

The following items were handed out at
the June 1, 2017 NVTC Meeting.

Keeping Metro Safe, Reliable and Affordable

An Action Plan to Meet Regional Transit Needs

Metro is an essential driver of the region's economic growth.

- A \$40B asset to the National Capital Region, Metro has generated returns on regional investments through enhanced mobility, congestion relief, improved air quality & economic development.

However, **Metro is at a critical juncture as the organization faces structural funding challenges**, putting these benefits at great risk.

- Years of deferred maintenance and underinvestment – \$25B in unfunded capital needs.
- Reliance on unpredictable year-to-year annual local, state and federal budgets with only one more year of committed capital funding.
- An unsustainable operating budget model in which costs are rising at nearly twice the rate of Metro fare and commercial revenues.

Responding to these challenges, **Metro is focusing on safety, service reliability, and financial responsibility** over three horizons:

- **2016-2017 Right the Ship:** emergency actions to address crisis.
- **2017-2018 Back2Good:** actions to improve customer service, financial stability, and accelerate capital investments.
- **2019 and Beyond:** restoring Metro to a world class system.

Keeping Metro Safe, Reliable and Affordable identifies essential regional, federal and Metro reforms:

➤ To provide a safe and reliable system:

- Invest **\$15.5 billion over 10 years for critical capital projects**, increasing the average annual investment in Metro's capital program to \$1.5 billion per year.
- Establish a **multi-year, stable revenue source generating \$500 million per year** for a new **Capital Trust Fund**.
- Dedicate the Capital Trust Fund strictly to capital investments.
- Increase jurisdictional capital contributions at 3% annual growth.
- Secure **Congressional reauthorization of federal capital investment (PRIIA)** at least at the current level of **\$1.5 billion over ten years**.

➤ To improve Metro's operating business model and address affordability:

- Cap current jurisdictional operating subsidies at 3% annual growth, achieved through aggressive cost containment that will save the region \$1 billion over 10 years.
- **Create a "Rainy Day Fund"** accumulating to 10% of the operating budget to help manage against unexpected events.
- Maintain Metro's pension commitment to active employees and retirees, but provide defined contribution retirement plans going forward for all new hires.
- Leave binding arbitration intact and seek **Congressional amendments to National Capital Area Interest Arbitration Standards Act** (Wolf Act) to require an arbitration process that more meaningfully considers the financial condition of Metro.
- Support enhanced flexibility at Metro to reduce costs with innovative approaches including **competitive contracting** of targeted functions, where permitted.

The recommendations contained in this assessment do not require changes to the WMATA Compact.



Virginia Railway Express

Paul Smedberg
Chairman

Maureen Caddigan
Vice-Chairman

Katie Cristol
Secretary

Paul Milde
Treasurer

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

Alternates

Ruth Anderson
Pete Burrus
Hector Cendejas
Libby Garvey
Jeanine Lawson
Tim Lovain
Jeff McKay
Wendy Maurer
Paul Trampe
Billy Withers
Mark Wolfe

Doug Allen
Chief Executive Officer

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

MINUTES

VRE Operations Board Meeting PRTC Headquarters – Prince William County, Virginia May 19, 2017

Members Present	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
John C. Cook (NVTC)	Fairfax County
Katie Cristol (NVTC)	Arlington County
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
Paul Smedberg (NVTC)	City of Alexandria
Pamela Sebesky (PRTC)	City of Manassas
Bob Thomas (PRTC)	Stafford County

Members Absent	Jurisdiction
Matt Kelly (PRTC)	City of Fredericksburg
Jennifer Mitchell	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park
Martin Nohe (PRTC)	Prince William County
Gary Skinner (PRTC)	Spotsylvania County

Alternates Present	Jurisdiction
Pete Burrus	DRPT
Paul Trampe (PRTC)*	Spotsylvania County

Alternates Absent	Jurisdiction
Ruth Anderson (PRTC)	Prince William County
Hector Cendejas (PRTC)	City of Manassas Park
Libby Garvey (NVTC)	Arlington County
Jeanine Lawson (PRTC)	Prince William County
Tim Lovain (NVTC)	City of Alexandria
Jeff McKay (NVTC)	Fairfax County
Wendy Maurer (PRTC)	Stafford County
Billy Withers (PRTC)	City of Fredericksburg
Mark Wolfe (PRTC)	City of Manassas

Staff and General Public	
Khadra Abdulle – VRE	Tom Hickey – VRE
Christine Allen – Citizen	Gerri Hill – VRE
Doug Allen – VRE	Christine Hoeffner – VRE
Monica Backmon – NVTA	Todd Johnson – First Transit
Tracy Baynard – McGuire Woods	Cindy King – VRE
Nydia Blake – Prince William County	Calvin Lam – Fairfax County DOT
Donna Boxer – VRE	Lezlie Lamb – VRE
Alex Buchanan – VRE	Bob Leibbrandt – Prince William County
Norm Catterton – Prince William County	Steve MacIsaac – VRE legal counsel
Rich Dalton – VRE	Betsy Massie – PRTC
Paul Dean – VRE	Kate Mattice – NVTC
Greg Deibler – VRE	Lynn Rivers – Arlington County
Arnold Gilbo – Keolis	Bob Schneider – PRTC
Rhonda Gilchrest – NVTC	Alex Sugatan – VRE
Oscar Gonzalez – VRE	Joe Swartz – VRE
Anna Gotthardt – VRE	Ciara Williams – DRPT
Chris Henry – VRE	

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

Chairman Smedberg called the meeting to order at 9:08 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

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

Approval of the Minutes of the April 21, 2017 Operations Board Meeting – 4

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

Chairman's Comments –5

Chairman Smedberg announced VRE's 25th Anniversary celebration is scheduled for June 16th. The VRE Operations Board meeting will be held in the Fredericksburg City Council Chamber and then Board Members will be shuttled to the station for the celebration event. Senator Tim Kaine has been confirmed as the keynote speaker.

Chairman Smedberg stated as part of VRE's Board Recognition Program, VRE held a locomotive naming ceremony on May 13th at the Broad Run Station to honor three distinguished past and current Board Members who have made outstanding contributions to VRE's establishment and long-term success. Maureen Caddigan, Joe Alexander, and David Brickley were honored. VRE also dedicated a bench, to be placed near the Manassas Station, in honor of the late Richard Peacock, a long-time VRE rider and commuter rail advocate. Ms. Caddigan thanked the Operations Board for selecting her for this honor.

Chairman Smedberg stated Mr. Skinner could not attend this meeting but wanted to publicly congratulate him on being selected by the Virginia Transit Association (VTA) as its 2017 recipient of the Award for an Outstanding Contribution by an Individual. Mr. Skinner was recognized for spearheading the effort to bring VRE to Spotsylvania County and his work on the new Spotsylvania station. Mr. Skinner will be recognized at VTA's annual conference next week in Arlington.

Chief Executive Officer's Report –6

Mr. Allen reported on recent safety and security activities, including a Baseline Security Enhancement (BASE) assessment by the Transportation Security Administration (TSA). VRE scored 100 percent and is the first agency in the nation to receive a perfect score. He acknowledged Mr. Dalton, Mr. Deibler and Mr. Hostelka for their hard work. VRE's work on IT/cyber security was one of the reasons VRE received such a high score.

Mr. Allen reported ridership remains strong at 19,357 average daily riders for the month of April, which is a six percent increase compared to the same month last year. On May 8, 2017, VRE served its 80 millionth rider. Overall on-time performance (OTP) for the month

of April was 88 percent. He stated VRE will start to see more heat restrictions on the CSX rail line during the summer months.

Mr. Allen gave a brief update on the recent Meet the Management events, which included different development projects highlighted during these events. He also reported VRE is in the process of searching for a replacement for Donna Boxer, VRE's Chief Financial Officer, who is planning to retire at the end of June.

VRE Riders' and Public Comment – 7

There were no comments.

Authorization to Issue an Invitation for Bids for Electronic Fuel Injector Assemblies – 8A

Mr. Allen asked the Operations Board to authorize him to issue an Invitation for Bids (IFB) for locomotive fuel injector assemblies for a period of 30 calendar days. Resolution #8A-05-2017 would accomplish this.

Mr. Allen explained to maintain compliance with the locomotive emissions regulations established by the Environmental Protection Agency (EPA), VRE must replace the fuel injectors during the three-year maintenance cycle. In response to a question from Chairman Smedberg, Mr. Allen stated funding is included in the budget.

Mr. Milde moved, with a second by Mr. Thomas, to approve Resolution #10A-01-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg and Thomas.

Authorization to Execute a Contract for Financial Advisory Services – 8B

Mr. Allen asked the Operations Board to authorize him to execute a contract with PFM Financial Advisors, LLC (PFM) in Philadelphia, Pennsylvania for financial advisory services, to be done on a task order basis, in the amount not to exceed \$300,000 for a base year and nine option years, with the CEO exercising the option years at his discretion. Resolution #8B-05-2017 would accomplish this.

Ms. Boxer explained Prince William County issued a RFP for these services on behalf of the county, PRTC, NVTA and VRE. It was Prince William County's decision to make it a 10-year contract. In response to a question from Ms. Cristol, Ms. Boxer explained NVTC issues debt for VRE while PRTC and VRE have historically hired the financial advisor. VRE is required to have a financial advisor and there is no duplication of service with NVTC. Both Ms. Boxer and Ms. Mattice talked about how VRE and NVTC work together on debt financing issues. Ms. Boxer explained any large debt finance or service will come back to the Operations Board for approval.

[Mr. Trampe arrived at 9:27 A.M.]

In response to a question from Ms. Bulova, Ms. Boxer stated all bond issues are in NVTC's name and anything that is backed by equipment is in the name of both NVTC and PRTC. No bonds are issued in the name of VRE.

Mr. Milde asked about past expenditures. Ms. Boxer stated over the last 10 years VRE spent \$25,000 on PFM's work for the debt and financial principles and \$220,000 for the Financial Plan. If VRE decides to update the Financial Plan, staff will come back to the Operations Board for approval.

Mr. Milde moved, with a second by Ms. Bulova, to approve Resolution #8B-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Authorization to Execute a Contract for the Purchase of Railcar Battery Assemblies –8C

Mr. Allen asked the Operations Board to authorize him to execute a contract with Hoppecke Batteries Inc., of Hainesport, New Jersey for railcar battery assemblies in the amount of \$346,028, plus a 10 percent contingency of \$34,602, for a total amount not to exceed \$380,630. Resolution #8C-05-2017 would accomplish this.

Mr. Milde moved, with a second by Ms. Caddigan, to approve Resolution #8C-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Recommend Authorization to Extend the Amended and Restated Operating/Access Agreement with CSX Transportation –8D

Mr. Allen asked the Operations Board to recommend the Commissions authorize him to execute a one-year extension of the existing Amended and Restated Operating/Access Agreement with CSX Transportation (CSXT) through June 30, 2018. Resolution #8D-05-2017 would accomplish this.

Mr. Allen explained the current agreement with CSXT expires June 30, 2017. Currently VRE and CSXT are in discussions to further identify potential capacity enhancement improvement projects, funding sources, and funding mechanisms for capital improvement projects in the corridor. At the request of CSXT, VRE and CSXT will work to identify a mutually agreed upon cost sharing methodology for the implementation and ongoing operations of Positive Train Control and update the Master Facilities Lease Agreement during this extension period.

In response to a question from Ms. Cristol, Mr. Dalton stated staff expects to present a new five-year agreement with CSXT by this time next year. Discussions regarding the negotiations with the Operations Board in Closed Session are anticipated at future meetings.

Ms. Cristol moved, with a second by Ms. Bulova, to approve Resolution #8D-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Authorization to Execute a Force Account Agreement with CSX Transportation for Design Review of Franconia-Springfield Station Improvements – 8E

Mr. Allen asked the Operations Board to authorize him to execute a force account agreement with CSXT for design review of improvements to the Franconia-Springfield Station in an estimated amount of \$85,000, plus a 10 percent contingency of \$8,500, for a total not to exceed \$93,500. Resolution #8E-05-2017 would accomplish this.

Mr. Allen explained VRE is initiating improvement projects at five Fredericksburg Line stations (Franconia-Springfield, Lorton, Rippon, Brooke and Leeland Road), which will improve safety, provide flexibility for railroad operations, and accommodate the ridership growth and longer trains proposed in the System Plan 2040. VRE will coordinate the improvements with the Commonwealth on the Atlantic Gateway project.

Ms. Bulova moved, with a second by Mr. Cook, to approve Resolution #8E-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Authorization to Execute a Force Account Agreement with CSX Transportation for Design Review of Lorton Station Second Platform Improvements – 8F

Mr. Allen asked the Operations Board to authorize him to execute a force account agreement with CSXT for design review of the Lorton Station Second Platform Improvements in an estimated amount of \$85,000, plus a 10 percent contingency of \$8,500, for a total not to exceed \$93,500. Resolution #8F-05-2017 would accomplish this.

Mr. Allen stated this action is part of the platform improvement projects discussed in the last action item. Separate force account agreements will be brought before the Operations Board in the future for the remaining three stations.

Ms. Bulova moved, with a second by Mr. Cook, to approve Resolution #8F-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Authorization to Execute a Sole Source Contract for Central Diagnostic Cloud Services for VRE Locomotives – 8G

Mr. Allen asked the Operations Board to authorize him to execute a sole source contract with Motive Power (a Wabtec Company) for a Central Diagnostic System upgrade and monitoring for three years in the amount of \$575,766, plus a 10 percent contingency of \$57,576, for a total amount not to exceed \$633,342. Resolution #8G-05-2017 would accomplish this.

Mr. Allen explained a sole source contract is needed because this is a proprietary system created by Wabtec that provides real time diagnostics to alert technicians to potential issues needing attention. This will increase locomotive reliability, improve on-time performance, and enhance operational safety.

In response to a question from Mr. Milde, Mr. Dalton stated this is a new expense since the first five years were included in the locomotive contract. There is now an annual service cost. To this point, VRE has been issuing purchase orders for this service on an annual

basis, but there is a needed upgrade to the CDS server from “physical” to “cloud” based storage. This upgrade will increase the security of the database and automated system monitoring.

Ms. Caddigan moved, with a second by Ms. Bulova, to approve Resolution #8G-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Authorization to Execute a Contract Amendment with Scheidt & Bachmann for the Automated Fare Collection System –8H

Mr. Allen asked the Operations Board to authorize him to amend the contract with Scheidt & Bachmann for the current Europay Master Card Visa Upgrade Project in the amount of \$471,813, plus a 10 percent contingency of \$47,181, for a total not to exceed \$518,994, increasing the total contract authorization from \$13,529,183 to \$14,048,177. Resolution #8H-05-2017 would accomplish this.

In response to a question from Chairman Smedberg, Mr. Henry stated approximately 40-45 percent of riders still use the TVM machines to purchase tickets. Twenty-five percent of ticket purchases are made through the mobile ticketing app. He explained a bigger challenge is shifting from vendor purchases (Commuter Direct Network) to mobile purchases.

Mr. Milde stated he has heard some complaints from riders about the reliability of the TVM machines. Mr. Henry explained this work will bring the last components up to the newest technology available for paper ticketing and should address the reliability issues.

Ms. Bulova moved, with a second by Ms. Cristol, to approve Resolution #8H-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

Authorization to Execute a Contract Amendment for Station Platform LED Lighting Upgrades –8I

Mr. Allen asked the Operations Board to authorize him to amend the current contract with Capital Tristate Lighting and Supply of Upper Marlboro, Maryland for LED lighting to exercise the option for an order of 97 additional lamps and associated supplies, increasing the contract amount by \$227,000, for a total amount not to exceed \$359,369. Resolution #8I-05-2017 would accomplish this.

Mr. Allen explained VRE has replaced the lighting at the L’Enfant station and has found it illuminates the platforms well and saves money. VRE is now developing plans to replace lighting at the next phase of stations where lighting needs are the greatest (City of Manassas, Fredericksburg, Rolling Road). This contract amendment will satisfy upgrade plans through the remainder of 2017 and midway into 2018.

Mr. Trampe asked about the timetable for installation at the Fredericksburg station. Mr. Deibler stated there is a 12-week lead time on the lamps and a three-week installation process.

Ms. Cristol moved, with a second by Ms. Bulova, to approve Resolution #8I-05-2017. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Milde, Sebesky, Smedberg, Thomas and Trampe.

System Plan 2040 Update – 9A

Mr. Hickey stated the current System Plan was adopted in 2014 and outlines a phased approach to capacity and service improvements. Now after three years, staff better understands the System Plan by translating service standards into actual schedules, looking at ridership more closely and interacting with other corridor projects, such as DC2RVA, Long Bridge Expansion, and Union Station expansion.

Mr. Hickey explained staff proposes to right-size the System Plan 2040 by changing headways from 15-minutes to 20-minutes during peak with longer trains, changing reverse peak from 30-minute to 60-minute headways, and off-peak from 60-minutes to 120-minute headways. This would reduce the number of trains from 92 to 64, which is a more achievable goal to negotiate with the railroads for additional capacity.

Mr. Hickey stated next steps include rerunning the Travel Demand Forecast and evaluating costs of the Preliminary Update Schedule using the VRE Financial Model. Staff plans to return to the Operations Board for action in fall 2017.

In response to a question from Mr. Cook, Mr. Hickey stated staff does not expect a big drop in peak ridership with the proposed changes. It is assumed there is enough elasticity in off-peak service that will result in basically the same number of riders. Mr. Cook observed financial costs should drop because VRE would be running less trains. Mr. Hickey stated costs would also be lower because VRE would be running fewer less productive trains. Mr. Cook stated it is important to have updated numbers before the next General Assembly Session.

Ms. Bulova stated staff's proposal is based on right-sizing the System Plan based on actual experience with a more appropriate and cost effective service. Mr. Hickey stated VRE is not discarding the goals of the System Plan 2040, but the goals can be achieved with these new changes. In response to Ms. Cristol's question about VRE's natural growth plan, Mr. Hickey stated Phase 2 and 3 of the System Plan kicks in at 2025 and beyond.

Mr. Cook stated the revised plan will help VRE to make the system more efficient and it should strengthen the argument for additional funding sources.

Chairman Smedberg asked staff to bring this back to the Operations Board a month prior to seeking action. Mr. Allen stated staff will bring it back in July. Mr. Cook stated it is important to include the financial numbers, so he suggested staff wait to bring it back if they aren't ready.

Long Bridge Update – 9B

Mr. Gonzalez gave a brief update on the Long Bridge project. VRE has been collaborating with the District Department of Transportation (DDOT), Federal Railroad Administration (FRA), CSXT and DRPT. Recent key activities include initiating the NEPA process and focusing on the purpose and need for project to ensure it is focused on railroad capacity needs. Screening results and preliminary alternatives will be presented in the fall 2017. He stated one of the big challenges is to find ways to streamline the project delivery.

Mr. Gonzalez reviewed the key issues—determining the impact on five other bridges, evaluating opportunities for pedestrian and bicycle access, and identifying funding for final design and construction. There are challenges to this project because it is a constrained alignment and confined railroad infrastructure.

Spending Authority Report – 9C

Mr. Allen stated the written report includes two reportable expenditures, which include a Task Order in the amount of \$96,831 to NV Enterprises for remediation of the embankment on the CSX right-of-way in Spotsylvania County, and a Purchase Order in the amount of \$78,283 to Technical Communities for Wi-Fi radios to support Positive Train Control. There were no comments.

Closed Session – 10

Chairman Smedberg noted there is no need for a Closed Session.

Operations Board Members Time – 11

Chairman Smedberg thanked Board Members for submitting their CEO evaluation surveys. The CEO Evaluation Committee met earlier this morning. The Operations Board will meet with Mr. Allen for his review in a Closed Session in June and then come back in July for a separate Operations Board discussion in Closed Session.

Mr. Allen reminded Board Members about VRE's 25th Anniversary event on June 16th in Fredericksburg.

Ms. Cristol reminded Board Members the Capital Committee will meet immediately following this meeting.

Adjournment

On a motion by Mr. Cook and a second by Ms. Bulova, Chairman Smedberg adjourned the meeting at 10:25 A.M.

Approved this 16th day of June 2017.

Paul C. Smedberg
Chairman

Katie Cristol
Secretary

CERTIFICATION

This certification hereby acknowledges the minutes for the May 19, 2017 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

Rhonda Gilchrest

**Virginia Railway Express
Operations Board**

**Resolution
8A-05-2017**

**Authorization to Issue an Invitation for Bids for
Electronic Fuel Injector Assemblies**

WHEREAS, VRE received twenty new locomotives in 2011; and,

WHEREAS, the new locomotives were delivered in compliance with the Environmental Protection Agency regulations for emissions reduction for locomotives; and,


WHEREAS, VRE must replace the electronic fuel injectors during the 3-year maintenance cycles to maintain the locomotive engines in compliance with Environmental Protection Agency regulations; and,

WHEREAS, the electronic fuel injectors will be purchased from a qualified source;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids for Electronic Fuel Injector Assemblies

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8B-05-2017**

Authorization to Execute a Contract for Financial Advisory Services

WHEREAS, Prince William County issued a Request for Proposals (RFP) on February 28, 2017 for the provision of financial advisory services on behalf of the County, the Potomac and Rappahannock Transportation Commission (PRTC), the Northern Virginia Transportation Authority (NVTA) and VRE; and,

WHEREAS, the RFP specified that VRE and PRTC together could select the same or a different financial advisor than the County or NVTA; and,

WHEREAS, VRE and PRTC staff determined that the proposal from PFM Financial Advisors, LLC was technically compliant and unanimously selected to be best value for the project; and,


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

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a Contract with PFM Financial Advisors, LLC, headquartered in Philadelphia, Pennsylvania for Financial Advisory Services, to be done on a Task Order basis, in an amount not to exceed \$300,000. The contract will be for a base year and nine option years, with the VRE CEO exercising the option years at his discretion.

Approved this 19th day of May, 2017.



Katie Cristol
Secretary



Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8C-05-2017**

**Authorization to Execute a Contract for the
Purchase of Railcar Battery Assemblies**

WHEREAS, passenger railcars are equipped with low-voltage, nickel-cadmium batteries to provide DC power to various onboard components; and,

WHEREAS, the batteries onboard 21 cab control and 50 trailer cars are nearing the end of their useful life; and,

WHEREAS, in July of 2016, the VRE Operations Board authorized the issuance of an IFB for the Purchase of Railcar Battery Assemblies; and,

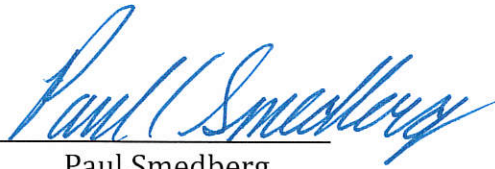
WHEREAS, a competitive solicitation process was conducted; and,

WHEREAS, it was determined Hoppecke Batteries, Inc. was the lowest responsive-responsible bidder;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Hoppecke Batteries, Inc. of Hainesport, NJ for the purchase of Railcar Battery Assemblies in the amount of \$346,028, plus a 10% contingency of \$34,602, for a total amount not to exceed \$380,630.

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8D-05-2017**

**Recommend Authorization to Extend the Amended and Restated
Operating/Access Agreement with CSX Transportation**

WHEREAS, the Commissions currently have an Amended and Restated Operating/Access Agreement with CSX Transportation (CSXT) relating to VRE operations in the Fredericksburg to Washington corridor, with the agreement ending on June 30, 2017; and,

WHEREAS, staff is currently engaged in ongoing discussions with CSXT concerning a new agreement and does not anticipate conclusion of these discussions prior to the expiration of the Amended and Restated Operating/Access Agreement on June 30, 2017; and,

WHEREAS, the purpose of this extension is to allow time to identify and negotiate additional capacity improvement projects in the corridor; and,

WHEREAS, necessary funding has been incorporated into the FY 2018 budget to allow VRE to continue its operations over CSXT tracks via this extension;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board recommends the Commissions authorize the Chief Executive Officer to execute an extension of the existing Restated and Amended Operating/Access Agreement with CSXT through June 30, 2018.

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8E-05-2017**

**Authorization to Execute a Force Account Agreement with CSX
Transportation for Design Review of Franconia-Springfield Station
Improvements**

WHEREAS, VRE has initiated platform improvements that will include Franconia-Springfield, Lorton, Rippon, Brooke and Leeland Road stations; and,

WHEREAS, second/lengthened platforms will enhance safety, expedite train operations, accommodate ridership growth, and provide flexibility for railroad operations; and,

WHEREAS, CSXT is required to review and approve the design of the improvements; and;

WHEREAS, a Force Account Agreement between CSXT and VRE is needed for CSXT to conduct a design review;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a force account agreement with CSX Transportation for design review of improvements to Franconia-Springfield Station in an estimated amount of \$85,000, plus a 10% contingency of \$8,500, for a total not to exceed \$93,500.

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8F-05-2017**

**Authorization to Execute a Force Account Agreement with
CSX Transportation for Design Review of Lorton Station
Second Platform Improvements**

WHEREAS, VRE has initiated platform improvements that will include Franconia-Springfield, Lorton, Rippon, Brooke and Leeland Road stations; and,

WHEREAS, second/lengthened platforms will enhance safety, expedite train operations, accommodate ridership growth, and provide flexibility for railroad operations; and,

WHEREAS, VRE has specifically committed through the *Second Amendment to the Corridor Improvement Project Memorandum of Understanding* with CSX Transportation and the Virginia Department of Rail and Public Transportation to add second platforms at Lorton, Rippon, Brooke, and Leeland Road stations; and,

WHEREAS, CSXT is required to review and approve the design of the improvements; and;

WHEREAS, a Force Account Agreement between CSXT and VRE is needed for CSXT to conduct a design review;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a force account agreement with CSX Transportation for design review of Lorton Station Second Platform Improvements in an estimated amount of \$85,000, plus a 10% contingency of \$8,500, for a total not to exceed \$93,500.

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8G-05-2017**

**Authorization to Execute a Sole Source Contract for
Central Diagnostic Cloud Services for VRE Locomotives**

WHEREAS, The Central Diagnostic System (CDS) is designed to increase on-time reliability and performance of locomotives; and,

WHEREAS, the system provides preventive maintenance and troubleshooting data used to diagnose problems; and,

WHEREAS, the CDS, provides select VRE and MotivePower personnel critical information such as GPS location, fault codes and descriptions, operator action, and other reference information; and,

WHEREAS, in April 2017, MotivePower notified VRE of a needed upgrade to the CDS server from "physical" to "cloud" based storage and monthly service fees; and,


WHEREAS, costs associated with the upgrade will result in a one-time upgrade fee and will increase the cost for this service above the CEO's spending authority; and,

WHEREAS, in accordance with state and federal requirements, and VRE Procurement Policies, a determination has been made, and public notice thereof will be provided, that because Wabtec-MotivePower is the original equipment manufacturer (OEM) and the only contractor able to provide compatible parts and systems, this 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 Sole Source Contract with MotivePower (a Wabtec Company) for Central Diagnostic System (CDS) upgrade and monitoring for three years, in the amount of \$575,766, plus a 10% contingency of \$57,576, for a total amount not to exceed \$633,342.

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8H-05-2017**

**Authorization to Execute a Contract Amendment with
Scheidt & Bachmann for Automated Fare Collections System**

WHEREAS, in June, 2000, the VRE Operations Board authorized a contract with Scheidt & Bachmann to provide an Automated Fare Collections System; and,

WHEREAS, in October, 2002 the system was accepted and placed in revenue service; and,

WHEREAS, in May, 2016 the VRE Operations Board authorized an amendment to upgrade the system to the Europay Mastercard Visa (EMV) standard for customer data protection; and,

WHEREAS, the current MKV (Ticket printer and magnetic stripe reader/encoder) will no longer function properly with the upgraded computer and software;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to amend the contract with Scheidt & Bachmann to for the current Europay Master Card Visa (EMV) Upgrade Project in the amount of \$471,813, plus a 10% contingency of \$47,181, for a total not to exceed \$518,994.

Approved this 19th day of May, 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8I-05-2017**

**Authorization to Execute a Contract Amendment for
Station Platform LED Lighting Upgrades**

WHEREAS, the VRE Operations Board authorized the Chief Executive Officer to execute a contract for station platform LED lighting upgrades with Capital Tristate of Upper Marlboro, MD (VRE 016-018) on June 17, 2016, for a period not to exceed five years and an initial amount not to exceed \$132,369; and,

WHEREAS, VRE has begun planning for lighting upgrades in the next phase of its station facilities lighting upgrade plan to include Manassas, Fredericksburg and Rolling Road; and,

WHEREAS, this authorization will allow VRE to exercise an option to order an additional 97 lamps and associated supplies;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to amend the Contract with Capital Tristate Lighting and Supply of Upper Marlboro, MD for LED lighting to exercise the option for an order of 97 additional lamps and associated supplies, increasing the contract amount by \$227,000, for a total amount not to exceed \$359,369.

Approved this 19th day of May 2017


Katie Cristol
Secretary


Paul Smedberg
Chairman

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