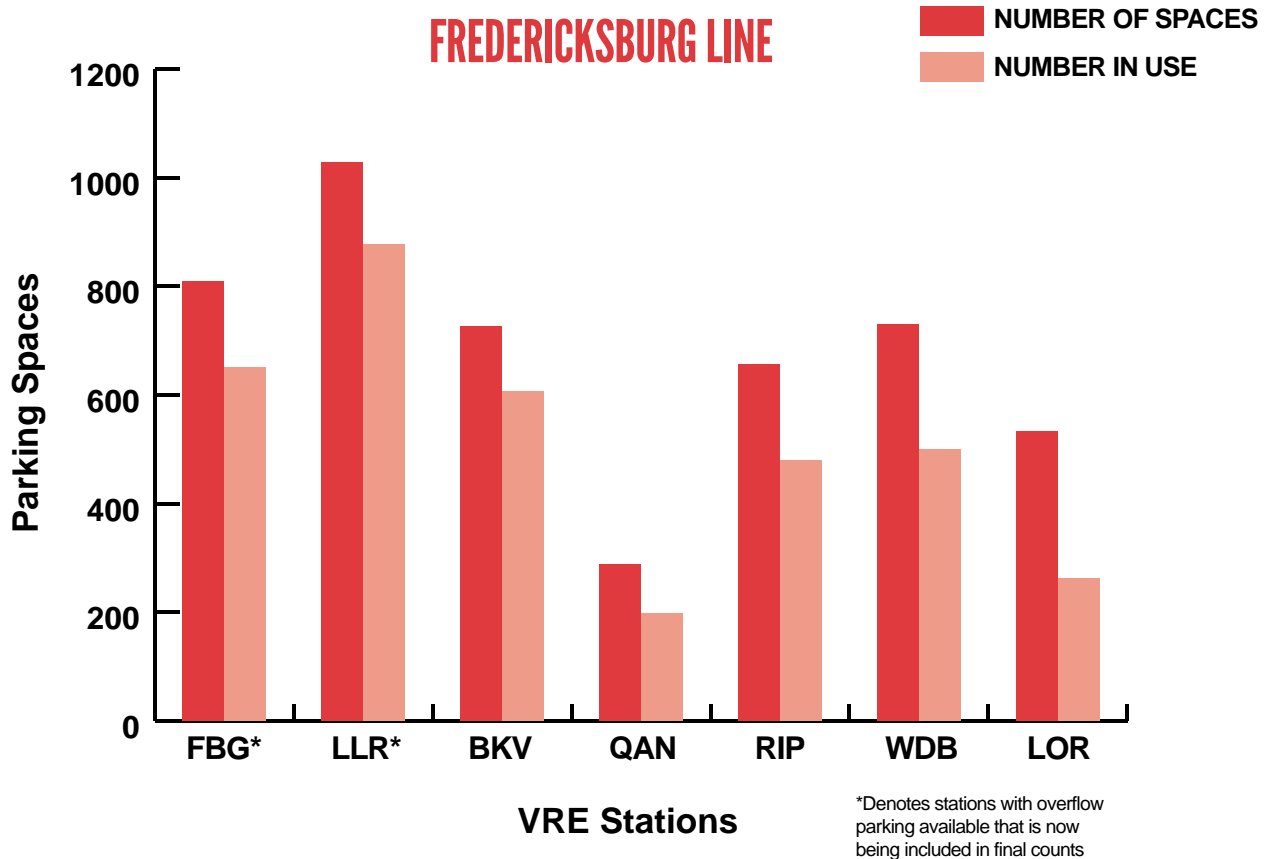
FREDERICKSBURG LINE  
MANASSAS LINE



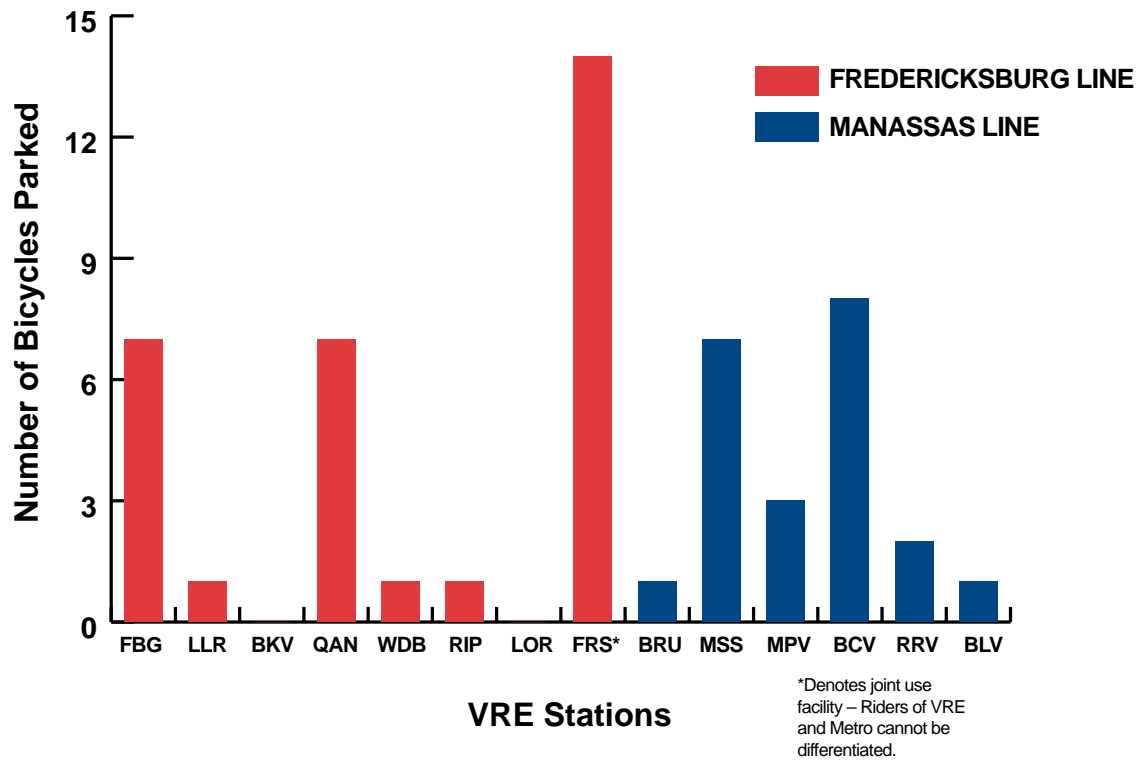
### TRAIN UTILIZATION



## PARKING UTILIZATION



### BICYCLE COUNTS



# FINANCIAL REPORT

## SUMMARY OF FINANCIAL RESULTS – MAY 2015

MEASURES	DOLLARS	GOAL	ACTUAL
Operating Ratio		55%	57%
<b>BUDGETED REVENUE</b>	<b>80,369,032</b>		
Budgeted Revenue YTD	74,444,388		
Actual Revenue YTD	74,636,227		
Cumulative Variance	191,839		191,839
Percent Collected YTD		92.63%	92.87%
<b>BUDGETED EXPENSES</b>	<b>80,369,032</b>		
Budgeted Expenses YTD	68,193,642		
Operating Expenses YTD	64,585,176		
Cumulative Variance	3,608,466		3,608,466
Percent Expended YTD		84.85%	80.36%
<b>NET INCOME (LOSS) FROM OPERATIONS</b>			<b>3,800,305</b>

Fare income for the month of May was \$92,497 above the budget – a favorable variance of 3.17 percent. The cumulative variance for the year is 0.62 percent or \$206,941 above the adopted budget. Revenue in FY 2015 is down 1.6 percent compared to FY 2014. The budget reflects the amended budget adopted at the December 2014 Operations Board meeting.

A summary of the financial results (unaudited) follows. Detail on the major revenue and expense categories is provided in the Operating Budget Report.

## FY 2015 OPERATING BUDGET REPORT, MAY 31, 2015

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE		TOTAL FY15 BUDGET
					\$	%	
OPERATING REVENUE							
Passenger Ticket Revenue	3,013,772	2,921,275	33,655,539	33,448,598	206,941	0.6%	36,662,000
Other Operating Revenue	5,026	13,147	244,525	150,538	93,987	62.4%	165,000
Subtotal Operating Revenue	3,018,798	2,934,422	33,900,064	33,599,135	300,929	0.9%	36,827,000
Jurisdictional Subsidy (1)	-	-	16,428,800	16,428,800	-	0.0%	12,305,001
Federal/State/Other Jurisdictional Subsidy	2,390,908	2,418,198	24,275,957	24,385,046	(109,090)	-0.4%	28,472,731
Appropriation from Reserve	-	-	-	-	-	0.0%	2,749,000
Interest Income	3,284	3,284	31,406	31,406	-	0.0%	15,300
Total Operating Revenue	5,412,990	5,355,904	74,636,227	74,444,388	191,839	0.3%	80,369,032
OPERATING EXPENSES							
Departmental Operating Expenses	5,414,267	5,566,477	59,499,051	63,115,417	3,616,366	5.7%	73,255,179
Debt Service	643,785	643,785	5,082,010	5,078,225	(3,785)		6,714,870
Other Non-Departmental Expenses	90	-	4,115	-	(4,115)		398,983
Total Operating Expenses	6,058,142	6,210,262	64,585,176	68,193,642	3,608,466	5.3%	80,369,032
NET INCOME (LOSS) FROM OPERATIONS	(645,152)	(854,358)	10,051,051	6,250,746	3,800,305		-
CALCULATED OPERATING RATIO			57%	53%		Goal	55%
(1) Total jurisdictional subsidy is \$16,428,800. Portion shown is attributed to Operating Fund only.							

(1) Total jurisdictional subsidy is \$16,428,800. Portion shown is attributed to Operating Fund only.

*These figures are preliminary and unaudited.*



## CAPITAL PROJECTS

### HAMILTON TO CROSSROADS THIRD TRACK PROJECT

CSX Transportation (CSXT) completed a critical switch and signal cut-in of the new Crossroad Yard lead track over the weekend of June 19 to 21, providing VRE the access needed to begin operation from the new Spotsylvania Station. They also performed another cut-in closer to Fredericksburg, completing the initial round of cut-ins needed to put the new third track into operation.

Work on the VRE portion of the project is on hiatus pending resolution of contractual issues. The Phase 1 civil, site, drainage and trackbed work is now complete. VRE anticipates restarting work in July and completing work close to schedule in the last quarter of 2015.



*Looking south from Hamilton interlocking toward Mine Road along Benchmark towards Crossroads interlocking*

### SPOTSYLVANIA STATION PROJECT

Concrete work for the platform is complete and completion of the station construction project is scheduled for September 2015, concurrent with the Spotsylvania parking lot construction completion schedule.

The in-service date for this station will hinge on the completion of the Spotsylvania parking lot project, which is also tentatively scheduled to be completed in September 2015.



*A long view, looking north towards the US17 highway bridge, of the progress being made at Spotsylvania Station*



*Subgrade being laid in preparation for paving of the 1,500 space parking lot at Spotsylvania Station*

## CAPITAL PROJECTS, *CONT.*

### L'ENFANT STORAGE TRACK

With midday train storage at a premium in the District of Columbia, this project will convert an existing siding into a midday storage track for a VRE trainset immediately north of L'Enfant Station. CSXT is installing the necessary changes to track, turnouts and signals, while VRE will install wayside power appliances on the storage track to permit heating and cooling of trains during layover without running the locomotive.

The VRE Operations Board approved awarding a contract for the wayside power appliances at its June meeting. The project is scheduled to be complete in four months. Meanwhile, CSXT track and signal staff are working in the vicinity of L'Enfant and expect to complete the conversion of the storage track by the fourth quarter of 2015.

### LIFECYCLE OVERHAUL AND UPGRADE FACILITY

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. A new building will be designed and fitted to specifically perform this work and will be fully dedicated to these activities at the Crossroads Maintenance and Storage Facility. The Board authorized award of a contract for engineering, environmental and construction services for the Lifecycle Overhaul and Upgrade (LOU) facility to STV Group Incorporated in April 2015.

A kick-off meeting/design workshop was held June 2nd to discuss operations and equipment for the LOU facility. The equipment in the new facility for lifecycle maintenance will avoid sending equipment away from VRE for heavy maintenance thereby saving time and money. Special attention focused on identifying two long lead time items that should be ordered in advance of the construction phase of the project: a wheel truing machine and a drop table. These two large pieces of equipment require 14 to 16 months to be manufactured. Ordering the equipment in advance will assure delivery in time for placement in the building, as it is being constructed.

Soil samples for geotechnical investigations have been collected for this project and a field survey is underway. Environmental features are being inventoried and coordination with environmental and other agencies is underway. We will be coordinating with the Federal Transit Administration, through the Potomac and Rappahannock Transportation Commission, who will rule on the Determination of Effect, which will guide the environmental documentation that will be prepared.

Review of the siting of the LOU facility on the VRE-owned property has led to a shift in the building location, proportion of the building and use of other on-site facilities. The train wash building may have to be relocated to utilize the track going through the maintenance facility at the far western edge of the yard. This will take the track through the LOU facility. We will be relocating a track to the east side of the yard. We are in discussions with the owner of the property for acquisition of a sliver of the property for two new tracks. We will also be discussing with the property owner the use of the dirt road that runs parallel to the VRE property and ties into the south end of the yard for access during construction of the LOU facility.



## CAPITAL PROJECTS, *CONT.*

### ALEXANDRIA STATION PEDESTRIAN TUNNEL PROJECT

The construction of a new pedestrian tunnel at the Alexandria Union Station will be just north of and parallel to the original tunnel built in 1906, which will ultimately be removed from service and sealed. The new tunnel will be wider and longer than the existing tunnel and will connect directly to Metro's King Street station.

The new tunnel will eliminate an at-grade crossing used by passengers between the station's east and west platforms. This access to the existing east platform will be the only access in compliance with the Americans with Disabilities Act. The project will also widen the existing east platform allowing VRE and Amtrak trains to use Track #1 — the farthest track from the station — which is currently used almost exclusively by freight trains. By adding the tunnel with elevators and stairways, this project will greatly improve safety for passengers moving between the platforms and Metro, add operational flexibility for track usage and improve intermodal transfers between VRE and Metrorail, Metrobus and DASH buses.

Preliminary engineering was completed in June with the 30 percent design plans distributed to all of the stakeholders. The design team is receiving comments on the preliminary plans and meeting with project stakeholder groups to gain a clear understanding of comments. The soils samples needed for geotechnical evaluations and design of the tunnel have been collected and are undergoing laboratory testing and analyses. Project funding is provided by Federal Highway Administration through its at-grade rail crossing elimination program and managed by Virginia Department of Transportation.

VDOT conducted a Value Engineering (VE) study on July 1 and 2, 2015 which will generate suggestions from their team of design experts. Once comments from the VDOT VE study and plans are reviewed and incorporated, the project will move into its final design stage, which is expected to be completed in spring 2016, after which advertisement for construction will begin.

The design team is discussing the construction phase as well as taking into consideration access to the site in order to avoid disturbance of Alexandria's Union Station. One approach is to do most of the excavation for the tunnel from the east, or WMATA side. WMATA required that the knock-out panel on their property to remain in place until all of the work is complete with the tunnel.

## CAPITAL PROJECTS, *CONT.*

### FACILITIES UPDATE

**The following is a status update of VRE facilities projects:**

**Completed projects:**

1. Repair of damaged tactile strip on east platform at Fredericksburg Station
2. Modifications to obsolete ADA lift enclosures to provide open-structure shelters at Lorton, Leeland Road and Backlick Road stations
3. Issuance of elevator rehabilitation IFB for Franconia-Springfield and Rippon stations
4. Installation of additional benches at various stations

**Projects scheduled to be completed this quarter:**

1. Installation of right-of-way security fencing at Burke Centre Station
2. Striping and signage installation for motorcycle parking in Lot D in Fredericksburg
3. Repair of platform concrete deficiencies at Quantico Station
4. Replacement of remaining stair pans and landings at Rippon Station

**Projects scheduled to be initiated this quarter:**

1. Elevator rehabilitation at Franconia-Springfield and Rippon Stations
2. Painting of L'Enfant, Lorton, Leeland Road and Burke Centre Stations
3. Correction of canopy drainage problem at Crystal City Station
4. Correction of drainage pipe slope at Crossroads Yard
5. Installation of platform and inter-track warning signs at stations
6. Identification of additional parking lots requiring restriping

**Ongoing projects:**

1. Renovations at Alexandria headquarters
2. Modification of wayside power pedestals at Broad Run and Crossroads yards to increase status light visibility and improve cable storage
3. Replacement of worn or damaged signage at various stations
4. Development of scope of work for tactile warning strip replacement IFB for various stations
5. Development of scope of work for canopy replacement IFB for L'Enfant and Leeland Road stations
6. Development of scope of work for platform concrete rehabilitation IFB for Fredericksburg Station

### CAPITAL PROJECTS, *CONT.*

#### FACILITIES UPDATE, *CONT.*



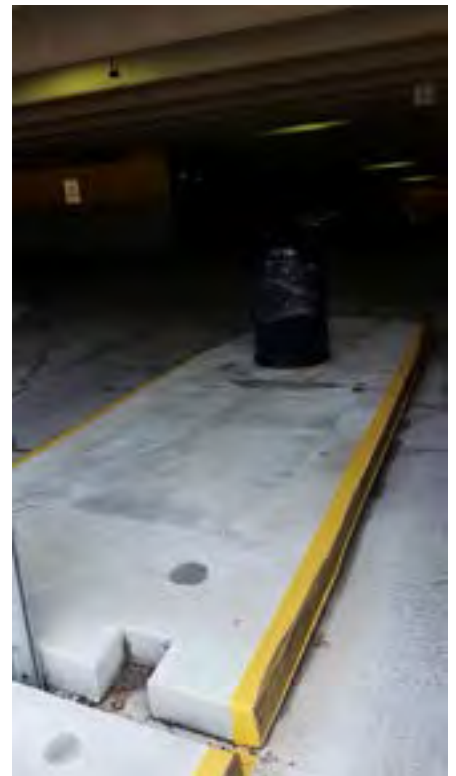
*Fredericksburg tactile strip repair (before)*



*Fredericksburg tactile strip repair (after)*



*Woodbridge garage attendant booth removal (before)*



*Woodbridge garage attendant booth removal (after)*

## PROCUREMENT

### UPCOMING PROCUREMENTS

- Repair and Overhaul of Locomotive Rotating Electrical Equipment
- Stair Replacement at the VRE Rippon Station
- Engineering and Environmental Services for Platform Improvements at Five Fredericksburg Line Stations
- General Planning Consulting Services I – Project Development Services
- Development of Design Guidelines and Standard Specifications
- Engineering and Environmental Services for the Rolling Road Station Platform Extension
- System Safety and Security Consulting Services
- Replacement of Tactile Warning Strips at Station Platforms
- Rehabilitation of Fredericksburg Station Platforms
- Replacement of Platform Canopies, Gutters and Downspouts at L'Enfant and Leeland Road
- Purchase and Installation of Security Camera Equipment
- Automatic Parking Counter System
- Automatic Passenger Counter System
- Drop Table for the Lifecycle Overhaul and Upgrade Facility at the Crossroads Yard
- Wheel Truing Machine for the Lifecycle Overhaul and Upgrade Facility at the Crossroads Yard
- Engineering and Environmental Services for Mid-Day Train Storage Facilities



# COMMUTER STATIONS & PARKING PROJECTS

Project & Code	Description	Task (s)	Task Description (s)	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Alexandria Station Tunnel and Other	Design and installation of a new pedestrian tunnel between the VRE/Amtrak and METRO stations and modifications to eastern platform to allow service from Track #1.	Feasibility Study	Prepare a feasibility study with limited survey to investigate challenges associated with designing, permitting and constructing a tunnel under a live CSX track.	Norine Walker	8C-05-2012	100%	4th Quarter 2014
		Site Investigation	Compile soils data and perform in-situ testing to prepare for final design phase and provide VDOT with environmental information.	Norine Walker	8H-10-2013	35%	1st Quarter 2015
		Design & Construction Administration	Design & construction administration for pedestrian tunnel and modifications to east platform.	Norine Walker	8F-12-2013	15%	2nd Quarter 2017
		Design & Construction Administration	Raise the West Platform.	Norine Walker		0%	TBD
Amtrak Joint Recapitalization Project	Amtrak and VRE joint benefit recapitalization projects	Washington Union Terminal Rail Service Improvement Plan	Joint study with Amtrak and MARC re: meeting current and forecasted growth for target years 2017 and 2030.	Christine Hoeffner		100%	Completed
		Coach Yard Wayside Power Upgrade	Upgrade and replace wayside power station for VRE storage tracks at the Coach yard	Rich Dalton		100%	Completed
		WUT Canopy Roof Repairs	Repairs of canopy roof at WUT lower level platforms	Rich Dalton		70%	2nd Quarter 2015
Broad Run Parking Expansion	Environmental Analysis and Engineering to expand parking by 700 spaces	EA & PE	Perform environmental analysis and engineering and provide construction administration to expand parking by 700 spaces	Norine Walker	11D-04-2011	30%	TBD
Franconia-Springfield Station Rehabilitation	Repairs & improvements to the Franconia Springfield Station Eastern Platform & Passenger Walkway	Repairs & Improvements	Infrastructure repairs and improvements to eastern platform and passenger walkway at VRE Franconia-Springfield Station.	Kip Foster	9F-06-2011	100%	Completed 3rd Quarter 2013
		Flagging Services & Protection	Provide flagging services during platform level repairs and overhead pedestrian bridge work.	Kip Foster	9G-06-2011	100%	Completed 2012
	Second Platform Expansion			Norine Walker		0%	TBD
Lorton Station Main Platform Expansion	Expansion of station by extending eastern (main) platform	PE and Environmental	EA and PE to extend the exiting platform and construct a second platform.	Eric Johnson	10A-10-2010	100%	Completed 4th Quarter 2012
		Station Expansion Design	Prepare construction documents and provide construction administration for 250' platform expansion with upgraded LED lighting	Eric Johnson	8B-05-2012	90%	1st Quarter 2015
		Platform Extension Construction	Construction of 250' platform extension with upgraded LED lighting	Kip Foster	8B-03-2014	0%	2nd Quarter 2015
		Utility Relocation	Relocate CenturyLink communications line to accommodate platform extension and future second platform	Kip Foster	8C-03-2014	0%	4th Quarter 2014
		Construction Management Services	Provide construction management and inspection services during construction of platform extension	Kip Foster	9A-04-2014	0%	2nd Quarter 2015
Lorton Second Platform	Construction of a Second Platform at Lorton Station	Environmental	Prepare Categorical Exclusion for Second Track construction	Norine Walker	TBD	0%	TBD
		Preliminary Engineering	Design of second platform	Norine Walker	TBD	0%	TBD
Rolling Road Platform Extension	250 Foot Platform Extension / 100 Foot Canopy Extension	PE / Env	250' Platform Extension / 200' Canopy Extension / 200' Future Platform Concept Design	Kip Foster			
Spotsylvania Station (New Station)	Development of a new VRE station in Spotsylvania County (Station Only, NO Parking) near the Crossroads Yard	Station Design & CM Services	Design of the new platform and head house/Construction Eng. Support. Full time on site CM services.	Kip Foster	9G-06-2012 & 9F-09-2013	100% and 75%	Completed 2nd Quarter 2013
		Station Construction	Construction of the new platform and head house.	Kip Foster	9F-05-2013	65%	2nd Quarter 2015
Brooke and Leeland Road		PE / Env Design Construction CM	250' Platform Extension / 200' Canopy Extension / 200' Future Platform Concept Design	Norine Walker			
Quantico Station				Kip Foster			

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Distributed final feasibility report and closing out this task.		AECOM	\$ 10,626,000	\$ 162,711	\$ 147,919	\$ 147,737
Waiting for geotechnical report to be submitted to engineering design team.	Supplement No. 1, October 2013, \$26,709. Supplement No. 2, May 2014, \$85,752, Supplement No. 3 \$45,405 approved 4-17-2015.	AECOM		\$ 223,554	\$ 162,402	\$ 55,525
30% design submittal June 15, 2015. VDOT will conduct Value Engineering Study July 1 and 2 at VRE. 60% design will continue through September 2015.	Amendment anticipated for scope not anticipated when awarded contract. Will evaluate need when further along in contract.	Gannett Fleming	\$ -	\$ 1,814,559	\$ 1,728,151	\$ 351,489
Preparing Scope of Work for stand-alone contract to address East Platform widening, track reprofiling, Slater's Lane cross-cover and West Platform leveling.	Transfer funds from Amtrak Joint Recap. Project and add NVTa funding.	TBD	\$278,864	\$278,864	\$ -	\$0
TOTALS			\$ 10,904,864	\$ 2,479,688	\$ 2,038,472	\$ 554,751
Project completed.	Final invoice received 2/28/14; payment authorized 3/20/14.	Amtrak	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 987,625
Project completed.	Last invoice received 4/12/2013	Amtrak	\$ 750,000	\$ 750,000	\$ 750,000	\$ 515,968
Work on track 27/28 currently underway.	Revised Contract executed November 2014.	Amtrak	\$ 1,172,309	\$ 1,172,309	\$ 1,172,309	\$ 573,953
TOTALS			\$ 3,201,176	\$ 3,201,176	\$ 2,922,309	\$ 2,077,547
No funds available for construction, so on-hold. 30% design submitted. Likely will wait until Gainesville-Haymarket extension project results to determine the future of the Broad Run Station parking expansion.		Dewberry	\$ 3,420,000	\$ 2,031,263	\$ 1,846,603	\$ 393,120
TOTALS			\$ 3,420,000	\$ 2,031,263	\$ 1,846,603	\$ 393,120
Contract closeout pending contractor submittal closeout payment affidavit requirements.	Change Order # 1, Canopy Roof/Gutters/Downspouts, \$39,230 - Change Order # 2, Stringer Repair/Replacement, \$47,440 - Change Order # 3, Structural Steel Repairs/Rehab, \$45,682 - Change Order # 4 - Window/Jamb Rehab/Replacement, \$4,928 - Change Order # 5 - Gutter Repair, \$222	Vista Contracting, Inc.	\$ 522,000	\$ 455,950	\$ 449,141	\$ 426,687
No additional flagging expected.	Force account estimate for flagging in the amount of \$124,765.	CSX Trans.		\$ 132,000	\$ 124,765	\$ 58,185
Platform expansion project. Will combine five station expansion projects into one contract. Board item for March Board meeting.		TBD				
TOTALS			\$ 522,000	\$ 587,950	\$ 573,906	\$ 484,872
Completed		HDR		\$ 306,350	\$ 278,500	\$ 271,476
HDR providing permit assistance, coordinating Special Inspections, and providing Construction Engineering to include shop drawing review as needed.		HDR		\$ 103,400	\$ 94,000	\$ 87,694
Received Board approval in March 2014 to award construction contract to Hammerhead. Contract awarded in late April 2014. Received Board approval in May 2014 to execute CSX force account agreement for design review and flagging during construction. CSX processing ROE. CSX determining flagging availability and schedule.		Hammerhead Construction	\$ 4,820,000	\$ 991,980	\$ 901,800	\$ 26,000
Received Board approval in March to execute communications line relocation agreement with CenturyLink. Agreement executed in early April.		CenturyLink		\$ 66,664	\$ 60,604	\$ -
Received Board approval in April 2014 to execute task order with Gannett Fleming for construction management and inspection services during construction of platform extension. Task order executed in late April. Need to find a new source of funds for GEC VI task.		Gannett Fleming		\$ 164,786	\$ 149,805	\$ 9,000
TOTALS			\$ 4,820,000	\$ 2,809,080	\$ 2,632,521	\$ 1,363,914
Pending NVTa Approval.		TBD		\$ -	\$ -	\$ -
Platform expansion project. Will combine five station expansion projects into one contract. Board item for March 2015 Board meeting.		TBD	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ -	\$ -	\$ -	\$ -
Platform expansion project. Working with procurement on RFP. Anticipate advertising 3rd quarter 2015			\$ 2,000,000			
TOTALS			\$ 2,000,000	\$ -	\$ -	\$ -
STV under contract for Construction Engineering Support and Shop Drawing Review thru duration of construction as well as CM through project closeout.		STV		\$ 703,453	\$ 700,000	\$ 675,000
Platform Concrete Complete. Walkways and headhouse well underway.	Change Orders 1-8 drainage/fill/concrete/price changes due to change conditions over year between bid/award and NTP.	Hammerhead Construction	\$ 3,422,500	\$ 2,583,900	\$2,537,289	\$1,850,000
TOTALS			\$ 3,422,500	\$ 3,287,353	\$ 3,237,289	\$ 2,525,000
Platform expansion project. Will combine five station expansion projects into one contract. Board item for March Board meeting.		TBD	\$2,463,000	\$ 21,790.00		
TOTALS			\$ 3,422,500	\$ 3,309,143	\$ 3,237,289	\$ 2,525,000
Platform expansion project		TBD				
TOTALS			\$ 3,422,500	\$ 3,309,143	\$ 3,237,289	\$ 2,525,000

## TRACK & INFRASTRUCTURE PROJECTS

Project & Code	Description	Task (s)	Task Description (s)	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
L'Enfant Station Wayside Power	Place siding previously constructed into service	Wayside Power Construction	Construction of wayside power for stored train sets	Norine Walker	TBD	0%	3rd Quarter 2015
		Wayside Power Construction Management	CM for construction	Norine Walker	N/A	0%	3rd Quarter 2015
		Switch & Signalization Construction	Construction of storage track switches and signals	Norine Walker	9B-06-2011	0%	3rd Quarter 2015
Spotsylvania Third Track Expansion (Crossroads to Hamilton - Fredericksburg)	Construct approximately 2.5 miles of third track leading to the new Spotsylvania Station	Third Track Civil Design, Construction Eng. Support, & CM	Environmental Analysis and Final Design, Engineering Support through construction, CM Services through Project closeout.	Kip Foster	9D-06-2010 & 9G-09-2013	100% and 70%	Design Completed 2nd Quarter 2013. CM est. completion 4th Quarter 2015
		Third Track Signal Design	CSX Signal design and engineering support	Kip Foster	9E-06-2012	100%	1st Quarter 2014
		Track & Signal Construction	CSX Construction of Signals and Track	Kip Foster	9H-09-2013	75%	4th Quarter 2015
		Track Work & Structures	Construction of Civil, Track, & Structures	Kip Foster	9C-06-2013	67%	Phase 1 Complete Phase 2 4th Quarter 2015

## PLANNING, COMMUNICATIONS & INFORMATION TECHNOLOGY PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Gainesville Haymarket Expansion Planning	Expansion of VRE Service to Gainesville & Haymarket, VA	G/H Expansion Analysis (Feasibility)	Develop expansion alternatives for VRE Service to G/H	Christine Hoeffner	9D-12-2007	Complete	Complete
		G/H Expansion Project Development, Environmental and Design	Perform planning and project development activities, environmental analysis and engineering design	Christine Hoeffner	9B-03-2015 (A/E contract award) 8E-04-2014 (Auth. For RFP)	0%	9/30/17
		Construction (Future)	Future Track Construction	TBD		0%	TBD
Mobile Ticketing	Development and Implementation of a Mobile Ticketing System			Chris Henry	8H-09-2013	41.0%	6/30/16

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Contract advertised April 14, 2015. Pre-bid meeting and field visits conducted on April 22, 2015. Bid received May 18, 2015. Bid deemed to be responsive through a check of references and a financial review. Board approval pending June 19, 2015		C3M Power Systems, LLC		\$494,450 (Pending)		\$ -
GEC VI Task Order to support VRE construction of the wayside power contract. Coordinate with CSX and PEPCO. Proposal due June 11, 2015.		TBD		\$ -	\$ -	\$ -
CSX is installing new turn out tracks, a stub track, new signals and replacement signals, track and switches to accept the VRE construction and PEPCO power supply. SCX began long lead time material ordering in January.		CSX Trans.	\$ 4,003,187	\$ 250,000	\$ 225,000	\$ 171,912
<b>TOTALS</b>			<b>\$ 4,003,187</b>	<b>\$ 250,000</b>	<b>\$ 225,000</b>	<b>\$ 171,912</b>
Design Completed 2nd Quarter 2013. Construction Engineering Services and Support through completion of construction. CM services ongoing for duration of construction and through project closeout.		STV		\$ 1,750,743	\$ 1,651,000	\$ 1,350,000
Signal Design for Phase 1 and Phase 2 complete. Signal Construction Complete through Phase 1.		CSX Trans.		\$ 1,009,800	\$ 917,400	\$ 940,853
Signal Construction over 75 % complete. CSX Track Construction began in January 2015. 1st Cut-in completed weekend of June 20. Scheduled completion 4th quarter 2015		CSX Trans.	\$ 32,500,000	\$ 20,522,611	\$ 20,522,611	\$ 9,000,000
Phase 1 work complete (including CSX Track installation). Phase 2 scheduled for completion 4th quarter 2015.	<small>CA # 1 - Access from Crossroads Pkwy \$112,715 CA # 2 - Load Test for Microspikes \$47,900 CA # 3 - Subgrade Stabilization \$86,583 CA # 4 S.S. 12 - Weather Extension - time only CA # 6 - Proposed Station Site FFI \$155,899 CA # 7 - Underdrain \$17,400 CA # 10 - Pipe Extension PP Conflict \$299,973 CA # 11 CSX Extensions and Unaired Credits \$42,295 CA # 13 M.O.T. Devices CA # 15 L.S Foundation SWAP CA # 16 Slope Stabilization VPP \$230,339</small>	Abernathy Construction Corp		\$ 8,880,073	\$ 8,556,727	\$ 6,000,000
<b>TOTALS</b>			<b>\$ 32,500,000</b>	<b>\$ 32,163,227</b>	<b>\$ 31,647,738</b>	<b>\$ 17,290,853</b>

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Feasibility Study Completed on 9/28/2009	Aerial Survey Deferred to NEPA/PE. Revised Consultant Responsibility for Cost Estimating from Belstar to VHB/DMJM	VHB		\$ 1,537,338	\$ 1,397,338	\$ 1,042,749
AECOM selected as consultant; contract award awaiting Commission authority to execute REF grant (funding source)	\$1,500,000 allocated in FY14 NVTA regional funding; project agreement approved by NVTA 7/24/14. Amendment of REF grant 76509-02 pending DRPT/VRE execution; increases project funding by \$2,785,714 to \$4,485,714 when combined with NVTA funds as local match to state grant.	TBD	\$ 5,823,052	\$ 4,365,163	\$ 3,968,330	\$ -
Future Construction Related to Expansion	Funding Sources TBD	TBD		\$ -	\$ -	\$ -
<b>TOTALS</b>			<b>\$ 5,823,052</b>	<b>\$ 5,902,501</b>	<b>\$ 5,365,668</b>	<b>\$ 1,042,749</b>
System launched on 05/15. \$205,000 in sales through VRE Mobile for month of June. Phase 2 (Blackberry and Windows phones) to begin in July.		GlobeSherpa		\$ 3,510,627	\$ 1,300,307	\$ 1,300,307
<b>TOTALS</b>			<b>\$ -</b>	<b>\$ 3,510,627</b>	<b>\$ 1,300,307</b>	<b>\$ 1,300,307</b>



## YARD PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Broad Run Yard Train Wash and Crossroads Yard Warehouse	Design and construction of Broad Run Yard train wash and Crossroads Yard warehouse.	Crossroads Warehouse Design	Conceptual and final design of new Crossroads warehouse.	Eric Johnson	10D-04-2012	100%	Completed 4th Quarter 2012
		Crossroads Warehouse Construction	Construction of new Crossroads warehouse.	Eric Johnson	11E-04-2011	100%	Completed 2nd Quarter 2013
		Broad Run Train Wash Design	Conceptual and final design and construction administration for Broad Run train wash	Norine Walker	9D-06-2012	90%	TBD
		Broad Run Train Wash Construction	Future Construction/Installation Work related to Broad Run train wash	TBD	TBD	n/a	n/a
Crossroads Lifecycle Overhaul and Upgrade (LOU) Facility	Engineering, Environmental and Construction Services for a Lifecycle Overhaul and Upgrade (LOU) Facility	PE, environmental, final design, construction docs and limited construction services	LOU facility includes ability to remove, repair and reinstall main engines, head end power units, trucks, cart bodies, main generators, auxiliary generators, traction motors, etc. And associated track work.	Norine Walker	9G-09-2014	0%	2017

## ROLLING STOCK PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Passenger Railcar Procurement	To Acquire Twenty (20) New Railcars from Sumitomo to add to the existing VRE Passenger Car Fleet	New Railcar Manufacture (8 cars)	Base Order of 8 New Passenger railcars	Rich Dalton	10C-01-2012	95%	3rd Quarter 2016
		New Railcar Manufacture (7 cars)	Option Order of 7 New Passenger railcars	Rich Dalton	8B-11-2013	22%	1st Quarter 2018
		New Railcar Manufacture (5 cars)	Option Order of 5 New Passenger railcars	Rich Dalton	9F-09-2014	0%	4th Quarter 2018
		New Railcars Engineering Oversight (7 Cars)	On site engineering through warranty administration under MEC V task order STV-0038	Rich Dalton	10A-01-2014	3%	1st Quarter 2018
		New Railcars Engineering Oversight (8 Cars)	On site engineering through warranty administration under MEC V task order STV-0017	Rich Dalton	9E-02-2012	85%	3rd Quarter 2016
Positive Train Control (PTC)	To install and implement Positive Train Control (PTC) for all VRE Locomotives	Positive Train Control Installation and Infrastructure	Positive Train Control for all locomotives and cab control cars (total 41), as mandated by the Rail Safety Improvement Act of 2008.	Rich Dalton	9E-09-2013	0%	4th Quarter 2015
		Oversight	Oversight - Positive Train Control for all locomotives and cab control cars, as mandated by the Rail Safety Improvement Act of 2008.	Rich Dalton	9A-03-2013	5%	4th Quarter 2015

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
	STV Task Order #3 Supplement #1 for \$146,414 for additional Crossroads warehouse engineering services	STV/RWA	\$ 5,723,959	\$ 629,248	\$ 619,334	\$ 619,311
Final payment issued in early April 2013.	Contract Amendment No. 1 - Multiple change orders increasing Contract amount by \$124,409 and Contract time by nine days. Contract Amendment No. 2 - Multiple change orders increasing Contract amount by \$87,774 and Contract time by 173 days.	Trinity Construction Group, Inc.		\$ 2,600,000	\$ 2,092,364	\$ 2,125,632
Review of Broad Run train wash 90% design completed. Plan submission to Prince William County and City of Manassas on hold while seeking additional construction funding. VRE submitted comments to STV on Crossroads Train Wash report. Find and provide as-builts to STV and schedule field trip for them to review operations prior to finalizing the report.	Supplement No. 1 - Increased contract amount by \$3,864 for third party construction cost estimate.	STV/RWA		\$ 307,513	\$ 283,421	\$ 174,875
		TBD		\$ -	\$ -	\$ -
TOTALS			\$ 5,723,959	\$ 3,536,761	\$ 2,995,119	\$ 2,919,818
Working towards 30% plan submittal in late July. Early item procurement for Drop Table and Wheel Truing Machine will go out for IFB in July.		STV	\$22,500,000	\$3,146,403	\$ -	\$ -
TOTALS			\$22,500,000	\$3,146,403	\$ -	\$ -

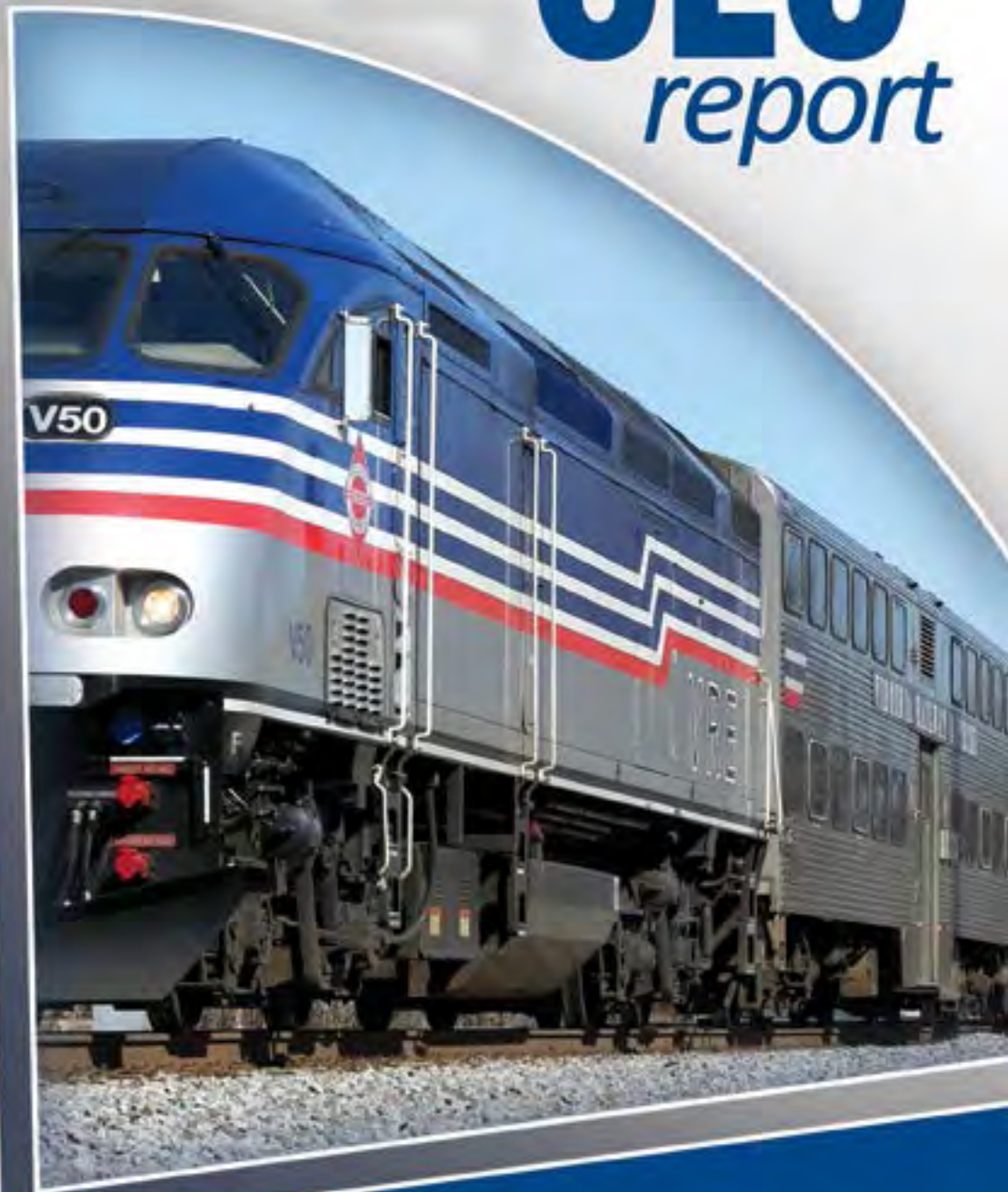
Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Eight (8) base order cars are currently in revenue service. Warranty period ends 3rd Qtr 2016.	The car numbers are designated as V820 - V827; the cars are in revenue service. Warranty expires in September 2016.	Sumitomo - Nippon Sharyo	\$ 52,544,714	\$ 23,140,000	\$ 21,240,000	\$ 20,009,230
Contract Amendment Executed; preliminary delivery schedule submitted by SCOA/Project Kick Off meeting held on March 20, 2014; project status meetings on-going.	Contract Amendment Executed 12/19/2013 to increase the contract amount and number of cars. Progress meetings on going.	Sumitomo - Nippon Sharyo		\$ 14,805,714	\$ 14,805,714	\$ -
Contract Amendment Executed; preliminary delivery schedule submitted by SCOA/Project Kick Off meeting held on October 28, 2014	The car numbers are V835-V839. Contract Amendment Executed 10-27-14 to increase the contract amount.	Sumitomo - Nippon Sharyo		\$ 10,545,200	\$ 10,545,200	
On-going project status meetings and document reviews; on-site manufacturing oversight to start in February 2015.	The car numbers are designated as V828-V834. Piece parts are currently in production in Toyokawa and Rochelle. On site inspector starts in Rochelle in February 2015 for final assembly.	STV		\$ 892,500	\$ 849,245	\$ 102,637
Warranty Oversight	Two (2) year warranty period expires on 9-21-16.	STV		\$ 1,474,000	\$ 1,250,000	\$ 1,151,473
TOTALS			\$ 52,544,714	\$ 50,857,414	\$ 48,690,159	\$ 21,263,340
Project Meetings On-going; equipment surveys completed; prototype installations scheduled for September 2015	Contract executed for on-board equipment and installation January 2015.	WRE	\$ 10,821,989	\$ 7,980,877	\$ 550,645	\$ 51,475
Task order issued on March 13, 2013 to STV for engineering and oversight work for implementation. MEC V Task Order 0026	PTC Implementation oversight - Definition Phase - Matrix of tasks was reviewed and approved by VRE for plan development and preparation underway for scope of work including hardware pricing and quotes. STV is also developing back office operation.	STV				
TOTALS			\$ 10,821,989	\$ 7,980,877	\$ 550,645	\$ 51,475



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# CEO *report*



**AUGUST 2015**

VIRGINIA RAILWAY EXPRESS  
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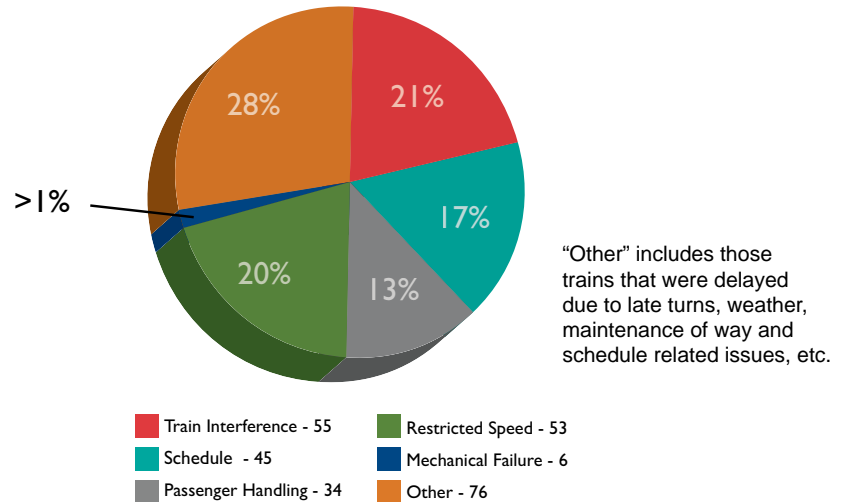
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### ON-TIME PERFORMANCE

On-Time Performance (OTP) for July 2015 was 86 percent, slightly less than 87 percent the previous month. The Manassas Line operated at 88 percent while the Fredericksburg Line was 84 percent. Restricted speed orders and train interference were the principal causes of reduced overall OTP. Typical passenger handling, schedule issues and weather were the remaining main causes of delays. In July, VRE operated 658 trains with 98 trains arriving more than five minutes late to their final destination. There were 48 late trains on the Manassas Line and 50 late trains on the Fredericksburg Line.



### REASON FOR DELAYS JULY 2015



**Note:** There were a total of 269 delays during the month of July but only 98 late trains. The reason for the difference is that a train may encounter several delays during its operation which may or may not cause it to be late. For example, a train could be late leaving Union Station waiting for another train to depart the station. During the course of its run it could also encounter a signal issue, yet still arrive at its final destination on time. That train experienced two delays but was not "LATE" (arriving at its final destination later than five minutes).

### TRIP DELAYS

SYSTEM-WIDE	MAY	JUN.	JUL.
Total late trains	79	86	98
Average length of delay (mins.)	14	14	15
Number over 30 minutes	7	5	12
Total days with heat restrictions	7/22	10/22	4/22
On-Time Performance	87%	87%	86%
<b>FREDERICKSBURG LINE</b>			
Total late trains	53	54	50
Average length of delay (mins.)	14	13	13
Number over 30 minutes	2	0	8
On-Time Performance	81%	82%	84%
<b>MANASSAS LINE</b>			
Total late trains	26	32	48
Average length of delay (mins.)	16	17	17
Number over 30 minutes	5	5	4
On-Time Performance	92%	91%	88%



## RIDERSHIP UPDATE

July 2015 average daily ridership was 17,921 compared to 19,029 in July 2014. The total monthly ridership was 394,265, down from 418,649 compared with the previous July. The number of full service days in July 2015 and 2014 was 22.

### RIDERSHIP MONTH-TO-MONTH COMPARISON

DESCRIPTION	MONTHLY RIDERSHIP
July 2014	418,649
July 2015	394,265
Full Service Days (Current/Prior)	22/22
Ridership Percent Change	-5.8%

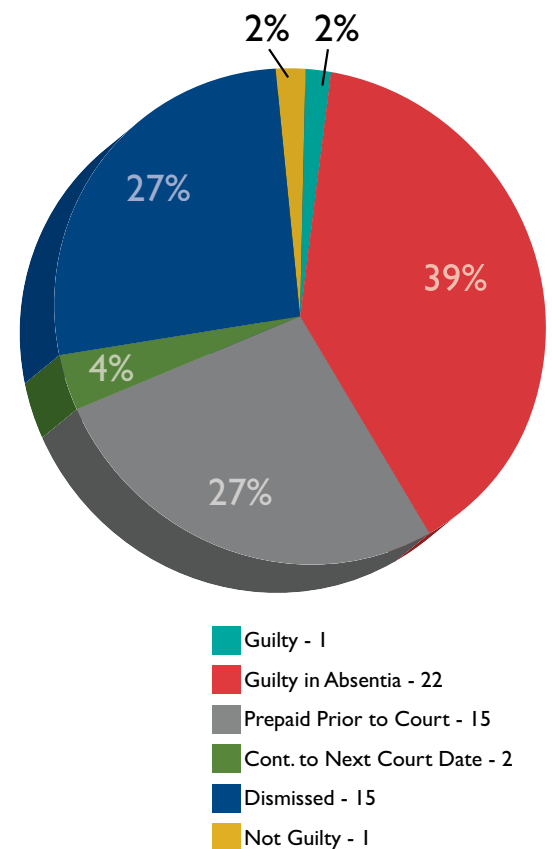
## MONTHLY CITATIONS UPDATE

During the month of July, Keolis wrote 156 citations; 14 less than last month. VRE waived 46 citations after riders showed proof of purchase of a monthly tickets and 54 others were waived as a one-time courtesy, per the conductor's request, unique circumstances or other reasons. Of the remaining 56 that did go to court, one was found guilty, one was found not guilty, 15 were dismissed, 22 were guilty in absentia, 15 were prepaid and two were continued to next month.

### WAIVED CITATIONS

VRE ACTIONS	OCCURRENCES
Waived – Passenger showed proof of a monthly ticket	46
Waived – One-time courtesy	24
Waived – Per the request of the conductor	29
Waived – TVM error	0
Waived – Defective ticket	0
Waived – Per Ops Manager	0
Waived – Unique circumstances	1
Waived – Insufficient processing time	0
Waived – Insufficient information	0
Waived – Lost and found ticket	0
Waived – Other	0
<b>TOTAL WAIVED CITATIONS</b>	<b>100</b>

### FARE EVASION COURT ACTIONS



### RIDERSHIP CHART

DATE	MSS AM	MSS PM	TOTAL MSS	ACTUAL OTP TD	FBG AM	FBG PM	FBG TOTAL	ACTUAL OTP TD	TOTAL TRIPS	ACTUAL OTP TD
1	3,947	4,300	8,247	88%	4,710	4,912	9,622	64%	17,869	77%
2	3,211	3,195	6,406	94%	3,837	4,603	8,440	100%	14,846	97%
3										
4										
5										
6	3,770	3,849	7,619	88%	4,191	4,346	8,537	79%	16,156	83%
7	4,255	4,258	8,513	63%	5,332	5,115	10,446	100%	18,959	80%
8	4,487	4,036	8,523	44%	5,141	5,177	10,318	64%	18,840	53%
9	4,411	4,511	8,922	94%	4,864	5,168	10,032	86%	18,954	90%
10	3,235	3,455	6,690	75%	3,846	3,826	7,672	86%	14,362	80%
11										
12										
13	4,308	4,311	8,619	88%	4,884	4,785	9,669	100%	18,289	93%
14	4,587	4,468	9,055	88%	5,290	5,256	10,546	100%	19,601	93%
15	4,003	4,549	8,552	100%	4,986	5,053	10,039	100%	18,591	100%
16	4,324	4,662	8,986	81%	5,138	5,014	10,153	57%	19,138	70%
17	3,403	3,586	6,990	100%	3,674	3,908	7,582	93%	14,571	97%
18										
19										
20	4,187	4,230	8,417	94%	4,557	4,761	9,318	64%	17,735	80%
21	4,383	4,569	8,952	81%	4,921	5,113	10,033	71%	18,986	77%
22	4,188	4,335	8,524	94%	4,863	5,264	10,127	93%	18,651	93%
23	4,347	4,334	8,681	100%	4,774	4,870	9,644	93%	18,326	97%
24	3,275	3,313	6,588	100%	3,651	3,972	7,623	100%	14,212	100%
25										
26										
27	4,011	4,824	8,835	75%	4,558	4,580	9,137	79%	17,973	77%
28	4,272	4,606	8,877	88%	4,969	5,231	10,200	100%	19,078	93%
29	3,456	4,482	7,937	94%	4,956	4,754	9,710	71%	17,648	83%
30	4,086	4,481	8,567	100%	4,833	4,769	9,601	57%	18,169	80%
31	3,452	3,428	6,879	100%	3,958	4,147	8,106	100%	14,985	100%
	<b>87,599</b>	<b>91,781</b>	<b>179,380</b>	<b>88%</b>	<b>101,933</b>	<b>104,623</b>	<b>206,556</b>	<b>84%</b>	<b>385,936</b>	<b>86%</b>

Amtrak Trains:	712
Adjusted total:	180,092

Amtrak Trains:	7,617
Adjusted total:	214,173

Amtrak Total:	8,329
Adjusted Total:	394,265

# of Service Days:	22	Full Service Days:	22
Manassas Daily Avg. Trips:	8,154	Adjusted Avg.:	8,186
Fred'burg Daily Avg. Trips:	9,389	Adjusted Avg.:	9,735
Total Avg. Daily Trips:	17,543	Adjusted Avg.:	17,921

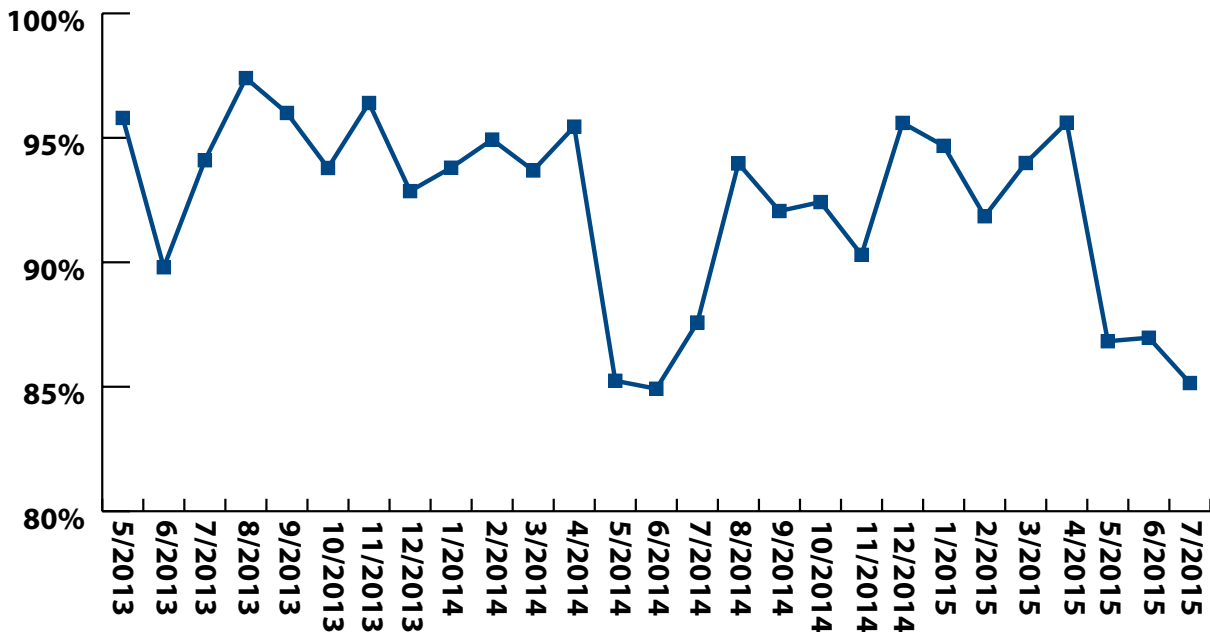
Total Trips This Month:	394,265
Prior Total FY-2015:	0
Total Trips FY-2015:	394,265
Total Prior Years:	71,588,541
Grand Total:	71,982,806

Total Number of Service Days to Date:	22
Average Daily Riders to Date:	17,921

**NOTE:** Adjusted Averages and Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days.  
 \*Designates "S" schedule day.

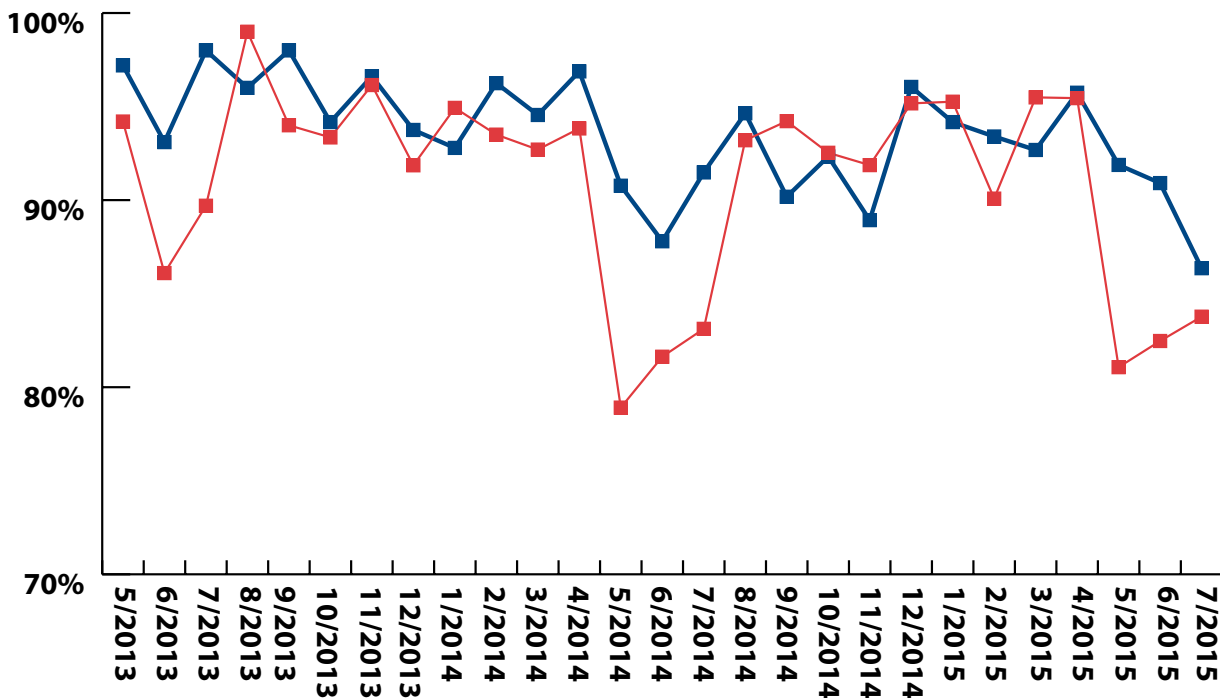
## ON-TIME PERFORMANCE

### SYSTEM PERFORMANCE

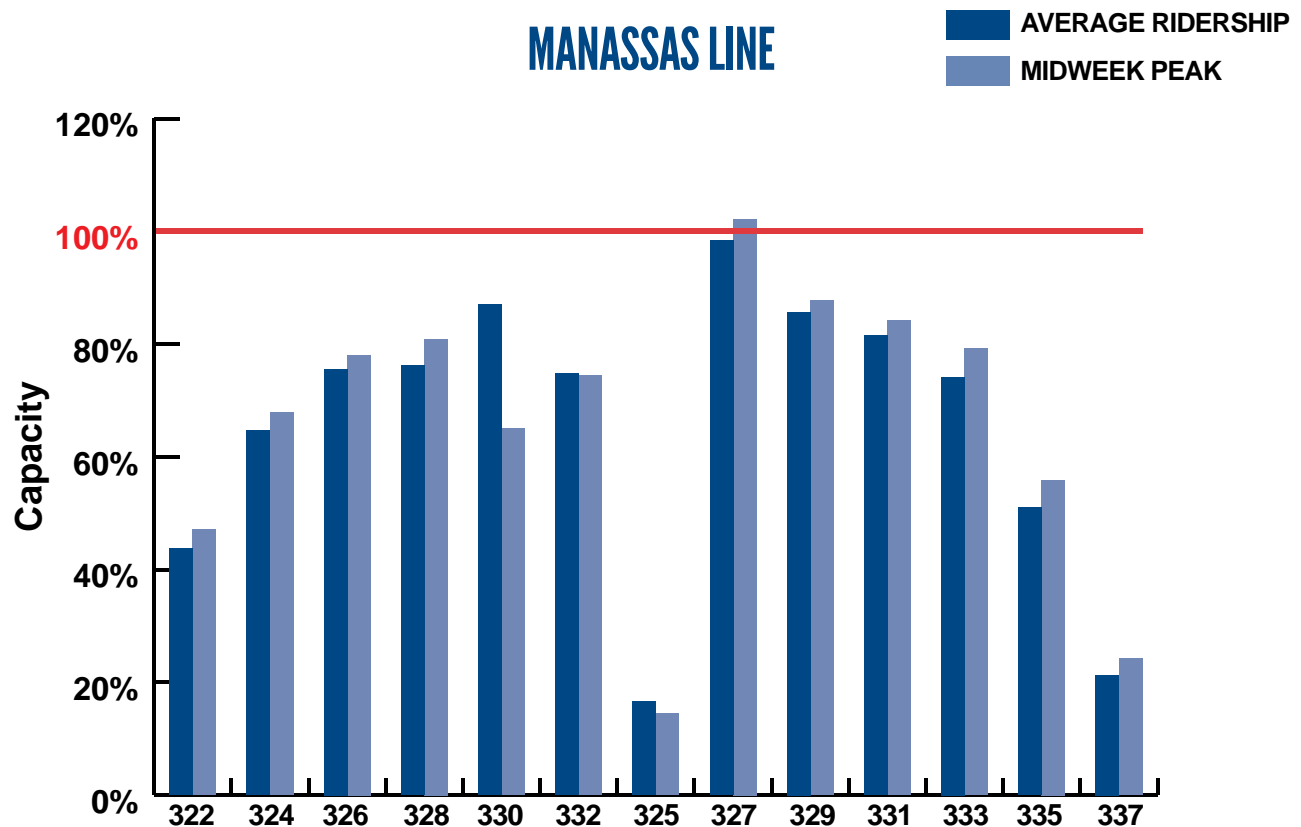
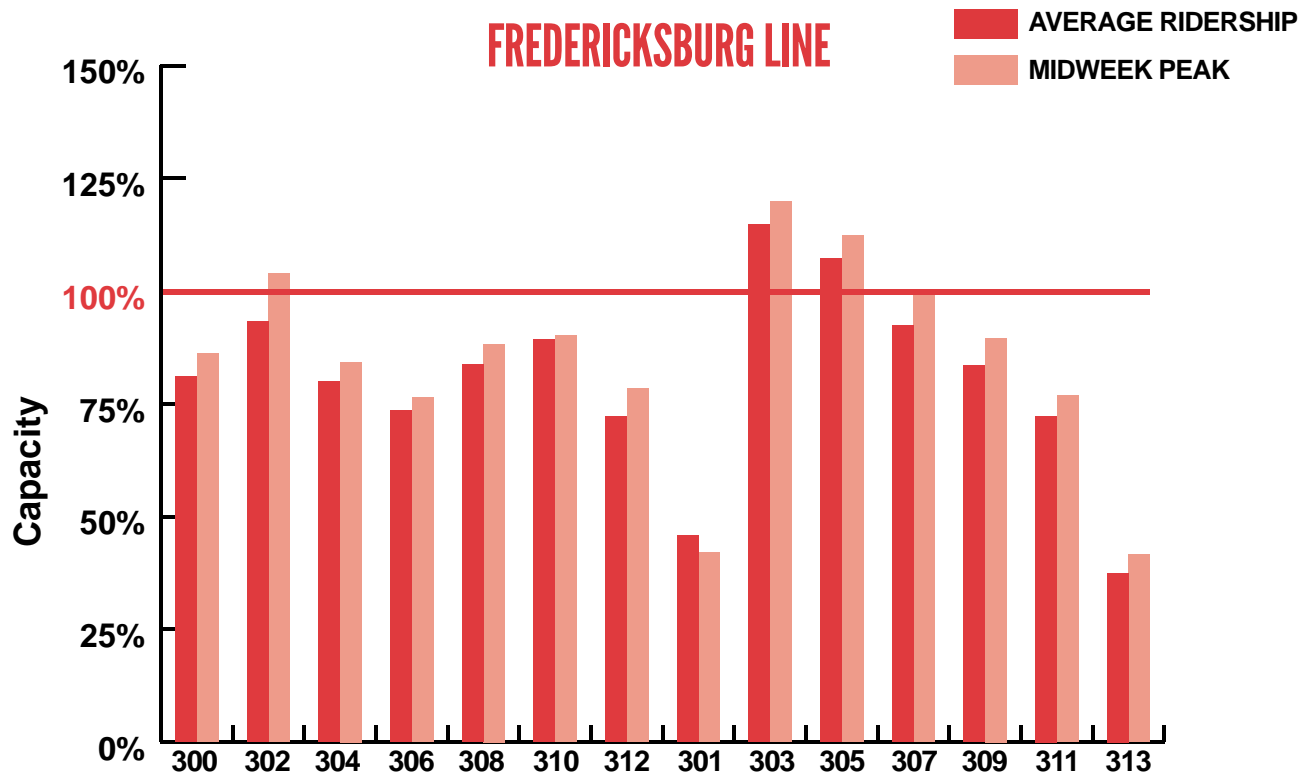


### PERFORMANCE BY LINE

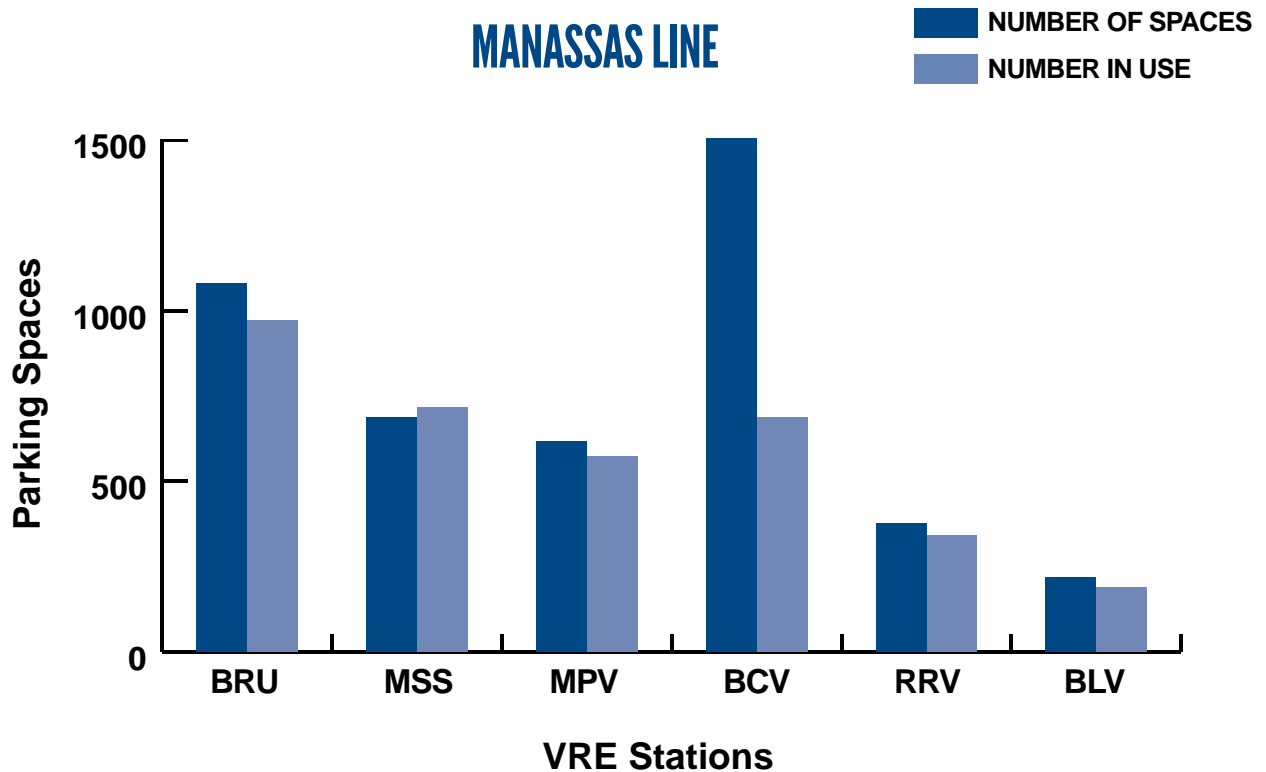
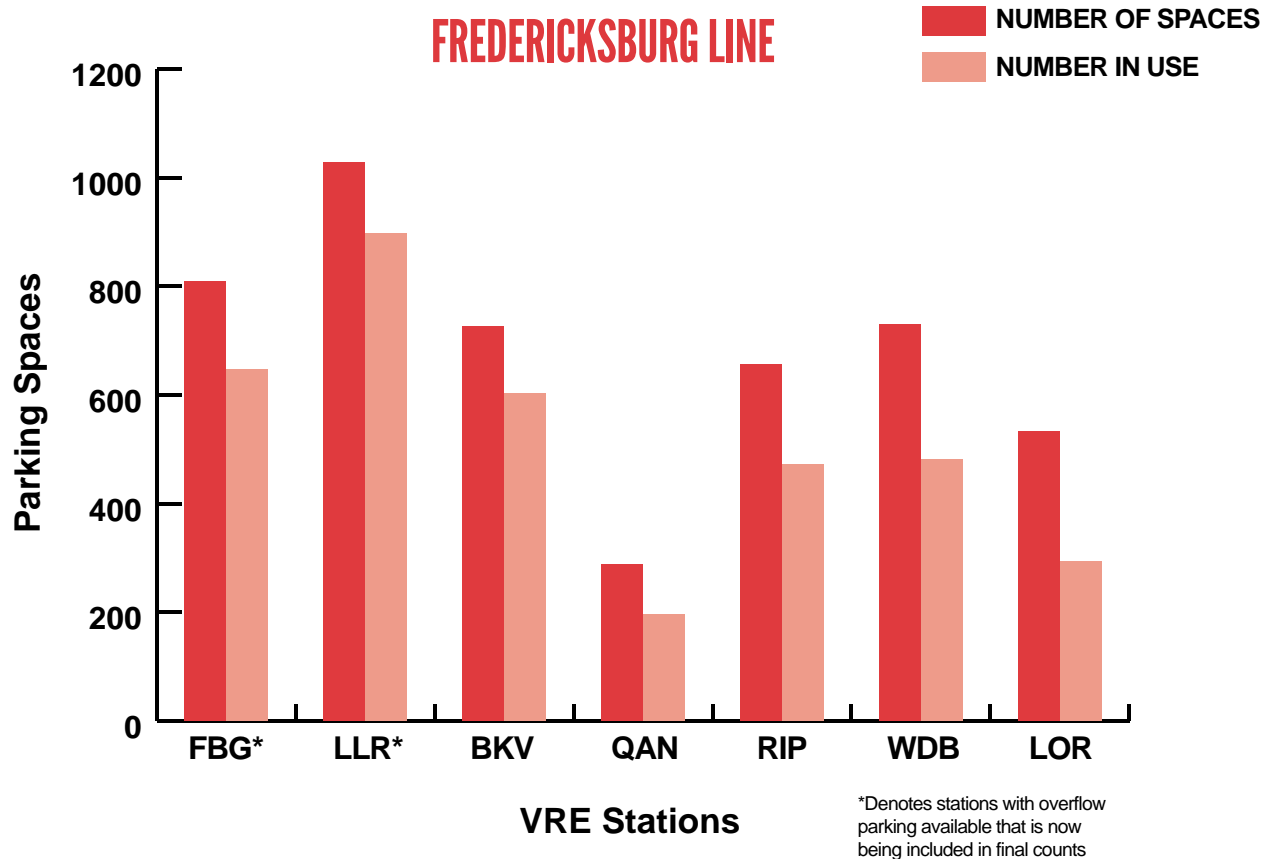
■ FREDERICKSBURG LINE  
■ MANASSAS LINE



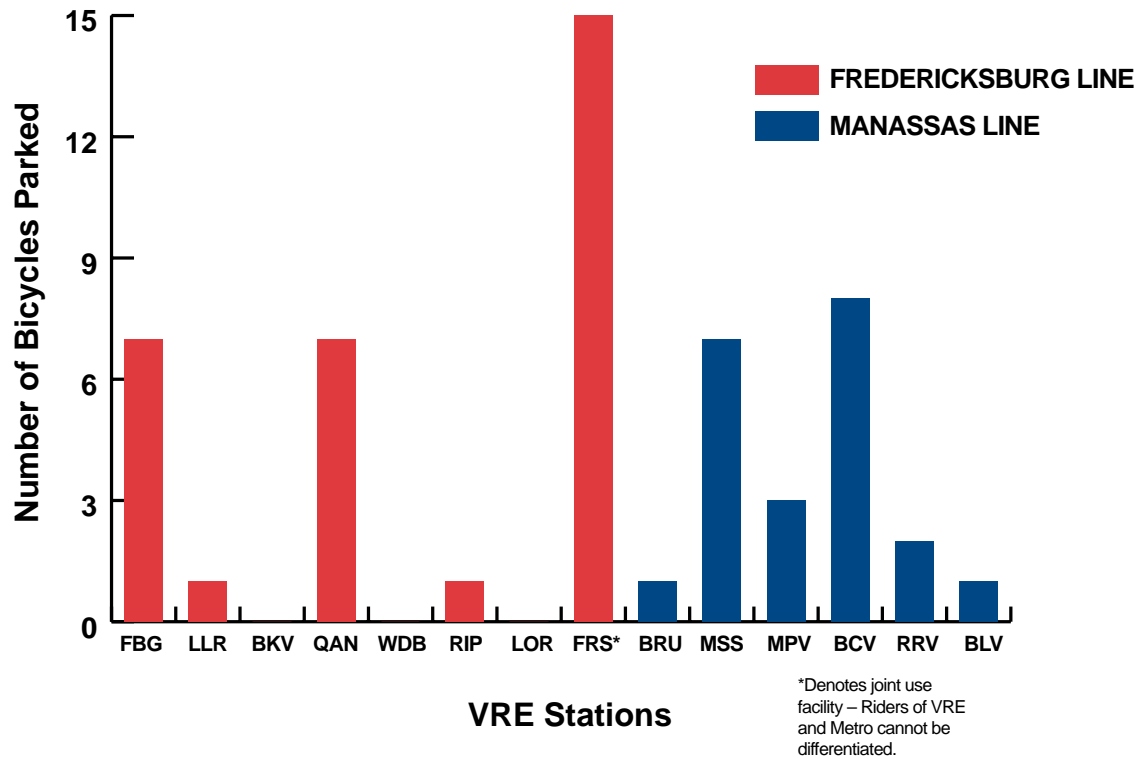
### TRAIN UTILIZATION



## PARKING UTILIZATION



### BICYCLE COUNTS



### FINANCIAL REPORT



Due to the end of fiscal year finance audit, the financial report will not appear this month. The reports for July and FY 2015 will appear in the September CEO Report.

[illegible]



## CAPITAL PROJECTS UPDATES

### VRE GAINESVILLE HAYMARKET EXTENSION STUDY KICKS OFF

The Gainesville-Haymarket Extension Planning and Engineering Study was formally initiated on July 22, 2015. The study's primary focus is to advance the initial extension planning and engineering to inform VRE and Norfolk Southern (NS) decision making to implement shared operation of VRE commuter rail and freight rail in the NS B Line corridor between Manassas and Haymarket. VRE staff and study consultant AECOM held a kick-off meeting to review the study scope and schedule, discuss assumptions related to rail infrastructure requirements and station locations, and initiate work on critical, early-action tasks.

AECOM engineers have begun developing a preliminary concept for a three track railroad alignment to evaluate the potential impacts of two other proposed infrastructure projects in the Gainesville-Haymarket corridor: the I-66 Express Lanes and Multimodal Improvements and the Dominion Power Haymarket Transmission Line. The evaluation will assess how the VRE extension, I-66 project and the Dominion transmission line can co-exist within the same narrow strip of land between University Drive and US Route 29 in Gainesville. All three projects also terminate in Haymarket near the intersection of I-66 and U.S. Route 15 and in close proximity to one another.

AECOM is also developing a Public Involvement Plan (PIP) as an early action item. The PIP will outline how the study will coordinate with the wide range of stakeholders including VRE Operations Board members, other elected officials, Virginia Department of Rail and Public Transportation (DRPT), Northern Virginia Transportation Authority (NVTa), jurisdiction departments and staff, VRE riders and property owners adjacent to the railroad corridor. More information will be available in the coming weeks regarding meetings and opportunities for input by key stakeholders and decision-makers as well as VRE riders and the general public.



*VRE staff meets with key personnel from the consultant team to kick off the 22-month environmental and preliminary engineering study for the Gainesville-Haymarket Extension.*

### REGIONAL LONG RANGE TRANSPORTATION PLANNING PROCESS BEGINS

A significant portion of VRE's operations are located within the jurisdiction of the Northern Virginia Transportation Authority (NVTa). NVTa acts like a metropolitan planning organization for this part of our service area by undertaking long-range transportation planning and funding for local jurisdiction projects to achieve a regional vision. The last update to NVTa's long range plan, called TransAction 2040, was adopted in 2012. The next update is expected to kick-off in August 2015 and be completed by 2017.

The TransAction 2040 update aims to develop a coherent regional plan in keeping with the regional vision and goals. All proposed projects will be evaluated against a set of performance criteria developed to implement the regional goals. The evaluations will yield a ranking for all proposed projects, which will then be prioritized for funding. Any projects funded by NVTa in the FY18-23 timeframe would need to have been included in the long range plan, and also have been evaluated under Virginia's HB 599 process.

## CAPITAL PROJECTS UPDATES, *CONT.*

The TransAction 2040 will also incorporate lessons learned from other long range planning processes, and identify the risks to the plan due to changing market conditions. VRE staff has participated in the development of the scope of work for the update, and in the consultant selection process. VRE plays an important role in enhancing the region's mobility and access to jobs. It is important for VRE's contributions to be acknowledged in the regional long range transportation plan.

### L'ENFANT STORAGE TRACK

With midday train storage at a premium in the District of Columbia, this project will convert an existing siding into a midday storage track for a VRE trainset immediately north of L'Enfant Station. CSX Transportation (CSXT) is installing the necessary changes to track, turnouts and signals, while VRE will install wayside power appliances on the storage track to permit heating and cooling of trains during layover without running the locomotive.

The VRE Operations Board approved awarding a contract for the wayside power appliances at its June meeting. The project is scheduled to be complete in four months. A pre-construction meeting was held on July 30 and "All systems are go" for the contractor, C3M Power Systems LLC to begin work. A sign has been placed adjacent to the site indicating that this is an FTA-funded project.



*The L'Enfant storage track will be activated on the left side of this photo beyond the bridge standing in the distance.*

Meanwhile, CSXT track and signal workers are deployed in the vicinity of L'Enfant and expect to complete the conversion of the storage track by the fourth quarter of 2015.

### LIFECYCLE OVERHAUL AND UPGRADE FACILITY

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. A new building will be designed and fitted to specifically perform this work and will be fully dedicated to these activities at the Crossroads Maintenance and Storage Facility.

The Board authorized award of a contract for engineering, environmental and construction services for the Lifecycle Overhaul and Upgrade (LOU) facility to STV Group Incorporated in April 2015. A kick-off meeting/design workshop was held in June to discuss operations and equipment for the LOU facility. The new facility for lifecycle maintenance will avoid sending equipment away from VRE for heavy maintenance thereby saving time and money.

## CAPITAL PROJECTS UPDATES, *CONT.*

Soil samples for geotechnical investigations have been collected for this project and a field survey is underway. Environmental site features are being inventoried and coordination with environmental and other agencies is on-going. We will be coordinating with the Federal Transit Administration, through the Potomac and Rappahannock Transportation Commission, who will rule on the Determination of Effect, which will guide the environmental documentation that will be prepared.

Review of the siting of the LOU facility on the VRE-owned property has led to a shift in the building location, proportion of the building and use of other on-site facilities. The train wash building may have to be relocated to utilize the track going through the maintenance facility at the far western edge of the yard. This will take the track through the LOU facility. We will be relocating a track to the east side of the yard. We are in discussions with the owner of the property for acquisition of a sliver of the property for two new tracks, as well as other needs for VRE storage. We will also be discussing with the property owner the use of the dirt road that runs parallel to the VRE property and ties into the south end of the yard for access during construction of the LOU facility.

# ALEXANDRIA STATION PEDESTRIAN TUNNEL PROJECT

A new pedestrian tunnel at the Alexandria Union Station will be constructed just north of and parallel to the original tunnel built in 1906, which will ultimately be removed from service and sealed. The new tunnel will be wider and longer than the existing tunnel and will connect directly to Metro's King Street station. The new tunnel will eliminate an at-grade crossing used by passengers between the station's east and west platforms. This access to the existing east platform will be the only access in compliance with the Americans with Disabilities Act. The project will also widen the existing east platform allowing VRE and Amtrak trains to use Track #1 (the farthest track from the station), which is currently used almost exclusively by freight trains. By adding the tunnel with elevators and stairways, this project will greatly improve safety for passengers moving between the platforms and Metro, add operational flexibility for track usage and improve intermodal transfers between VRE and Metrorail, Metrobus and DASH buses.

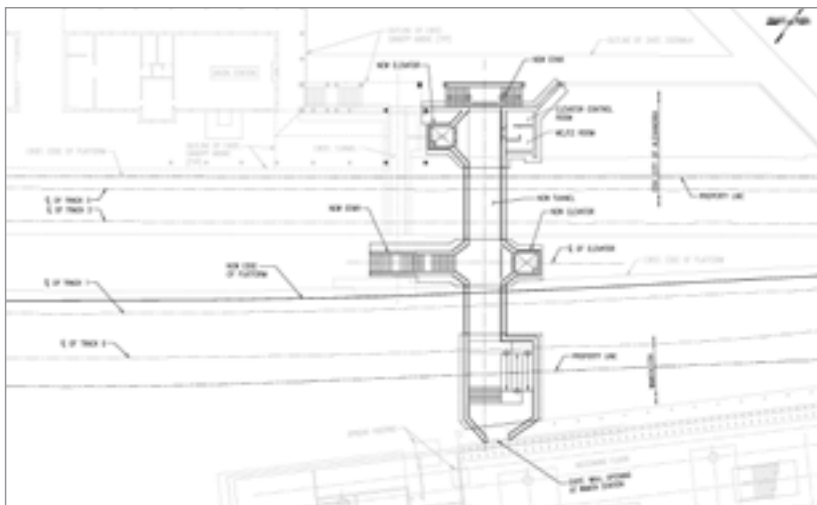


Figure 1: Plan view of the new tunnel between the station and west platform (top), the east platform (middle) and Metro (bottom) with two elevators for passengers and baggage.

Preliminary engineering was completed in June with 30 percent design plans distributed to all of the stakeholders. The design team is receiving comments on the preliminary plans and meeting with project stakeholder groups to gain a clear understanding of comments. The soils samples needed for geotechnical evaluations and design of the tunnel have been collected and are undergoing laboratory testing and analyses. Project funding is provided by the Federal Highway Administration through its at-grade rail crossing elimination program and managed by the Virginia Department of Transportation. VDOT conducted a Value Engineering (VE) study on July 1 and 2, 2015 which will generate suggestions from their team of design experts.

## CAPITAL PROJECTS UPDATES, *CONT.*

Once comments from the VDOT VE study and plans are reviewed and incorporated, the project will move into its final design stage, which is expected to be completed in spring 2016, after which advertisement for construction will begin. The design team is discussing the construction phase as well as taking into consideration access to the site in order to avoid disturbance of Alexandria's Union Station.

One approach is to do most of the excavation for the tunnel from the east, or WMATA side. WMATA required that the knock-out panel on their property remain in place until all of the work is complete with the tunnel.

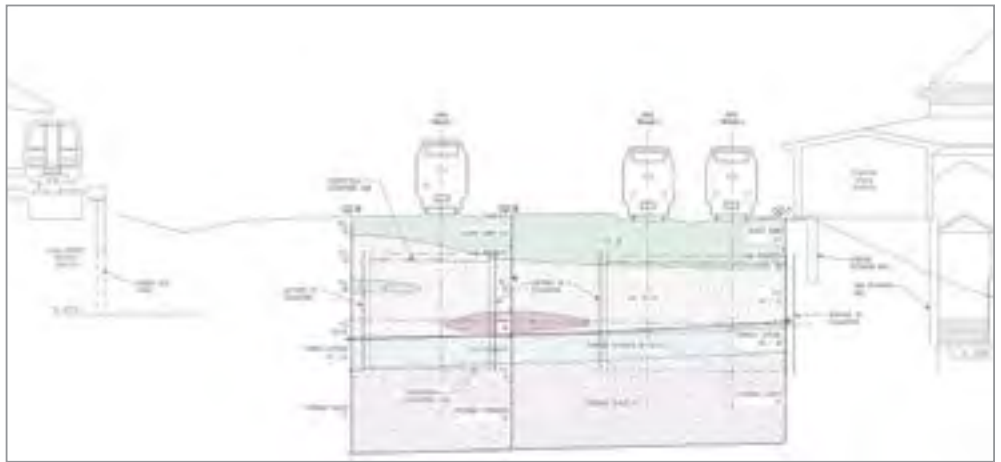


Figure 2: Soil profiles illustrate the complex and varied geotechnical conditions through which the new tunnel will be constructed.

The tunnel will be done in five sections. Three of the five will be built as cut-and-cover with steel sheeting placed around the sections to protect them during the construction. These areas will be where the elevators (far west and center platform area), stairs (center platform and far eastern section), and ramp for pedestrians (eastern portion), will be built. The other two tunnel sections will be built under active CSXT tracks.

The tunnel construction that is being considered is the Sequential Excavation Method (SEM). This method sequentially excavates and supports the area using shotcrete and pipes to support a pipe arch canopy. Figure 2 shows the approximate size of the tunnel with the pipe arch supporting the tunnel.

The SEM method is a pre-support installed in advance of the tunnel excavation along the entire tunnel length. This method offers less construction risk as well as:

- Minimizes exposure under unsupported ground
- Has the ability to adapt to changes in the soils conditions
- Offers the ability to have direct control of settlements

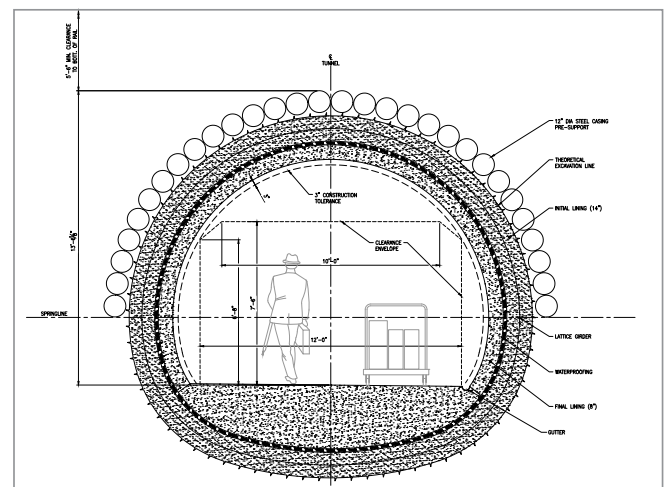


Figure 3: typical tunnel cross section



**CAPITAL PROJECTS UPDATES, CONT.****HAMILTON-TO-CROSSROADS THIRD TRACK PROJECT**

Work has resumed on the third-track project with a new construction team. The project was temporarily postponed until safety concerns were resolved. Track and signal improvements are being put into service in three phases. Phase 1 civil, site, drainage and trackbed work was complete prior to the postponement and CSXT completed the Phase 1 trackwork and signal cut-in over the weekend of June 19-21, 2015. This cut-in put into service the lead track serving the new Spotsylvania Station and Crossroad Yard. The Phase 2 cut-in is scheduled for September 2015 with the Phase 3 cut-in scheduled to follow in November 2015. Overall project completion is scheduled for the last quarter of 2015.



*New Third Track being installed north of US 17 Bridge*



*New turnouts installed in the June Phase 1 cut-in providing access to the Spotsylvania Station platform and Crossroads Yard, looking South from US 17 Bridge.*

## CAPITAL PROJECTS UPDATES, *CONT.*

### SPOTSYLVANIA STATION

The platform concrete is complete and work is continuing on structural steel for canopies, headhouse and other station treatments. The station is currently scheduled to enter revenue service in Fall 2015 in conjunction with the 1,500 space parking lot under construction by Spotsylvania County.



*Lampposts are installed looking south from north end of new station platform.*



*Structural steel is erected at Spotsylvania Station for the canopies on the platform and connecting to the station headhouse on the right, looking north from south end of new station platform.*

### VRE FACILITIES UPDATE

**The following is a status update of VRE facilities projects:**

#### **Completed projects:**

1. Striping and signage installation for motorcycle parking in Lot D at the Fredericksburg Station.
2. Reissuance of elevator rehabilitation IFB for Franconia-Springfield and Rippon stations.
3. Issuance of canopy roof and gutter replacement IFB for L'Enfant and Leeland Road stations.

#### **Projects scheduled to be completed this quarter:**

1. Painting of L'Enfant Station.
2. Steel railing repairs at L'Enfant Station.
3. Installation of right-of-way security fencing at Burke Centre Station.
4. Repair of platform concrete deficiencies at Quantico Station.
5. Repair of platform concrete deficiencies at Leeland Road Station.
6. Repair of water damaged Woodbridge Station west elevator.
7. Replacement of remaining stair pans and landings at Rippon Station.

## CAPITAL PROJECTS UPDATES, *CONT.*

### **Projects scheduled to be initiated this quarter:**

1. Elevator rehabilitation at Franconia-Springfield and Rippon stations.
2. Replacement of canopy roofs and gutters at L'Enfant and Leeland Road stations.
3. Painting of Leeland Road and Burke Centre stations.
4. Correction of canopy drainage problem at Crystal City Station.
5. Installation of platform and inter-track warning signs at stations.
6. Restriping of Crossroads yard and select parking lots at Quantico, Rippon, Woodbridge and Broad Run stations.
7. Replacement of dying trees at Broad Run Station parking lot.

### **Ongoing projects:**

1. Renovations at Alexandria headquarters.
2. Modification of wayside power pedestals at Broad Run and Crossroads yards to increase light visibility and improve cable storage.
3. Replacement of worn or damaged signage at various stations.
4. Development of scope of work for tactile warning strip replacement IFB for various stations.
5. Development of scope of work for platform concrete rehabilitation IFB for Fredericksburg station.



## PROCUREMENT

### UPCOMING PROCUREMENTS

- Repair and Overhaul of Locomotive Rotating Electrical Equipment
- Stair Replacement at the VRE Rippon Station
- Engineering and Environmental Services for Platform Improvements at Five Fredericksburg Line Stations
- General Planning Consulting Services I – Project Development Services
- Development of Design Guidelines and Standard Specifications
- Engineering and Environmental Services for the Rolling Road Station Platform Extension
- System Safety and Security Consulting Services
- Replacement of Tactile Warning Strips at Station Platforms
- Rehabilitation of Fredericksburg Station Platforms
- Purchase and Installation of Security Camera Equipment
- Automatic Parking Counter System
- Automatic Passenger Counter System
- Drop Table for the Lifecycle Overhaul and Upgrade Facility at the Crossroads Yard
- Wheel Truing Machine for the Lifecycle Overhaul and Upgrade Facility at the Crossroads Yard
- Engineering and Environmental Services for Mid-Day Train Storage Facilities
- Purchase of Replacement Material for Head End Power Engine Maintenance

### COMMUTER STATIONS & PARKING PROJECTS

Project & Code	Description	Task (s)	Task Description (s)	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Alexandria Station Tunnel and Other	Design and installation of a new pedestrian tunnel between the VRE/Amtrak and METRO stations and modifications to eastern platform to allow service from Track #1.	Feasibility Study	Prepare a feasibility study with limited survey to investigate challenges associated with designing, permitting and constructing a tunnel under a live CSX track.	Norine Walker	8C-05-2012	100%	4th Quarter 2014
		Site Investigation	Compile soils data and perform in-situ testing to prepare for final design phase and provide VDOT with environmental information.	Norine Walker	8H-10-2013	90%	3rd Quarter 2015
		Design & Construction Administration	Design & construction administration for a new pedestrian tunnel to METRO, improve ADA access, and eliminate at-grade track crossing.	Norine Walker	8F-12-2013	25%	2nd Quarter 2017
		Design	Modify Staters Lane interlocking, ttrack profiles ad East Platform to accommodate passengers on Track #1	Norine Walker		0%	2nd Quarter 2017
		Design	Extend East Platform for 8-car trains and Elevate West Platform	Norine Walker		0%	2nd Quarter 2017
Amtrak Joint Recapitalization Project	Amtrak and VRE joint benefit recapitalization projects	Washington Union Terminal Rail Service Improvement Plan	Joint study with Amtrak and MARC re: meeting current and forecasted growth for target years 2017 and 2030.	Christine Hoeffner		100%	Completed
		Coach Yard Wayside Power Upgrade	Upgrade and replace wayside power station for VRE storage tracks at the Coach yard	Rich Dalton		100%	Completed
		WUT Canopy Roof Repairs	Repairs of canopy roof at WUT lower level platforms	Rich Dalton		70%	4th Quarter 2015
Broad Run Parking Expansion	Environmental Analysis and Engineering to expand parking by 700 spaces	EA & PE	Perform environmental analysis and engineering and provide construction administration to expand parking by 700 spaces	Norine Walker	11D-04-2011	30%	TBD
Franconia-Springfield Station Rehabilitation	Repairs & Improvements to the Franconia Springfield Station Eastern Platform & Passenger Walkway	Repairs & Improvements	Infrastructure repairs and improvements to eastern platform and passenger walkway at VRE Franconia-Springfield Station.	Kip Foster	9F-06-2011	100%	Completed 3rd Quarter 2013
		Flagging Services & Protection	Provide flagging services during platform level repairs and overhead pedestrian bridge work.	Kip Foster	9G-06-2011	100%	Completed 2012
	Second Platform Expansion		Extend both platforms for 8-car trains and widen East platform for future third track.	Norine Walker	8A-3-2015	0%	TBD
Lorton Station Main Platform Expansion	Expansion of station by extending eastern (main) platform	PE and Environmental	EA and PE to extend the exiting platform and construct a second platform.	Eric Johnson	10A-10-2010	100%	Completed 4th Quarter 2012
		Station Expansion Design	Prepare construction documents and provide construction administration for 250' platform expansion with upgraded LED lighting	Eric Johnson	8B-05-2012	90%	1st Quarter 2015
		Platform Extension Construction	Construction of 250' platform extension with upgraded LED lighting	Kip Foster	8B-03-2014	0%	2nd Quarter 2015
		Utility Relocation	Relocate CenturyLink communications line to accommodate platform extension and future second platform	Kip Foster	8C-03-2014	0%	4th Quarter 2014
		Construction Management Services	Provide construction management and inspection services during construction of platform extension	Kip Foster	9A-04-2014	0%	2nd Quarter 2015
Lorton Second Platform	New second platform to accommodate 8-car trains	Environmental	Prepare Categorical Exclusion for Second Track construction	Norine Walker	TBD	0%	TBD
		Preliminary Engineering	Design of second platform	Norine Walker	8A-3-2015	5%	3rd Quarter 2017%
Rolling Road Platform Extension	Extend platform for 8-car trains	PE / Env	250' Platform Extension / 200' Canopy Extension / 200' Future Platform Concept Design	Norine Walker	8A-06-2015	5%	3rd Quarter 2020
Spotsylvania Station (New Station)	New VRE station in Spotsylvania County (Station Only, NO Parking) near the Crossroads Yard	Station Design & CM Services	Design of the new platform and head house/Construction Eng. Support. Full time on site CM services.	Kip Foster	9G-06-2012 & 9F-09-2013	100% and 75%	Completed 2nd Quarter 2013
		Station Construction	Construction of the new platform and head house.	Kip Foster	9F-05-2013	65%	4th Quarter 2015
Brooke Station	Extend existing platform and construct second platform for 8-car trains	PE / Env	250' Platform Extension / 200' Canopy Extension / 200' Future Platform Concept Design	Norine Walker	8A-3-2015/8B-7-2014	5%	3rd Quarter 2020
Leeland Road Station	Extend existing platform and construct second platform for 8-car trains	PE / Env	250' Platform Extension / 200' Canopy Extension / 200' Future Platform Concept Design	Norine Walker	8A-3-2015/8B-7-2014	5%	3rd Quarter 2020
Quantico Station	New island platform, pedestrian bridge, bus facilities, extend existing platform	PE		Kip Foster		10%	1st Quarter 2017

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Distributed final feasibility report and closing out this task.		AECOM	\$ 10,626,000	\$ 162,711	\$ 147,919	\$ 147,737
Geotechnical Data Report has been submitted. Close out expected September 2015	Supplement No. 1, October 2013, \$26,709. Supplement No. 2, May 2014, \$85,752. Supplement No. 3 \$45,405 approved 4-17-2015.	AECOM		\$ 223,554	\$ 207,806	\$ 181,217
30% design submittal June 15, 2015. Comments will be responded to and incorporated in 60% submittal due in September. Awaiting VDOT Value Engineering Study report.	Amendment anticipated for scope not anticipated when awarded contract. Will evaluate need when further along in contract.	Gannett Fleming		\$ 1,814,559	\$ 1,728,151	\$ 554,239
Preparing Scope of Work for stand-alone contract to address Slaters Lane, track reprofiling in Alexandria Station vicinity, and East Platform adjustments once tunnel is built and at-grade crossing is eliminated to make it ADA accessible. Preparing CSXT agreement to design and construct track and signals.		TBD				
The East Platform will be extended to meet the 8-car design standard. The West Platform will be leveled to provide required clearance to train cars. Additional funding needed for East Platform extension	Funds from West Platform Project	TBD	\$400,000	\$400,000	\$ -	\$0
TOTALS			\$ 11,026,000	\$ 2,600,824	\$ 2,083,876	\$ 883,193
Project completed.	Final invoice received 2/28/14; payment authorized 3/20/14.	Amtrak	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 987,625
Project completed.	Last invoice received 4/12/2013	Amtrak	\$ 750,000	\$ 750,000	\$ 750,000	\$ 515,968
Work on track 27/28 currently underway.	Revised Contract executed November 2014.	Amtrak	\$ 1,172,309	\$ 1,172,309	\$ 1,172,309	\$ 573,953
TOTALS			\$ 3,201,176	\$ 3,201,176	\$ 2,922,309	\$ 2,077,547
No funds available for construction, so on-hold. 30% design submitted. Likely will wait until Gainesville-Haymarket extension project results to determine the future of the Broad Run Station parking expansion.	Project on-hold; consider reprogramming funds	Dewberry	\$ 3,420,000	\$ 2,031,263	\$ 1,846,603	\$ 393,120
TOTALS			\$ 3,420,000	\$ 2,031,263	\$ 1,846,603	\$ 393,120
Contract closeout pending contractor submittal closeout payment affidavit requirements.	Change Order # 1: Canopy Roof Gutters/Downspouts, \$35,230 - Change Order # 2: Bridge Repair/Replacement, \$47,440 - Change Order # 3: Structural Steel Repairs/Rehab, \$45,062 - Change Order # 4: Window/Jamb Rehab/Replacement, \$4,028 - Change Order # 5: Gutter Repair, \$222	Vista Contracting, Inc.	\$ 522,000	\$ 455,950	\$ 449,141	\$ 426,687
No additional flagging expected.		CSX Trans.		\$ 132,000	\$ 124,765	\$ 58,185
Preparing RFP for PE and NEPA as part of the Penta-platforms program		TBD				
TOTALS			\$ 522,000	\$ 587,950	\$ 573,906	\$ 484,872
Completed		HDR	\$ 4,820,000	\$ 306,350	\$ 278,500	\$ 271,476
HDR providing permit assistance, coordinating Special Inspections, and providing Construction Engineering to include shop drawing review as needed.		HDR		\$ 103,400	\$ 94,000	\$ 87,694
Received Board approval in March 2014 to award construction contract to Hammerhead. Contract awarded in late April 2014. Received Board approval in May 2014 to execute CSX force account agreement for design review and flagging during construction. CSX processing ROE. CSX determining flagging availability and schedule.		Hammerhead Construction		\$ 991,980	\$ 901,800	\$ 26,000
Received Board approval in March to execute communications line relocation agreement with CenturyLink. Agreement executed in early April.		CenturyLink		\$ 66,664	\$ 60,604	\$ -
Received Board approval in April 2014 to execute task order with Gannett Fleming for construction management and inspection services during construction of platform extension. Task order executed in late April. Need to find a new source of funds for GEC VI task.		Gannett Fleming		\$ 164,786	\$ 149,805	\$ 9,000
TOTALS			\$ 4,820,000	\$ 2,809,080	\$ 2,632,521	\$ 1,363,914
Pending NVT A Approval.		TBD		\$ -	\$ -	\$ -
Preparing RFP for PE and NEPA as part of the Penta-platforms program		TBD	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ -	\$ -	\$ -	\$ -
Preparing RFP for PE and NEPA			\$ 2,000,000			
TOTALS			\$ 2,000,000	\$ -	\$ -	\$ -
STV under contract for Construction Engineering Support and Shop Drawing Review thru duration of construction as well as CM through project closeout.		STV	\$ 3,422,500	\$ 703,453	\$ 700,000	\$ 675,000
Platform Concrete Complete. Walkways and headhouse well underway.	Change Orders 1-8 drainage/fill/concrete/price changes due to change conditions over year between bid/award and NTP.	Hammerhead Construction		\$ 2,583,900	\$ 2,537,289	\$ 1,850,000
TOTALS			\$ 3,422,500	\$ 3,287,353	\$ 3,237,289	\$ 2,525,000
Preparing RFP for PE and NEPA as part of the Penta-platforms program		TBD	\$2,463,000	\$ 21,790.00		
TOTALS			\$ -	\$ -	\$ -	\$ -
Preparing RFP for PE and NEPA as part of the Penta-platforms program		TBD				
TOTALS			\$ -	\$ -	\$ -	\$ -
In conjunction with DRPT Arkendale to Powell's Creek Third Track Project.		TBD				
TOTALS			\$ -	\$ -	\$ -	\$ -

## TRACK & INFRASTRUCTURE PROJECTS

Project & Code	Description	Task (s)	Task Description (s)	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
L'Enfant Station Wayside Power	Place siding previously constructed into service	Wayside Power Construction	Conversion of existing siding track into a midday train storage track	Norine Walker	9A-06-2015	2%	4th Quarter 2015
		Wayside Power Construction Management	CM for construction	Norine Walker	N/A	0%	4th Quarter 2015
		Stub track, Switch & Signal Design	Design of storage track, switches and signals	Norine Walker	9B-06-2011	100%	3rd Quarter 2015
		Stub track, Switch & Signal Construction	Construction of storage track, switches and signals	Norine Walker	9B-06-2011	0%	4th Quarter 2015
Spotsylvania Third Track Expansion (Crossroads to Hamilton - Fredericksburg)	Construct approximately 2.5 miles of third track leading to the new Spotsylvania Station	Third Track Civil Design, Construction Eng. & Support, CM	Environmental Analysis and Final Design, Engineering Support through construction, CM Services through Project closeout.	Kip Foster	9D-06-2010 & 9G-09-2013	100% and 70%	Design Completed 2nd Quarter 2013. CM est. completion 4th Quarter 2015
		Third Track Signal Design	CSX Signal design and engineering support	Kip Foster	9E-06-2012	100%	1st Quarter 2014
		Track & Signal Construction	CSX Construction of Signals and Track	Kip Foster	9H-09-2013	75%	4th Quarter 2015
		Track Work & Structures	Construction of Civil, Track, & Structures	Kip Foster	9C-06-2013	67%	Phase 1 Complete Phase 2 4th Quarter 2015

## PLANNING, COMMUNICATIONS & INFORMATION TECHNOLOGY PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Gainesville Haymarket Expansion Planning	Expansion of VRE Service to Gainesville & Haymarket, VA	G/H Expansion Analysis (Feasibility)	Develop expansion alternatives for VRE Service to G/H	Christine Hoeffner	9D-12-2007	Complete	Complete
		G/H Expansion Project Development, Environmental and Design	Perform planning and project development activities, environmental analysis and engineering design	Christine Hoeffner	9B-03-2015 (A/E contract award) 8E-04-2014 (Auth. For RFP)	0%	9/30/17
		Construction (Future)	Future Track Construction	TBD		0%	TBD
Mobile Ticketing	Development and Implementation of a Mobile Ticketing System			Chris Henry	8H-09-2013	41.0%	6/30/16

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
NTP issued on July 17, 2015. Pre-construction meeting held in field 7-30-2015. Contractor suggested relocation of PEPCO control box which may reduce cost. Coordinating with CSX for depth of construction of ductbank. VRE will remove vegetation from site. CSX will mark where ultimate stub storage track will be located and contractor will remove trailer.		C3M Power Systems, LLC	\$ 4,003,187	\$ 494,450	\$ 449,500.00	\$ -
GEC VI Task Order to support VRE construction of the wayside power contract awarded to AECOM.		AECOM		\$ -	\$ 49,682	\$ -
Design is completed		CSX Trans.		\$ 250,000	\$ 225,000	\$ 186,715
CSX will install new turn out tracks, a stub track, new signals and replacement signals, track and switches to accept the VRE construction and PEPCO power supply. CSX began long lead time material ordering in January.		CSX Trans.		\$ 3,462,607	\$ 3,462,607	
<b>TOTALS</b>			<b>\$ 4,003,187</b>	<b>\$ 4,207,057</b>	<b>\$ 274,682</b>	<b>\$ 186,715</b>
Design Completed 2nd Quarter 2013. Construction Engineering Services and Support through completion of construction. CM services ongoing for duration of construction and through project closeout.		STV	\$ 32,500,000	\$ 1,750,743	\$ 1,651,000	\$ 1,350,000
Signal Design for Phase 1 and Phase 2 complete. Signal Construction Complete through Phase 1.		CSX Trans.		\$ 1,009,800	\$ 917,400	\$ 940,853
Signal Construction over 75 % complete. CSX Track Construction began in January 2015. 1st Cut-in completed weekend of June 20. Scheduled completion 4th quarter 2015		CSX Trans.		\$ 20,522,611	\$ 20,522,611	\$ 9,000,000
Phase 1 work complete (including CSX Track Installation). Phase 2 scheduled for completion 4th quarter 2015.	CA # 1 - Access from Crossroads Pkwy \$112,715 CA # 2 - Load Test for Microtubes \$47,600 CA # 3 - Subgrade Stabilization \$86,561 CA # 4 - A.S.S. 12" Rubber Extension - time only CA # 6 - Proposed Station Sign \$155,899 CA # 7 - Underdrain \$17,400 CA # 8 - Pipe Extension PP Conduit \$209,973 CA # 11 CSX Extensions and Unbund Credits (\$2,205) CA # 12 M.O.T. Devices CA # 15 1st Foundation SWAP CA # 16 Slope Stabilization VEP (\$230,279)	Abernathy Construction Corp		\$ 8,880,073	\$ 8,556,727	\$ 6,000,000
<b>TOTALS</b>			<b>\$ 32,500,000</b>	<b>\$ 32,163,227</b>	<b>\$ 31,647,738</b>	<b>\$ 17,290,853</b>

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Feasibility Study Completed on 9/28/2009	Aerial Survey Deferred to NEPA/PE. Revised Consultant Responsibility for Cost Estimating from Belstar to VHB/DMJM	VHB	\$ 5,823,052	\$ 1,537,338	\$ 1,397,338	\$ 1,042,749
AECOM selected as consultant; contract award awaiting Commission authority to execute REF grant (funding source)	\$1,500,000 allocated in FY14 NVTVA regional funding; project agreement approved by NVTVA 7/24/14. Amendment of REF grant 76509-02 pending DRPT/VRE execution; increases project funding by \$2,785,714 to \$4,485,714 when combined with NVTVA funds as local match to state grant.	TBD		\$ 4,365,163	\$ 3,968,330	\$ -
Future Construction Related to Expansion	Funding Sources TBD	TBD		\$ -	\$ -	\$ -
<b>TOTALS</b>			<b>\$ 5,823,052</b>	<b>\$ 5,902,501</b>	<b>\$ 5,365,668</b>	<b>\$ 1,042,749</b>
System launched on 05/15. \$205,000 in sales through VRE Mobile for month of June. Phase 2 (Blackberry and Windows phones) to begin in July.		GlobeSherpa		\$ 3,510,627	\$ 1,300,307	\$ 1,300,307
<b>TOTALS</b>			<b>\$ -</b>	<b>\$ 3,510,627</b>	<b>\$ 1,300,307</b>	<b>\$ 1,300,307</b>

### YARD PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Broad Run Yard Train Wash and Crossroads Yard Warehouse	Design and construction of Broad Run Yard train wash and Crossroads Yard warehouse.	Crossroads Warehouse Design	Conceptual and final design of new Crossroads warehouse.	Eric Johnson	10D-04-2012	100%	Completed 4th Quarter 2012
		Crossroads Warehouse Construction	Construction of new Crossroads warehouse.	Eric Johnson	11E-04-2011	100%	Completed 2nd Quarter 2013
		Broad Run Train Wash Design	Conceptual and final design and construction administration for Broad Run train wash	Norine Walker	9D-06-2012	90%	TBD
Crossroads Lifecycle Overhaul and Upgrade (LOU) Facility	Engineering, Environmental and Construction Services for a Lifecycle Overhaul and Upgrade (LOU) Facility	PE, environmental, final design, construction docs and limited construction services	LOU facility includes ability to remove, repair and reinstall main engines, head end power units, trucks, cart bodies, main generators, auxiliary generators, traction motors, etc. And associated track work.	Norine Walker	9G-09-2014/8G-04-2015	6%	2017

### ROLLING STOCK PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Passenger Railcar Procurement	To Acquire Twenty (20) New Railcars from Sumitomo to add to the existing VRE Passenger Car Fleet	New Railcar Manufacture (8 cars) Ordered 2012	Base Order of 8 New Passenger railcars	Rich Dalton	10C-01-2012	95%	3rd Quarter 2016
		New Railcar Manufacture (7 cars) Ordered 2014	Option Order of 7 New Passenger railcars	Rich Dalton	8B-11-2013	22%	1st Quarter 2018
		New Railcar Manufacture (5 cars) Ordered 2015	Option Order of 5 New Passenger railcars	Rich Dalton	9F-09-2014	0%	4th Quarter 2018
		New Railcars Engineering Oversight (7 Cars)	On site engineering through warranty administration under MEC V task order STV-0038	Rich Dalton	10A-01-2014	3%	1st Quarter 2018
		New Railcars Engineering Oversight (5 Cars)	On site engineering through warranty administration under MEC VI task order STV-001	Rich Dalton	10C-05-2015	0%	4th Quarter 2018
		New Railcars Engineering Oversight (8 Cars)	On site engineering through warranty administration under MEC V task order STV-0017	Rich Dalton	9E-02-2012	85%	3rd Quarter 2016
Positive Train Control (PTC)	To install and implement Positive Train Control (PTC) for all VRE Locomotives	Positive Train Control Installation and Infrastructure	Positive Train Control for all locomotives and cab control cars (total 41), as mandated by the Rail Safety Improvement Act of 2008.	Rich Dalton	9E-09-2013	0%	2nd Quarter 2016
		Oversight	Oversight - Positive Train Control for all locomotives and cab control cars, as mandated by the Rail Safety Improvement Act of 2008.	Rich Dalton	9A-03-2013	5%	4th Quarter 2016

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
	STV Task Order #3 Supplement #1 for \$146,414 for additional Crossroads warehouse engineering services	STV/RWA	\$ 5,723,959	\$ 629,248	\$ 619,334	\$ 619,311
Final payment issued in early April 2013.	Contract Amendment No. 1 - Multiple change orders increasing Contract amount by \$124,409 and Contract time by nine days. Contract Amendment No. 2 - Multiple change orders increasing Contract amount by \$87,774 and Contract time by 173 days.	Trinity Construction Group, Inc.		\$ 2,600,000	\$ 2,092,364	\$ 2,125,632
Review of Broad Run train wash 90% design completed. Plan submission to Prince William County and City of Manassas on hold while seeking additional construction funding. VRE submitted comments to STV on Crossroads Train Wash report. Find and provide as-builts to STV and schedule field trip for them to review operations prior to finalizing the report.	Supplement No. 1 - Increased contract amount by \$3,864 for third party construction cost estimate.	STV/RWA		\$ 307,513	\$ 283,421	\$ 174,875
TOTALS			\$ 5,723,959	\$ 3,536,761	\$ 2,995,119	\$ 2,919,818
30% plan submittal received on schedule in late July. Early item procurement for Drop Table and Wheel Truing Machine anticipated in August.	Change Order #1 for additional survey, geotechnical and environmental base data collection (Pending)	STV	\$22,500,000	\$3,146,403	\$ 2,831,763	\$ 180,409
TOTALS			\$22,500,000	\$3,146,403	\$ 2,831,763	\$ 180,409

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY15 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Eight (8) base order cars are currently in revenue service. Warranty period ends 3rd Qtr 2016.	The car numbers are designated as V820 - V827; the cars are in revenue service. Warranty expires in September 2016.	Sumitomo - Nippon Sharyo	\$ 52,544,714	\$ 23,140,000	\$ 21,240,000	\$ 20,009,230
Contract Amendment Executed; preliminary delivery schedule submitted by SCOA/Project Kick Off meeting held on March 20, 2014; project status meetings on-going.	Contract Amendment Executed 12/19/2013 to increase the contract amount and number of cars. Progress meetings on going.	Sumitomo - Nippon Sharyo		\$ 14,805,714	\$ 14,805,714	\$ -
Contract Amendment Executed; preliminary delivery schedule submitted by SCOA/Project Kick Off meeting held on October 28, 2014	The car numbers are V835-V839. Contract Amendment Executed 10-27-14 to increase the contract amount.	Sumitomo - Nippon Sharyo		\$ 10,545,200	\$ 10,545,200	\$ -
On-going project status meetings and document reviews; on-site manufacturing oversight to started in February 2015.	The car numbers are designated as V828-V834. Piece parts are currently in production in Toyokawa and Rochelle. On site inspector starts in Rochelle in February 2015 for final assembly.	STV		\$ 892,500	\$ 849,245	\$ 102,637
On-going project status meetings and document reviews; on-site manufacturing oversight to starts in February 2017.	The car numbers are designated as V835-V839	STV		\$ 820,312	\$ 781,250	\$ -
Warranty Oversight	Two (2) year warranty period expires on 9-21-16.	STV		\$ 1,474,000	\$ 1,250,000	\$ 1,151,473
TOTALS			\$ 52,544,714	\$ 51,677,726	\$ 49,471,409	\$ 21,263,340
Project Meetings On-going; equipment surveys completed; prototype installations scheduled for September 2015	Contract executed for on-board equipment and installation January 2015.	WRE	\$ 10,821,989	\$ 7,980,877	\$ 7,859,645	\$ 245,870
Task order issued on March 13, 2013 to STV for engineering and oversight work for implementation. MEC V Task Order 0026	PTC Implementation oversight - Definition Phase - Matrix of tasks was reviewed and approved by VRE for plan development and preparation underway for scope of work including hardware pricing and quotes. STV is also developing back office operation.	STV				
TOTALS			\$ 10,821,989	\$ 7,980,877	\$ 7,859,645	\$ 245,870





VIRGINIA RAILWAY EXPRESS  
*A Better Way. A Better Life.*

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**Virginia Railway  
Express**

John C. Cook  
Chairman

Gary Skinner  
Vice-Chairman

Paul Smedberg  
Secretary

Maureen Caddigan  
Treasurer

Sharon Bulova  
John Jenkins  
Matt Kelly  
Paul Milde  
Jennifer Mitchell  
Suhas Naddoni  
Martin Nohe  
J. Walter Tejada  
Bob Thomas  
Jonathan Way

#### Alternates

Marc Aveni  
Meg Bohmke  
Jay Fisette  
Frank Jones  
Jeanine Lawson  
Tim Lovain  
Michael May  
Jeff McKay  
Kevin Page  
Paul Trampe  
Billy Withers

Doug Allen  
Chief Executive Officer

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

# MINUTES

#7A

## VRE Operations Board Meeting PRTC Headquarters – Prince William County, Virginia July 17, 2015

Members Present	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
John C. Cook (NVTC)	Fairfax County
John D. Jenkins (PRTC)	Prince William County
Matt Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Suhas Naddoni (PRTC)*	City of Manassas Park
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
Jonathan Way (PRTC)	City of Manassas

Members Absent	Jurisdiction
Maureen Caddigan (PRTC)	Prince William County
Jennifer Mitchell	DRPT
Martin Nohe (PRTC)	Prince William County
J. Walter Tejada (NVTC)	Arlington County
Bob Thomas (PRTC)	Stafford County

Alternates Present	Jurisdiction
Jeanine Lawson (PRTC)	Prince William County
Kevin Page	DRPT

Alternates Absent	Jurisdiction
Marc Aveni (PRTC)	City of Manassas
Meg Bohmke (PRTC)	Stafford County
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Tim Lovain (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Paul Trampe (PRTC)	Spotsylvania County
Billy Withers (PRTC)	City of Fredericksburg

Staff and General Public	
Khadra Abdulle – VRE	Dave Hillock – Transit Associates
Doug Allen – VRE	Christine Hoeffner – VRE
Gregg Baxter – Keolis	Bryan Jungwirth – VRE
Donna Boxer – VRE	John Kerins – Keolis
Joann Carter – PFM	Lezlie Lamb – VRE
Kelley Coyner – NVTC staff	Bob Leibbrandt – Prince William County
Rich Dalton – VRE	Steve MacIsaac – VRE legal counsel
James Davenport – Prince William County	Eric Marx – PRTC staff
John Duque – VRE	Betsy Massie – PRTC staff
Patrick Durany – Prince William County	Rick Nau – Kimley-Horn
Paul Elman – Kimley-Horn	Bob Peskin – PFM
Kip Foster – VRE	Lynn Rivers – Arlington County
Rhonda Gilchrest – NVTC Staff	Scott Schenk – Free Lance Star
Chris Henry – VRE	Brett Shorter – VRE
Kimberly Herman – Stafford County	Joe Swartz – VRE
Tom Hickey – VRE	Melvin Waldrop – PFM
Gerri Hill – VRE	Norine Walker – VRE

\* Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.

Chairman Cook called the meeting to order at 9:30 A.M. Following the Pledge of Allegiance, Roll Call was taken.

### Approval of the Agenda – 3

Chairman Cook stated the agenda has been amended to move the Closed Session to the end of the meeting. Agenda Item #8B was also pulled from the agenda.

Mr. Jenkins moved, with a second by Ms. Lawson, to approve the amended Agenda. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Page, Skinner, Smedberg and Way.

### Approval of the Minutes of the June 19, 2015 Operations Board Meeting – 4

Mr. Skinner moved approval of the minutes and Ms. Lawson seconded. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Page, Skinner, Smedberg and Way.

### Chairman's Comments – 5

Chairman Cook stated the Operations Board will have an extensive work session and discussion of the Financial Plan with VRE's consultants later in the Agenda. The Capital Committee is also scheduled to meet following this meeting. He reported as of July 1<sup>st</sup>, VRE's new weighted voting structure is in effect. Chairman Cook encouraged Board Members to read the handouts on the Positive Train Control (PTC) issue.

[Mr. Naddoni arrived at 9:33 A.M.]

### Chief Executive Officer's Comments – 6

Mr. Allen reviewed VRE's recent staff activity related to safety and security:

- Participated in NVTC's kick-off emergency preparedness meeting.
- Participated in training with the Greater Manassas Volunteer Rescue Squad on passenger train emergency response.
- Met with Senator Kaine, Senator Warner and Congressman Connolly's offices regarding Positive Train Control (PTC). Staff also plans to schedule meetings with the other Congressional Delegation members.
- Will participate in the upcoming Transportation Planning Board (TPB) emergency preparedness briefing on July 22<sup>nd</sup>.

Mr. Allen stated heat restrictions on the Fredericksburg line during May affected on-time performance (OTP). The Manassas line was 92 percent and the Fredericksburg line was 82 percent, giving an overall monthly average of 87 percent. Average daily ridership was 18,380 for the month of May. VRE ran two Firecracker Trains on July 4<sup>th</sup> and although the weather probably kept some riders away, it was a great success and riders were happy with the service. The mobile ticketing app continues to be popular with over 6,000 downloads and sales for June reaching \$225,000.

Mr. Allen reported staff attended a public hearing on Dominion Power lines in the Gainesville-Haymarket area close to the proposed VRE station. Staff continues to monitor this to preserve the right-of-way.

Mr. Allen congratulated Gregg Baxter on his promotion to President of Keolis Rail America and thanked him for his support of VRE and to Keolis for providing great service to VRE's riders. Mr. Baxter stated the last five years has been a great success story for both Keolis and VRE. Keolis is excited to be part of VRE's growth into Spotsylvania County and into Gainesville-Haymarket in the future. He introduced John Kerins, who will take over the position of General Manager at Keolis Rail America. Ms. Bulova thanked Keolis for being such a good partner and corporate neighbor, especially for its corporate sponsorship of the recent World Police and Fire Games.

#### VRE Riders' and Public Comment – 7

Mr. Peacock stated he is pleased VRE and the City of Manassas coordinated on the recent Manassas Railway Festival, which highlighted the historic 611 Steam Train. He is hopeful the interest in the historical steam train will encourage people to ride VRE.

Mr. Peacock asked about the date of the Spotsylvania Station opening. Mr. Skinner explained there have been delays due to weather but as soon as the ground dries up from all the rain, cement and asphalt can be poured. He hopes the station can open by the end of September, but it will depend on the weather. In response to a question from Mr. Peacock, Mr. Skinner indicated there will be a traffic light at Benchmark Road.

#### Authorization to Issue an Invitation for Bids for the Purchase of Replacement Material for Head End Power Engine Maintenance– 8A

Mr. Allen asked the Operations Board to authorize him to issue an Invitation for Bids (IFB) for replacement material for head end power engine maintenance for VRE's fleet of 20 locomotives. Resolution #8A-07-2015 would accomplish this.

Mr. Skinner moved, with a second by Ms. Bulova, to approve Resolution #8A-07-2015. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

#### Recommend Authorization to Amend the Contract for Passenger Railcars – 8C

Mr. Allen asked the VRE Operations Board to recommend the Commissions authorize him to amend the contract with Sumitomo Corporation of America (SCOA) to place an option order for nine additional railcars and increase the contract by \$18,900,000, from \$47,118,174, plus a contingency of \$890,000, for a total amount not to exceed \$66,908,174. Resolution #8C-07-2015 would accomplish this.

Mr. Milde moved, with a second by Ms. Bulova, to approve Resolution #8C-07-2015.

Mr. Way asked if NVTA funding is secure for this purchase. Mr. Allen stated state funding is being used and is secure. There were too many challenges using NVTA funds for the

railcars, so VRE put together a different financial plan that did not include NVTAF funds. In response to another question from Mr. Way, Mr. Allen replied VRE received NVTAF funding for a number of other projects. Staff can bring back more information on these funding awards.

In response to a question from Mr. Smedberg, Ms. Boxer provided more details about the funding and stated there is no reduction in state funds, they are just being spread over a two year period.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

Authorization to Execute General Engineering Consulting Contracts (GEC VII) for Project Implementation Services – 8D

Mr. Allen asked the Operations Board to authorize him to execute 14 contracts for General Engineering Consulting VII task orders. Resolution #8D-07-2015 would accomplish this.

Mr. Smedberg asked several procedural questions and asked Mr. MacIsaac if there are any legal issues with VRE doing this as a lump sum. Mr. MacIsaac explained there is a statutory limit on any one contract to \$500,000 a year. The 14 combined tasks cannot exceed \$500,000 a year. Mr. Page observed the Commonwealth suffers from the same problem.

Mr. Milde moved, with a second by Mr. Skinner, to approve the resolution. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

Recommend Authorization to Execute an Agreement with Norfolk Southern Railway for Analyses Related to the Gainesville-Haymarket Extension – 8E

Mr. Allen asked the VRE Operations Board to recommend the Commissions authorize him as CEO to execute an agreement with the Norfolk Southern Railway (NS) to perform analyses related to the proposed VRE Gainesville-Haymarket extension for an amount not to exceed \$450,000. Resolution #8E-07-2015 would accomplish this.

In response to a question from Mr. Milde, Mr. Allen stated the Master Agreement speaks to jurisdictional and system expenses and it says jurisdictions cover costs related to stations, platforms and parking,

Ms. Lawson asked if this agreement includes dialogue with Dominion Power about the power lines. Mr. Allen responded it does not directly include the Dominion Power issue but as part of the overall project there will be coordination between Prince William County, Dominion Power and Norfolk Southern. Ms. Lawson stated she had hoped this would be all inclusive in this agreement because she does not want Norfolk Southern to come back requesting additional funding for the Dominion Power issue.

Mr. Way asked why this isn't an addendum to NVTAF application on study expenses. He asked if VRE could seek NVTAF funding in lieu of the funding VRE gave back to NVTAF. Mr.

Allen explained the NVTA funds are no longer designated for VRE. NVTA has its own process for analyzing projects for funding. If VRE were to seek NVTA funding for this work it would delay this work by at least a year. This work with Norfolk Southern is needed for the Gainesville-Haymarket extension to move forward.

Mr. Milde expressed his opinion that this could set a precedent for future expansion and stated he could not support using capital funds for the Gainesville-Haymarket extension. Ms. Bulova expressed her support as it is part of the system expansion and these funds are not being used to build a particular station or parking lot. She sees this action consistent with the Master Agreement to use funds for development and expansion of the line. Chairman Cook requested staff to provide a memo outlining how they anticipate paying for the next several steps of the Gainesville-Haymarket extension.

Ms. Lawson moved, with a second by Ms. Bulova, to approve Resolution #8E-07-2015.

Mr. Jenkins observed that the idea of the Gainesville-Haymarket extension was basically dead before and now that it is finally resurrected, it looks like it will become a reality. He stated action on #8E is critical and he fully supports this action.

Mr. Kelly stated the Operations Board has already voted to support the Gainesville-Haymarket extension project moving forward and he will support the motion. However, the dynamic, which he understands can't be changed right now, is that VRE has spent millions of dollars to improve the rail lines for a future discussion with the railroads about granting additional access. He is looking forward to the day when Norfolk Southern and CSX view VRE as a partner.

Mr. Milde stated he has and will continue to support the Gainesville-Haymarket extension, just not the use of capital funds. In the case of expanding service to Spotsylvania County, he does not believe VRE used capital funds. Ms. Boxer stated VRE used federal formula funds, which are system revenues, and Rail Enhancement Funds. Mr. Page encouraged VRE to petition DRPT for Rail Enhancement Funds for this project.

The Board then voted on the motion and it passed. Board Members voting in favor were Bulova, Cook, Jenkins, Kelly, Lawson, Naddoni, Page, Skinner, Smedberg and Way. Mr. Milde voted no.

#### Authorization to Execute a Sole Source Contract for Pre-Construction Services Related to Third Track Construction at Quantico – 8F

Mr. Allen asked the VRE Operations Board for authorization to execute a contract with KC Construction (KCC) to provide Pre-Construction Services at Quantico for an estimated amount of \$150,000, plus a 10 percent contingency of \$15,000, for a total not to exceed \$165,000. Resolution #8F-07-2015 would accomplish this. Chairman Cook stated the resolution has been amended to change the amount from \$159,000 to \$150,000.

Mr. Allen explained in accordance with state and federal requirements, as well as VRE Procurement Policies, a determination has been made and public notice has been provided, KC Constructors, CSXT's present design-build track contractor, is the only source



practically available to provide these pre-construction services, and therefore, qualifies as a sole source procurement.

Mr. Skinner moved, with a second by Mr. Naddoni, to approve the amended resolution. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

Authorization to Execute a Contract for Final Design and Construction Management Services Related to Third Track Construction at Quantico and Potomac Shores – 8G

Mr. Allen asked the VRE Operations Board for authorization to execute a contract with STV Incorporated to provide design and construction management services at Quantico and Potomac Shores stations for an estimated amount of \$535,975, plus a 10 percent contingency of \$53,598, for a total amount not to exceed \$589,573. Resolution #8G-07-2015 would accomplish this.

Mr. Allen stated this is also a sole source procurement. STV produced the original 30 designs (60 percent) for the third track project under VRE management and continued to advise VRE and DRPT on revising those designs to incorporate the redesigned elements proposed by VRE. STV continues to advance the redesign of track and passenger facilities to 100 percent under contract to DRPT and supervised by VRE. STV's past and present experience with the original and redesign efforts makes the firm uniquely capable and qualified to finish the redesign work when their current contract with DRPT expires with no mobilization period and to complete the work in accordance with CSXT's requirements.

Mr. Jenkins moved, with a second by Ms. Lawson, to approve Resolution #8G-07-2015. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

Authorization to Amend the Contract for Spotsylvania Station Construction – 8H

Mr. Allen asked the VRE Operations Board for authorization to execute a contract amendment with Hammerhead Construction for the construction of the Spotsylvania VRE station project, in the amount of \$500,000, plus a 10 percent contingency of \$50,000, for a total amount of \$550,000. This would increase the total authorization for this contract from \$2,583,900 to a total amount not to exceed \$3,133,900. Resolution #8H-07-2015 would accomplish this.

Mr. Skinner moved, with a second by Mr. Naddoni, to approve Resolution #8H-07-2015. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

Authorization to Issue a Supplemental GEC VI Task Order for Spotsylvania Station Construction Engineering and Inspection Services – 8I

Mr. Allen asked the VRE Operations Board to authorize him as CEO to issue a Supplemental GEC VI Task Order #3 with STV Incorporated for construction engineering and inspection services for the Spotsylvania VRE station project, in the amount of \$58,666, plus a 10 percent contingency, for a total amount of \$64,533. This would increase the overall Board

Authority for this contract from \$297,541 to a total amount (Task Order #3 plus Supplemental Task Order #3A) not to exceed \$362,074. Resolution #8I-07-2015 would accomplish this.

Mr. Skinner moved to approve Resolution #8I-07-2015. Mr. Smedberg seconded. The Operations Board voted unanimously to approve the resolution. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

#### Approval of Standardized Language for Contract Authorizations – 8J

Chairman Cook stated this item still needs work in consultation with legal counsel and should be deferred to September's meeting.

Mr. Milde moved, with a second by Mrs. Bulova, to defer this item until the next meeting. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

#### Approval of the Submission of VRE Gainesville-Haymarket Extension Project to the Commonwealth Transportation Board for Evaluation Under HB2 – 8K

Mr. Allen asked the Operations Board to recommend the Commissions approve a submission of the Gainesville-Haymarket Extension Project to the Commonwealth Transportation Board (CTB) for evaluation under the HB2 project scoring process and funding consideration in the FY 2017-2022 Six-Year Improvement Program (SYIP). Resolution #8K-07-2015 would accomplish this.

Mr. Allen stated candidate projects must be submitted between August 1 and September 30, 2015. This project is a capacity expansion project and qualifies for funding through the High-Priority Projects Program.

Ms. Lawson moved, with a second by Mr. Jenkins, to approve Resolution #8K-07-2015.

Mr. Milde asked if VRE would be sending it to the MPO's for letters of support and if we need other groups to support it. Mr. Allen stated this is a new process and the Commonwealth Transportation Board (CTB) will use the rating as a guide and not an absolute, but letters of support for the project would be beneficial.

Ms. Coyner stated under HB2 the Commissions are authorized to submit applications. She asked if it is being submitted as a regional project and if not, it needs approval by the Northern Virginia Transportation Authority (NVTA) through the MPO process. She stated the application deadline is September 30<sup>th</sup> but endorsements are due in December, which provides time to work on this. Mr. Kelly stated it is his understanding any project of regional significance has to have a letter of endorsement from the MPO. He had hoped VRE would have discussed projects that support the entire system area as opposed to just one project. Mr. Jenkins observed submitting this project gives the Gainesville-Haymarket extension project legitimacy and he will support the motion.

The Board discussed whether VRE has the authority to submit the project. Mr. MacIsaac stated VRE usually makes submissions in the name of the Commissions, since VRE is not a legal entity. Chairman Cook observed the resolutions does not state this. Ms. Hoeffner explained since the HB2 evaluation is a new process, staff discussed it with DRPT staff and they indicated VRE can submit the application online and any funding agreement resulting from the HB2 evaluation and CTB approval would go through NVTC. VRE staff has asked DRPT to put this in writing to clarify the process. Chairman Cook stated he is not comfortable with only relying on DRPT staff's interpretation of the statute and does not want to make a technical error with how the resolution is written.

Mr. Kelly stated he will not support this action since VRE is only submitting one project. He does not like the process.

Ms. Bulova suggested changing the resolution to "Now, therefore be it resolved, the VRE Operations Board does hereby recommend the Commission submit..." Ms. Lawson agreed to accept this friendly amendment and Mr. Jenkins as seconder agreed.

In response to a question from Mr. Milde, Ms. Hoeffner stated staff believes the project will qualify for the Corridor of Statewide Significance category because it is in the I-66 Corridor.

The Operations Board then voted on the amended resolution and it passed. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way. Mr. Kelly voted no.

#### Recommend Authorization to Execute an IPROC Funding Agreement – 8L

Mr. Allen asked the Operations Board to recommend the Commission authorize him to execute an Intercity Passenger Rail Operating and Capital (IPROC) program funding agreement with DRPT. Resolution #8L-07-2015 would accomplish this.

Mr. Milde moved, with a second by Mr. Skinner, to approve Resolution #8L-07-2015. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

#### FY 2017 Budget Key Issue – 8M

Mr. Allen asked the Operations Board to approve Resolution #8M-07-2015 which would direct staff to develop the FY 2017 Budget and CIP in accordance with the Board's direction.

Ms. Boxer gave a presentation of the key budget issues for FY 2017. She explained this is the first step in the budget process. The CAO Task Force meets monthly and the preliminary budget will be presented to the Operations Board in December.

Mr. Way asked about how VRE ensures it has the funding it needs for future life cycle maintenance and funding is not consumed earlier. He also asked about the jurisdictional subsidy and whether the split of revenues between bus and rail is appropriate. VRE seems to get priority and meets its subsidy while PRTC does not. He stated PRTC will be discussing this issue.

Chairman Cook observed there has not been a subsidy increase for eight years and the VRE Operations Board has voted to expand the system. VRE cannot expand the system without spending money. He stated The Board needs to look at the subsidy issue.

Mr. Skinner moved, with a second by Mr. Way, to approve Resolution #8L-07-2015. The Operations Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Cook, Jenkins, Kelly, Lawson, Milde, Naddoni, Page, Skinner, Smedberg and Way.

#### Financial Plan Work Session and Discussion – 10A

Mr. Allen introduced VRE consultants, Joanne Carter and Melvin Waldrop from PFM, and Bob Peskin from AECOM. Ms. Carter gave a detailed presentation on the Financial Plan modeling process including scenarios, which include a baseline (constrained) version, a maintenance of current ridership version, and three growth scenarios. Mr. Peskin provided information about the baseline scenario.

[Mr. Milde left the meeting and did not return.]

Board Members asked several questions about the different scenarios. Chairman Cook asked for an additional scenario that looks at whether it is mathematically possible to maintain balanced ridership equally throughout the jurisdictions.

In response to questions about projected average daily fares, Chairman Cook asked for further analysis for discussion purposes to take the current distribution of ridership and calculate future fares for the different zones. Ms. Boxer stated this would be a different planning study. Ms. Hoeffner stated the 2040 ridership assumptions were used as the basis for the projections. Mr. Hickey noted riders will move up the line to board if fares are too high further down the line. A market analysis would need to be done.

Mr. Kelly asked if VRE can continue service with any of the proposed scenarios with the current three percent subsidy increase/three percent fare increase both every other year. He observed reduction of service will be counterproductive in the light of VRE's fixed costs. Ms. Carter responded new revenue is needed for all the scenarios. The current three percent fare and subsidy increase every other year is not sustainable and there will be a funding gap.

Mr. Skinner stated the Operations Board needs to devote an Operations Board meeting to discuss the Financial Plan and VRE's future more in depth. Chairman Cook stated the Board needs to go into Closed Session before it loses quorum, since several members need to leave early.

[Mr. Jenkins left the meeting and did not return.]

#### Closed Session – 13

Mr. Skinner moved, with a second by Mr. Smedberg, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (7) of the Code of Virginia), the VRE Operations Board authorizes a Closed Session for the purpose of consultation with legal counsel and necessary staff concerning Case No. CL-15001416 pending in the Circuit Court of Alexandria and Case No. CL-15000383-00 pending in the Circuit Court of Spotsylvania County.

The vote in favor was cast by Board Members Bulova, Cook, Kelly, Lawson, Naddoni, Page, Skinner, Smedberg and Way.

The Board entered into Closed Session at 11:35 A.M. and returned to Open Session at 11:50 A.M.

Mr. Skinner moved, with a second by Mr. Smedberg, the following certification:

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

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

The vote in favor was cast by Board Members Bulova, Cook, Kelly, Lawson, Naddoni, Page, Skinner, Smedberg and Way.

Mr. Skinner moved, with a second by Mr. Smedberg, to approve the settlement agreement and contract amendment for Hamilton to Crossroads Third Track Contract. The vote in favor was cast by Board Members Bulova, Cook, Kelly, Lawson, Naddoni, Page, Skinner and Smedberg. Mr. Way voted no.

#### Management Audit Recommendations Update – 10B

There was no discussion.

#### Operations Board Members Time – 12

There were no comments.

## Adjournment

Without objection, Chairman Cook adjourned the meeting at 11:53 A.M.

Approved this 18<sup>th</sup> day of September 2015.

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John C. Cook  
Chairman

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Paul Smedberg  
Secretary

### **CERTIFICATION**

This certification hereby acknowledges that the minutes for the July 17, 2015 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



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Rhonda Gilchrest

**Virginia Railway Express  
Operations Board**

**Resolution  
8A-07-2015**

**Authorization to Issue an Invitation for Bids for the Purchase of  
Replacement Material for Head End Power Engine Maintenance**

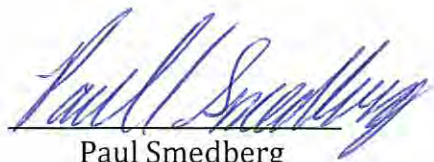
**WHEREAS**, VRE's rolling stock maintenance management plan requires the replacement of specific components and systems at specified intervals; and,

**WHEREAS**, VRE's head end power engines are nearing the requirement for replacement of specific engine components based on fuel consumption and hours of operation; and,

**WHEREAS**, VRE needs to purchase replacement material for twenty (20) locomotives in FY 2016 to complete the required maintenance;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for replacement material for head end power engine maintenance for VRE's fleet of twenty (20) locomotives.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution  
8C-07-2015**

**Recommend Authorization to Amend the Contract for Passenger Railcars**

**WHEREAS**, in March of 2012 VRE executed a contract with Sumitomo Corporation of Americas for a base order of eight new railcars with an option for forty- two additional railcars; and,

**WHEREAS**, in December of 2013, VRE executed a contract amendment for seven option railcars to complete the replacement of the legacy gallery car fleet; and,

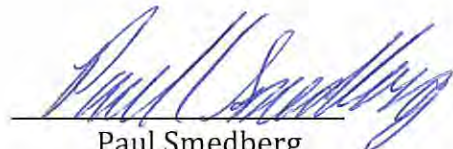
**WHEREAS**, in October of 2014, VRE executed a contract amendment for five option railcars for expansion; and,

**WHEREAS**, the purchase of nine option railcars will allow VRE to expand capacity and add ridership; and,

**WHEREAS**, VRE has identified the funding sources to purchase the additional nine railcars for expansion;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to amend the Contract with Sumitomo Corporation of Americas (SCOA) to place an option order for nine additional railcars and increase the contract authorization by \$18,900,000 from \$47,118,174, plus a contingency of \$890,000, for a total amount not to exceed \$66,908,174.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8D-07-2015**

**Authorization to Execute General Engineering Consulting  
Contracts (GEC VII) for Project Implementation Services**

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

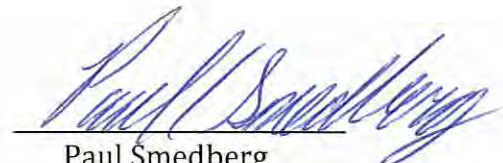
**WHEREAS**, the VRE Operations Board authorized issuance of a Request for Proposals for General Engineering Consulting VII (GEC VII) contracts in September 2014; and,

**WHEREAS**, 23 proposals were received from prospective Offerors on May 18, 2015; and,

**WHEREAS**, following evaluation of the proposals, VRE staff recommends contracting with Offerors determined to be first or second-ranked in each respective task area;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute GEC VII contracts with A. Morton Thomas and Associates, Inc., Gannett Fleming, Inc., GeoConcepts Engineering, Inc., HDR Engineering, Inc., Michael Baker International, NXL Construction Services, Inc., Rummel, Klepper & Kahl, LLP, and STV Incorporated for a base period of one year with four optional one-year renewals and a cumulative potential value of \$2,500,000.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8E-07-2015**

**Recommend Authorization to Execute an Agreement with  
Norfolk Southern Railway for Analyses Related to the  
Gainesville-Haymarket Extension**

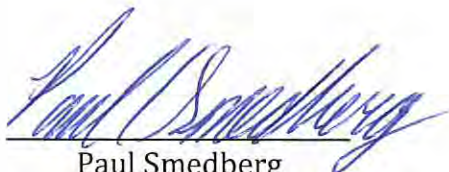
**WHEREAS**, the VRE System Plan 2040 calls for the extension of service to the I-66 corridor in the vicinity of Gainesville-Haymarket in Prince William County; and,

**WHEREAS**, the Norfolk Southern Railway (NS) Washington District "B-Line" is a likely alignment for said extension of VRE service; and,

**WHEREAS**, NS has agreed to consider VRE's request to operate on its B-Line in return for reimbursement for its efforts analyzing the potential impacts of said extension of VRE service on its operations, infrastructure, and property;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to execute an agreement with Norfolk Southern Railway for an amount not to exceed **\$450,000**.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution  
8F-07-2015**

**Authorization to Execute a Contract for Pre-Construction  
Services Related to Third Track Construction at Quantico**

**WHEREAS**, CSX Transportation (CSXT), Virginia Department of Rail and Public Transportation (DRPT), and Virginia Railway Express (VRE) are collaborating to construct eleven (11) miles of third track between Arkendale and Powells Creek in Prince William County; and,


**WHEREAS**, scope elements were added to the third track project in the vicinity of Quantico station that will enhance safety and increase operational flexibility for CSXT, Amtrak and VRE trains; and,

**WHEREAS**, pre-construction services are needed to coordinate between the third track construction project and redesign of the additional scope elements; and,

**WHEREAS, in accordance with state and federal requirements, a determination has been made, and public notice thereof provided, that KC Constructors, CSXT's present design-build track contractor, is the only source practicably available to provide those pre-construction services, and thus qualifies as a sole source procurement;**

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with KC Constructors for Pre-Construction Services for an estimated amount of \$150,000, plus a ten percent contingency of \$15,000, for a total amount not to exceed \$165,000.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8G-07-2015**

**Authorization to Execute a Contract for Final Design  
and Construction Management Services Related to Third  
Track Construction at Quantico and Potomac Shores**

**WHEREAS**, CSX Transportation (CSXT), Virginia Department of Rail and Public Transportation (DRPT), and Virginia Railway Express (VRE) are collaborating to construct 11 miles of third track between Arkendale and Powells Creek in Prince William County; and,

**WHEREAS**, scope elements were added to the third track project in the vicinity of Quantico station that will enhance safety and increase operational flexibility for CSXT, Amtrak and VRE trains; and,

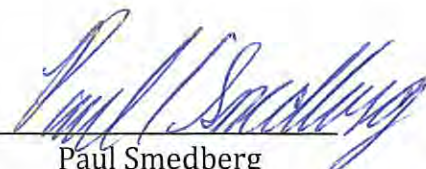
**WHEREAS**, these scope elements will be constructed simultaneously with CSXT's third track project that is about to start construction in the vicinity of Quantico and Potomac Shores stations; and,

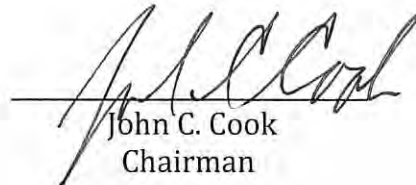
**WHEREAS**, final design and construction management services are needed immediately to keep apace of CSXT's design-build construction effort; and,

**WHEREAS, in accordance with state and federal requirements, a determination has been made, and public notice thereof provided, that STV Incorporated, is the only source practicably available to provide those final design and construction management services and thus qualifies as a sole source procurement;;**

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with STV Incorporated for final design and construction management services for an estimated amount of \$535,975, plus a ten percent contingency of \$53,598, for a total amount not to exceed \$589,573.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8H-07-2015**

**Authorization to Amend the Contract for  
Spotsylvania Station Construction**

**WHEREAS**, Spotsylvania County requested that VRE assume project management responsibility for the platform and head-house portions of the new station project; and,

**WHEREAS**, Spotsylvania County will pay costs above the state grant (73113-01) of 55% of \$3.4 million, and,

**WHEREAS**, on May 17, 2013, the VRE Operations Board authorized an award of a contract with Hammerhead Construction for the construction of the Spotsylvania VRE station project; and,

**WHEREAS**, on July 25, 2013 a contract was executed with Hammerhead Construction; and,

**WHEREAS**, NTP was issued on July 10, 2014; and,

**WHEREAS**, most of the original contingency has been expended on change orders related to subcontractor price adjustments over the time between the original bid and the NTP; and,

**WHEREAS**, the original proposed head-house needed to be re-designed in accordance with VRE and the Commuter Rail Industry's Crime Prevention Through Environmental Design standards; and,


**WHEREAS**, the contractor has submitted change orders exceeding the original Board Authorization;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract amendment with Hammerhead Construction for the construction of the Spotsylvania VRE station project in the amount not to exceed \$500,000, plus a 10% contingency of \$50,000, for a total amount of \$550,000. This will increase the total authorization for this contract from \$2,583,900 to a total amount not to exceed \$3,133,900; and,



**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute permits and other documents related to the completion of this project.

Approved this 17<sup>th</sup> day of July, 2015



Paul Smedberg  
Secretary



John C. Cook  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution  
8I-07-2015**

**Authorization to Issue a Supplemental GEC VI Task Order  
for Spotsylvania Station Construction Engineering  
and Inspection Services**

**WHEREAS**, Spotsylvania County requested that VRE assume project management responsibility for the platform and head-house portions of the new station project; and,

**WHEREAS**, Spotsylvania County will pay costs above the state grant (73113-01) of 55% of \$3.4 million; and,

**WHEREAS**, on September 20, 2013 the VRE Operations Board authorized award of GEC VI Task Order 3 to STV for a total amount not to exceed \$297,541 for Construction Engineering and Inspection Services associated with the Spotsylvania Station Project; and,

**WHEREAS**, Notice to Proceed was issued to STV in July 2014; and,


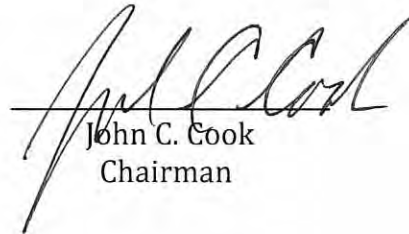
**WHEREAS**, the original projected construction schedule for the Station was eight months, and the original Construction Engineering and Inspection Task Order scope was 11 months; and,

**WHEREAS**, the additional effort required by the extended construction schedule and headhouse redesign consumed the original budget contingency;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Supplement to GEC VI Task Order #3 to STV Incorporated for Construction Engineering and Inspection Services for the Spotsylvania VRE station project in the amount of \$58,666, plus a 10% contingency, for a total amount of \$64,533. This will increase the overall Board Authority for this contract from \$297,541 to a total amount (Task Order 3 plus Supplemental Task order 3A) not to exceed \$362,074; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute permits and other documents related to the completion of this project.

Approved this 17th day of July 2015

  
Paul Smedberg  
Secretary  
John C. Cook  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8K-07-2015 Amended**

**Approval of Submission of VRE Gainesville – Haymarket  
Extension Project to the Commonwealth Transportation  
Board for Evaluation under HB2**

**WHEREAS**, the passage of House Bill Two (HB2) requires the development of a prioritization process to evaluate candidate projects and directs the Commonwealth Transportation Board (CTB) to develop and use a scoring process for project selection; and,

**WHEREAS**, the CTB will review the prioritized project list and will use the scoring, along with other information to inform their funding decisions for the Six-Year Improvement Program (SYIP); and,

**WHEREAS**, projects must go through the HB2 process to receive funding under the new transportation funding formula including the High-Priority Projects Program; and,

**WHEREAS**, the VRE Gainesville-Haymarket Extension Project is a transit/rail capacity expansion project that is eligible for funding through the High-Priority Projects Program;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends that the Commissions submit the Gainesville-Haymarket Extension Project to the CTB for evaluation under the HB2 scoring process and funding consideration in the SYIP, to make necessary corrections to project amounts or descriptions, and to execute all project funding agreements that may result from CTB consideration of the project.

Approved this 17<sup>th</sup> day of July 2015

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John C. Cook  
Chairman

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Paul Smedberg  
Secretary

**Virginia Railway Express  
Operations Board**

**Resolution  
8L-07-2015**

**Recommend Authorization to Execute IPROC Agreement.**

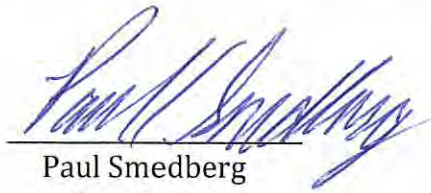
**WHEREAS**, the Commonwealth 2016-2021 Six-Year Improvement Program includes \$9,500,000 allocated to VRE to complete work on Quantico and Potomac Shores Platforms and Track; and,

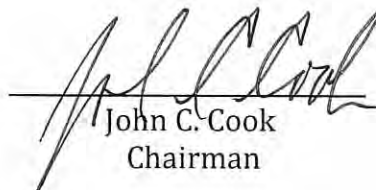
**WHEREAS**, the work funded with this grant is being done in association with the Arkendale to Powells Creek project; and,

**WHEREAS**, Intercity Passenger Rail Operating and Capital program funding will be used to cover 100% of the cost of the work, so no matching funds are required;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends the Commissions authorize the Chief Executive Officer of VRE to execute an Intercity Passenger Rail Operating and Capital program funding agreement with the Virginia Department of Rail and Public Transportation.

Approved this 17<sup>th</sup> day of July 2015

  
Paul Smedberg  
Secretary

  
John C. Cook  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8M-07-2015**

**FY 2017 Budget Key Issues**


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

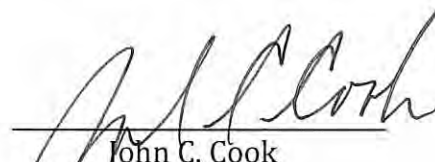
**WHEREAS**, the VRE Operations Board has directed that the development of each annual budget involve consultation and cooperation with the Chief Administrative Officers (CAO) Budget Taskforce established by VRE's participating and contributing jurisdictions; and,

**WHEREAS**, budget issues and assumptions for the development of the FY 2017 operating and capital budget were reviewed by the CAO Budget Taskforce prior to their presentation to the Operations Board;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board directs VRE staff to develop the FY 2017 Budget and CIP in accordance with the Board's direction.

Approved this 17<sup>th</sup> day of July 2015

  
\_\_\_\_\_  
Paul Smedberg  
Secretary

  
\_\_\_\_\_  
John C. Cook  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution**

**Approval of Settlement Agreement and Contract Amendment for  
Hamilton to Crossroads Third Track Contract**

**WHEREAS**, as authorized by the VRE Operations Board on March 20, 2015, a notice of termination for default of Contract No. VRE-013-012 for construction of the Hamilton to Crossroads Third Track project ("Contract"), was issued to the contractor, Abernathy Construction Corporation ("Abernathy"), effective April 20, 2015; and

**WHEREAS**, on April 22, 2015, Abernathy filed Case No. 177CL15000383-00 in the Spotsylvania Circuit Court seeking damages for improper termination and contract breach, as well as for outstanding claims related to the contract; and

**WHEREAS**, subsequent to the Contract termination, Abernathy, working through Travelers Casualty and Surety Company of America ("Travelers"), Abernathy's Performance Bond surety, has proposed a resolution to the default and the lawsuit that would enable completion of the Contract in accordance with its terms; and

**WHEREAS**, the proposed resolution includes a Settlement Agreement and Contract Amendment which, as detailed in those documents, hereby incorporated in this resolution, would, among other provisions, withdraw the April 22, 2015 termination, dismiss the lawsuit with prejudice, allow Abernathy to subcontract all remaining work to Facchina Construction Company, Inc., and resolve all outstanding change orders and claims that had arisen prior to the termination; and

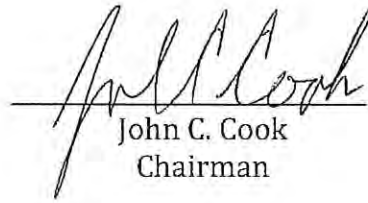
**WHEREAS**, because of approved change orders and additions to the Contract and claims for work performed prior to the termination, additional funds are required to complete the Contract;

**NOW, THEREFORE, BE IT RESOLVED** by the VRE Operations Board that the Settlement Agreement and the Contract Amendment, as presented to the Operations Board, are approved and the VRE Executive Director is authorized to execute them subject to approval as to form by legal counsel; and

**BE IT FURTHER RESOLVED THAT** the Operations Board hereby approves an increase in the authorization for Contract No. VRE-013-012 by \$600,000 from the

current amount of \$8,880,073, plus a contingency of \$60,000, for a total not to exceed authorization of \$9,540,73.

Approved this 17th day of July 2015



John C. Cook  
Chairman

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Paul Smedberg  
Secretary





## RESOLUTION #2280

**SUBJECT:** Authorization to Amend the VRE Contract for Passenger Railways with Sumitomo Corporation of Americas

**WHEREAS:** In March of 2012 VRE execute a contract with Sumitomo Corporation of Americas (SCOA) for a base order of eight new railcars with an option for 42 additional railcars;

**WHEREAS:** In December of 2013, VRE executed a contract amendment for seven option railcars to complete the replacement of the Legacy Gallery car fleet;

**WHEREAS:** In October of 2014, VRE executed a contract amendment for five option railcars for expansion;

**WHEREAS:** The purchase of nine option railcars will allow VRE to expand capacity and add ridership;

**WHEREAS:** VRE has identified the funding sources to purchase the additional nine railcars for expansion; and

**WHEREAS:** The VRE Operations Board recommends the following Commission action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to amend the contract with Sumitomo Corporation of Americas to place an option order of nine additional railcars and increase the contract authorization by \$18,900,000 from \$47,118,174, plus a contingency of \$890,000, for a total amount not to exceed \$66,908,174.

Approved this 3<sup>rd</sup> day of September 2015.

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David F. Snyder  
Chairman

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Jeffrey McKay  
Secretary-Treasurer



VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 8-C**  
**Action Item**

**To: Chairman Cook and the VRE Operations Board**

**From: Doug Allen**

**Date: July 17, 2015**

**Re: Recommend Authorization to Amend the Contract for  
Passenger Railcars**

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**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to amend the contract with Sumitomo Corporation of Americas (SCOA) to place an option order for nine additional railcars and increase the contract by \$18,900,000, from \$47,118,174, plus a contingency of \$890,000, for a total amount not to exceed \$66,908,174.

**Background:**

**Purchase of Replacement Railcars:**

In April 2011, the VRE Operations Board approved a funding plan, developed in conjunction with DRPT, for the purchase of fifteen (15) new railcars to replace the remaining twenty legacy gallery railcars still in VRE service. Only fifteen new railcars are needed to replace the twenty legacy railcars primarily due to reduced maintenance cycles of the new cars and reduced spare ratios required by a standardized fleet. The cost of the fifteen railcars was estimated at \$36 million, or \$2.4 million per railcar, including contingency and engineering oversight costs.

In May 2011, the VRE Operations Board authorized the issuance of an RFP for the purchase of the railcars. On July 1, 2011, an RFP was issued for a base order of eight railcars with an option for up to forty-two railcars. The base order had to be limited to eight railcars due to



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Arlington, VA 22201  
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VRE.org



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

the schedule for receiving federal formula funds. Responses to the RFP were due on September 1, 2011, and VRE received one response from

Sumitomo Corporation of Americas (SCOA). The railcars proposed by SCOA are the same as those currently in VRE service with the exception of design changes required by new safety standards. The proposed price for the railcars exceeded the available funding primarily due to significant increases in the cost of rolled and stainless steel used in the construction of the frame and car shell. The funding plan was revised to \$42.8 million for the fifteen cars, and additional funds were identified by both DRPT and VRE.

In January of 2012, the VRE Operations Board authorized a contract with SCOA for the base order of eight new railcars. In March of 2012, a contract was executed and a Notice to Proceed (NTP) was issued. The eight cars were placed in VRE service in August of 2014.

In November of 2013, the VRE Operations Board recommended to the Commissions a contract amendment for the option order of seven (7) new railcars. In December of 2013, the Commissions approved the recommendation and a contract amendment was executed and a Notice to Proceed (NTP) was issued. The seven cars are expected to be placed in service in early 2016.

#### **Purchase of Expansion Railcars:**

In January of 2014, a revised funding plan for fourteen (14) expansion railcars was presented to the VRE Operations board as shown below. The purpose of the revised funding plan was to address the eventual decision not to use NVTAF funds for the purchase of expansion railcars. The funding plan was further updated to show specifically from which funding source the state funds are allocated.

<b><i>Funding Source</i></b>	<b><i>Budget FY 14 - FY15</i></b>	<b><i>Revised Funding Plan FY 14 - FY 16</i></b>	<b><i>Amendments to Revised Funding Plan FY 14-FY 17</i></b>
<i>Federal formula funds -5307</i>	<b>3,278,400</b>	<b>9,895,000</b>	<b>9,895,000</b>
<i>State Mass Transit funds</i>	<b>7,808,200</b>	<b>24,990,000</b>	<b>17,771,250</b>
<i>State STP funds</i>			<b>7,218,750</b>
<i>NVTA regional funds</i>	<b>19,800,000</b>	-	-
<i>Jurisdictional funds</i>	<b>3,508,800</b>	-	-
<i>VRE - subsidy match/cap res</i>	<b>467,600</b>	<b>1,865,000</b>	<b>1,865,000</b>

<b>TOTAL</b>	<b>34,863,000</b>	<b>36,750,000</b>	<b>36,750,000</b>
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**NOTES:**

- *Total costs are expected to increase by \$1.9M because of the later purchase of the cars.*
- *VRE funds are a combination of the routine state and local match to federal funds, a contribution from the capital reserve of \$452K in FY 15, and the use of prior year surplus of \$945k in FY 16.*
- *For the purchase of five railcars in FY 2015, the state provided their contribution through a combination of State Mass Transit Capital funds and federal STP funds.*
- *For the purchase of the nine railcars, the state has made a multi-year funding commitment for FY 2016 and FY 2017 that provides the funds as they are needed to pay for project costs.*

The revised funding plan was approved by the Commissions on February 13, 2014, for subsequent consideration and approval by the jurisdictions. The revised funding plan was incorporated into the FY2014-FY2016 Operating and Capital Budget.

In September of 2014, the VRE Operations Board recommended to the Commissions a contract amendment for the option order of five new railcars. In October of 2014, the Commissions approved the recommendation and a contract amendment was executed and a Notice to Proceed (NTP) was issued. This was the first five of the planned fourteen new railcars for expansion.

**Fiscal Impact**

The table below identifies the project costs and funding sources, for the nine (9) new railcars for expansion. The table includes both the cost of the purchase of the railcars and the required engineering oversight work. A separate action item will be submitted for Operations Board approval for the engineering oversight work.

Project Cost	
Description	Cost
Cost for Nine (9) Option Cars	18,900,000
Contingency – SCOA	890,000
Engineering Oversight	1,100,000
Contingency - Oversight	110,000
<b>Total:</b>	<b>\$21,000,000</b>

Funding Sources – Based on Project Costs

Source	Amount
Federal Formula Funds – 5307	5,670,000
State Mass Transit Funds	14,280,000
VRE	1,050,000
<b>Total:</b>	<b>\$21,000,000</b>

**Virginia Railway Express  
Operations Board**

**Resolution  
8C-07-2015**

**Recommend Authorization to Amend the Contract for Passenger Railcars**

**WHEREAS**, in March of 2012 VRE executed a contract with Sumitomo Corporation of Americas for a base order of eight new railcars with an option for forty- two additional railcars; and,

**WHEREAS**, in December of 2013, VRE executed a contract amendment for seven option railcars to complete the replacement of the legacy gallery car fleet; and,

**WHEREAS**, in October of 2014, VRE executed a contract amendment for five option railcars for expansion; and,

**WHEREAS**, the purchase of nine option railcars will allow VRE to expand capacity and add ridership; and,

**WHEREAS**, VRE has identified the funding sources to purchase the additional nine railcars for expansion;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to amend the Contract with Sumitomo Corporation of Americas (SCOA) to place an option order for nine additional railcars and increase the contract authorization by \$18,900,000 from \$47,118,174, plus a contingency of \$890,000, for a total amount not to exceed \$66,908,174.

Approved this 17<sup>th</sup> day of July 2015

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John C. Cook  
Chairman

---

Paul Smedberg  
Secretary



## **RESOLUTION #2281**

**SUBJECT:** Authorization to Execute a VRE Intercity Passenger Rail Operating and Capital (IPROC) Program Funding Agreement with DRPT

**WHEREAS:** The Commonwealth FY2016-2012 Six-Year Improvement Program includes \$9.5 million allocated to VRE to complete work on Quantico and Potomac Shores Platforms and Tracks;

**WHEREAS:** The work funded with this grant is being done in association with the Arkendale to Powells Creek project;

**WHEREAS:** Intercity Passenger Rail Operation and Capital Program funding will be used to cover 100 percent of the cost of the work, so no matching funds are required; and

**WHEREAS:** The VRE Operations Board recommends the following Commission action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an Intercity Passenger Rail Operating and Capital (IPROC) program funding agreement with the Virginia Department of Rail and Public Transportation.

Approved this 3<sup>rd</sup> day of September 2015.

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David F. Snyder  
Chairman

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Jeffrey McKay  
Secretary-Treasurer





VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 8-L**  
**Action Item**

**To: Chairman Cook and the VRE Operations Board**

**From: Doug Allen**

**Date: July 17, 2015**

**Re: Recommend Authorization to Execute IPROC Funding Agreement.**

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**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer (CEO) to execute an Intercity Passenger Rail Operating and Capital (IPROC) program funding agreement with the Virginia Department of Rail and Public Transportation.

**Background:**

Because VRE does not typically get IPROC allocations, prior Commission authorization for the CEO to execute funding agreements did not specifically contain language about IPROC agreements.

CSX Transportation (CSXT), Virginia Department of Rail and Public Transportation (DRPT) and Virginia Railway Express (VRE) are collaborating to construct 11 miles of third track between Arkendale and Powells Creek in Prince William County. Scope elements were added that enhance safety and increase operational flexibility for CSXT, Amtrak and VRE trains, accommodating both the original project (third track) and the additional passenger projects at Quantico (track redesign and platforms) and Potomac Shores (track redesign only). DRPT has assigned management of design and construction of the redesigned elements to VRE using state grant funds.



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703.684.1001  
VRE.org



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

The Commonwealth 2016-2021 Six-Year Improvement Program includes \$9,500,000 allocated for VRE to complete the work referenced above. IPROC funding will be used to cover 100% of the cost of the work, so no matching funds are required. If the cost of the project exceeds the original grant amount, VRE will work with DRPT to secure additional state funding.

**Fiscal Impact:**

The Quantico Station project will be amended in the VRE Capital Improvement Plan and the grant funding will be added to the FY 2016 Budget during the mid-year budget amendment process in December 2015.

**Virginia Railway Express  
Operations Board**

**Resolution  
8L-07-2015**

**Recommend Authorization to Execute IPROC Agreement.**

**WHEREAS**, the Commonwealth 2016-2021 Six-Year Improvement Program includes \$9,500,000 allocated to VRE to complete work on Quantico and Potomac Shores Platforms and Track; and,

**WHEREAS**, the work funded with this grant is being done in association with the Arkendale to Powells Creek project; and,

**WHEREAS**, Intercity Passenger Rail Operating and Capital program funding will be used to cover 100% of the cost of the work, so no matching funds are required;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends the Commissions authorize the Chief Executive Officer of VRE to execute an Intercity Passenger Rail Operating and Capital program funding agreement with the Virginia Department of Rail and Public Transportation.

Approved this 17<sup>th</sup> day of July 2015

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John C. Cook  
Chairman

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Paul Smedberg  
Secretary



## **RESOLUTION #2282**

**SUBJECT:** Authorization to Execute an Agreement with Norfolk Southern Railway for Analyses Related to the Gainesville-Haymarket Extension

**WHEREAS:** The VRE System Plan 2040 calls for the extension of service to the I-66 Corridor in the vicinity of Gainesville-Haymarket in Prince William County;

**WHEREAS:** The Norfolk Southern Railway (NS) Washington District "B-Line" is a likely alignment for said extension of VRE service:

**WHEREAS:** NS has agreed to consider VRE's request to operate on its B-Line in return for reimbursement for its efforts analyzing the potential impacts of said extension of VRE service on its operations, infrastructure and property; and

**WHEREAS:** The VRE Operations Board recommends the following Commission action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an agreement with Norfolk Southern Railway for an amount not to exceed \$450,000 for analyses related to the Gainesville-Haymarket Extension.

Approved this 3<sup>rd</sup> day of September 2015.

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David F. Snyder  
Chairman

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Jeffrey McKay  
Secretary-Treasurer



VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 8-E**  
**Action Item**

**To: Chairman Cook and the VRE Operations Board**

**From: Doug Allen**

**Date: July 17, 2015**

**Re: Recommend Authorization to Execute an Agreement  
with Norfolk Southern Railway for Analyses Related to  
the Gainesville-Haymarket Extension**

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**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to execute an agreement with the Norfolk Southern Railway (NS) to perform analyses related to the proposed VRE Gainesville-Haymarket extension for an amount not to exceed **\$450,000**.

**Background:**

A major service initiative contained in VRE's adopted System Plan 2040 is to extend VRE rail service to the I-66 Corridor in Western Prince William County in the vicinity of Gainesville-Haymarket. A likely potential alignment for that extension is the NS Washington District "B-Line", a heavily trafficked freight line extending northwest from Manassas Junction.

NS has agreed to consider VRE's request to operate on its B-Line. NS proposes to conduct a series of engineering and planning analyses to determine the potential impact of the proposed Gainesville-Haymarket extension on its operations, infrastructure, and property. NS agrees to coordinate with VRE during the course of its analyses and provide VRE with a copy of its conclusions.



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703.684.1001  
VRE.org



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

**Fiscal Impact:**

This agreement will be funded from the Core Capacity/Project Development project in the CIP. The original source of these funds was the Capital Reserve.

**Virginia Railway Express  
Operations Board**

**Resolution  
8E-07-2015**

**Recommend Authorization to Execute an Agreement with  
Norfolk Southern Railway for Analyses Related to the  
Gainesville-Haymarket Extension**

**WHEREAS**, the VRE System Plan 2040 calls for the extension of service to the I-66 corridor in the vicinity of Gainesville-Haymarket in Prince William County; and,

**WHEREAS**, the Norfolk Southern Railway (NS) Washington District “B-Line” is a likely alignment for said extension of VRE service; and,

**WHEREAS**, NS has agreed to consider VRE’s request to operate on its B-Line in return for reimbursement for its efforts analyzing the potential impacts of said extension of VRE service on its operations, infrastructure, and property;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to execute an agreement with Norfolk Southern Railway for an amount not to exceed **\$450,000**.

Approved this 17<sup>th</sup> day of July 2015

---

John C. Cook  
Chairman

---

Paul Smedberg  
Secretary





**Agenda Item 10-A**  
**Information Item**

**To: Chairman Cook and the VRE Operations Board**

**From: Doug Allen**

**Date: July 17, 2015**

**Re: Financial Plan Work Session and Discussion**

---

At the January 16, 2015 meeting, the Operations Board approved a Task Order to the PFM Group for the development of a Financial Plan. The Financial Plan process includes several components, as outlined below:

- Creation of a customized financial model, incorporating VRE's unique characteristics and funding needs. The model allows for the creation of multiple scenarios, both initially and in the future.
- The development of the chosen scenarios, which include a baseline (constrained) version, a maintenance of current ridership version, and three growth scenarios, ranging from maintaining market share as the region grows through full implementation of the System Plan. All operating, maintenance and capital costs associated with the various scenarios are included in the model.
- Analysis of the financial model results including reliability of current funding sources, funding gaps and options for development of sustainable funding streams.
- Review and refinement of the analysis, based on interaction and feedback from professional staff and the members of the Operations Board.

At the Operations Board meeting on May 15, 2015 PFM provided an introduction to the financial model and some preliminary observations, based on the initial operating scenario that had been reviewed. As the result of the discussion with the Board the operating scenarios were revised and expanded.

At the Board meeting on July 17, 2015 we are seeking additional Board feedback on the results of the financial modeling process and a discussion of the next steps in developing and advancing funding alternatives.

# Strategic Financial Forecasting

*Presented to*

VRE Operations Board

July 17, 2015

*presented by*

Donna Boxer, CFO

JoAnne Carter, Managing Director, PFM

Robert Peskin, Senior Consulting Manager, AECOM



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## INTRODUCTION

- System Plan 2040 created a vision for VRE's future operations
- Using a financial model, now able to forecast the operating & capital costs associated System Plan 2040
- Scenarios represent a range of system alternatives with varying service and financial characteristics
- Today's purpose is to provide a basis for future policy discussion and decisions



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## SYSTEM ALTERNATIVES

Past Board discussion revealed the need for varying scenarios:

- *Baseline*
- *Ridership Equal*
- *Natural Growth*
- *Modified Service Expansion*
- *System Plan 2040*



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## BASELINE SCENARIO

- Requires service reductions to stay within available revenue
  - Exacerbates overcrowding
  - Reduces the number of commuters for whom VRE is a viable commuting option
- Initial service reductions decrease ridership & revenue
  - Repeating pattern leads to further reductions
- Reduces system economies of scale
  - Fixed overhead becomes a greater proportion of budget
  - Fewer trains/riders to spread overhead expenses across
- Biennial 3% increases in fares insufficient to maintain 50% operating ratio
  - Requires an exemption to the 50% requirement
- Creates service inequalities
  - Less space for inner-zone riders
  - Shifts subsidy burden to outer jurisdictions
- Results in system shutdown by FY33

Baseline Scenario Attributes

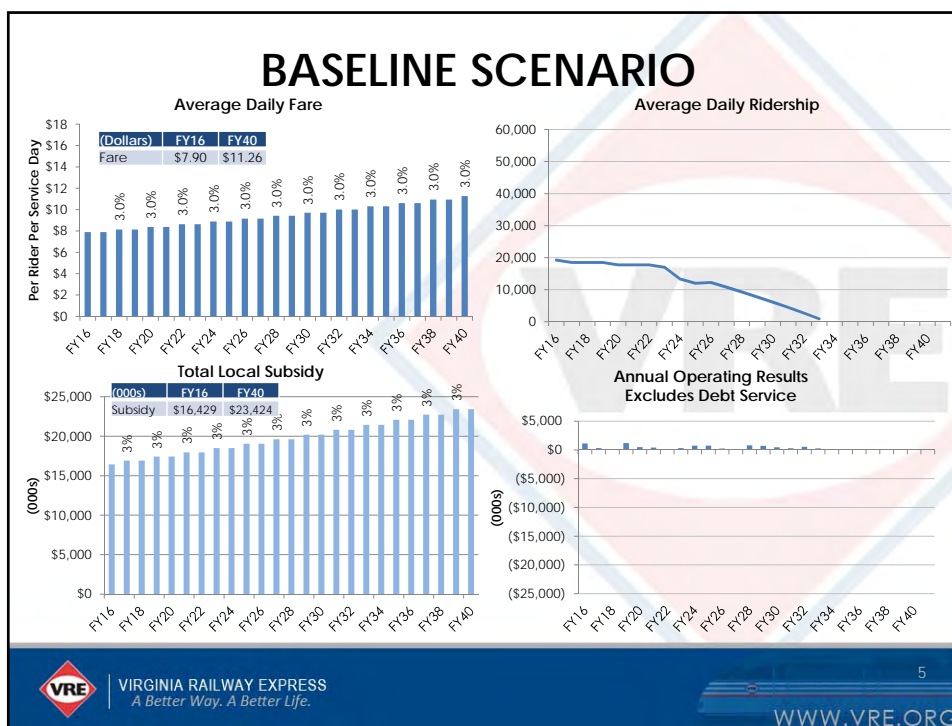
Fares (FY16/FY40)	\$7.90/\$11.26 (2016 dollars)
Passengers (FY16/FY40)	19,300/0 (Shutdown by FY33)
Farebox Recovery (FY20/FY30/FY40)	41%/13%/0% (see note)
Additional Rev. Required	\$0
Local Subsidy Growth	3% (every other year)
Fare Growth	3% (every other year)
Capital Reserve	\$0
Trains (FY20/FY30/FY40)	30/14/0
Total Local Subsidy (FY16/FY40)	\$16.4 M/\$24.1 M



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## SYSTEM ALTERNATIVES

Scenario Attributes	Baseline	Ridership Equal	Natural Growth	Modified Service	System Plan 2040
Current Peak Trains	X	◆	◆	◆	◆
Longer Peak Trains			◆	◆	◆
More Peak Trains				◆	◆
Reverse Peak Service				◆	◆ ◆
More Midday Service				◆	◆ ◆
Gainesville-Haymarket Extension				◆	◆
Peak Express Trains					◆

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## KEY TAKEAWAYS

- Capital Requirements for major system projects are similar for all scenarios
- Increasing operating expenses including contracted train operations and access fees are the primary drivers of need for additional revenue
- Currently, costs of increased operating expenses spread among existing revenue sources
  - Fares (50%)
  - Local Subsidy (17%)
  - State (17%)
  - Federal (12%)
- Reliance primarily on fares to meet additional funding needs creates unintended consequences
  - For example, over reliance on fare increases would drive VRE toward a premium service available only to riders with the ability to pay
- Each existing type of revenue source has limitations
  - State & federal revenue outside VRE's control
  - Local subsidy limited by jurisdictions' affordability
  - Fares are market driven



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## GENERAL REVENUE ASSUMPTIONS

*Certain revenue assumptions apply across all scenarios.*

Revenue Category	Base Assumption
Federal Formula Funds	0% growth from FY16
Access Fees	FY17 – FY20: State provides 84% of access fees FY21 – FY25: Gradual ramp down from 84% to 50% FY26 – FY40: 50% of access fees
State Funding – Operations	0% increase every year
State Funding – Capital	Current funding levels
Fare Increase*	3% increase every other year
<b>Local Subsidy*</b>	<b>3% increase every other year</b>
*Applies to all scenarios except Ridership Equal.	



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## OPERATIONS EXPENSE ASSUMPTIONS

*Certain operational expense assumptions apply across all scenarios.*

Expense Category	Base Assumption	FY16 Budget
Contracted Train Operations – Current Train Service	2% annual increase (driven by CPI)	\$15.1 M
Facilities Maintenance & Other Operating Expenses	2% annual increase (driven by CPI)	\$23.4 M
CSX Transportation Access Fees	4% annual increase (contractual flat rate)	\$7.0 M
Amtrak Access Fees	3% annual increase (3-year average of actual costs)	\$6.1 M
Norfolk Southern Access Fees	3% annual increase (driven by AAR growth rate)	\$3.3 M
Equipment Operations	3% annual increase	\$5.4 M
Budgeted Operating Reserve	Maintained at 2 months of Operating Expenditures	n/a



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## RIDERSHIP EQUAL SCENARIO

- Achieves long term fiscal balance
- Fares are raised to fill any financial gap while local subsidy grows at 3% every other year
  - Demonstrates effect of raising fares to constrain ridership demand
- Creates service inequalities
  - Deferred or denied boarding for middle jurisdictions
  - Shifts subsidy burden to outer jurisdictions
- Changes composition of VRE ridership

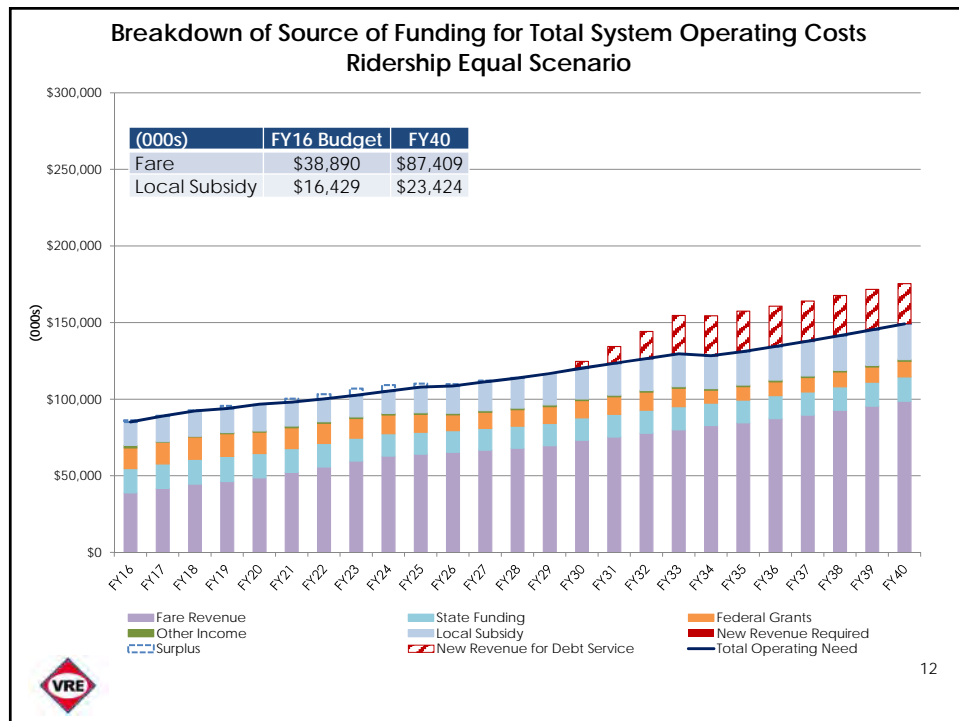
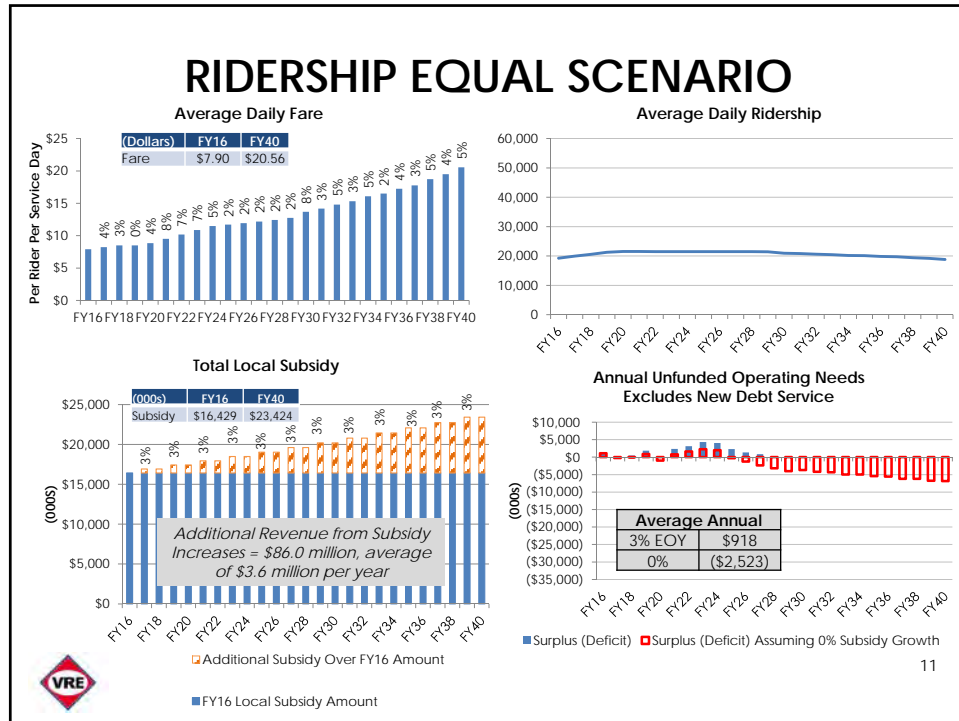
Ridership Equal Scenario Attributes	
Fares (FY16/FY40)	\$7.90/\$20.56 (2016 dollars)
Passengers (FY16/FY40)	19,260/18,822
Farebox Recovery (FY20/FY30/FY40)	57% / 66% / 68%
Additional Rev. Required (Excl. New debt service)	\$251K to \$580K
Local Subsidy Growth	3% (every other year)
Fare Growth	Varies
Capital Reserve	Funded (\$3M per year)
Trains (FY20/FY30/FY40)	32/32/32
Total Local Subsidy (FY16/FY40)	\$16.4 M/\$23.4 M
Capital Expenditures (FY17 – FY40)	Funded: \$761 M Unfunded: \$1,868 M



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## NATURAL GROWTH SCENARIO

- VRE continues to service its base market and meets associated demand
- Consists lengthened to meet expected ridership demand
- Little to no impact on passenger experience
- Requires station, parking, and yard infrastructure in response to demand and system need
- Forecasts modest need for additional revenue prior to FY2030
  - ~2% average increase in fare would achieve a revenue/expense balance, prior to additional debt

### Natural Growth Scenario Attributes

Fares (FY16/FY40)	\$7.90/\$11.26 (2016 dollars)
Passengers (FY16/FY40)	19,260/31,138
Farebox Recovery (FY20/FY30/FY40)	54% / 57% / 59%
Additional Rev. Required (Excl. New debt service)	\$846K to \$18.9M
Local Subsidy Growth	3% (every other year)
Fare Growth	3% (every other year)
Capital Reserve	Funded (\$3 M per year)
Trains (FY20/FY30/FY40)	32/32/32
Total Local Subsidy (FY16/FY40)	\$16.4 M/\$23.4 M
Capital Expenditures (FY17 – FY40)	Funded: \$796 M Unfunded: \$2,364 M

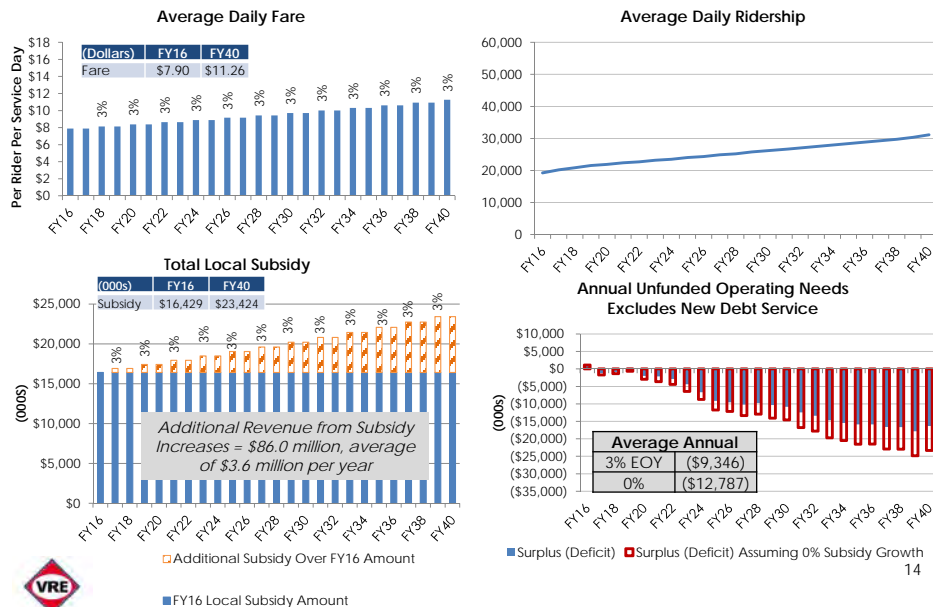


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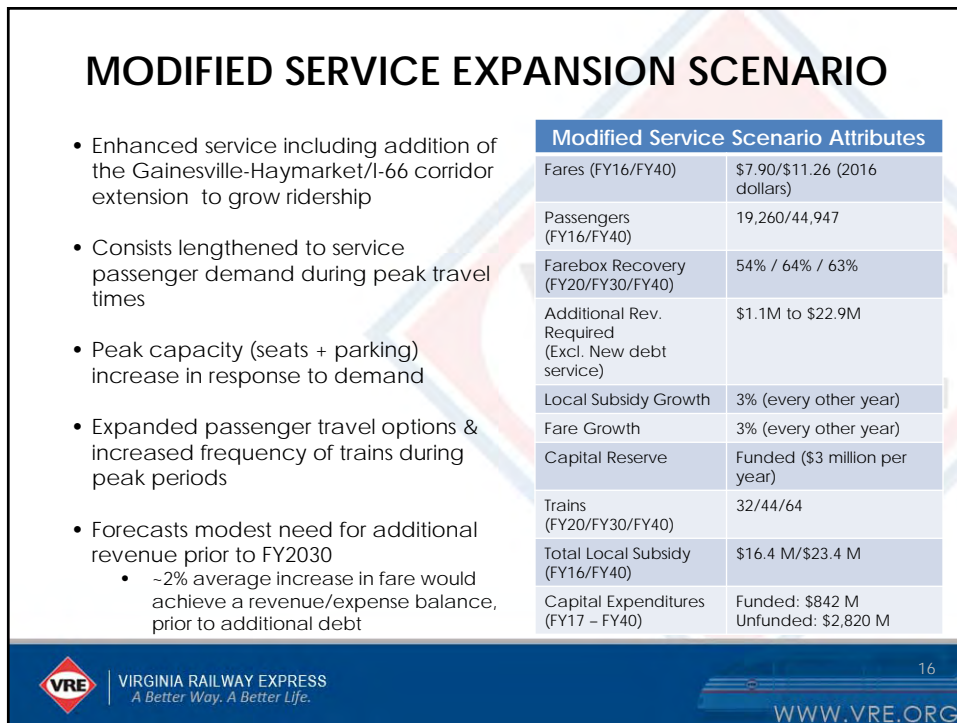
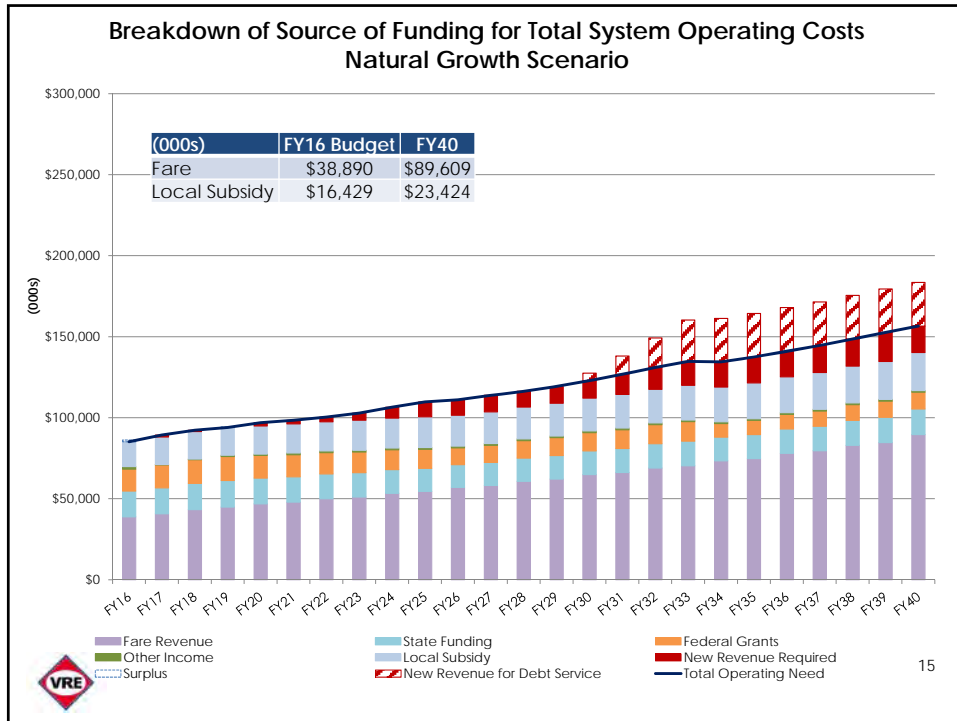
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## NATURAL GROWTH SCENARIO

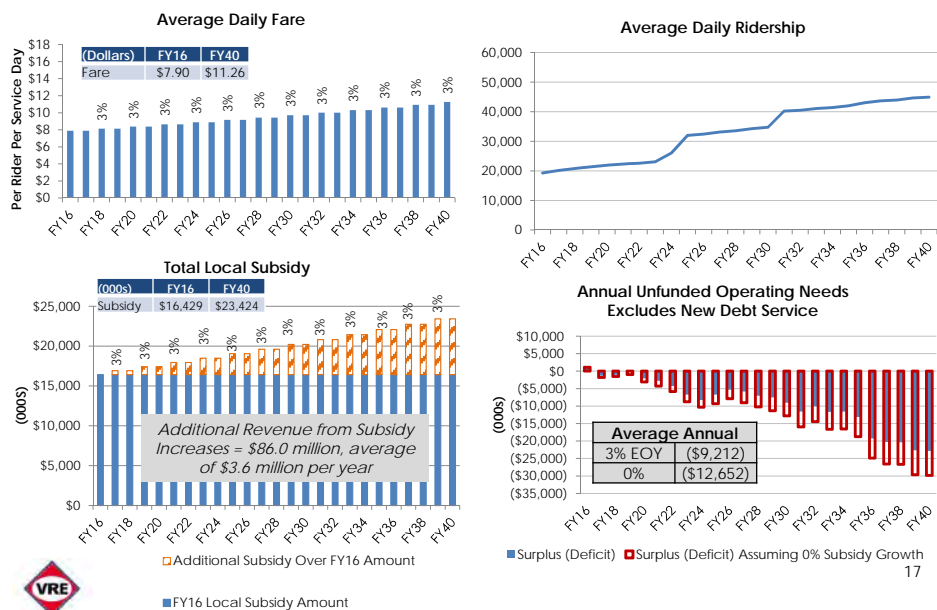


■ FY16 Local Subsidy Amount

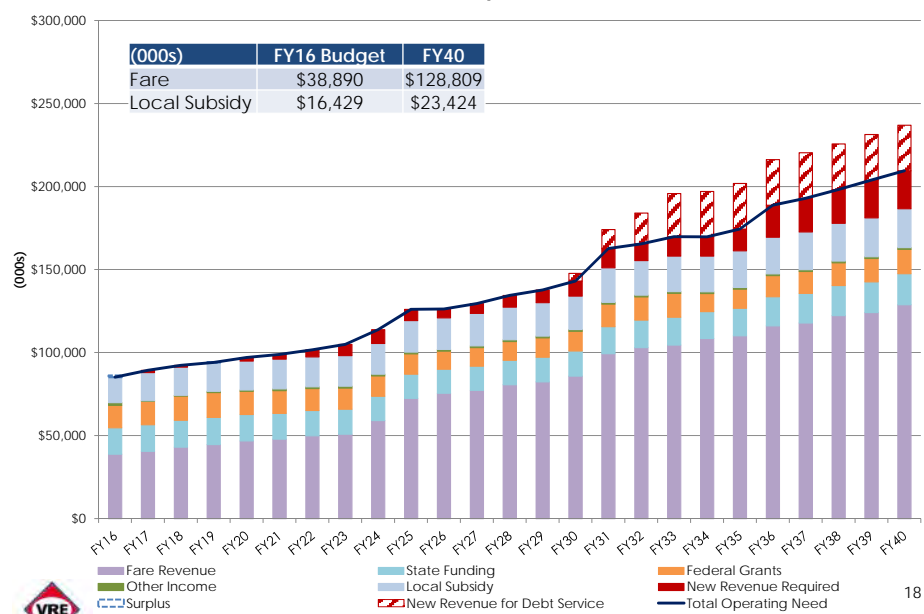
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## MODIFIED SERVICE EXPANSION SCENARIO



## Breakdown of Source of Funding for Total System Operating Costs Modified Service Expansion Scenario



## SYSTEM PLAN 2040 SCENARIO

- Illustrates full implementation of regional rail service in VRE System Plan 2040
- Consists lengthened to service passenger demand during peak travel times
- Peak capacity (seats + parking) increase in response to demand
- Expanded passenger travel options & increased frequency of trains during peak periods
- Forecasts modest need for additional revenue prior to FY2030
  - ~1.5% average increase in fare would achieve a revenue/expense balance, prior to additional debt

System Plan 2040 Scenario Attributes	
Fares (FY16/FY40)	\$7.90/\$11.26 (2016 dollars)
Passengers (FY16/FY40)	19,260/52,240
Farebox Recovery (FY20/FY30/FY40)	54% / 67% / 65%
Additional Rev. Required (Excl. New debt service)	\$1.1 M to \$18.4M
Local Subsidy Growth	3% (every other year)
Fare Growth	3% (every other year)
Capital Reserve	Funded (\$3 million per year)
Trains (FY20/FY30/FY40)	32/70/92
Total Local Subsidy (FY16/FY40)	\$16.4 M/\$23.4 M
Capital Expenditures (FY17 – FY40)	Funded: \$856 M Unfunded: \$2,861 M

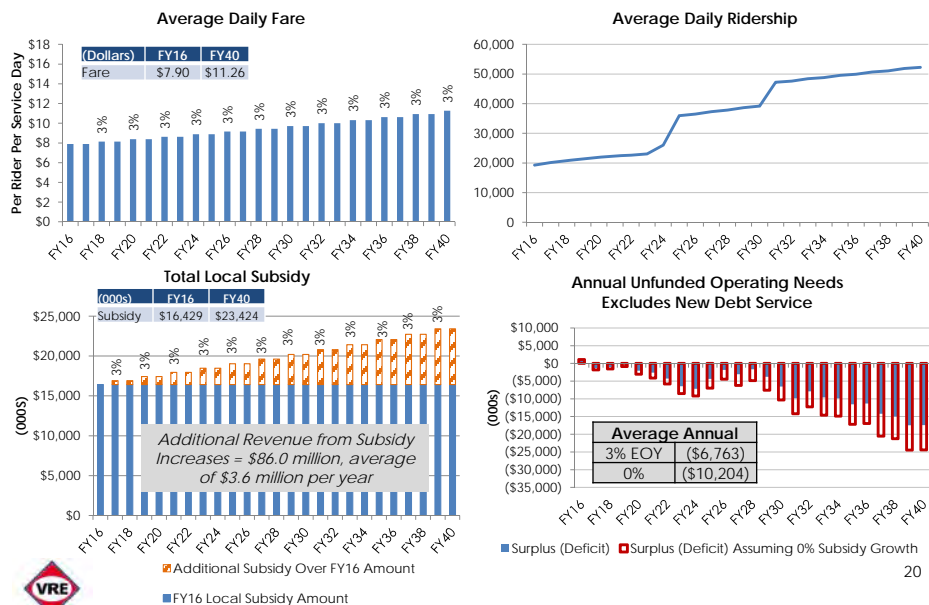


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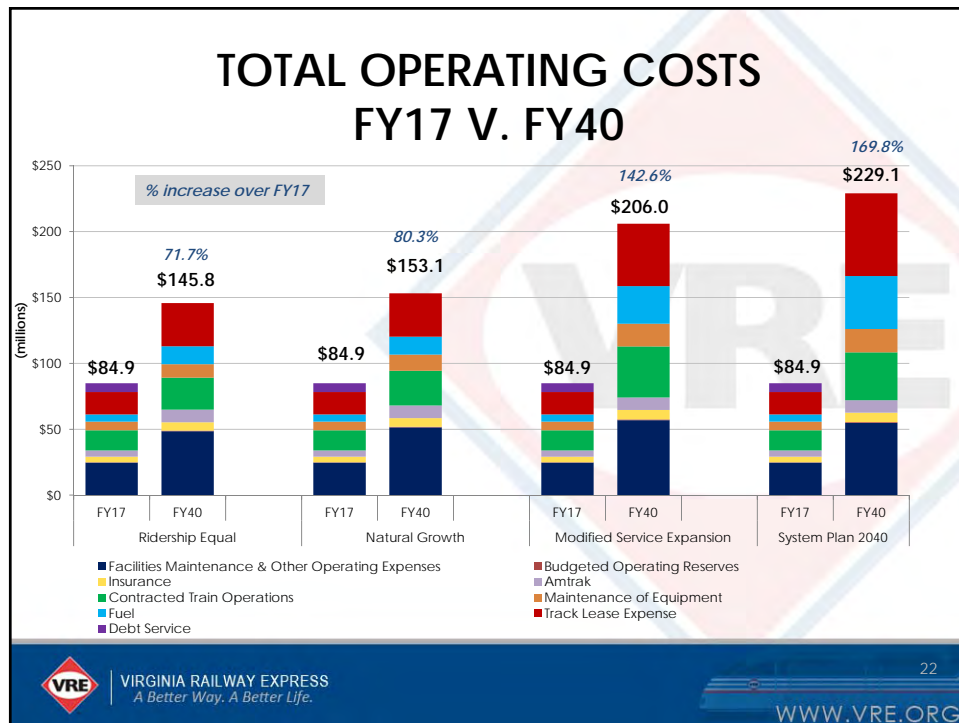
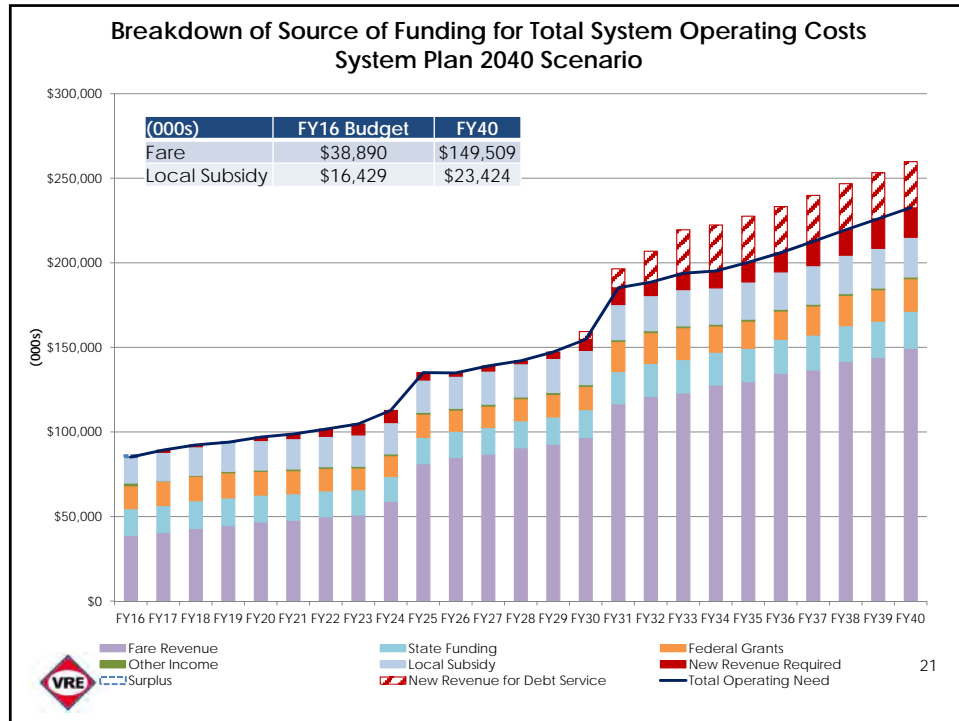
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## SYSTEM PLAN 2040 SCENARIO



■ FY16 Local Subsidy Amount

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## VRE CONTRIBUTION TO ACCESS FEES

- VRE's share of Access fees increases from 16% to 50% percent reflecting model assumptions

Average Annual Projected VRE Funding for Access Fees					
	FY17-FY20	FY21-FY25	FY26-FY30	FY31-FY35	FY36-FY40
Ridership Equal	\$2.7 M	\$6.7 M	\$10.8 M	\$12.9 M	\$15.3 M
Natural Growth	\$2.7 M	\$6.7 M	\$10.8 M	\$12.9 M	\$15.3 M
Moderate Growth	\$2.7 M	\$6.9 M	\$11.8 M	\$16.9 M	\$22.0 M
System Plan 2040	\$2.7 M	\$7.4 M	\$14.7 M	\$24.3 M	\$29.2 M

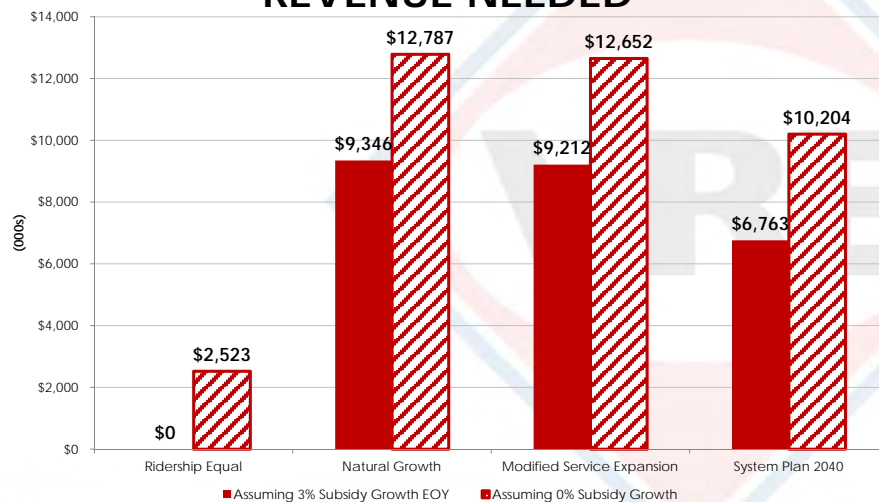


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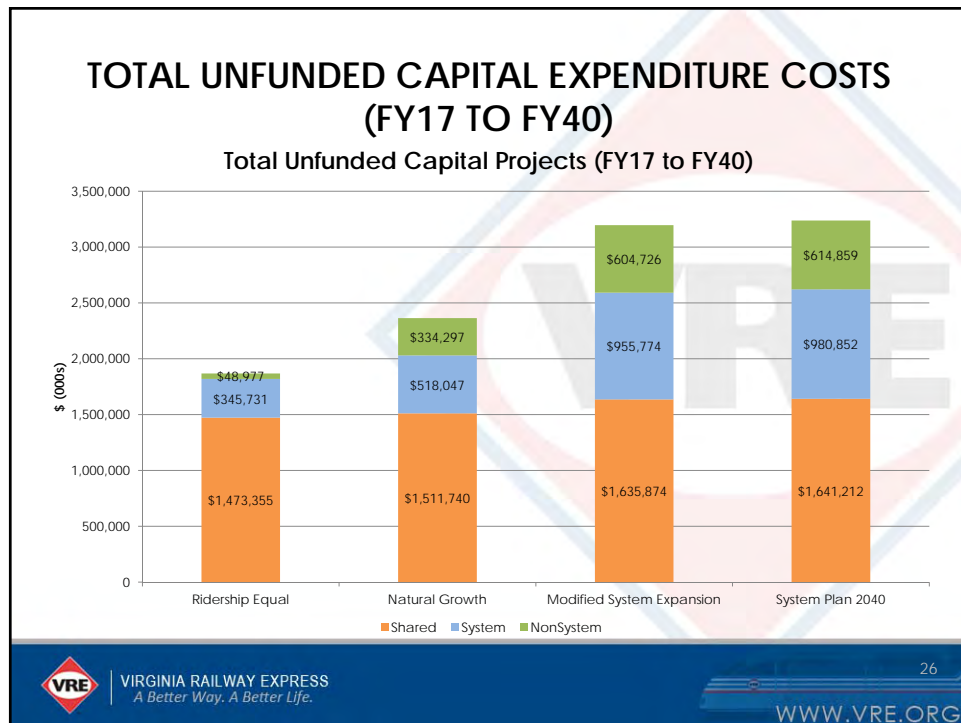
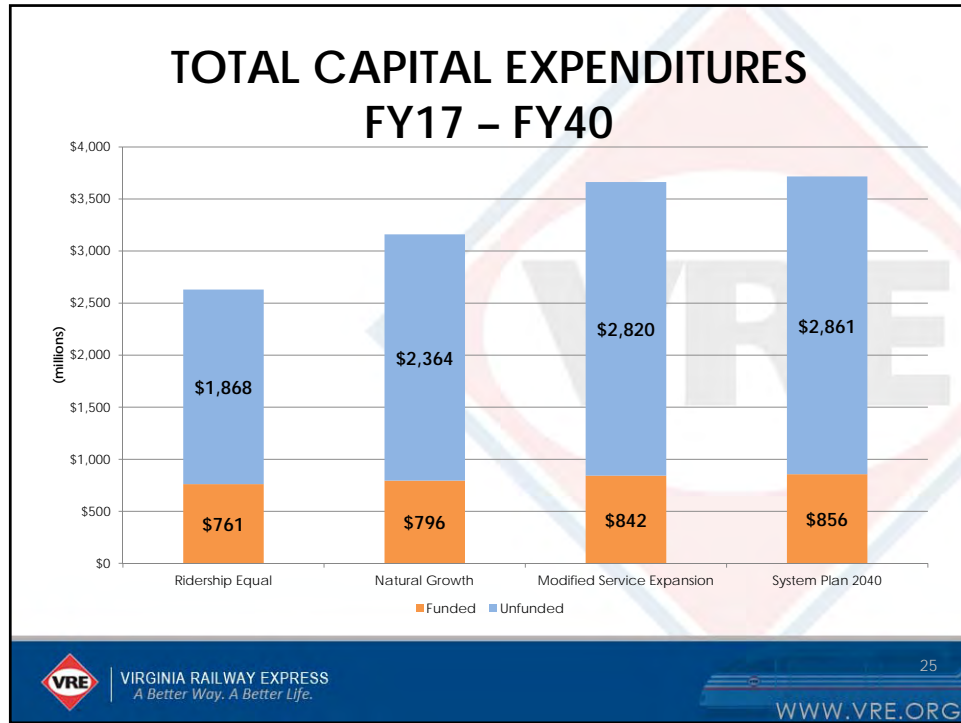
## AVERAGE ANNUAL ADDITIONAL REVENUE NEEDED



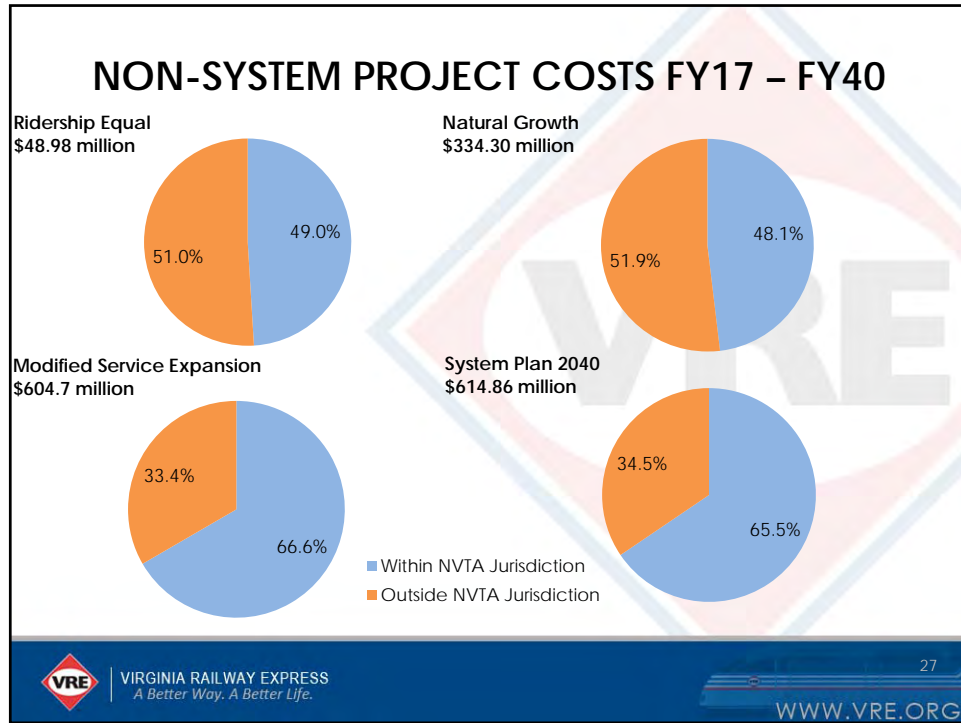
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## SCENARIO SUMMARY (FY40)

Scenario Attributes	Ridership Equal	Natural Growth	Modified Service	System Plan 2040
Projected Average Fare (for year 2040; in present dollars)	\$20.56	\$11.26	\$11.26	\$11.26
Projected Daily Ridership (in year 2040)				
Total Passenger Cars (in year 2040)				
Total Operating Costs (in year 2040)				
Capital Expenditures (FY17 – FY40)	\$2.63 B	\$3.16 B	\$3.66 B	\$3.72 B

= 5K Riders
 = 12 Cars
 = \$40 Million

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## NEXT STEPS

- Provide additional information & sensitivity analysis, as needed
- Convert scenarios to a financial plan
  - Identify a multi-year funding approach for fares and local subsidy
  - Analyze new, multi-year strategies for generating additional revenue
- Develop consensus regarding desired vision for future service



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## QUESTIONS?



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OPERATIONS BOARD

**Agenda Item 8-M**  
**Action Item**

**To: Chairman Cooke and the VRE Operations Board**

**From: Doug Allen**

**Date: July 17, 2015**

**Re: FY 2017 Budget Key Issues**

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**Recommendation:**

The VRE Operations Board is being asked to provide feedback and direction for the development of the FY 2017 Budget and Capital Improvement Program (CIP).

**Background:**

VRE has adopted a financial planning process that provides for early consideration of key budget issues and assumptions. During the budget cycle, VRE staff meets monthly with the member jurisdictions' Chief Administrative Officers (CAO) Budget Taskforce to develop the annual proposed budget and an independent CAO recommendation is provided to the Operations Board and Commissions in conjunction with the final budget submission at the December Operations Board meeting. In addition, the Capital Committee meets periodically to provide an in-depth review of major capital needs and issues for referral to the full Operations Board as required.

In accordance with the VRE Master Agreement, a consolidated financial projection over a six-year time frame is provided each year as a component of the annual budget. Currently, a Financial Plan is being developed to forecast the cost of current operations and various growth scenarios through FY 2040, the period covered by the System Plan developed during FY 2014. This longer term financial analysis will be incorporated into the FY 2017 budget process, as appropriate.



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## **Proposed FY 2017 Key Issues:**

***Key Issue #1: Level of service:*** *Some trains are currently at or over 100% capacity. Planned service improvements include the new Fredericksburg line train (summer 2015) and the lengthening of peak trains as additional railcars are received.*

The addition of the Fredericksburg line train projected to begin service in late summer 2015 is expected to somewhat mitigate the overcrowding and the capacity issues at stations further up the line. The service will run with the legacy gallery railcars until additional new railcars are available mid-way through FY 2016. Five railcars were ordered in FY 2015 and an additional nine are budgeted in FY 2016. These additional 14 cars along with related infrastructure improvements to stations and storage yards will allow for the lengthening of existing peak trains and the conversion of a “deadhead” train on the Manassas line to revenue service in FY 2017.

***Key Issue #2: Maintenance and Replacement of VRE Assets:*** *Federal formula funds devoted to maintaining transit assets in a “State of Good Repair” are expected to provide for the ongoing capital cost of maintaining VRE assets over their life-cycle. However, replacement of the fleet at the end of the expected useful life of the equipment will require additional funding mechanisms.*

The federal priority under MAP-21 of maintaining transit systems in a “State of Good Repair” has been included in the current versions of the next transportation authorization and the funds to adequately maintain equipment and facilities will be available from this source. The recently completed asset management strategy for facilities will be used to refine the costs included in the FY 2017 budget and CIP for this group of assets.

Because VRE’s current fleet of railcars and locomotives were purchased during a compressed time period, the replacement of the fleet at the end of its useful life is projected to be needed during a five-year period beginning in FY 2030, at an estimated cost of approximately \$450M. Although this need falls well beyond the projection period in the annual budget and CIP, this issue was highlighted in the longer-term Financial Plan forecast.

***Key Issue #3: Midday Storage:*** *The construction of alternate midday storage facilities will require a significant funding commitment over the next several years.*

VRE is currently hampered by limited midday train storage space near Union Station and must deadhead one trainset daily back to the Broad Run yard. In addition, the current contract with Amtrak includes provisions for Amtrak to reclaim VRE’s current storage space at the Ivy City yard for their own use during the next several years. As a result, VRE must proceed expeditiously to both increase midday train storage beyond what is currently available and to fully replace the storage yard now used at Ivy City.

A substantial portion of available federal formula funds were devoted to this project during the six-year time frame covered by the FY 2016 – FY 2021 CIP. However, recent cost projections indicate that additional funding will need to be identified.

***Key Issue #4: Capital improvements to support the VRE System Plan:*** Capital improvements needed to meet the expected demand for VRE service and to increase railroad infrastructure capacity in the VRE service territory require the identification and commitment of funds beyond those currently available to VRE.

During FY 2014 the Operations Board and Commissions endorsed the VRE System Plan, which provides for the logical, incremental expansion of VRE infrastructure and service. The Financial Plan will provide estimates of the additional funding needed in coming years to implement the services described in the System Plan. An important component of future capital needs is the commitment to ensure the development of the railroad infrastructure in the CSXT territory.

NVTA regional funding continues to be available on a discretionary basis for certain VRE capital projects, but only for those located within the NVTA jurisdictions, which has highlighted the need for funding sources in the non-NVTA area served by VRE.

***Key Issue #5: VRE staff level:*** VRE needs the staff resources necessary to operate and administer the commuter rail system safely, efficiently and in compliance with all federal and state requirements.

Since inception, the administration and oversight of the commuter rail system has been accomplished by a relatively small permanent staff, supplemented at times with assistance on a contract or temporary basis. As the system itself has grown and developed, along with a continuing increase in internal and external requirements, the staff level has not kept pace. The FY 2016 budget included three new permanent positions and the replacement of three contract positions with VRE staff positions. While the new positions have helped address needs, the FY 2017 proposed budget is expected to include the need for further additional staff resources.

***Key Issue #6: Jurisdictional subsidy and the need for additional funding sources:*** The VRE service currently must be supported within the confines of jurisdictional budget constraints. The Financial Plan forecast is the first step in quantifying the need for additional ongoing funding sources to support the commuter rail service.

The subsidy level in FY 2017 will be evaluated based on a variety of factors, including contractual increases, expected changes to state and federal funding levels and the jurisdiction's ability to contribute using fuel tax revenue or other sources of funding. The FY 2016 six-year financial forecast projected a subsidy increase of 5% for FY 2017. VRE will work with jurisdictional staff on formulating future subsidy levels and will fully utilize all existing other funding sources.

The total jurisdictional subsidy of \$16.4 million has been flat for the last four years and the level has not changed appreciably over the last seven years. The limitations of the reliance on jurisdictional funding and the need for alternate ongoing funding will be addressed through the Financial Plan forecast, as noted above.

#### **Other FY 2017 Issues and Assumptions:**

- **State Funding:** In the latest information presented to the CTB on June 16, 2015, the total level of operating assistance is projected to increase slightly through FY 2021, although the expansion of WMATA's Silver Line will impact the amount received by VRE and other transit providers in future years. Despite some additional revenue as a result of legislation passed in the 2105 session, state capital funding is projected to reach a fiscal cliff after FY 2019 when bond funding supporting the state matching percentage is no longer available. VRE staff will continue to monitor future levels of available state funding.
- **Federal funding:** MAP-21 expired in September 2014, and VRE's federal funding for future years will be based on a new transportation authorization. There have been several continuing resolutions in which funding was held at the MAP-21 level. VRE staff will continue to revise projections as additional information becomes available. The limitations on the use of our major source of federal source, the 5337 or State of Good Repair program, will further complicate our capital funding picture.
- **NVTA funding:** The CIP will reflect funding for projects already selected by NVTA and will indicate what additional projects could be submitted for NVTA funding. NVTA funding is available to VRE only on a discretionary basis and only for jurisdictions within the NVTA area.

#### **Next Steps:**

- Discussion by the Capital Committee later today of the process for development and review of the FY 2017-FY 2022 CIP, format changes to the CIP document, and incorporation of information generated during the development of the Financial Plan.
- Continuation of discussion of FY 2017 budget scenarios with the CAO Budget Task Force.
- Provision of preliminary budget and CIP to the Operations Board in September 2015 and to the Commissions in October 2015.

#### **Fiscal Impact:**

The fiscal impact of the FY 2017 budget and capital program will be addressed at the September Operations Board meeting.

**Virginia Railway Express  
Operations Board**

**Resolution  
8M-07-2015**

**FY 2017 Budget Key Issues**

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

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

**WHEREAS**, budget issues and assumptions for the development of the FY 2017 operating and capital budget were reviewed by the CAO Budget Taskforce prior to their presentation to the Operations Board;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board directs VRE staff to develop the FY 2017 Budget and CIP in accordance with the Board's direction.

Approved this 17<sup>th</sup> day of July 2015

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John C. Cook  
Chairman

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Paul Smedberg  
Secretary



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## *FY 2017 BUDGET KEY ISSUES*



*July 17, 2015*



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## BACKGROUND

The **Budget Key Issues** are the first step in the budget process.

- Role of **CAO Task Force**
- Role of **Capital Committee**

Components of budget:

- Operating budget – FY 2017
- Six-year Capital Improvement Program (CIP)
- Six-year financial forecast



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## KEY ISSUE #1

### *Level of service*

- Spotsylvania station
- Fredericksburg line train
- Expansion railcars



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## KEY ISSUE #2

### *Maintenance/replacement of assets*

- Transit Asset Management plans
- Federal State of Good Repair (SGR) funding
- Equipment replacement – FY 2030 to FY 2035 - \$450M



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## KEY ISSUE #3

### *Midday storage*

- Lack of midday storage space
- Requirement to relocate
- Development of funding plan



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## KEY ISSUE #4

### *Capital Improvements*

- VRE System Plan and Financial Forecast
- Project categories – shared, system, and non-system
- CSX MOU projects
- NVTa regional funding



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## KEY ISSUE #5

### *VRE staff level*

- FY 2016 - three new FTEs and replacement of three contract positions
- FY 2017 - expect to include additional FTEs



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## KEY ISSUE #6

### *Jurisdictional subsidy*

- No appreciable change since FY 2009
- FY 2016 financial forecast – 5% increase in FY 2017
- Need for alternative ongoing funding



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## OTHER ISSUES AND ASSUMPTIONS

### State funding

- Operating assistance
- Capital funding
- Access fees

### Federal funding - restrictions

### NVTA funding and potential new sources



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## NEXT STEPS

- Capital Committee
- CAO Budget Task Force
- Preliminary budget – September
- Proposed budget - December



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## FEEDBACK



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## AGENDA ITEM #8: I-66 INSIDE THE BELTWAY UPDATE

**TO:** Chairman Snyder and NVTC Commissioners

**FROM:** Kelley Coyner

**DATE:** August 27, 2015

**SUBJECT:** I-66 Inside the Beltway Update

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Nick Donohue, Deputy Secretary of Transportation, will brief the Commission on the I-66 Multimodal Improvements Inside the Beltway Project.

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## AGENDA ITEM #9: FY2017 KEY BUDGET ISSUES

**TO:** Chairman Snyder and NVTC Commissioners

**FROM:** Kelley Coyner and Scott Kalkwarf

**DATE:** August 27, 2015

**SUBJECT:** FY2017 Key Budget Issues

---

The next step in the budget process is to review key budget issues with the full Commission. The issues include implementation of the I-66 Inside the Beltway Framework Agreement and source of revenue for the General and Administrative Budget. Prior to this discussion, NVTC staff and staff of the funding partners have held regular meetings to discuss their respective budget processes and guidance as well as the key budget issues identified by NVTC staff. The attached [document highlights the key budget issues](#) for consideration.

Next steps include:

- Notice of the direct contributions for each jurisdiction by October 31.
- Preparation of a Preliminary Budget.
- Hold two Commission work sessions (tentatively scheduled October 1 at 6:00 P.M. Proposed dates for a morning daytime work session: October 8, 19, 20 or 26).
- Consideration and approval of a proposed budget (targeted for November 5).

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# **Key Budget Issues Presentation to Commission Sept. 3, 2015**



## **Background**



- Budget Key Issues July-September
- Roles:
  - Commission
  - Staff- Funding Partners
- Products:
  - FY2017 General and Administrative Budget
  - FY2017 Project Budget
  - TBD - Amendment to FY2016 Budget related to I-66 Inside Beltway

## Issue 1: I-66 Inside Implementation



- Project Selection
- MOEs & Compliance
- Funding Project FY2017
- Public Outreach
- Legal/Financial
- Dedicated Resource for I-66 Management

## Issue 2: Jurisdiction Direct Contributions



	FY 2014	Approved	Approved
	Actual	Budget	Budget
		FY 2015	FY 2016
Local Direct Contributions			
Alexandria	\$ 32,218	\$ 35,246	\$ 37,145
Arlington	52,226	55,685	55,567
City of Fairfax	6,751	5,212	4,692
Fairfax County	173,465	167,903	168,142
Falls Church	2,328	2,549	2,436
Loudoun	17,259	17,652	16,265
Total Local Direct	\$ 284,247	\$ 284,247	\$ 284,247

### Issue 3: Revenue: G&A Budget



- Direct Contribution
- Administrative: State Aide to Localities
- VDOT Resources for Implementation I-66
- Revenue for Administration of I-66 Project
- DRPT Internship Grant

### Issue 4: Finance & Administrative



- I-66
- Federal Grants Compliance
- HR, Procurement, EEOC, Facilities
- Office Space, Technology, Furnishings



## Issue 5: NVTC Staff Level



- FY 2016
  - On track for hiring authorized position
- FY 2017
  - I-66 Inside the Beltway

## Other issues and assumptions



- Federal assistance and compliance
- Analytic support for Regional Bus Agenda

## Next Steps



Next Step	Target
I-66 Implementation	TBD(Staff supporting now)
Notice of Direct Contribution	NLT October 31
Preliminary Budget	October
Commission Work Sessions	Tentatively Scheduled: October 1 6:00 P.M. Proposed dates for a morning work session: October 8, 19, 20 or 26
Proposed Budget	November

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## AGENDA ITEM #10: COMMONWEALTH AND REGIONAL AGENCY REPORTS

**TO:** Chairman Snyder and NVTC Commissioners  
**FROM:** Kelley Coyner  
**DATE:** August 27, 2015  
**SUBJECT:** Commonwealth and Regional Agency Reports

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### **A. Department of Rail and Public Transportation (DRPT) (attachment)**

### **B. Commonwealth Transportation Board (CTB)**

At the Commonwealth Transportation Board's meeting on July 15, 2015, Deputy Secretary Donohue presented on how HB1887 and HB2 would fit into the updates of the FY2016-2012 Six-Year Improvement Program (SYIP) and the Commissioner of Highways, Charlie Kilpatrick, provided details on how the Commonwealth is reviewing public-private partnership options for I-66 outside the beltway improvements.

#### **Two Year Funding Cycle and HB2**

Nick Donohue presented a [recommendation that the CTB adopt a two-year funding cycle for HB2 projects](#) to allow for full funding of projects rather than funding annual phases. The Deputy Secretary noted that a two-year cycle would lead to more funding certainty for localities, regions and businesses, as an annual cycle may limit their ability to focus on project development. A two-year cycle would instead allow for longer planning times and it doubles the amount of funding available for the programs.

The final recommendation was for the CTB to adopt a resolution outlining the preference for such a process. The Commonwealth has started soliciting projects under the HB2 model with applications due in September.

#### **I-66 Outside the Beltway Procurement**

Charlie Kilpatrick provided an [update to the CTB on the status of the Commonwealth's evaluation of the Outside the Beltway project as a potential public-private partnership \(P3\) procurement process](#) while continuing to examine the public financing option. The Commonwealth has held meetings with five private sector companies who expressed interest in the project and stated their intention to submit project proposals if that is the route Virginia chooses to follow. In August, VDOT will be issuing a P3 Request for Qualifications (RFQ). At the September CTB, the CTB will be asked to take action on the NEPA preferred alternative. The decision point for which procurement option to move forward is slated to be December 2015 with a target construction date of October of 2016.

The CTB Rail Committee is scheduled to meet on August 25<sup>th</sup>. The next CTB meeting will be held in Bristol, VA on September 15-16.

### **C. Northern Virginia Transportation Authority (NVTA)**

#### **TransAction 2040**

At the Authority meeting on July 24<sup>th</sup>, [NVTA announced the launch of the update to TransAction 2040](#) with AECOM as the selected consultant. The effort will involve a review of vision and goals, literature review, identification of regional transportation needs, and a public information and participation phase. The TransAction update, when adopted, will provide a multi-modal vision for transportation improvements in Northern Virginia and will guide the development of the Authority's FY2018-23 Six-Year Program. This TransAction update is the first since the implementation of HB2313 (2013). Per the legislation, the Authority can only fund regional projects that are included in its current long range transportation plan. NVTC staff are actively participating in the TransAction 2040 update subcommittee.

#### **HB599 Project Selection Process**

NVTA expects to complete a pilot evaluation of three transit projects under the HB599 project selection model. The purpose of this effort is to effectively calibrate the evaluation model so that transit projects can be evaluated under the selection model. Three transit projects - WMATA eight-car trains, the Potomac Yard Metro Station, and the VRE Gainesville-Haymarket extension – are included in the pilot.

#### **I-66 Outside the Beltway Working Group**

At the request of the Secretary of Transportation, NVTA has initiated a working group to discuss funding options for the I-66 Outside the Beltway. Currently, the Commonwealth is evaluating public-private partnership and public funding options for improvements on this corridor.



## COMMONWEALTH of VIRGINIA

Jennifer L. Mitchell  
Director

Virginia Department of Rail and Public Transportation  
600 E. Main Street, Suite 2102  
Richmond, VA 23219

Ph: 804-786-4440  
Fax: 804-225-3752  
Virginia Relay Center  
800-828-1120 (TDD)

TO: Chairman Snyder and NVTC Commissioners

FROM: Jennifer Mitchell, Director

DATE: August 20, 2015

SUBJECT: DRPT Update

### **I-66 Corridor Improvements – Outside the Beltway**

A draft preferred alternative for both highway and transit was publicly presented for the first time at a combined Stakeholder Technical Advisory Group (oSTAG) and Transit Technical Advisory Group (TTAG) meeting on August 10 at the NoVA District office in Fairfax.

The mainline cross section includes two express lanes in each direction, four feet separation with bollards, three general purpose lanes, a 42 foot median preserved for a future Metrorail extension and five park and ride lots (three new and two expansions). The proposed new Rapid Bus service has been replaced with additional commuter bus service in the preferred transit service scenario. The preferred alternative also includes evaluation of a parallel bike/pedestrian path in Fairfax and Prince William counties.

The meeting was attended by staff from Arlington County, City of Alexandria, City of Fairfax, City of Manassas Park, DRPT, Fairfax County, the Federal Highway Administration (FHWA), MWCOC, the National Park Service (NPS), the Northern Virginia Regional Park Authority (NVRPA), NVTC, PRTC, Prince William County, VDOT, VRE and WMATA. The Federal Transit Administration (FTA) and Loudoun County also participated via telephone.

The next round of Public Information Meetings on the project is planned for October 19-22. Regular outreach and coordination with stakeholders and elected officials will also continue. The CTB will be briefed at its September workshop and is expected to vote on the preferred alternative at its October meeting.

### **I-66 Corridor Improvements – Inside the Beltway**

An I-66 Inside the Beltway Stakeholder Technical Advisory Group (iSTAG) was also held on August 10 at the NoVA District office in Fairfax. The results of a traffic analysis for existing conditions were presented. A toll and revenue analysis is underway and is expected to be completed in September. The iSTAG meeting was attended by staff from Arlington County, City of Alexandria, City of Falls

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Church, DRPT, Fairfax County, the Federal Highway Administration (FHWA), MWCOG, the Metropolitan Washington Airports Authority (MWAA), the Northern Virginia Regional Park Authority (NVRPA), NVTC, PRTC, Prince William County, VDOT, and WMATA.

The next round of Public Information Meetings for this project is scheduled for October 5-7.

### **VTrans Update**

VTrans is the long-range, statewide multi-modal policy plan that lays out overarching Vision and Goals for transportation in the Commonwealth. The Virginia Office of Intermodal Planning and Investment (OIPI) is currently developing VTrans2040. OIPI hosted a regional forum for the VDOT NoVA and Fredericksburg districts at the NoVA District office in Fairfax on July 29. NoVA District jurisdictions that had staff attend were Arlington County, City of Alexandria, City of Falls Church, City of Manassas, Loudoun County, MWCOG, NVTA, NVTC, Prince William County, Town of Leesburg, VDOT and VRE. A public meeting attended by 12 people was held that evening at which the draft VTrans Multimodal Transportation Plan (VMTP) Year 2025 Needs Assessment was presented. OIPI posted the draft regional and statewide needs on its website ([www.vtrans.org](http://www.vtrans.org)) on August 2 and comments are due by August 17. Additional meetings with the Statewide Multimodal Advisory Committee and regional stakeholders will be scheduled for late summer and early fall to develop the full VTrans2040 plan.

### **HB2 Implementation**

Two HB2 application training sessions for potential grantees were held on July 30 and August 5 via statewide webinar. The project application period opened on August 1 and closes on September 30. DRPT and VDOT staff will work closely with any jurisdictions that are submitting candidate projects to assist them with the application process. The point of contact for NoVA District transit projects is Todd Horsley.

The six year amount available statewide for the High Priority Program is \$500.1 million and the amount available for Northern Virginia in the District Grant Program is \$103.7 million. Funding will be programmed for the full six year program and added incrementally with biannual grant application cycles. Presentations from the trainings, policy application guidance, the VTrans 2040 plan, the current SYIP and data sources for the evaluation measures are available on the HB2 website (<http://www.virginiahb2.org/>) under the Resources tab.

### **Rail Enhancement Fund Review**

DRPT rail and finance staff has undertaken a review of rail grant programs, focusing on the Rail Enhancement Fund (REF) as directed by HB1887. HB1887 and the Appropriations Act Budget Amendment directed DRPT to conduct the review and report on all funding that has gone into the REF program. Any proposed legislative changes must be presented to the CTB in October before a final report is due to the General Assembly December 1. REF requests will soon exceed available resources, so DRPT is working with the CTB Rail Committee to develop a prioritization method based on scoring against adopted policy goals and requiring firm project completion dates.

### **Southeast High Speed Rail (DC2RVA)**

Following a series of Public Information Meetings in June, the DC2RVA team is proceeding with the alternative screening process using criteria presented at those June meetings. The screening

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process will result in a set of refined alternatives that will be presented to the public for review and comment at meetings currently scheduled to occur in the late fall of 2015. DRPT will reach out to NVTC and other regional transportation organizations through board and committee meetings ahead of the public meetings to ensure that members are briefed in advance on the information that will be put before the public.

A section of third track that will add near-term rail capacity to the DC2RVA corridor is currently under construction in Prince William and Stafford counties from Arkendale to Powell's Creek as a separate project with CSX, VRE and the Federal Railroad Administration (FRA).

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## AGENDA ITEM #11: FINANCIAL ITEMS

**TO:** Chairman Snyder and NVTC Commissioners  
**FROM:** Kelley Coyner, Scott Kalkwarf and Colethia Quarles  
**DATE:** August 27, 2015  
**SUBJECT:** Financial Items

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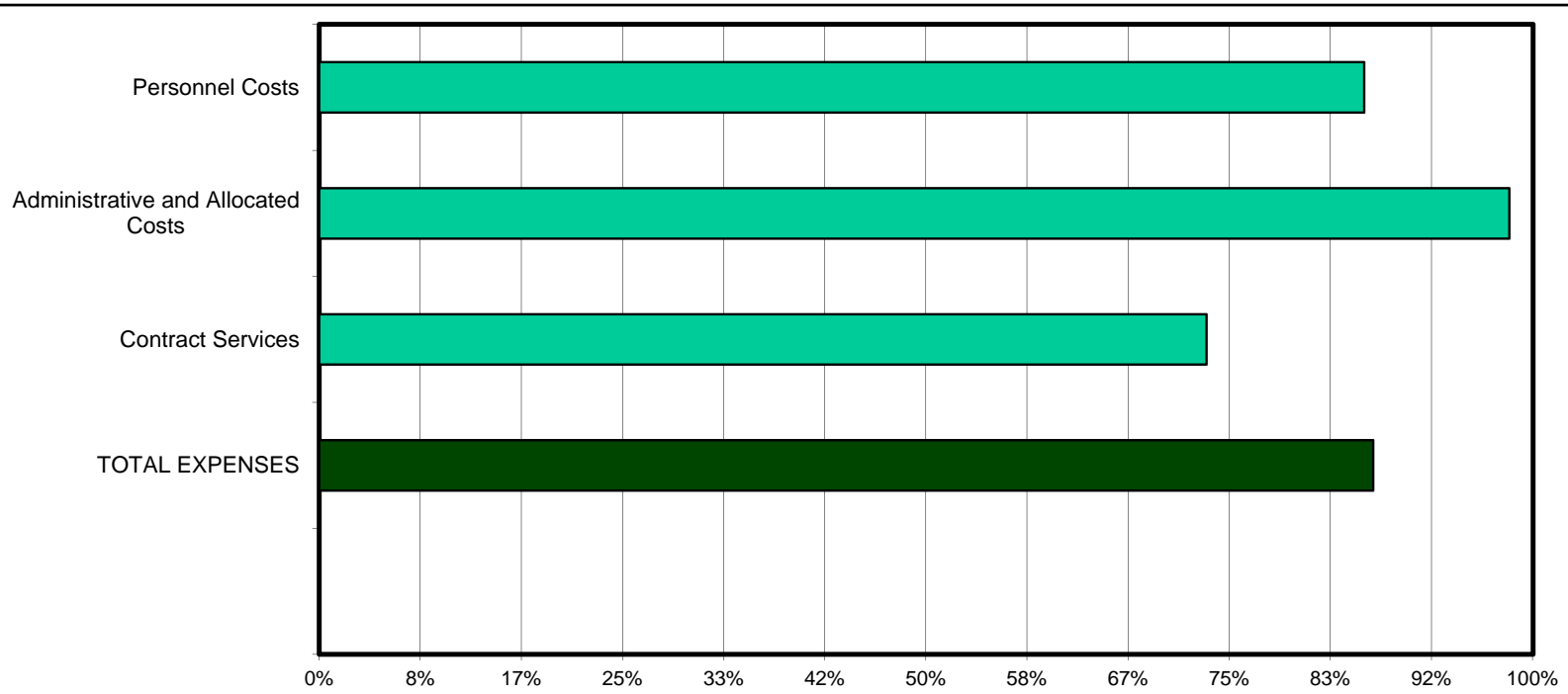
The financial items for June and July 2015 are provided for your information.

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# Northern Virginia Transportation Commission

Financial Reports  
June, 2015

Percentage of FY 2015 NVTC Administrative Budget Used  
June 2015  
(Target 100% or less)



**Note: Refer to pages 2 and 3 for details**

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
June, 2015

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<u>Personnel Costs</u>					
Salaries and Contract Wages	\$ 99,247.24	\$ 972,900.47	\$ 1,051,000.00	\$ 78,099.53	7.4%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	<u>99,247.24</u>	<u>972,900.47</u>	<u>1,051,000.00</u>	<u>78,099.53</u>	<u>7.4%</u>
<u>Benefits</u>					
Employer's Contributions:					
FICA	7,612.29	65,231.84	70,300.00	5,068.16	7.2%
Group Health Insurance	4,136.28	40,397.63	143,700.00	103,302.37	71.9%
Retirement	6,705.00	83,056.01	84,900.00	1,843.99	2.2%
Workmans & Unemployment Compensation	335.38	4,708.04	4,000.00	(708.04)	-17.7%
Life Insurance	281.60	3,322.35	4,450.00	1,127.65	25.3%
Long Term Disability Insurance	337.88	4,163.28	5,050.00	886.72	17.6%
Total Benefit Costs	<u>19,408.43</u>	<u>200,879.15</u>	<u>312,400.00</u>	<u>111,520.85</u>	<u>35.7%</u>
<u>Administrative Costs</u>					
Commissioners Per Diem	714.88	8,400.00	11,000.00	2,600.00	23.6%
<i>Rents:</i>	<i>17,752.00</i>	<i>209,564.65</i>	<i>214,200.00</i>	<i>4,635.35</i>	<i>2.2%</i>
Office Rent	16,668.79	201,462.19	200,100.00	(1,362.19)	-0.7%
Parking & Transit Benefits	1,083.21	8,102.46	14,100.00	5,997.54	42.5%
<i>Insurance:</i>	<i>823.47</i>	<i>5,323.47</i>	<i>6,100.00</i>	<i>776.53</i>	<i>12.7%</i>
Public Official Bonds	400.00	1,600.00	2,300.00	700.00	30.4%
Liability and Property	423.47	3,723.47	3,800.00	76.53	2.0%
<i>Travel:</i>	<i>3,355.38</i>	<i>25,468.10</i>	<i>21,400.00</i>	<i>(4,068.10)</i>	<i>-19.0%</i>
Conference / Professional Development	250.00	6,015.16	7,800.00	1,784.84	22.9%
Non-Local Travel	679.90	4,318.45	1,800.00	(2,518.45)	-139.9%
Local Meetings & Related Expenses	2,425.48	15,134.49	11,800.00	(3,334.49)	-28.3%
<i>Communication:</i>	<i>1,073.07</i>	<i>8,304.83</i>	<i>11,000.00</i>	<i>2,695.17</i>	<i>24.5%</i>
Postage	291.70	1,388.46	2,900.00	1,511.54	52.1%
Telephone and Data	781.37	6,916.37	8,100.00	1,183.63	14.6%
<i>Publications &amp; Supplies</i>	<i>1,904.53</i>	<i>17,166.57</i>	<i>15,800.00</i>	<i>(1,366.57)</i>	<i>-8.6%</i>
Office Supplies	614.54	2,672.89	2,800.00	127.11	4.5%
Duplication and Paper	1,289.99	8,384.44	7,500.00	(884.44)	-11.8%
Public Information	-	6,109.24	5,500.00	(609.24)	-11.1%



**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
June, 2015

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	4,222.80	22,231.71	24,800.00	2,568.29	10.4%
Furniture and Equipment (Capital)	3,345.00	16,388.77	17,000.00	611.23	3.6%
Repairs and Maintenance	88.83	88.83	1,000.00	911.17	91.1%
Computer Operations	788.97	5,754.11	6,800.00	1,045.89	15.4%
<i>Other General and Administrative:</i>	2,980.31	9,817.43	8,100.00	(1,717.43)	-21.2%
Subscriptions	-	-	-	-	0.0%
Memberships	239.00	1,191.03	1,300.00	108.97	8.4%
Fees and Miscellaneous	2,396.31	6,985.15	5,600.00	(1,385.15)	-24.7%
Advertising (Personnel/Procurement)	345.00	1,641.25	1,200.00	(441.25)	-36.8%
Total Administrative Costs	<u>32,826.44</u>	<u>306,276.76</u>	<u>312,400.00</u>	<u>6,123.24</u>	<u>2.0%</u>
<u>Contracting Services</u>					
Auditing	7,500.00	29,870.00	22,500.00	(7,370.00)	-32.8%
Research and Analytic Support	8,507.45	103,540.20	160,000.00	56,459.80	35.3%
Legal	-	-	-	-	0.0%
Total Contract Services	<u>16,007.45</u>	<u>133,410.20</u>	<u>182,500.00</u>	<u>49,089.80</u>	<u>26.9%</u>
Total Gross G&A Expenses	<u>\$ 167,489.56</u>	<u>\$ 1,613,466.58</u>	<u>\$ 1,858,300.00</u>	<u>\$ 244,833.42</u>	<u>13.2%</u>

**NVTC**  
**RECEIPTS and DISBURSEMENTS**  
**June, 2015**

Payer/			Wells Fargo	Wells Fargo	VA LGIP	
Date	Payee	Purpose	(Checking)	(Savings)	G&A / Project	Trusts
RECEIPTS						
3	DRPT	Capital grant receipt - Fairfax				\$ 5,482,575.00
3	DRPT	Capital grant receipt - VRE			698,550.00	
4	FTA	Grant receipt - Falls Church			27,796.00	
16	DRPT	Operating assistance - WMATA				8,265,725.00
18	VRE	Staff support		7,202.59		
18	NVTA	Route 7		103,398.07		
23	DMV	Motor Vehicle Fules Sales tax receipt				1,113.44
30	DMV	Motor Vehicle Fules Sales tax receipt				2,929,363.21
30	Banks	Interest income		4.37	22.81	21,503.07
			-	110,605.03	726,368.81	16,700,279.72
DISBURSEMENTS						
1-30	Various	G&A expenses	(223,972.76)			
3	Parsons	Consulting - Route 7	(117,244.76)			
3	VRE	Grant revenue			(698,550.00)	
4	Falls Church	Costs incurred			(27,796.00)	
17	Stantec	Consulting - Bus data	(50,703.79)			
17	Loudoun	Other operating				(3,053,692.06)
17	Loudoun	Other capital				(745,706.68)
23	Fairfax	Other operating				(19,830,913.00)
24	Parsons	Consulting - Route 7	(103,398.07)			
29	Arlington	Other operating				(5,104,995.00)
30	Banks	Service fees	(55.73)	(43.90)		
			(495,375.11)	(43.90)	(726,346.00)	(28,735,306.74)
TRANSFERS						
3	Transfer	From savings to checking	117,245.00	(117,245.00)		
12	Transfer	From LGIP to LGIP (NEPP)			43,634.76	(43,634.76)
17	Transfer	From LGIP to LGIP (Bus data)			50,703.79	(50,703.79)
17	Transfer	From LGIP to cehcking	150,000.00		(150,000.00)	
23	Transfer	From savings to checking	103,400.00	(103,400.00)		
30	Transfer	From savings to checking	100,000.00	(100,000.00)		
			470,645.00	(320,645.00)	(55,661.45)	(94,338.55)
NET INCREASE (DECREASE) FOR MONTH			\$ (24,730.11)	\$ (210,083.87)	\$ (55,638.64)	\$ (12,129,365.57)

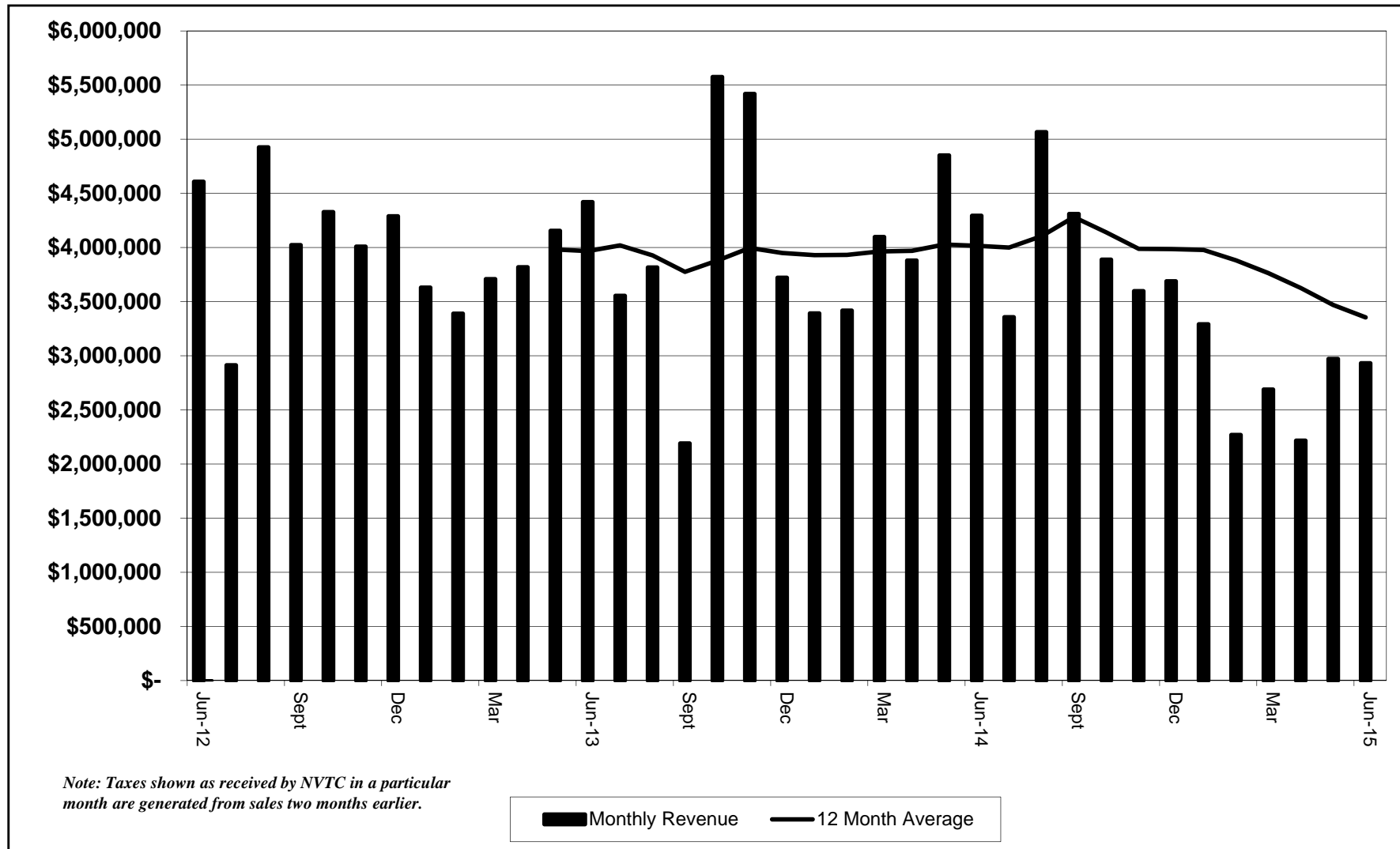
**NVTC  
INVESTMENT REPORT  
June, 2015**

<u>Type</u>	<u>Rate</u>	<u>Balance 5/31/2015</u>	<u>Increase (Decrease)</u>	<u>Balance 6/30/2015</u>	<u>NVTC G&amp;A/Project</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun Trust Fund</u>
<b><u>Cash Deposits</u></b>							
Wells Fargo: NVTC Checking	N/A	\$ 130,422.42	\$ (24,730.11)	\$ 105,692.31	\$ 105,692.31	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	354,664.56	(210,083.87)	144,580.69	144,580.69	-	-
<b><u>Investments - State Pool</u></b>							
Bank of America - LGIP	0.131%	198,430,303.97	(12,185,004.21)	186,245,299.76	170,911.47	167,296,126.07	18,778,262.22
		<u>\$ 198,915,390.95</u>	<u>\$ (12,329,393.96)</u>	<u>\$ 186,495,572.76</u>	<u>\$ 421,184.47</u>	<u>\$ 167,296,126.07</u>	<u>\$ 18,778,262.22</u>

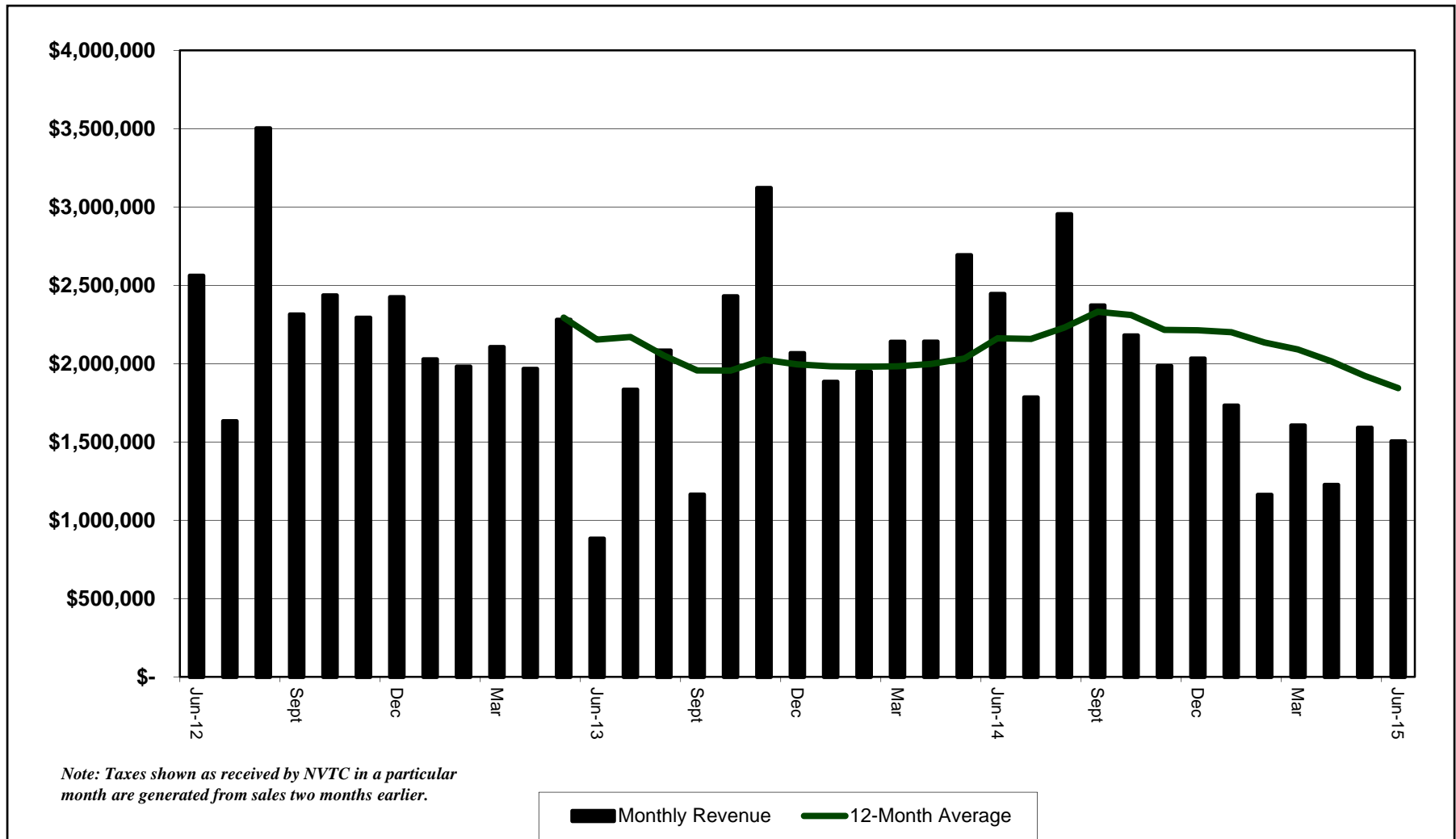
# NVTC MONTHLY GAS TAX REVENUE

## ALL JURISDICTIONS

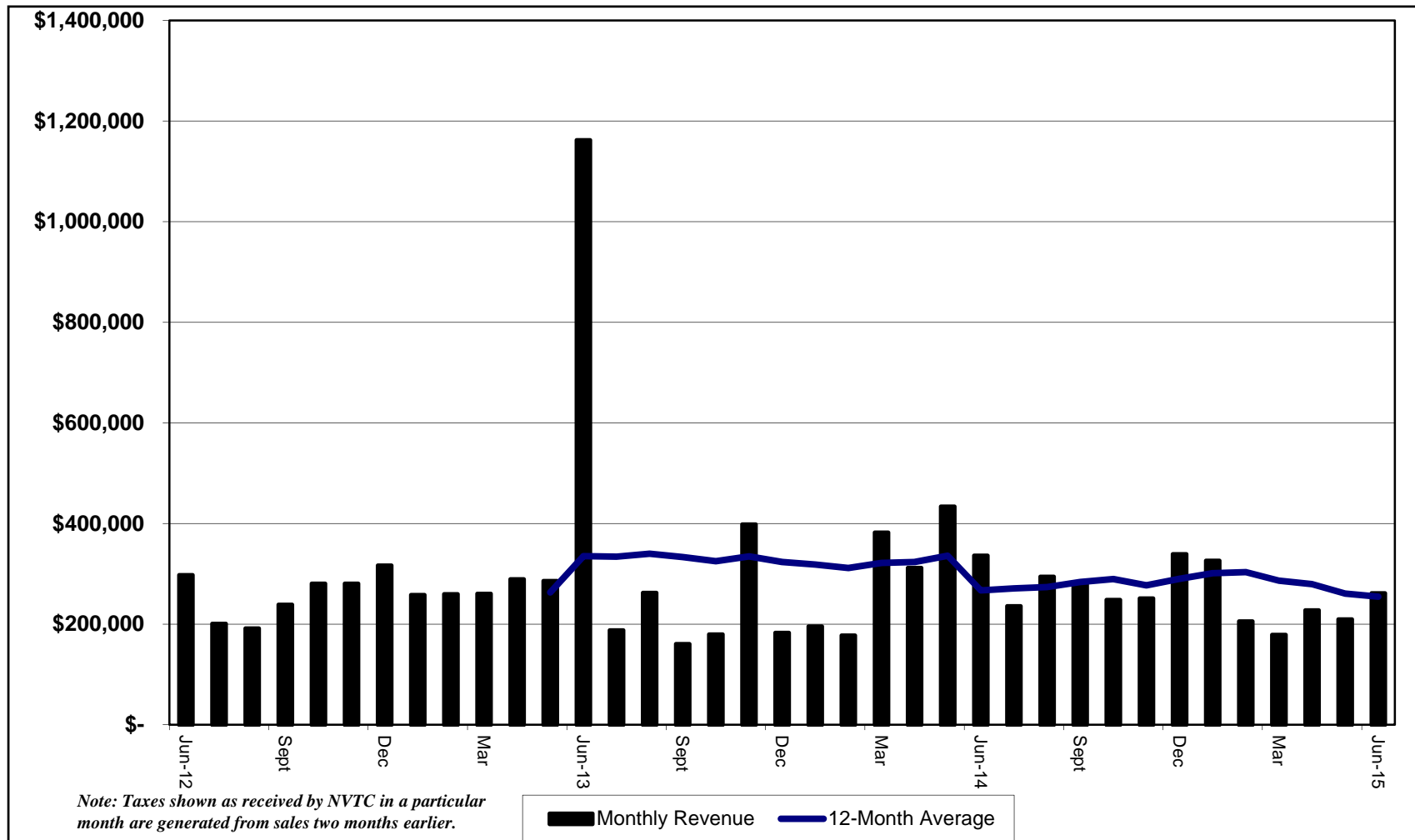
### FISCAL YEARS 2012-2015



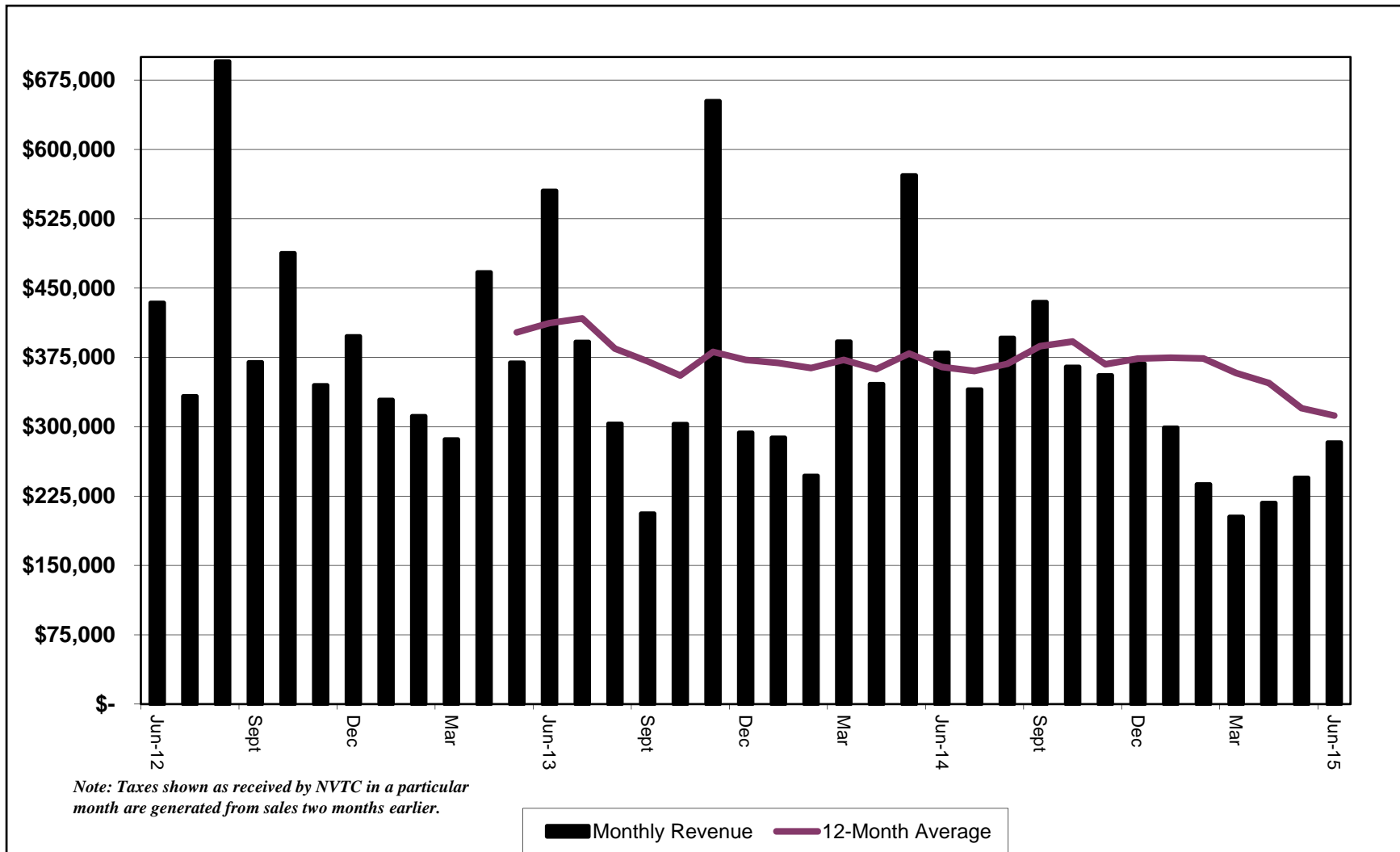
# NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2012-2015



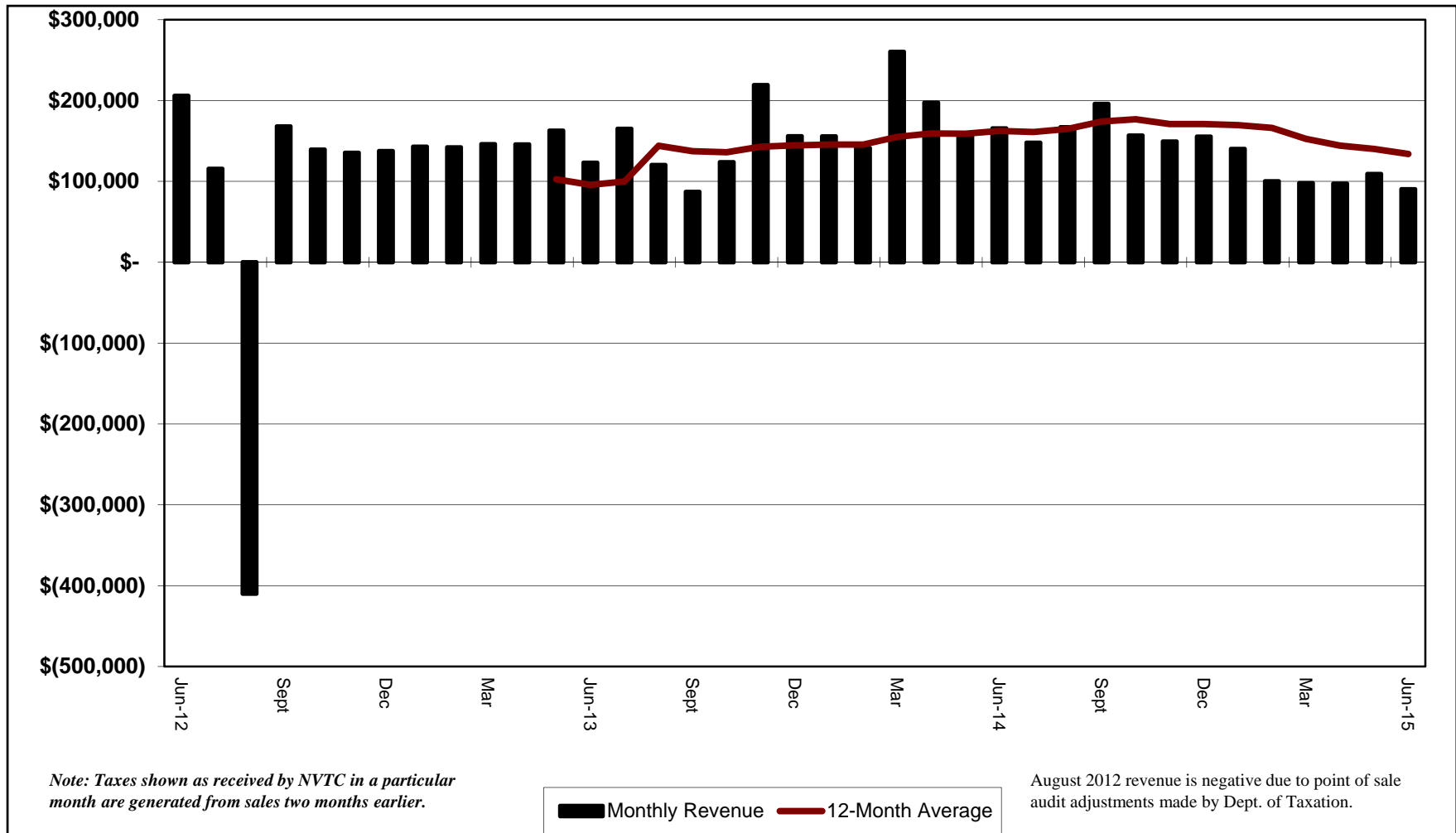
# NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2012-2015



# NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2012-2015

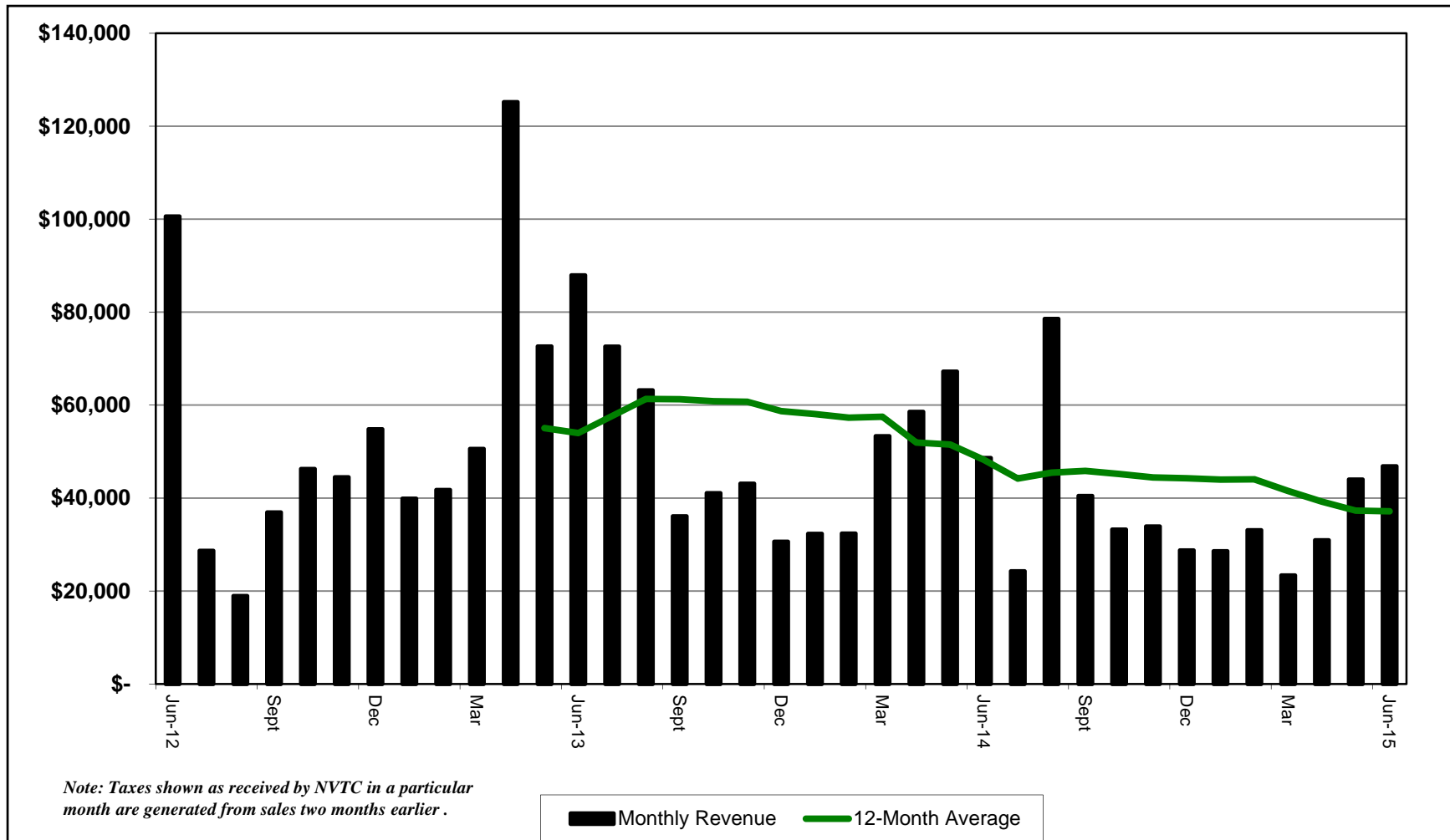


# NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2012-2015

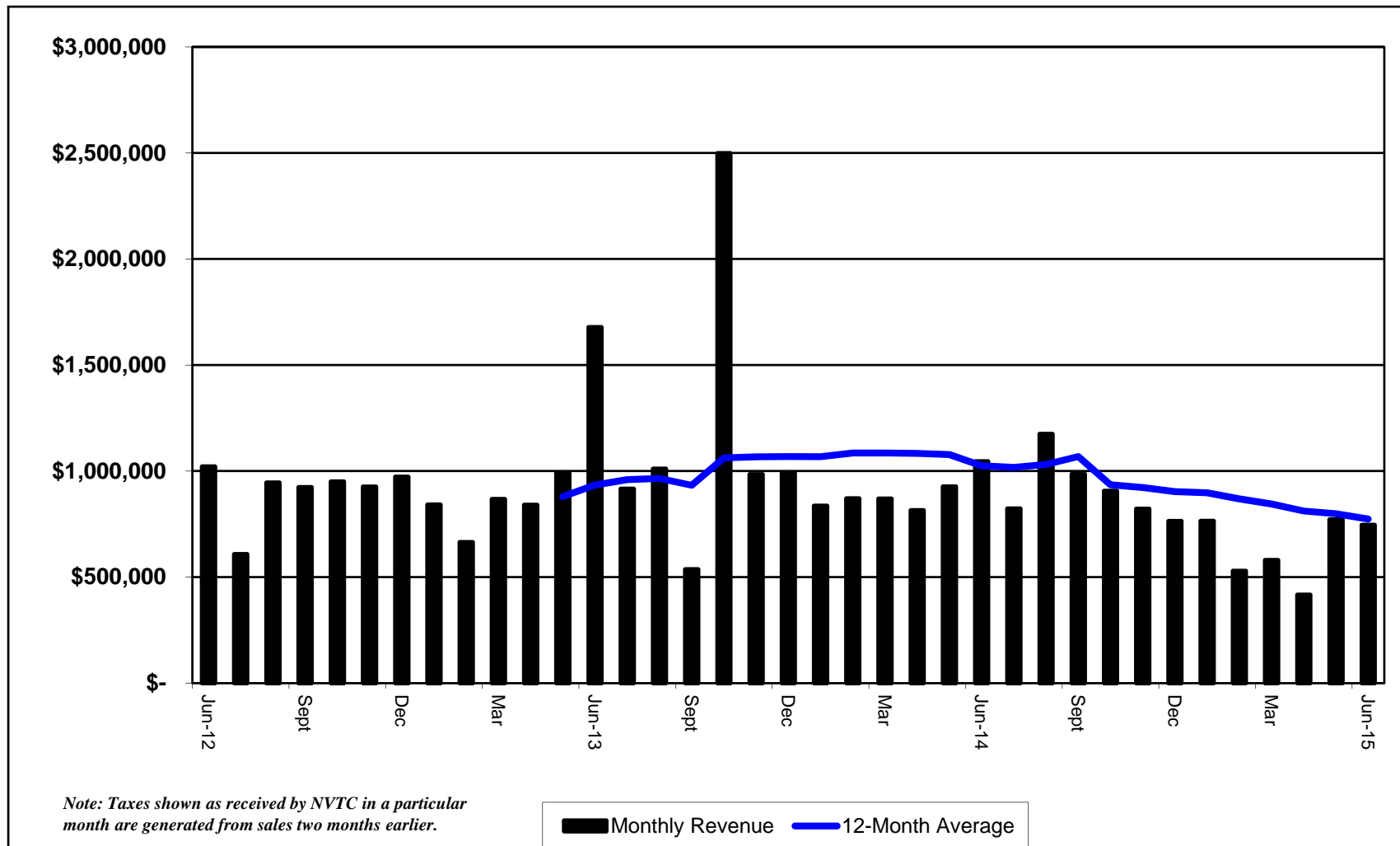




# NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2012-2015



# NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2012-2015



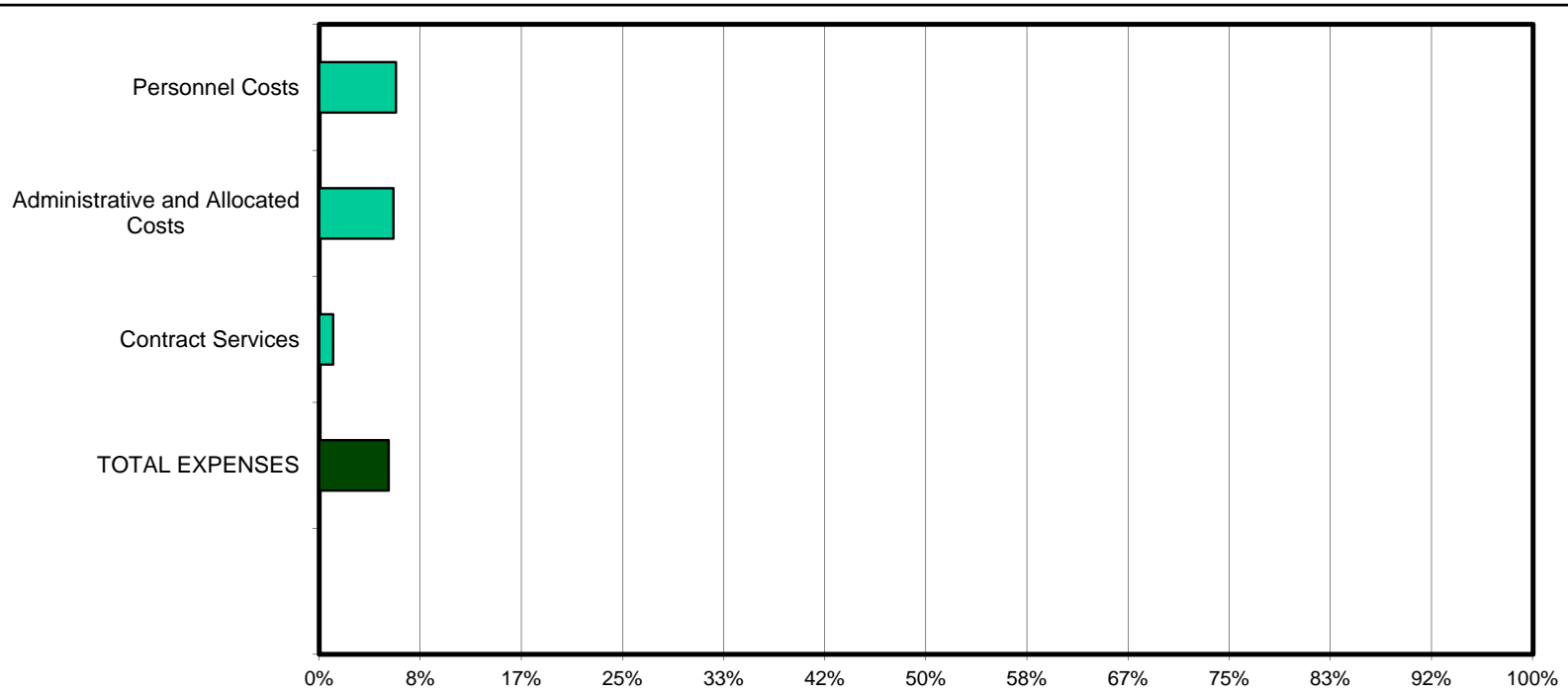
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# Northern Virginia Transportation Commission

Financial Reports

July, 2015

Percentage of FY 2016 NVTC Administrative Budget Used  
July 2015  
(Target 8.3% or less)



**Note: Refer to pages 2 and 3 for details**

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
**July, 2015**

	<b><u>Current Month</u></b>	<b><u>Year To Date</u></b>	<b><u>Annual Budget</u></b>	<b><u>Balance Available</u></b>	<b><u>Balance %</u></b>
<b><u>Personnel Costs</u></b>					
Salaries and Contract Wages	\$ 76,514.13	\$ 76,514.13	\$ 1,133,200.00	\$ 1,056,685.87	93.2%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	<u>76,514.13</u>	<u>76,514.13</u>	<u>1,133,200.00</u>	<u>1,056,685.87</u>	<u>93.2%</u>
<b><u>Benefits</u></b>					
Employer's Contributions:					
FICA	5,174.49	5,174.49	74,600.00	69,425.51	93.1%
Group Health Insurance	3,955.69	3,955.69	158,500.00	154,544.31	97.5%
Retirement	6,705.00	6,705.00	90,200.00	83,495.00	92.6%
Workmans & Unemployment Compensation	65.00	65.00	4,400.00	4,335.00	98.5%
Life Insurance	167.03	167.03	4,900.00	4,732.97	96.6%
Long Term Disability Insurance	375.22	375.22	5,300.00	4,924.78	92.9%
Total Benefit Costs	<u>16,442.43</u>	<u>16,442.43</u>	<u>337,900.00</u>	<u>321,457.57</u>	<u>95.1%</u>
<b><u>Administrative Costs</u></b>					
Commissioners Per Diem	900.00	900.00	11,100.00	10,200.00	91.9%
<i>Rents:</i>	<i>17,545.19</i>	<i>17,545.19</i>	<i>223,700.00</i>	<i>206,154.81</i>	<i>92.2%</i>
Office Rent	16,632.94	16,632.94	208,000.00	191,367.06	92.0%
Parking & Transit Benefits	912.25	912.25	15,700.00	14,787.75	94.2%
<i>Insurance:</i>	<i>310.00</i>	<i>310.00</i>	<i>6,100.00</i>	<i>5,790.00</i>	<i>94.9%</i>
Public Official Bonds	-	-	2,300.00	2,300.00	100.0%
Liability and Property	310.00	310.00	3,800.00	3,490.00	91.8%
<i>Travel:</i>	<i>80.65</i>	<i>80.65</i>	<i>27,600.00</i>	<i>27,519.35</i>	<i>99.7%</i>
Conference / Professional Development	-	-	17,000.00	17,000.00	100.0%
Non-Local Travel	-	-	1,900.00	1,900.00	100.0%
Local Travel, Meetings and Related Expenses	80.65	80.65	8,700.00	8,619.35	99.1%
<i>Communication:</i>	<i>480.14</i>	<i>480.14</i>	<i>15,700.00</i>	<i>15,219.86</i>	<i>96.9%</i>
Postage	-	-	2,500.00	2,500.00	100.0%
Telephone and Data	480.14	480.14	13,200.00	12,719.86	96.4%
<i>Publications &amp; Supplies</i>	<i>858.25</i>	<i>858.25</i>	<i>11,000.00</i>	<i>10,141.75</i>	<i>92.2%</i>
Office Supplies	58.33	58.33	2,500.00	2,441.67	97.7%
Duplication and Paper	799.92	799.92	8,000.00	7,200.08	90.0%
Public Information	-	-	500.00	500.00	100.0%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
**July, 2015**

	<b><u>Current Month</u></b>	<b><u>Year To Date</u></b>	<b><u>Annual Budget</u></b>	<b><u>Balance Available</u></b>	<b><u>Balance %</u></b>
<i>Operations:</i>	306.75	306.75	42,700.00	42,393.25	99.3%
Furniture and Equipment (Capital)	-	-	31,300.00	31,300.00	100.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computer Operations	306.75	306.75	10,400.00	10,093.25	97.1%
 <i>Other General and Administrative:</i>	 721.81	 721.81	 9,000.00	 8,278.19	 92.0%
Subscriptions	-	-	-	-	0.0%
Memberships	324.67	324.67	1,800.00	1,475.33	82.0%
Fees and Miscellaneous	397.14	397.14	5,600.00	5,202.86	92.9%
Advertising (Personnel/Procurement)	-	-	1,600.00	1,600.00	100.0%
Total Administrative Costs	<u>21,202.79</u>	<u>21,202.79</u>	<u>346,900.00</u>	<u>325,697.21</u>	<u>93.9%</u>
 <u>Contracting Services</u>					
Auditing	-	-	29,000.00	29,000.00	100.0%
Contract Services and Support	2,500.00	2,500.00	155,000.00	152,500.00	98.4%
Legal	-	-	35,000.00	-	0.0%
Total Contract Services	<u>2,500.00</u>	<u>2,500.00</u>	<u>219,000.00</u>	<u>181,500.00</u>	<u>82.9%</u>
 Total Gross G&A Expenses	<u><u>\$ 116,659.35</u></u>	<u><u>\$ 116,659.35</u></u>	<u><u>\$ 2,037,000.00</u></u>	<u><u>\$ 1,885,340.65</u></u>	<u><u>92.6%</u></u>

**NVTC**  
**RECEIPTS and DISBURSEMENTS**  
**July, 2015**

Payer/ Payee		Purpose	Wells Fargo	Wells Fargo	VA LGIP	
Date			(Checking)	(Savings)	G&A / Project	Trusts
RECEIPTS						
1	Alexandria	G&A contribution		\$ 9,286.25		
6	DRPT	Capital grants receipts - Arlington				39,976.00
6	DRPT	Capital grants receipts - Falls Church				290.00
6	DRPT	Grant receipt - Falls Church			1,870.00	
8	NVTA	Route 7		45,396.28		
8	Falls Church	G&A contribution		2,436.00		
8	PRTC	NEPP local match		7,933.57		
9	DRPT	Capital grant receipt - VRE			28,646.00	
9	DRPT	Capital grants receipts - Arlington				165,317.00
9	DRPT	Capital grants receipts				444,312.00
9	DRPT	Grant receipt - NEPP			8,000.00	
9	DRPT	Capital grants receipts - Fairfax				70,462.00
10	FTA	Grant receipt - Falls Church			7,479.00	
13	DMV	Motor Vehicle Fuels Sales tax receipt				2,456,833.82
14	DRPT	Capital grants receipts - Arlington				35,210.00
14	DRPT	Capital grants receipts				99,500.00
14	DRPT	Capital grants receipts - Fairfax				20,992.00
16	Loudoun	NEPP local match		3,862.31		
21	DMV	Motor Vehicle Fuels Sales tax receipt				24,294.44
27	DRPT	Capital grant receipt - City of Fairfax				35,270.00
27	DRPT	Capital grant receipt - Falls Church				4,626.00
27	DRPT	Intern grant receipt			3,688.00	
28	NVTA	Route 7		42,596.71		
21	DMV	Motor Vehicle Fuels Sales tax receipt				742,015.89
31	Banks	Interest income		2.97	22.54	17,551.47
			-	111,514.09	49,705.54	4,156,650.62
DISBURSEMENTS						
1-31	Various	G&A expenses	(114,113.59)			
1	WMATA	Bus operating				(21,697,620.00)
1	WMATA	Paratransit operating				(3,226,681.00)
1	WMATA	Rail operating				(16,297,689.00)
1	WMATA	FY16 CIP				(4,457,890.00)
1	WMATA	Project development				(100,000.00)
1	Arlington County	Other operating				(3,943,517.00)
1	Arlington County	Other operating				(195,897.00)
9	Falls Church	Other capital				(853.00)
9	Kimley-Horn	Consulting - NEPP	(16,000.00)			
9	VRE	Grant revenue			(28,646.00)	
10	Falls Church	Costs incurred			(9,349.00)	
10	City of Fairfax	Other capital				(207,472.00)
27	Falls Church	Other capital				(4,063.00)
31	Banks	Service fees	(58.78)	(46.37)		
			(130,172.37)	(46.37)	(37,995.00)	(50,131,682.00)
TRANSFERS						
23	Transfer	From savings to checking	100,000.00	(100,000.00)		
			100,000.00	(100,000.00)	-	-
NET INCREASE (DECREASE) FOR MONTH			\$ (30,172.37)	\$ 11,467.72	\$ 11,710.54	\$ (45,975,031.38)



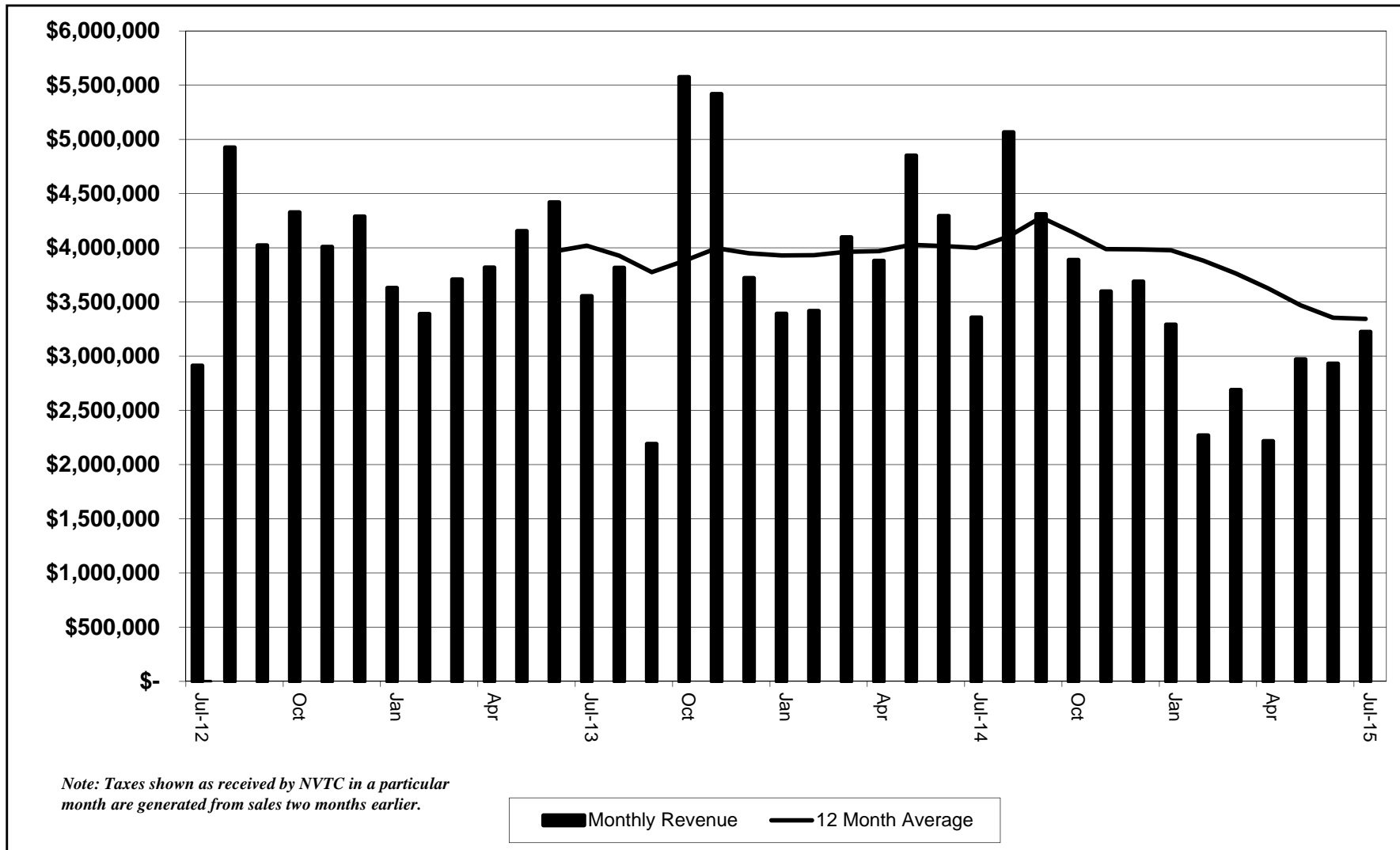
**NVTC  
INVESTMENT REPORT  
July, 2015**

<u>Type</u>	<u>Rate</u>	<u>Balance 6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Balance 7/31/2015</u>	<u>NVTC G&amp;A/Project</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun Trust Fund</u>
<b><u>Cash Deposits</u></b>							
Wells Fargo: NVTC Checking	N/A	\$ 105,692.31	\$ (30,172.37)	\$ 75,519.94	\$ 75,519.94	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	144,580.69	11,467.72	156,048.41	156,048.41	-	-
<b><u>Investments - State Pool</u></b>							
Bank of America - LGIP	0.150%	186,245,299.76	(45,963,320.84)	140,281,978.92	182,622.01	120,605,626.44	19,493,730.47
		<u>\$ 186,495,572.76</u>	<u>\$ (45,891,601.26)</u>	<u>\$ 140,513,547.27</u>	<u>\$ 414,190.36</u>	<u>\$ 120,605,626.44</u>	<u>\$ 19,493,730.47</u>

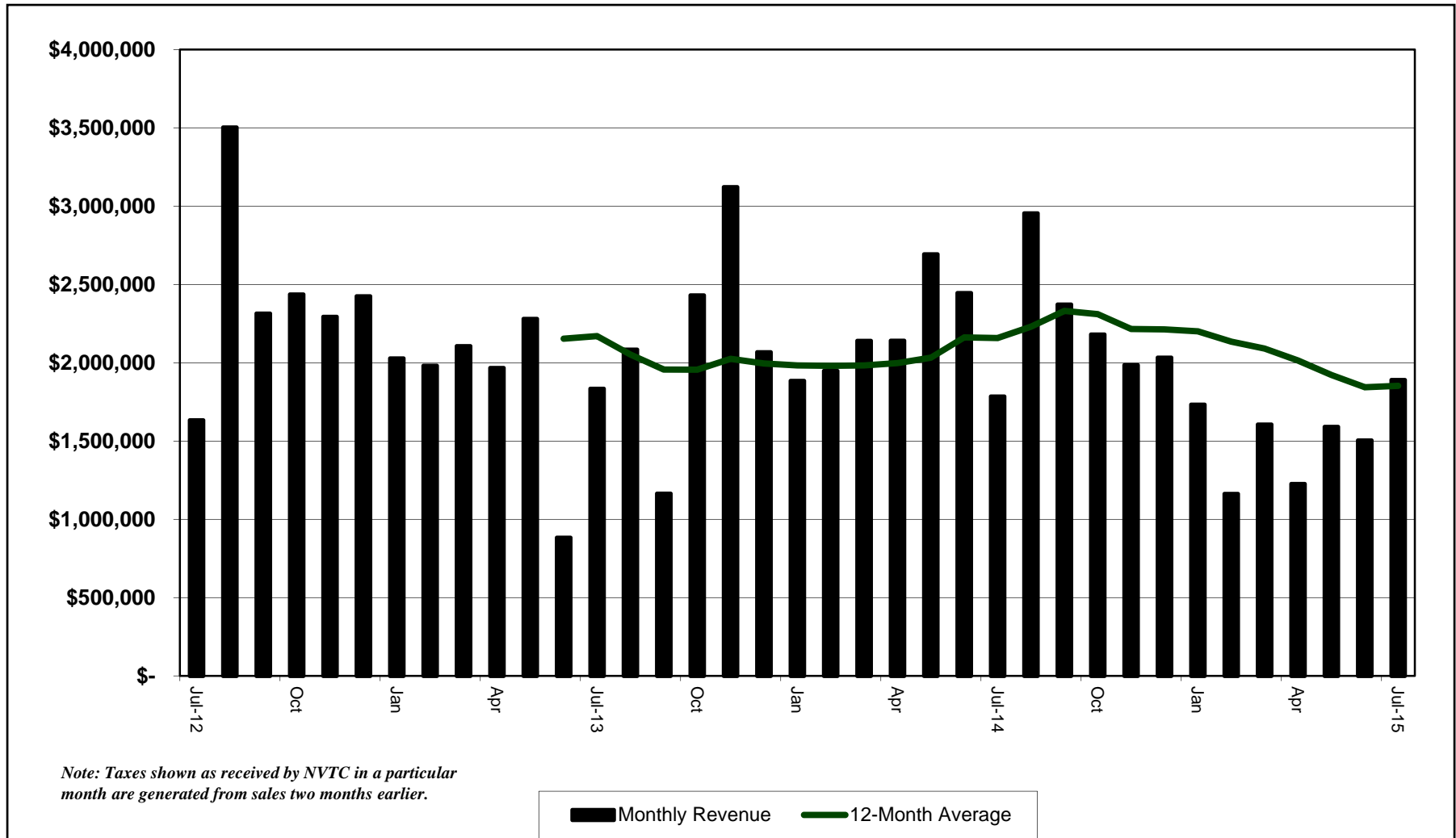
# NVTC MONTHLY GAS TAX REVENUE

## ALL JURISDICTIONS

### FISCAL YEARS 2013-2016



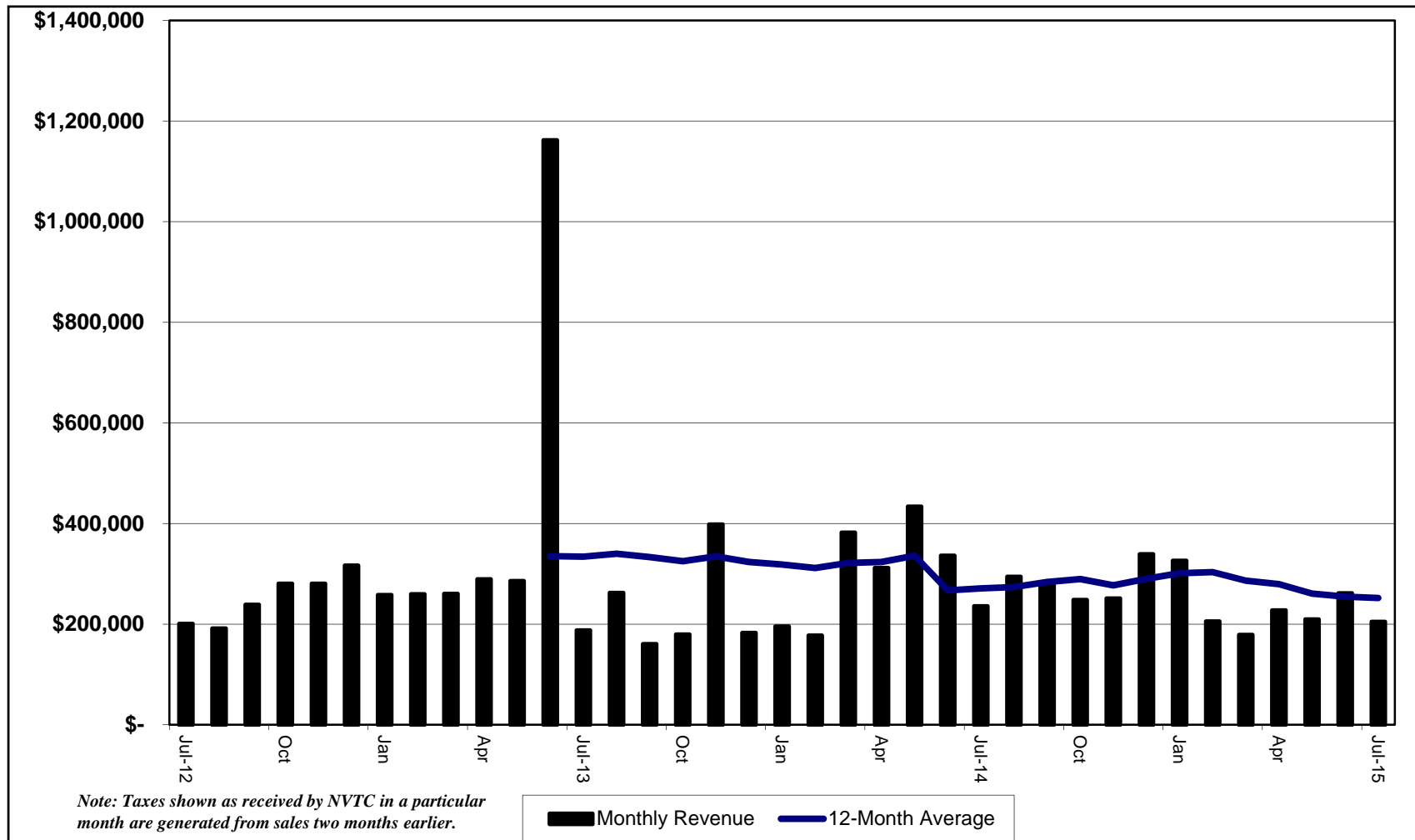
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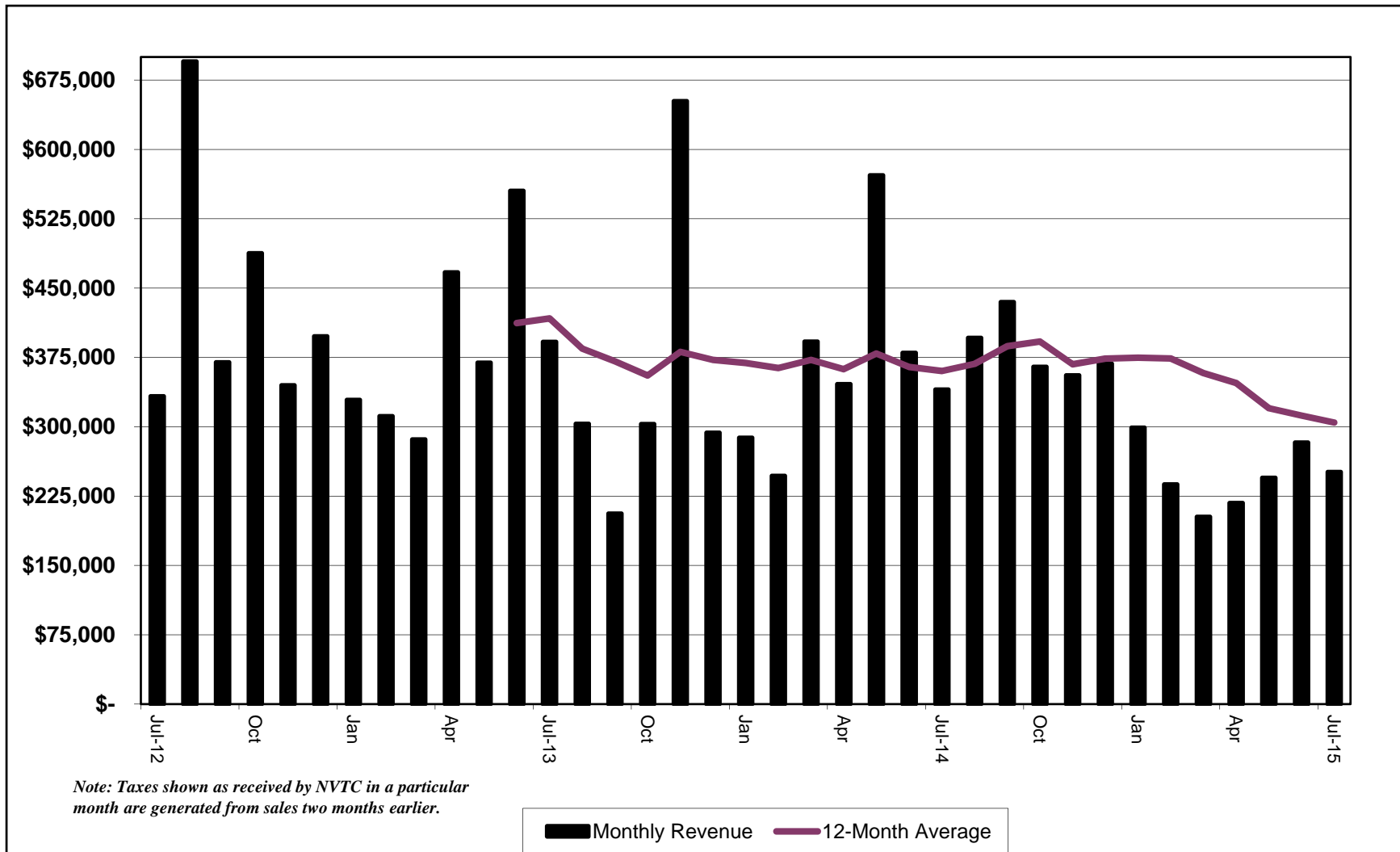
# NVTC MONTHLY GAS TAX REVENUE

## CITY OF ALEXANDRIA

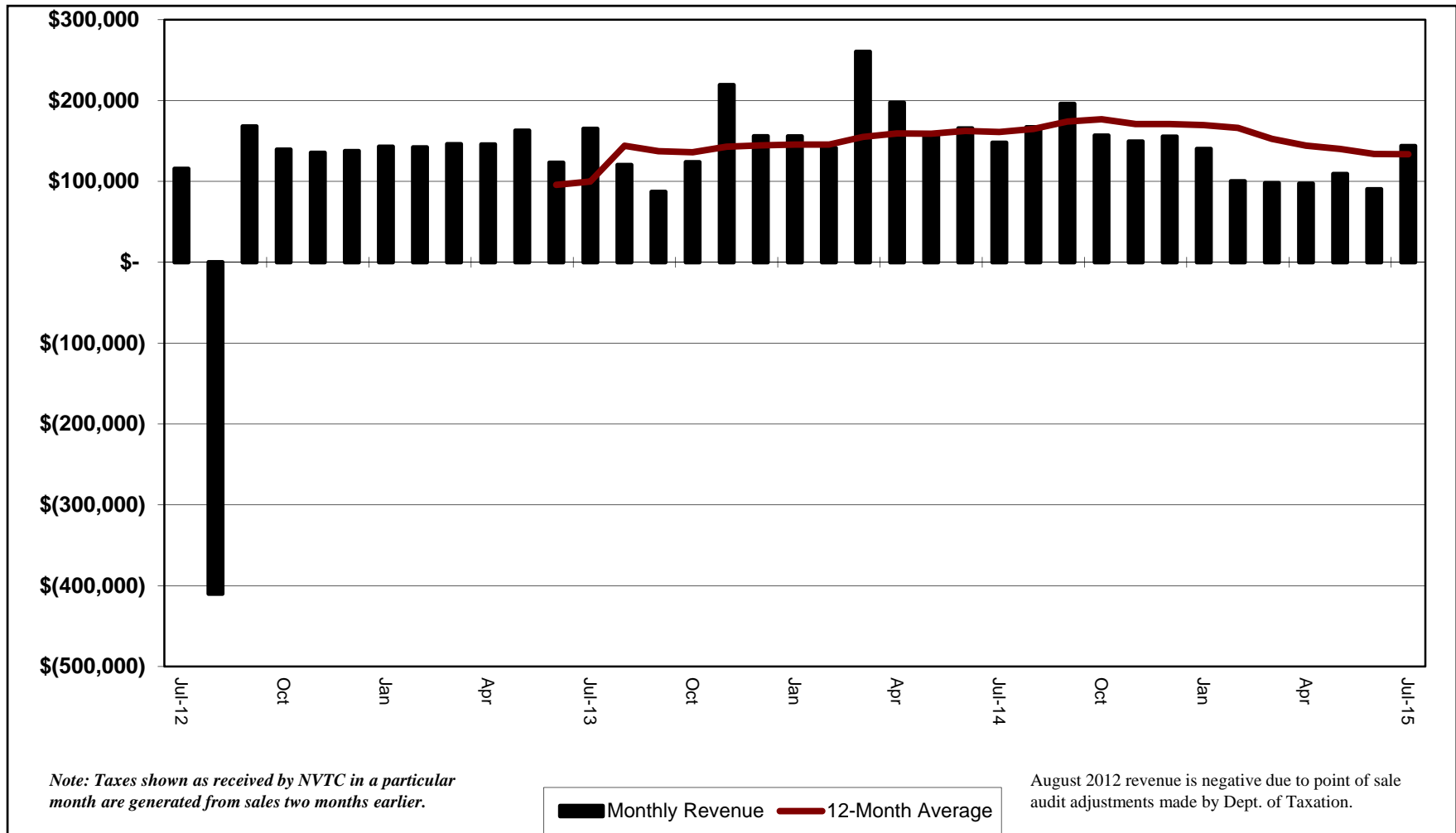
### FISCAL YEARS 2013-2016



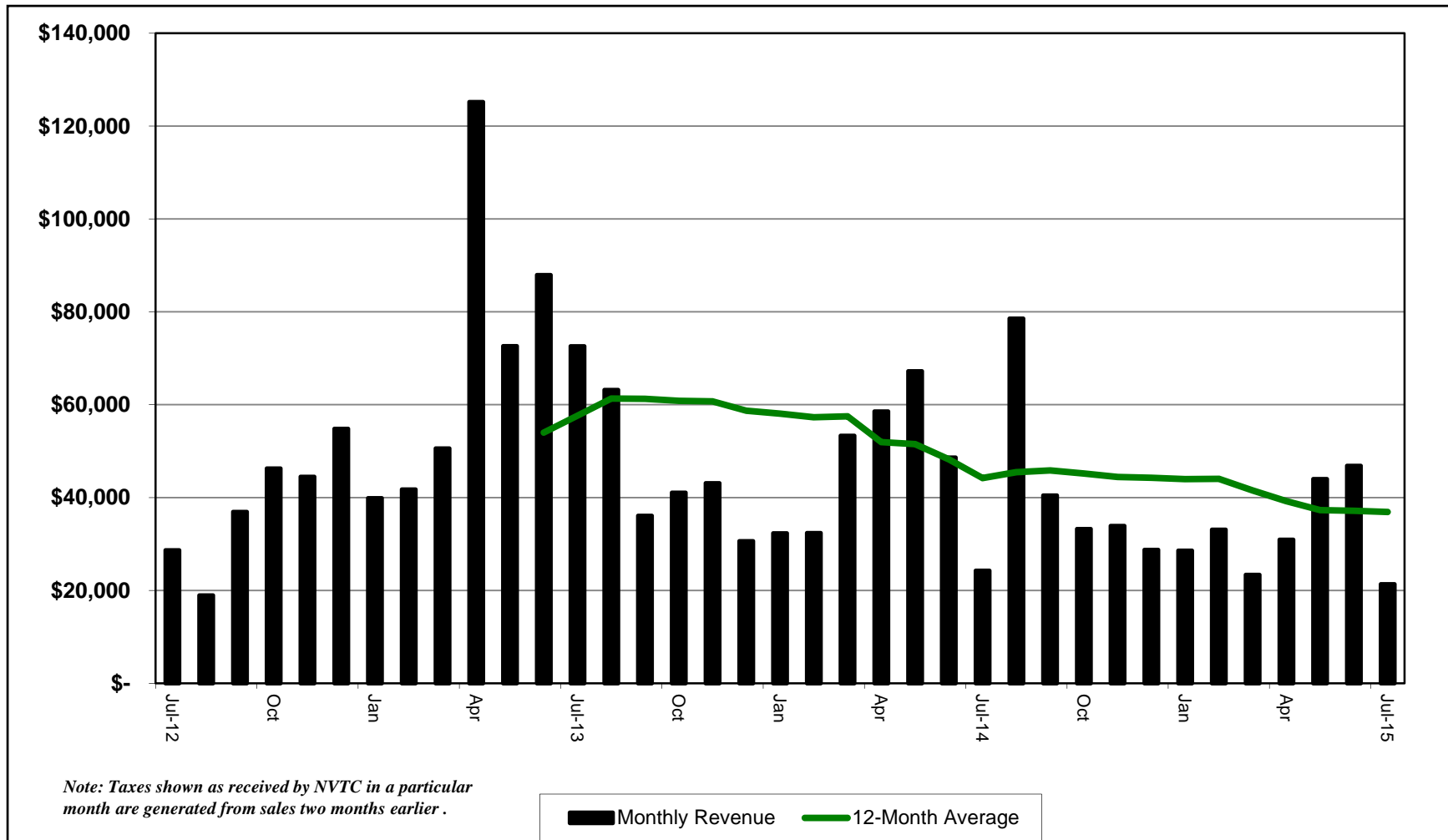
# NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2013-2016



# NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2013-2016



# NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2013-2016



# NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2013-2016

