

BOARD MEMBER PACKET

October 26, 2020 – Electronic Meeting



Virginia Passenger Rail Authority Board Meeting

October 26, 2020

10am – 3pm

Presentation Agenda

| | | |
|---------------------------------------|--|------------|
| Secretary's Welcome | Shannon Valentine, Secretary of Transportation | 15 minutes |
| Introduction of the Board | Jennifer Mitchell, Chairperson of VPRA Board, and Director of DRPT | 45 minutes |
| VPRA Overview & Early Operations Plan | Michael McLaughlin, Chief of Rail – DRPT Jeremy Latimer, Director of Rail Programs - DRPT | 20 minutes |
| Overview of Rail in Virginia | Jeremy Latimer, Director of Rail Programs - DRPT | 15 minutes |
| Review of VPRA Board Member Roles | Lisa Wright, Senior Assistant Attorney General | 20 minutes |
| Closed Session | | 30 minutes |
| Lunch Break | | 60 minutes |
| VPRA Funding Overview | Steve Pittard, Chief Financial Officer - DRPT | 15 minutes |


Action Agenda

| | | |
|-------------------------------------|--|------------|
| Public Comments | | 10 minutes |
| Adopt VPRA Bylaws | Lisa Wright, Senior Assistant Attorney General | |
| Elect VPRA Board Officers | Jennifer Mitchell, Chairperson of VPRA Board, and Director of DRPT | |
| Authorize DRPT/VPRA MOA | Steve Pittard, Chief Financial Officer – DRPT | |
| Authorize Executive Director Search | Jennifer Mitchell, Chairperson of VPRA Board, and Director of DRPT | |

Virginia Passenger Rail Authority Board Meeting

October 26, 2020

Workshop Objectives

- 
- Provide Overview of the Authority
 - Review Early Operations Plan
 - Familiarize Passenger Rail in Virginia
 - Review Board Member Role(s)
 - Provide Overview of VPRA Funding

| Workshop Agenda | Presenter | Estimated Time Allotted |
|--|--------------------------------------|-------------------------|
| Secretary’s Welcome | The Honorable Shannon Valentine | 15 mins |
| Introduction of the Board | Jennifer Mitchell | 45 mins |
| Virginia Passenger Rail Authority Overview & Early Operations Plan | Michael McLaughlin Jeremy Latimer | 20 mins |
| Overview of Rail in Virginia | Jeremy Latimer | 15 mins |
| Review Board Member Role(s) | Lisa Wright | 20 mins |
| Closed Session | | 30 mins |
| Break - Lunch | | 60 mins |
| VPRA Funding Overview | Steve Pittard | 15 mins |
| Action Agenda | Presenter | Estimated Time Allotted |
| Public Comment | | 10 mins |
| Adopt VPRA Bylaws | Lisa Wright | |
| Elect VPRA Board Officers | Jennifer Mitchell | |
| Authorize DRPT/VPRA MOA | Steve Pittard | |
| Authorize Executive Director Search | Jennifer Mitchell | |
| New Business/Adjourn | Jennifer Mitchell | |

Welcome!

The Honorable Shannon Valentine, Secretary of Transportation

Introduction of the Board

Jennifer Mitchell, Board Chairperson, Director of DRPT

VPRA Board Structure

- Board of Directors
 - 12 voting members
 - 1 ex-officio member – Amtrak
 - 1 ex-officio member – Virginia Railway Express
 - Director of the Department of Rail and Public Transportation serves Chairperson
- 7 members = quorum
- Legislation requires a minimum of quarterly meetings
 - Expecting monthly meetings through 2021

Introduction of the Board

- 1) Jennifer Mitchell — Chair — Director of DRPT
- 2) Sharon Bulova — of Fairfax County, Former Chairman, Fairfax County Board of Supervisors
- 3) Deborah Butler Painter — of Norfolk, Retired Executive, Norfolk Southern Corporation
- 4) Victor Cardwell — of Salem, Principal, Wood Rodgers PLC
- 5) Patricia Doersch — of Falls Church, Partner, Square Patton Boggs
- 6) Jay Fisette — of Arlington, Managing Partner of DMV Strategic Advisors
- 7) Roderick Hall - of Woodbridge, Government Affairs Advisory, K&L Gates
- 8) Charles Moorman — of Charlottesville, Retired Chairman and CEO of Norfolk Southern Corporation, Retired Co-CEO of Amtrak
- 9) Cynthia Moses-Nedd — of Prince William County, Chief of Staff, Office of Wildland Fire, U.S. Dept. of the Interior
- 10) Paul Nichols — of Woodbridge, Principal, Nicols Zauzig Attorneys
- 11) Hossein Sadid — of Richmond, CFO of the Virginia Museum of Fine Arts
- 12) James Spore — of Virginia Beach, CEO of ReInvent Hampton Roads
- 13) Mariia Zimmerman — of Richmond, President and CEO of MZ Strategies
- 14) Rich Dalton — of Richmond, Ex-Officio Non-Voting Member, CEO of VRE
- 15) Bruno Maestri — Ex-Officio Non-Voting Member, Amtrak Vice President, Govt. Affairs & Corporate Communications







Virginia Passenger Rail Authority Background and Overview

Michael McLaughlin, Chief of Rail – DRPT

Background: Need for I-95 Corridor Rail Solutions

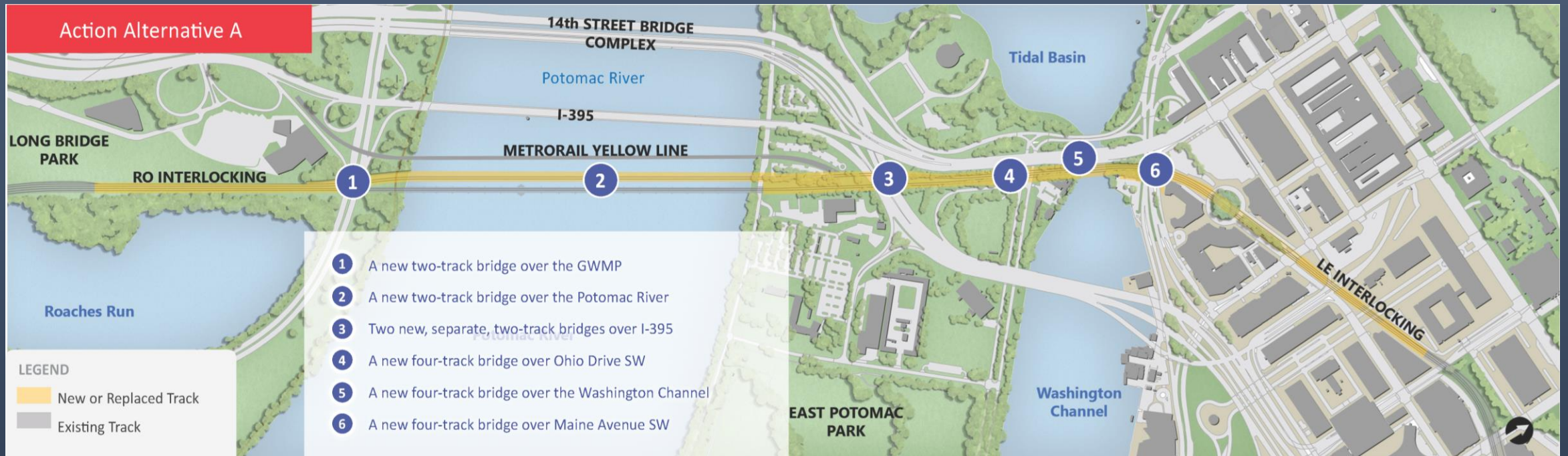
- The Commonwealth promotes multimodal solutions to moving people and goods efficiently through transportation corridors.
- The I-95 Corridor has some of the highest congestion for rail and roadways.
- Virginia (DRPT and VRE) have worked collaboratively with CSX to improve rail capacity, especially in VRE territory.
- Increased Amtrak and VRE service has placed more demands on the entire rail network.

Daily Traffic in I-95 Corridor

| | | |
|--|---|-----------------------------------|
| CSX CARRIES APPROXIMATELY |  | 83,000 TONS OF FREIGHT |
| VRE CARRIES APPROXIMATELY |  | 18,000 PEOPLE |
| TRUCKS CARRY APPROXIMATELY |  | 271,000 TONS OF FREIGHT |
| CARS AND BUSES CARRY APPROXIMATELY |  | 350,000 PEOPLE |
| METRORAIL CARRIES APPROXIMATELY |  | 90,000 PEOPLE |
| AMTRAK CARRIES APPROXIMATELY |  | 4,500 PEOPLE |

Rail Capacity and Bottlenecks

- In order to add more freight and passenger rail, the biggest rail bottleneck on the East Coast – Long Bridge – needs to be addressed.
- Long Bridge carries almost 80 trains a day over a 100-year old 2-track bridge.
- The bridge is at 98% capacity during peak hours.
- Environmental clearance started in 2016 and was finalized in September 2020; names Virginia as the lead on design and construction.
- Agreement with CSX was needed to move the project forward.



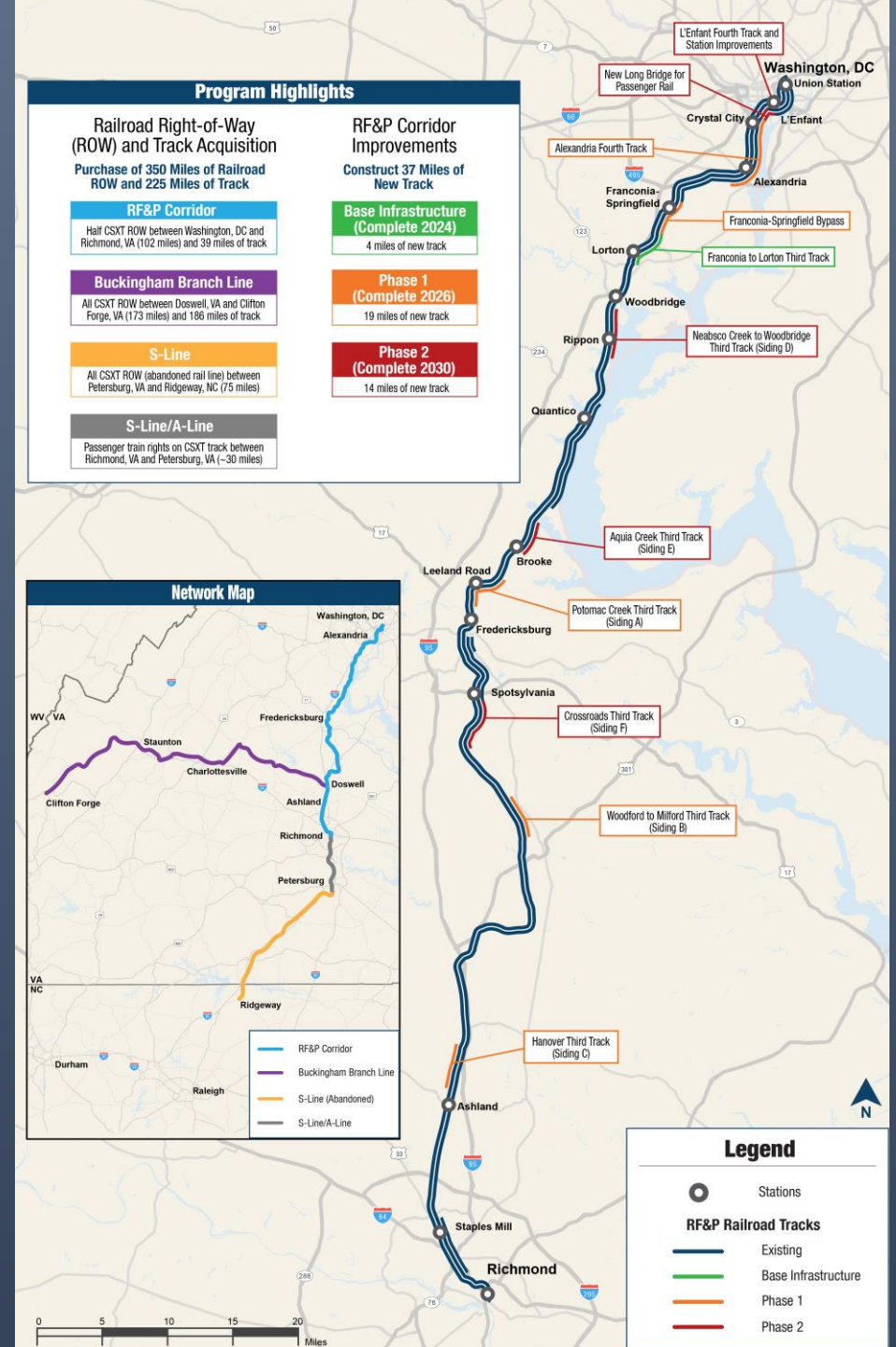
Transforming Rail in Virginia Program

- On December 19th Governor Northam, Secretary Valentine, CSX, Amtrak, and VRE announced a **\$3.7B** landmark agreement – called Transforming Rail in Virginia (TRV) – that includes purchase of over:
 - **350 miles** of railroad ROW
 - **225 miles** of track
- Commonwealth to fund approximately 2/3 with state and local revenues



Transforming Rail in Virginia Leads to Creation of VPRA

- General Assembly created the VPRA in the winter 2020 Legislative Session.
- Paradigm shift in rail transportation for Virginia:
 - Virginia will own active railroad tracks and railroad ROW.
 - Virginia will construct and maintain a growing rail network.
 - Virginia will need innovative ways to finance and fund construction and grow passenger rail operations.



Purpose of the VPRA

- Promote new approaches to economic development through an increase in passenger rail capacity.
- Promote, sustain, and expand the availability of passenger and commuter rail service to increase ridership by connecting population centers.
- Own rail right-of-way and infrastructure assets.
- Oversee passenger rail operations statewide (not an operator).
- Operate independently of some state requirements to provide flexibility in delivering the TRV Program.



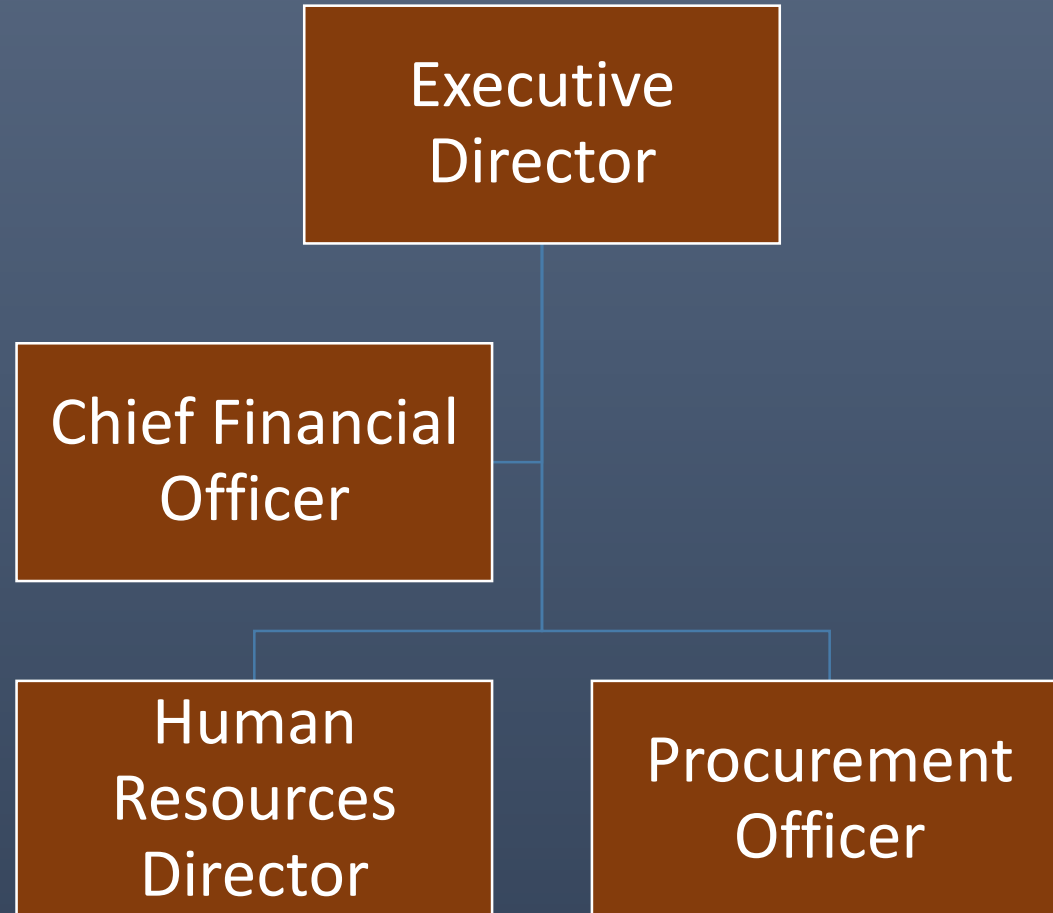
VPRA Early Operations

Jeremy Latimer, Director of Rail Programs - DRPT

Critical Early Items for VPRA

- Establish Board Bylaws
 - Resolution in Action Meeting
- Board Operations and Support
 - Appointment of Officers in Action Meeting
- Authorize Search for Executive Director
 - Resolution in Action Meeting (after closed session)
- MOA for Financial Systems and Staff Services
 - Resolution in Action Meeting
- Human Resources
 - Draft Personnel Policy to be considered at next meeting

Priority Hires



- *“The Board shall employ an Executive Director of the Authority...”*
- CFO to oversee finances currently managed by DRPT.
- Human Resources Director to begin hiring VPRA Staff.
- Procurement Officer to utilize Authority powers to advance projects.

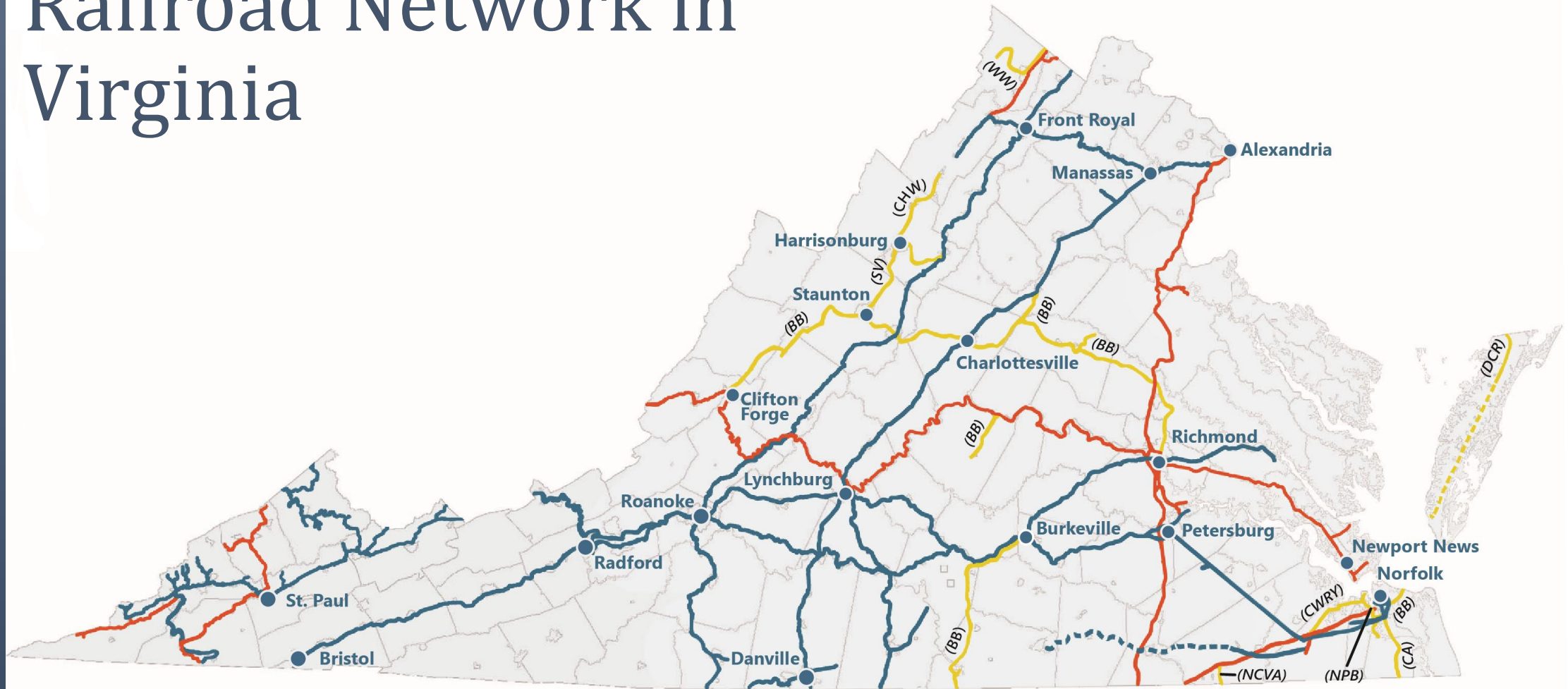
DRPT Staff Services

- While the VPRA is being mobilized, DRPT Staff will continue to:
 - Advance procurements, environmental/permitting, design efforts
 - Negotiate necessary agreements to advance passenger rail
 - Advance agreements to fund and construct projects
 - Conduct project oversight
 - Manage schedules
 - Coordinate with stakeholders
 - Set up temporary systems for VPRA operations
 - Review and approve invoices
 - Provide VPRA Board support
- DRPT rail staff will also continue to manage Statewide Rail Planning and freight programs.



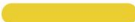


Overview of Rail in Virginia

Jeremy Latimer, Director of Rail Programs - DRPT

Railroad Network in Virginia



Freight Routes in Virginia

-  Norfolk Southern
-  CSX Transportation
-  Shortline
-  Discontinued
-  Cities/Towns

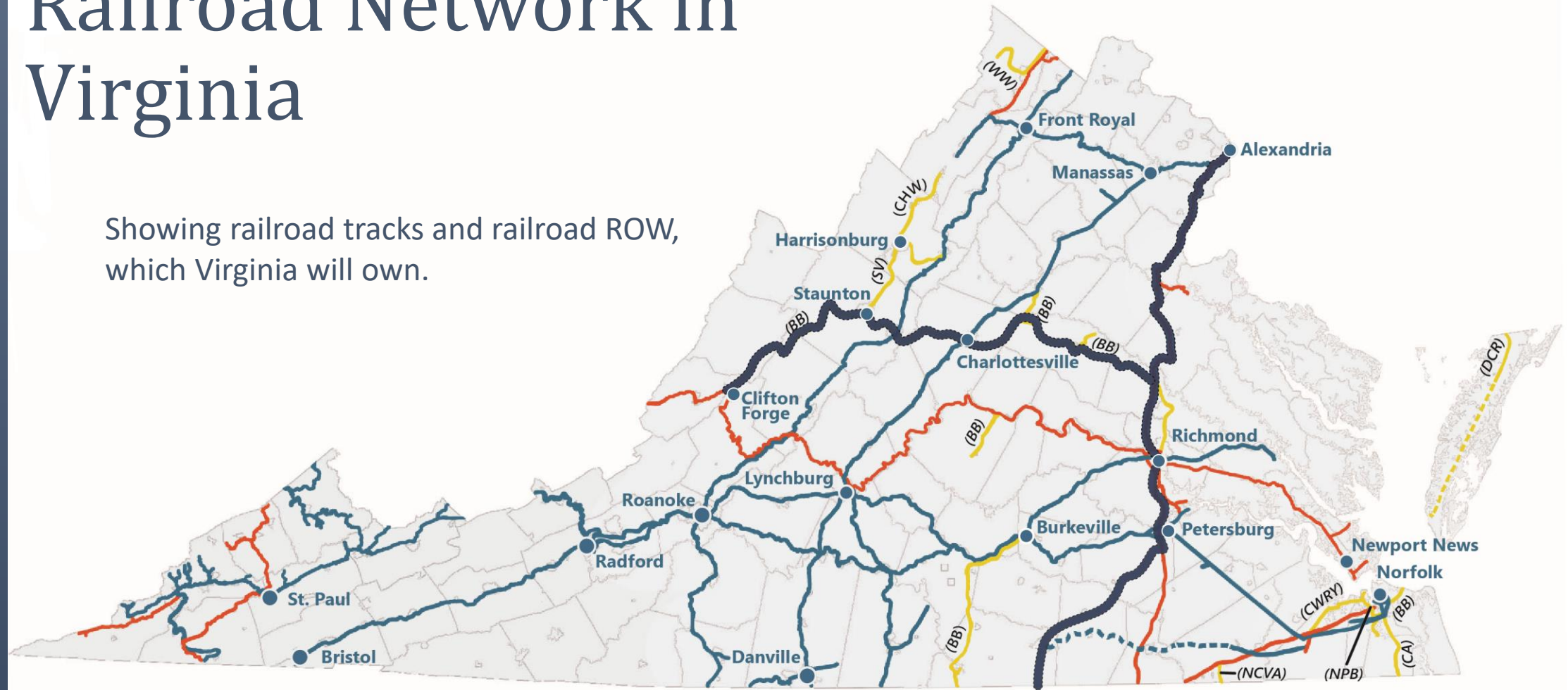
Host Railroads

- DCR* Delmarva Central Railroad
- BB* Buckingham Branch Railroad
- CA* Chesapeake & Albemarle Railroad
- CHW* Chesapeake Western Railway

- CWRY* Commonwealth Railway
- NPB* Norfolk & Portsmouth Belt Line Railroad
- NCVA* North Carolina & Virginia Railroad
- SV* Shenandoah Valley Railroad
- WW* Winchester & Western Railroad

Railroad Network in Virginia

Showing railroad tracks and railroad ROW, which Virginia will own.



Freight Routes in Virginia

- Norfolk Southern
- CSX Transportation
- Shortline
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Host Railroads

- DCR Delmarva Central Railroad
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- Virginia

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- NCVA North Carolina & Virginia Railroad
- SV Shenandoah Valley Railroad
- WW Winchester & Western Railroad

Public Benefits of Rail to Virginia

GROW THE ECONOMY

RAIL SERVICES DRIVE 6% OF VIRGINIA'S TOTAL ECONOMY.
MORE THAN 6,000 JOBS CREATED DIRECTLY BY RAIL NETWORK



\$2.2 BILLION
in annual benefits

 about 9 cents per
ton-mile of rail use



\$190 MILLION
in annual benefits

 about 46 cents per
passenger-mile of rail use

Benefits are largely derived from savings from diverting freight and passengers from highways to rail and includes congestion savings and crash reduction benefits.

BREATHE EASIER

3M TONS OF CO₂ EMISSIONS AVOIDED
(6.4% OF TOTAL IN VIRGINIA PER YEAR)



On average, railroads
are **four times** more fuel
efficient than trucks



Moving freight by rail instead
of truck generates **75% less**
greenhouse gas emissions



The total estimated level
of rail service in Virginia in
2015 was about **25 billion**
ton-miles

TRAVEL SAFE

18 LIVES SAVED AND 3,000 CRASHES AVOIDED EACH YEAR



Shipping by rail avoids
about **1.7 billion miles**
of truck travel in Virginia



Passenger travel by rail avoids about
271 million miles of personal
driving in Virginia

SAVE MONEY

\$123M PAVEMENT MAINTENANCE SAVINGS
(6% OF ANNUAL VDOT MAINTENANCE BUDGET)



8 = 240
PASSENGER RAILCARS PASSENGER VEHICLES



100 = 340
FREIGHT RAILCARS SEMI-TRAILER TRUCKS

2009

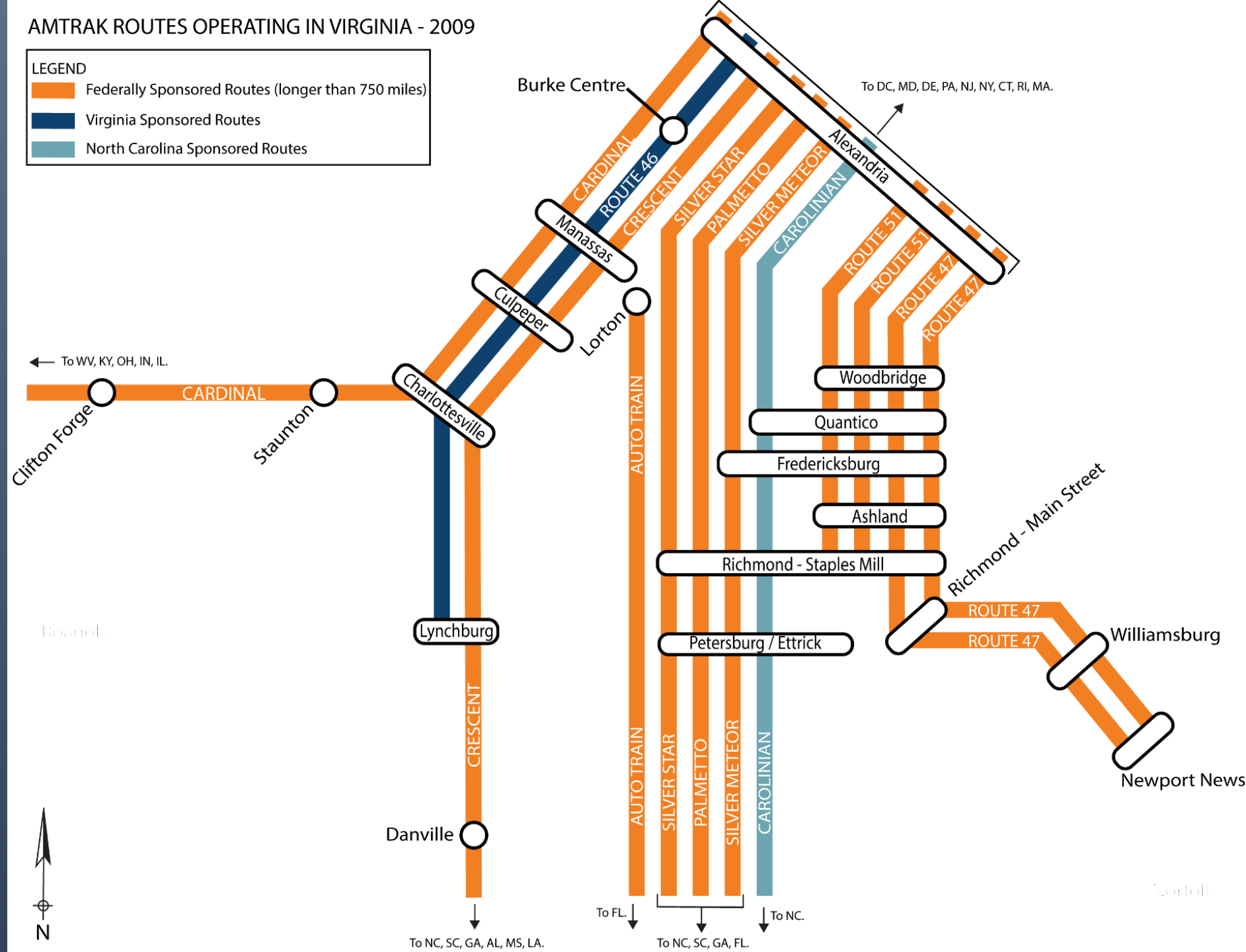
AMTRAK ROUTES OPERATING IN VIRGINIA - 2009

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2010

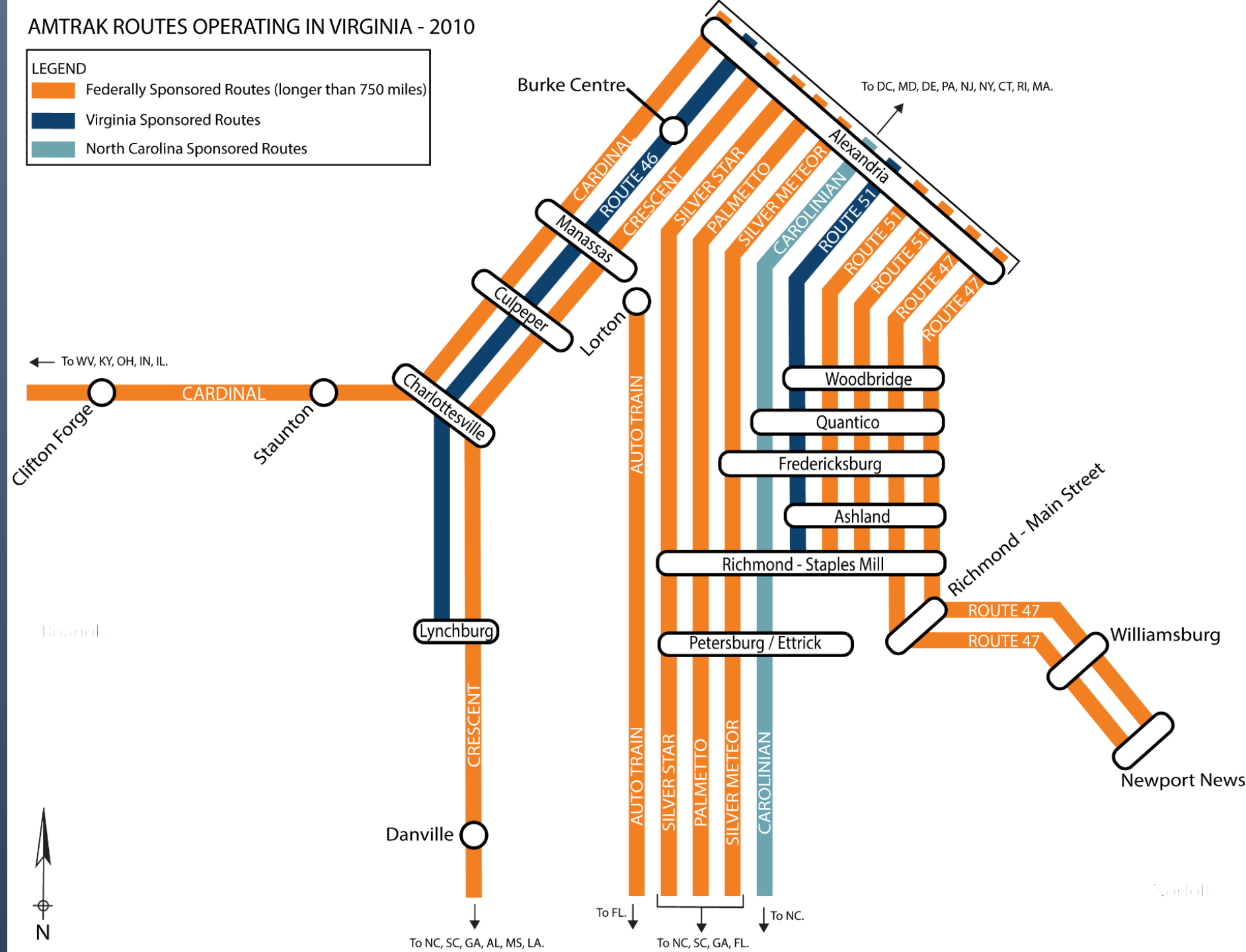
AMTRAK ROUTES OPERATING IN VIRGINIA - 2010

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2012

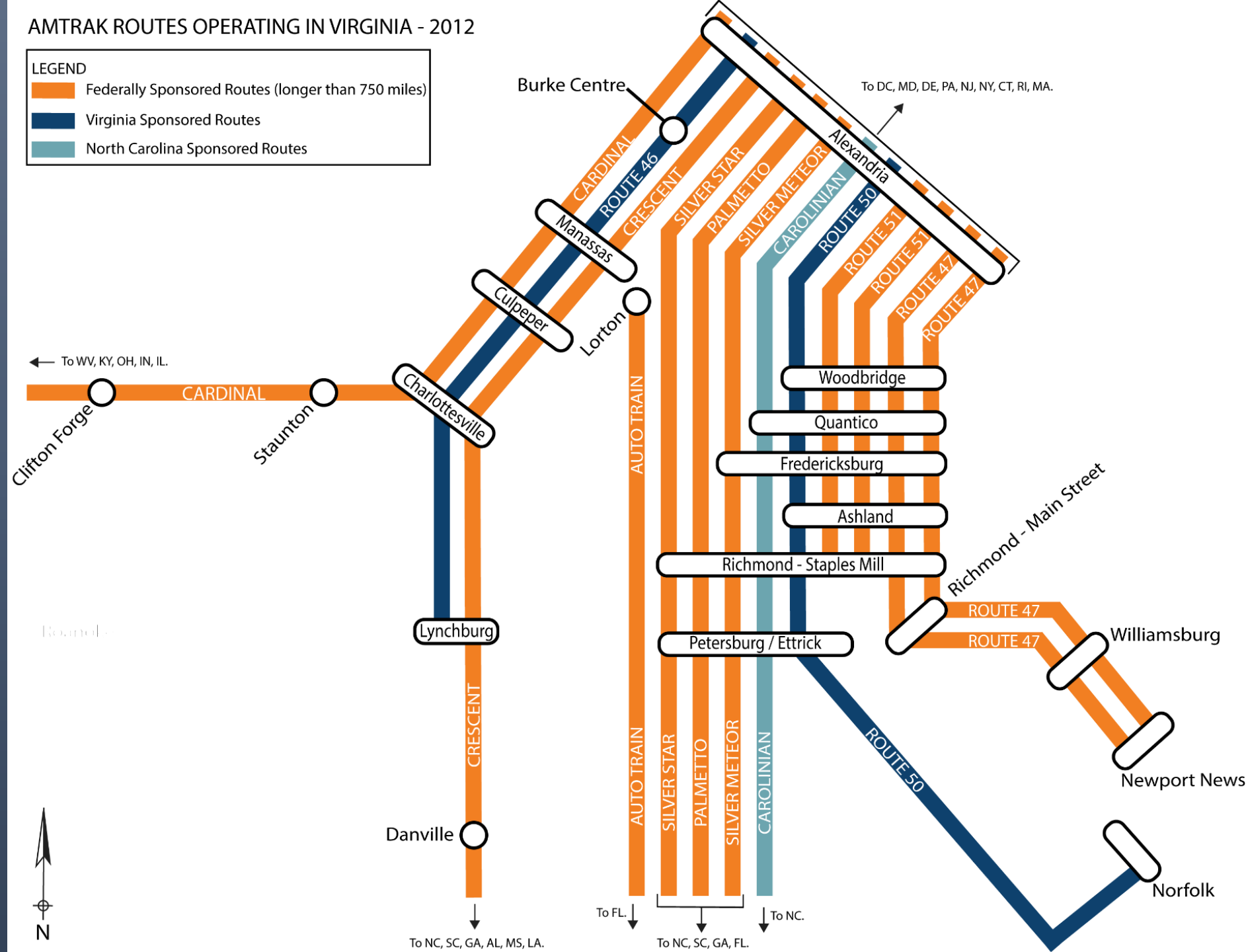
AMTRAK ROUTES OPERATING IN VIRGINIA - 2012

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2013

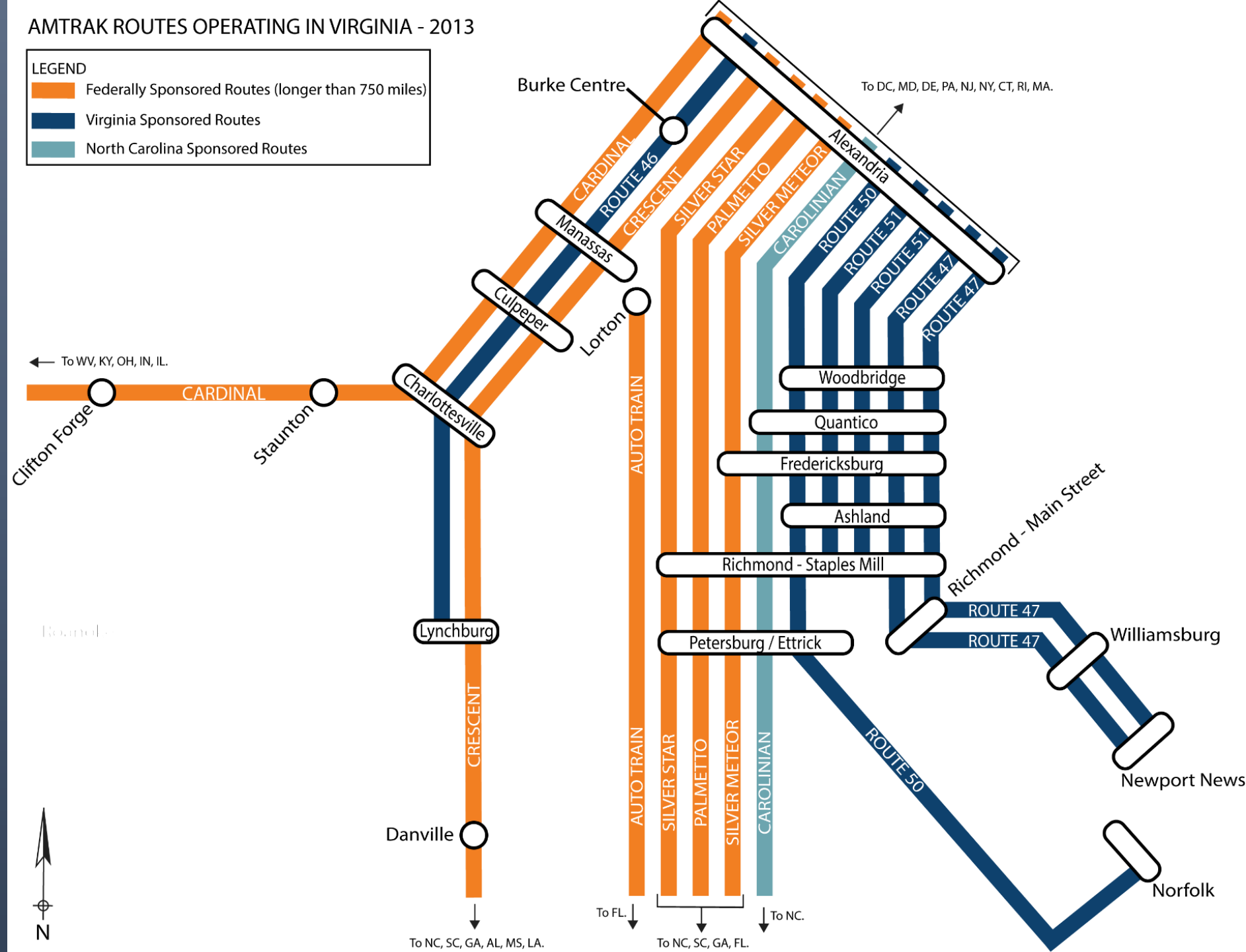
AMTRAK ROUTES OPERATING IN VIRGINIA - 2013

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes

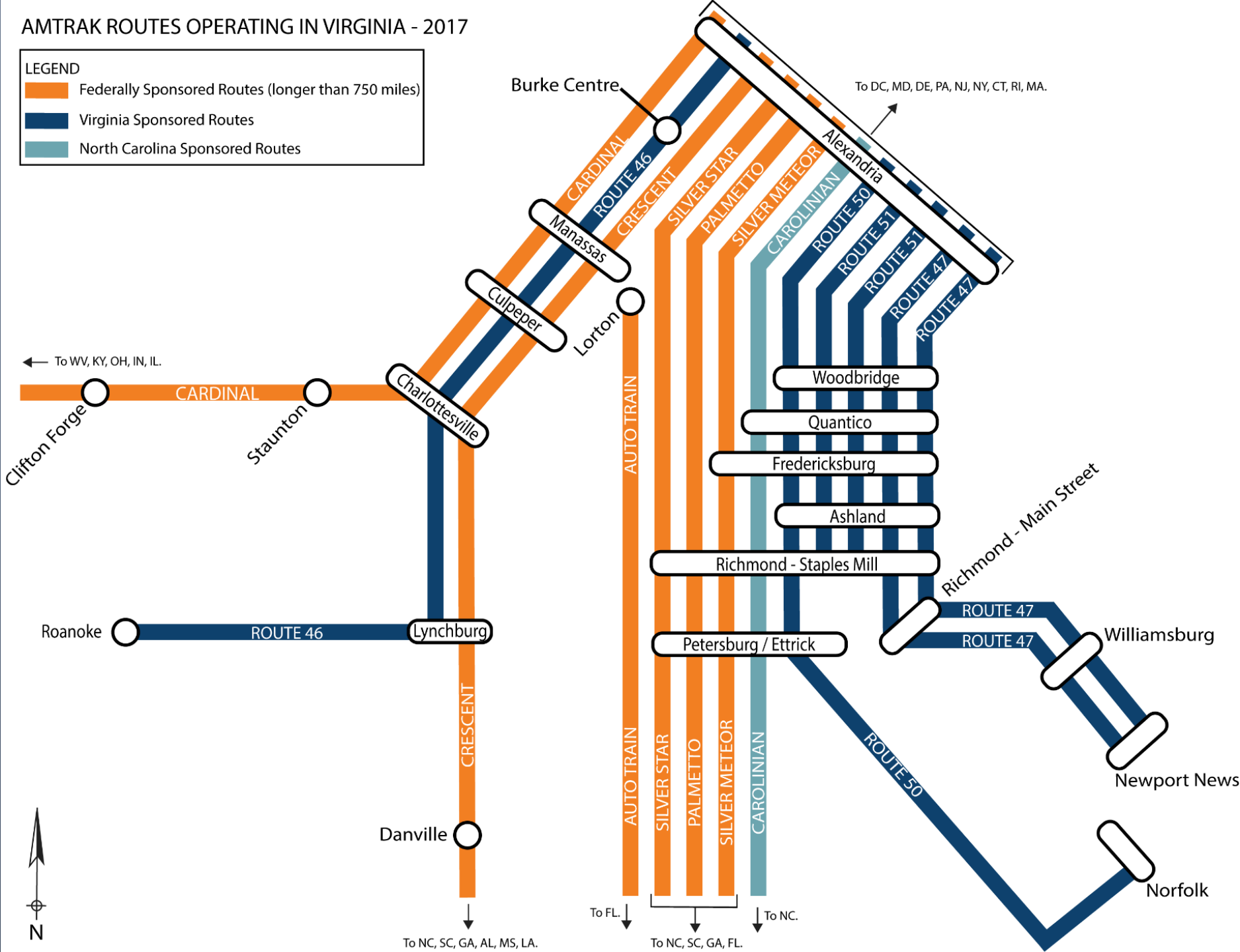


2017

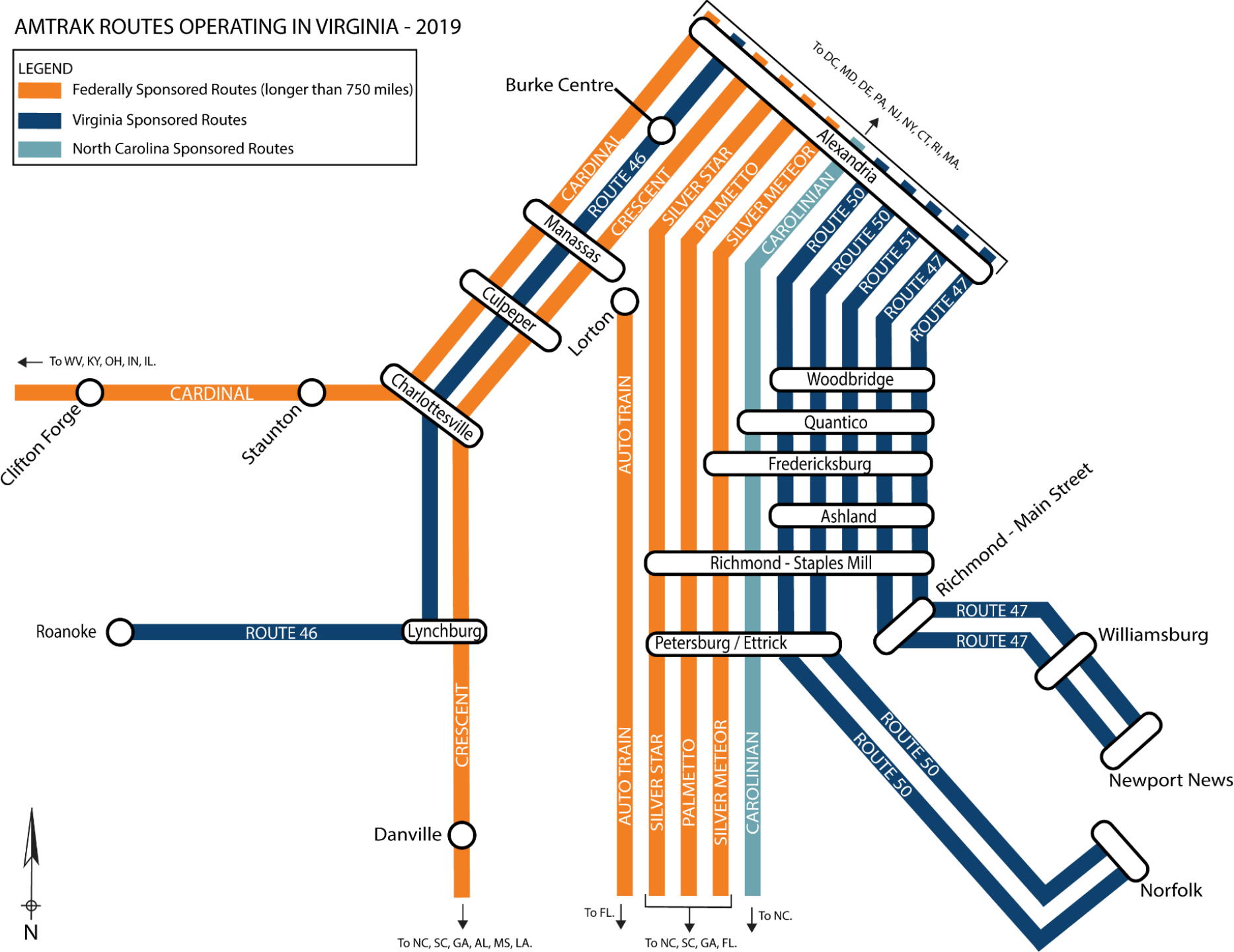
AMTRAK ROUTES OPERATING IN VIRGINIA - 2017

LEGEND

- Federally Sponsored Routes (longer than 750 miles)
- Virginia Sponsored Routes
- North Carolina Sponsored Routes



2019



10th Anniversary: Virginia-Amtrak Service



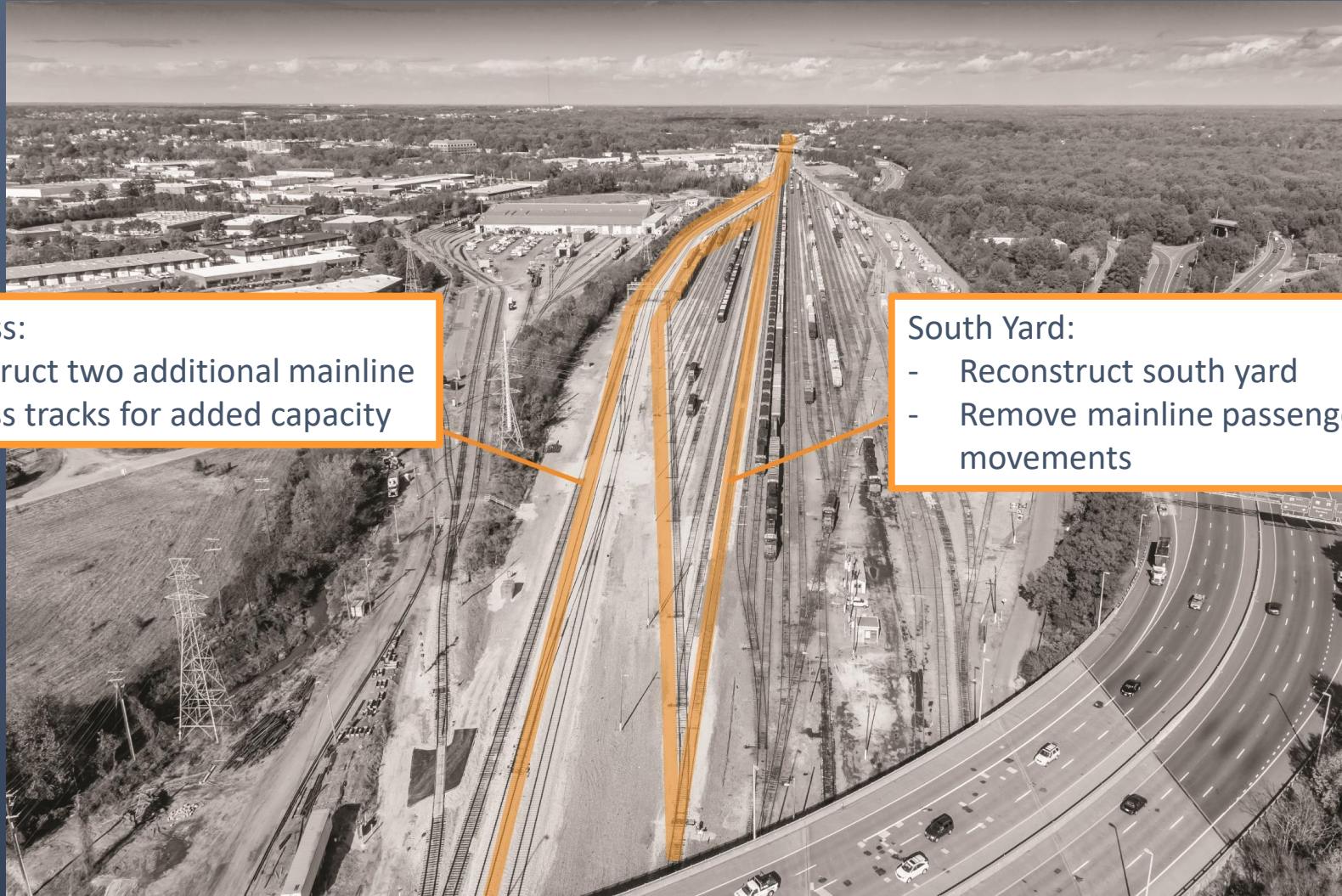
Capital Projects for Freight/Passenger Network



New Gateways



Capital Projects: Acca Yard in Richmond



Bypass:
Construct two additional mainline
bypass tracks for added capacity

South Yard:
- Reconstruct south yard
- Remove mainline passenger through
movements

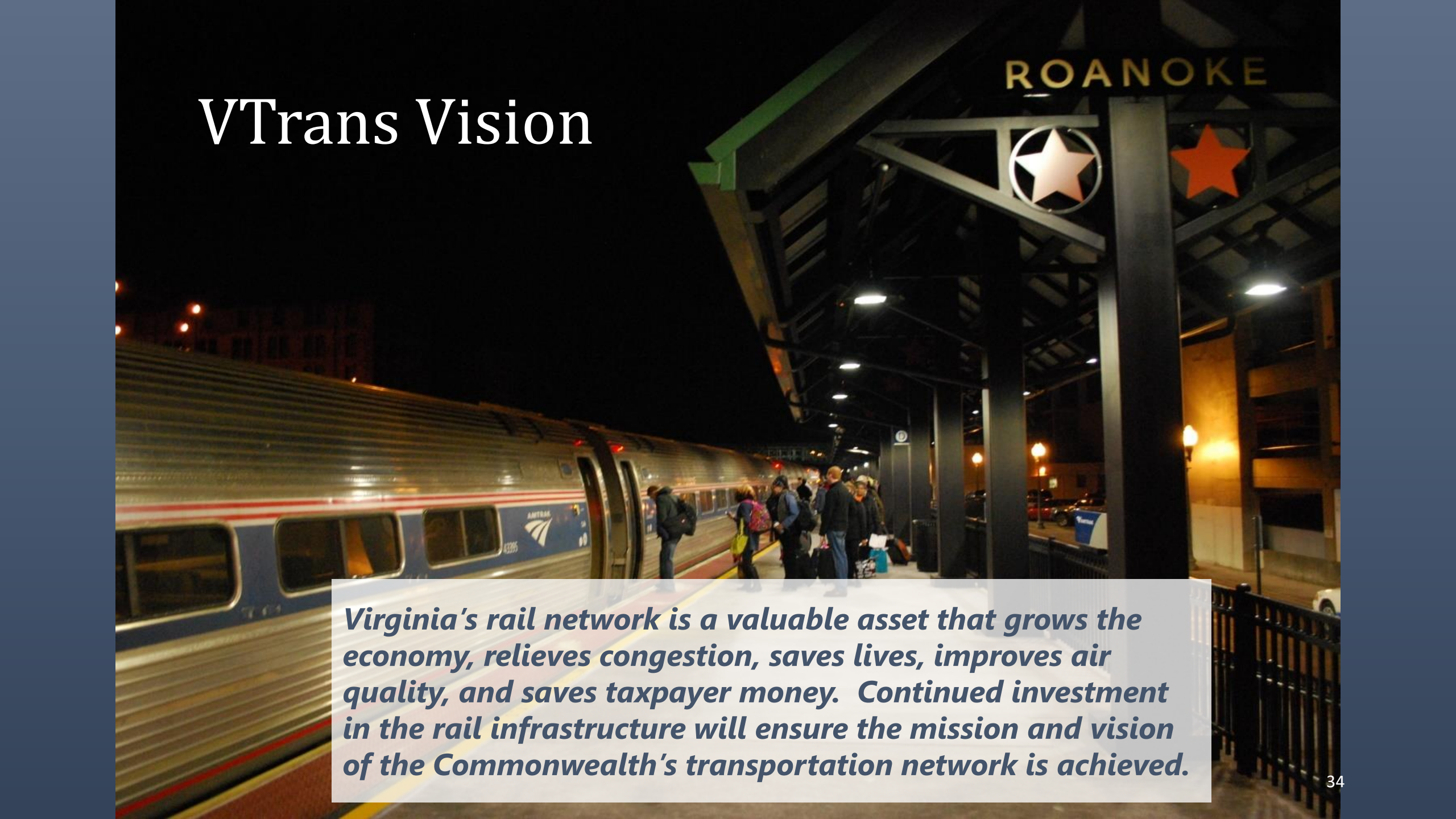
Past Successes



Future Success & Paradigm Shift



VTrans Vision



Virginia's rail network is a valuable asset that grows the economy, relieves congestion, saves lives, improves air quality, and saves taxpayer money. Continued investment in the rail infrastructure will ensure the mission and vision of the Commonwealth's transportation network is achieved.

VPRA Board Member Roles & Responsibilities

Lisa Wright, Senior Assistant Attorney General

Enabling Legislation – VPRA Powers

| Administrative | Operational | Financial |
|---|---|---|
| <ul style="list-style-type: none">➤ Make and adopt by-laws and regulations➤ Make and enter contracts➤ Sue and be sued➤ Employ people➤ Appoint advisory committees | <ul style="list-style-type: none">➤ Grant rights to design, build, finance, operate, and maintain rail facilities➤ Grant rights for concessions, leases, franchises➤ Vacate or change locations of public ways and utilities➤ Acquire real property, rights-of-way | <ul style="list-style-type: none">➤ Borrow money and issue bonds➤ Fix, alter, charge, and collect fees, rates, rents➤ Accept grants and loans➤ Sell or lease air space➤ Pledge or encumber revenues as security➤ Participate in joint ventures |

Enabling Legislation – Board Administrative Responsibilities

- Elect
 - Vice-Chair, Secretary, and Treasurer
 - Subordinate Officers as needed (can be non-board members)
- Meet
 - At least once quarterly
- Employ
 - Executive Director
- Develop and Adopt
 - Personnel Rules, Policies and Procedures, Procurement Policy

Enabling Legislation – Board Financial Responsibilities

- Act as trustee for funds received by Authority
- Prepare and submit a detailed operating plan and annual budget to CTB by 2/1 of each year
- Prepare and submit to CTB ***for approval*** any proposed capital expenditures and projects for following year to CTB by 2/1
- Keep records in accordance with GGAAP
- Have records audited yearly by a CPA firm chosen by Auditor of Public Accounts
- Submit annual report to Governor and General Assembly on or before 11/1 of each year – said report will contain audit

Freedom of Information Act (FOIA)

Definition of a Meeting

A meeting occurs when three or more members of the Board assemble (physically or electronically) to discuss or transact public business.

Conflicts of Interest Act

ethicswebinar.dls.virginia.gov

[Login](#)

Conflict of Interests Act Training

This training module will cover the Conflicts of Interest Act and will fulfill your requirement for training on the Acts. Training will cover your responsibilities in regards to prohibited conduct and personal interests. You will also learn more about the responsibilities of the Virginia Conflict of Interest and Ethics Advisory Council and how we are here to assist you with compliance.

You are required to complete this training every two years. Training records are retained by either your agency coordinator or local clerk.

*Required field

First Name*

Lisa

Middle Name

Middle Name

Last Name*

Wright

Title

Board Member

Email Address*

lisabutler@aol.com

Role*

State Officer or Employee



Agency*

Department of Rail and Public Transportation

Register

Closed Session Protocol

Lisa Wright, Senior Assistant Attorney General

Closed Session of the Board

VA Code § 2.2-3711 – Reasons for holding closed session

- Personnel issues
- Acquisition of real property
- Prospective or expanding business
- Investment of public funds with competition involved
- Consultation with legal counsel
- Awarding contracts
- Proprietary information
- Estimating fund revenues
- Public safety plans

Closed Session of the Board

- Restrict discussion to those matters specifically identified in the motion.
- Post Closed Meeting Requirements:
 - Immediately reconvene an open meeting, and
 - Take a roll call or other recorded vote to be included in the minutes certifying
 - Only public business matters lawfully exempted from open meeting requirements were discussed (list in VA Code § 2.2-3711) and
 - Only such public business matters identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.
- Any member of the public body who believes that there was a departure from the requirements shall state so prior to the vote, indicating the substance of the departure that, in his judgment, has taken place. The statement shall be recorded in the minutes of the public body.
- The Board may not take action on matters discussed in any closed meeting, except at an open meeting.

Break & Closed Session

VPRA Board Meeting will resume at **1:30pm** after Closed Session

Virginia Passenger Rail Authority Funding

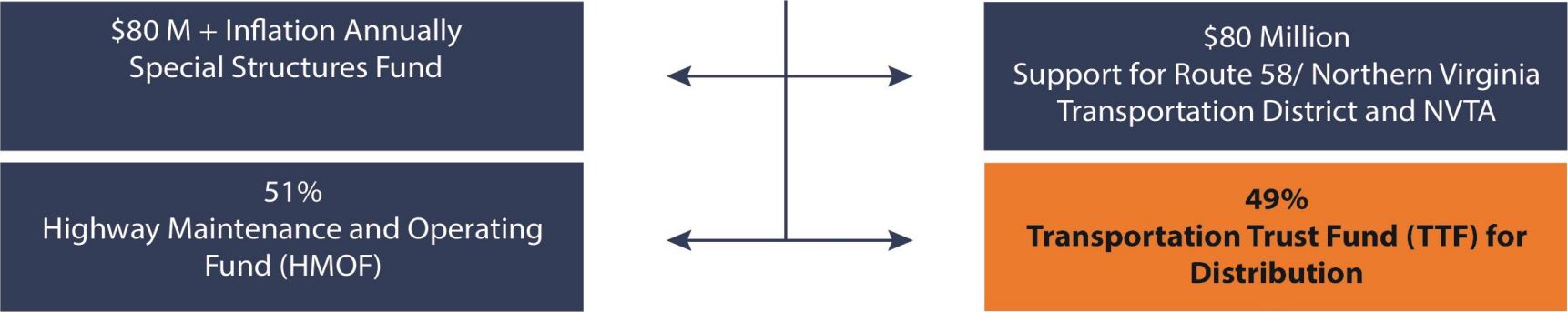
Steve Pittard, Chief Financial Officer – DRPT

MAJOR STATE REVENUES

| | | | | | | | | |
|--|---|---|--|--|--|--|---|---------------------------------------|
| International Registration Plan \$15 per trip | Motor Vehicle License Fees Base Car: \$20.75 CTF Share | Tax on Motor Fuels 26.2 cents/ gallon + CPI Gasoline 27 cents/ gallon + CPI Diesel | Highway Use Fee Fuel Economy | Motor Vehicle Sales and Use Tax 4.15% | Retail Sales and Use Tax 0.5% + 0.3% 0.1% GF Transfer | Recordation Taxes 3 of the 25 cents per \$100 | Motor Vehicle Rental Tax 75% CTF 25% WMATA Capital Fund | Insurance Premium Taxes 1/3 |
|--|---|---|--|--|--|--|---|---------------------------------------|



COMMONWEALTH TRANSPORTATION FUND



TRANSPORTATION TRUST FUND

| | |
|----------------------|-------------|
| 92.5% OTHER MODES | 7.5% CRF |
|----------------------|-------------|

COMMONWEALTH RAIL FUND (CRF)

| | |
|--|------------|
| 93% VIRGINIA PASSENGER RAIL AUTHORITY | 7% DRPT |
|--|------------|

VPRA – CRF Revenue Projections

| FY21 | FY22 | FY23 | FY24 | FY25 | FY26 |
|---------|----------|----------|----------|----------|----------|
| \$89.3M | \$101.0M | \$128.1M | \$146.8M | \$147.8M | \$150.4M |

- Revenue projections will be updated in the next six weeks; FY23 – FY26 have not been adjusted post pandemic
- Funds are deposited directly from Commonwealth Rail Fund each month

VPRA / DRPT Financial Separation

| | Amount (\$M) | |
|---------------------------------|--------------|--------|
| Cash as of June 30, 2020 | \$305.3 | |
| Receivables as of June 30, 2020 | 140.8 | |
| Total Assets | | 446.1 |
| Project Commitments - VPRA | 300.4 | |
| Project Commitments - DRPT | 45.8 | |
| Total Commitments | | 346.2 |
| Net Available | | \$99.9 |

- Existing project commitments at June 30, 2020 divided between VPRA and DRPT; funds will be expended between FY21-FY25
- Does not include the \$89.3M of FY21 revenues
- Net Available will be included in the financial plan for TRV

Appropriation Act Language – Existing Rail Programs

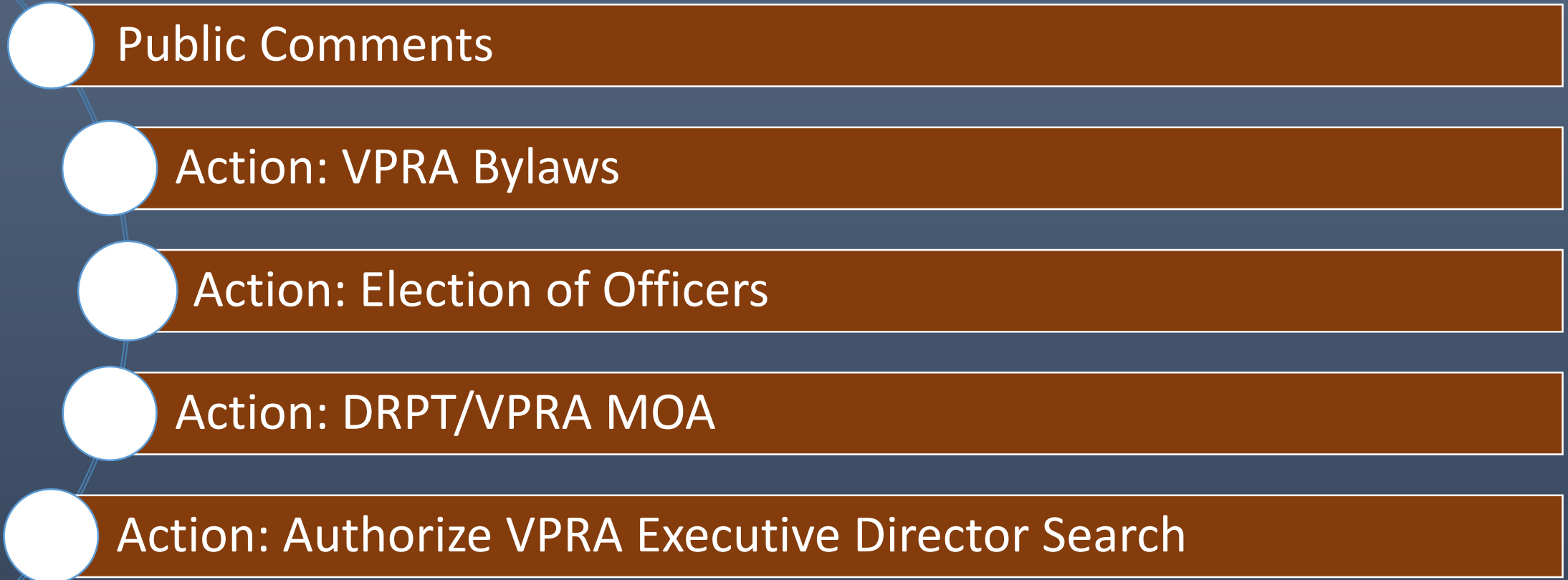
D. Notwithstanding the provisions of § 33.2-1526.2 C, the distribution of funds in the Commonwealth Rail Fund shall be:

- 1. Remaining balances as of June 30, 2020 in the Rail Enhancement Fund pursuant to § 33.2- 1601 and the Intercity Rail Operating and Capital Fund pursuant to § 33.2-1603 shall be transferred to the Commonwealth Rail Fund.*
- 2. In order to facilitate the financing activities of the Virginia Passenger Rail Authority, all cash balances as of July 1, 2020 shall be transferred to the Authority from the Commonwealth Rail Fund. This transfer shall not be transacted until after an agreement has been fully executed between the Department and the Authority that requires funds to be transferred from the Authority to the Department for the prompt payment of any expenditures on the projects administered by the Department.*
- 3. During the interim period between July 1, 2020, and the formal establishment of the Virginia Passenger Rail Authority (Authority), the Department shall be responsible for conducting all necessary business functions assigned to the Authority. Formal establishment shall include appointments to the Authority's board of directors, a formal meeting of the board, the hiring of an executive director, and the execution of the agreement required in subparagraph D.2.*

DRPT/VPRA MOA

- DRPT will provide certain services to VPRA on a temporary basis.
 - Financial Services
 - Human Resources
 - Payroll
 - Procurement
 - Information Technology
 - Passenger Rail Planning, Design, Program Management
 - Other Admin and Communication services
- Documentation of initial funding transfer from DRPT to VPRA
- Compliance with the provisions of the FY2021 Appropriations Act

Action Agenda

- 
- Public Comments
 - Action: VPRA Bylaws
 - Action: Election of Officers
 - Action: DRPT/VPRA MOA
 - Action: Authorize VPRA Executive Director Search

Public Comment

VPRA Board Bylaws

Lisa Wright, Senior Assistant Attorney General

VPRA Board Decision Brief

Adoption of Virginia Passenger Rail Association Board Bylaws

October 26, 2020

Item: Section 33.2-292. Powers of the Authority enumerates powers of the Virginia Passenger Rail Authority (Authority), including power to “Make and adopt bylaws, rules, and regulations.”

Context: Certain activities, including the adoption of bylaws, are necessary as start-up activities for the Virginia Passenger Rail Authority (VPRA). The bylaws presented for Board consideration incorporate the powers enumerated and authorized by the 2020 General Assembly per Section 33.2-291 of the Code of Virginia.

Having bylaws in place will enable the Board to elect, appoint, and employ certain roles necessary to stand-up the authority. The bylaws call for election of a Vice-Chairperson, Secretary, and Treasurer. After adoption of the bylaws, the Board may elect the above positions, including the Treasurer position, to enable DRPT staff to initiate a banking relationship on behalf of the Authority

Recommendation: Staff recommends approval of the attached resolution for the proposed bylaws.

Action Required by VPRA Board: Approval of the attached resolution.

Options: Approve, Deny, or Defer.



COMMONWEALTH of VIRGINIA

Virginia Passenger Rail Authority Board

Jennifer L. Mitchell
Chairperson

600 East Main Street
Richmond, Virginia 23219

(804) 786-6440 (DRPT)
Fax: (804) 786-3725 (DRPT)

RESOLUTION OF THE VIRGINIA PASSENGER RAIL AUTHORITY BOARD

October 26, 2020

MOTION

Made By: Seconded By: Action:

Title: Adoption of By-Laws

WHEREAS, the 2020 General Assembly, through Virginia Code Section 33.2-288, established the Virginia Passenger Rail Authority ("Authority") to promote, sustain, and expand the availability of passenger and commuter rail service in the Commonwealth and to increase ridership of such service by connecting population centers with passenger and commuter rail service and increasing availability of such service; and

WHEREAS, Section 33.2-292(A)(1) of the Code of Virginia empowers the Authority to make and adopt bylaws, rules and regulations; and

WHEREAS, the adoption of bylaws by the Virginia Passenger Rail Authority Board ("Board") is necessary for the Board to take certain actions to commence the activities of the Authority in carrying out the Authority's statutory duties; and

WHEREAS, the Board has reviewed the proposed bylaws which have been reviewed and approved by the Virginia Office of the Attorney General for legal sufficiency.

NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves and adopts the attached bylaws for its use.

#####

BYLAWS

VIRGINIA PASSENGER RAIL AUTHORITY (Approved by the Board – October __, 2020)

ARTICLE I

MISSION

SECTION 1.1. Mission. It shall be the duty of the Virginia Rail Authority (the “Authority”), on behalf of the Commonwealth of Virginia (the “Commonwealth”), to sustain, improve, identify, encourage and promote an increase in passenger rail capacity, services and ridership to ameliorate current and future traffic congestion on Commonwealth highways and promote economic development of the Commonwealth through connecting population centers with passenger and commuter rail service and increasing availability of such service.

ARTICLE II

OFFICES AND RECORDS

SECTION 2.1. Virginia Office. The Authority shall, in the city of Richmond, have and maintain its principal office at which all of its records shall be kept, and from which its business shall be transacted.

SECTION 2.2. Other Offices. The Authority may, if necessary, establish a branch office or offices within the Commonwealth, in such locations as may be approved by the Board.

ARTICLE III

BOARD AND OFFICERS

SECTION 3.1. General Powers of the Board. All powers, rights and duties conferred by the Code of Virginia (the “Code”), or other provisions of law, upon the Authority shall be exercised by the Board. Without limiting the foregoing, the Board shall also have the exclusive power to hire and fire the Executive Director of the Authority.

SECTION 3.2. Board Makeup. The Board shall consist of those members as set forth in the Code.

SECTION 3.3. Officers. The Director of the Department of Rail and Public Transportation (the “Director”) shall serve as Chairperson of the Board. At each annual meeting of the Board, the Board shall elect from its membership a Vice-Chairperson and Secretary. The Board shall also annually elect a Treasurer who need not be a member of the Board. The Board may also appoint from the staff an Assistant Secretary and an Assistant Treasurer, who shall, in addition to other duties, discharge such functions of the Secretary and Treasurer, respectively, as may be directed by the Board. All officers of the

Board, as long as they continue to serve as members of the Board or staff members, shall hold office until removed by two-thirds vote of sitting members of the Board at a regularly scheduled board meeting of the Board or until their successors are elected or appointed and duly qualified.

3.3.1. Chairperson. The Chairperson, if present and able, shall preside at all meetings of the Board. The Chairperson shall execute any documents or legal instruments on behalf of the Board and shall perform such other duties as the Board may from time to time direct. The Chairperson shall see that the laws of the Commonwealth pertaining to the purposes and functions of the Authority are faithfully observed and executed.

3.3.2. Vice-Chairperson. In the absence or disability for any cause of the Chairperson of the Board, his or her duties shall be performed by the Vice-Chairperson, who shall act in the Chairperson's place and stead and shall, in addition, perform such other duties as are usually incumbent upon the Chairperson of the Board.

3.3.3. Acting Chairperson. In the event the offices of the Chairperson and Vice-Chairperson of the Board are both vacant, or in the event that the Chairperson and Vice-Chairperson of the Board are both unable to perform their duties by reason of illness, disability or absence, the Board shall appoint a Chairperson *pro tempore*, who shall preside at such meetings.

3.3.4. Secretary. The Secretary shall be the custodian of all records and the Seal of the Authority and shall keep accurate minutes of all committee and subcommittee meetings, and the meetings of the Board. He or she shall, when required, certify copies of records of the Authority and shall execute legal instruments and documents on behalf of the Board when ordered to do so and affix the Seal of the Authority to same, and shall perform such other duties as may be directed by the Board.

3.3.5. Treasurer. Except as otherwise provided herein or as required by law, the Treasurer shall be responsible for all monies of the Authority from whatever sources received and for all securities in the possession of the Authority and for the deposit of such monies in the name of the Authority in the banks, trust companies or special accounts approved by the Finance and Audit Committee, and he or she shall be responsible for all disbursements of such funds for the purposes for which intended or as authorized or directed by the Board. The Treasurer shall make periodic accountings for all such funds as determined by the Board, and the books and records shall be available for inspection by any member of the Board during business hours.

SECTION 3.4. Executive Director of the Authority. The Board shall employ the Executive Director of the Authority who shall not be a member of the Board and who shall serve at the pleasure of the Board. The Executive Director shall whenever possible be in attendance at all meetings of the Board and its committees. The Executive Director's compensation from the Commonwealth shall be fixed by the Board in accordance with the law. This compensation shall be established at a level which will enable the Authority to attract and retain a capable Executive Director.

3.4.1. Powers and Duties. The Executive Director shall execute any documents or legal instruments on behalf of the Authority and exercise such of the powers and duties relating to passenger

rail within the Commonwealth conferred upon the Board as may be delegated to him or her by the Board, including powers and duties involving the exercise of discretion. The Executive Director shall also exercise and perform such powers and duties as may be lawfully delegated to him or her, and such powers and duties as may be conferred or imposed upon him or her by law. Notwithstanding anything herein to the contrary, the Executive Director may not, without first obtaining the written consent of the Board, bind the Authority by entering into any contract, agreement or arrangement on the Authority's behalf in excess of \$2,500,000; provided, however, that the Executive Director may enter into a contract, agreement or arrangement on the Authority's behalf in excess of \$2,500,000 without the written consent of the Board if the Executive Director has obtained the prior written consent of the Chairperson of the Board and the Chairperson of the Finance and Audit Committee. If the Chairperson of the Board is not available to timely review any such contract, agreement or arrangement and give or withhold such consent, then he or she may designate another voting member of the Board to perform this duty on his or her behalf. If the Chairperson of the Finance and Audit Committee is not available to perform a timely review and give or withhold such consent, then he or she may designate another voting member of the Board who is on the Finance and Audit Committee to perform this duty on his or her behalf. Any such designation must be in writing (electronic mail is sufficient) sent to the Executive Director and legal counsel for the Authority. A designation shall be effective for thirty (30) days after it is given and shall be filed with books and records of the Authority kept pursuant to Section 3.11 below.

3.4.2. Senior Leadership Team. The Executive Director shall employ or retain such other agents or subordinate employees who report to the Executive Director as may be necessary. The duties and functions of such agents and employees shall be established by the Executive Director and approved by the Board.

SECTION 3.5. Passenger Rail Advisory Council. The Board may, at its discretion and from time to time, also form a Passenger Rail Advisory Council or other advisory committees, consisting of representatives from the railroad industry, to provide advice and counsel to the Board on all matters associated with the Authority with the exception of the annual budget and personnel matters.

SECTION 3.6. Regular and Annual Meetings of the Board. Regular meetings of the Board shall be held at least quarterly on a schedule that will be agreed upon by the Board. Written notice of each regular meeting specifying the time and place of the meeting together with an agenda setting forth the items proposed to come before the Board at that particular regular meeting shall be given to members by mail or otherwise at least three (3) business days in advance of the meeting, but any other matters may be considered at the meeting in the Chairperson's discretion. The annual meeting of the Board for the election of officers shall be held preceding the regular meeting of the Board in the month of July of each year. At any special or regularly scheduled meeting of the Board and in accordance with Virginia Code § 2.2-3712, the Board can go into closed session to consider items identified in Virginia Code § 2.2-3711 as appropriate for closed session.

SECTION 3.7. Special Meetings. Special meetings of the Board may be called at the request of any three (3) members of the Board. Written notice of each special meeting specifying the time and place of the meeting and the purpose or purposes for which called shall be given by mail or otherwise at least three (3) business days in advance of the meeting, but any matters may be considered by the meeting by

unanimous consent of those members present and if all members of the Board are present, whether or not specified in the notice.

SECTION 3.8. Time and Place of Meetings. The Chairperson will provide the members with notice of the time and place of regular and special board meetings. In accordance and in compliance with § 2.2-3708.2 of FOIA, the Authority may conduct meetings by electronic communications.

SECTION 3.9. Quorum. Seven members of the Board shall constitute a quorum for the transaction of all business. Action by the Board shall be by simple majority vote of the voting members of the Board present and voting.

SECTION 3.10. Committees of the Board. The Board may establish standing committees of the Board, which shall include a Finance and Audit Committee. There shall be such other committees and subcommittees as may be established by the Chairperson and approved by the Board. The chair of each standing committee shall be a voting member of the Board. Each committee and subcommittee shall consist of a Chairperson and vice-Chairperson and such other members as the Chairperson of the board shall appoint, but shall not consist of less than four (4) members. Each committee and subcommittee shall perform the duties set forth in these Bylaws or conferred upon them by the Board. Both the Chairperson of the Board and the Vice-Chairperson of the Board shall be an ex officio member of each committee and subcommittee. A quorum of any committee or subcommittee shall consist of a number equal to the majority of the appointed committee members, including those who serve as non-voting ex officio. Action by any committee or subcommittee shall be by simple majority vote of the members present and voting so long as a quorum is present. All substantive votes taken by any committee shall be reported to the Board for final action and recordation in the minutes of the Authority at the next regular meeting of the Board following such committee action.

3.10.1. Finance and Audit Committee. The Finance and Audit Committee shall consider and make recommendations on all questions relating to the financial affairs of the Authority, including but not limited to all revenues and operating expenses of the Authority, the financing of any capital improvements, the financing and administration of the Authority's retirement plans, and any other matters dealing with finance which the Board may from time to time refer to it. The Finance and Audit Committee shall approve all depositories used by the Authority. The Finance and Audit Committee shall also provide advice, information and recommendations to the Board on the Authority's financial reporting process, system of internal controls, audit process and the Authority's process for monitoring compliance with laws and regulations and the Authority's policies.

SECTION 3.11. Records. The Board shall cause to be kept a record containing the minutes of the proceedings of the meetings of the Board and such books and records and accounts as may be necessary for the proper conduct of the business of the Authority.

ARTICLE IV

MISCELLANEOUS PROVISIONS

SECTION 4.1. Fiscal Year. The fiscal year of the Authority shall begin on the first day of July and end on the thirtieth day of June of each year.

SECTION 4.2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the Code or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board or committee thereof need be specified in any waiver of notice of such meeting. A board members' attendance at or participation in a meeting waives any required notice to him or her of the meeting unless at the beginning of the meeting or promptly upon such member's arrival, the member objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

SECTION 4.3. Amendment. These Bylaws may be amended by resolution duly adopted by the Board at any regular or special meeting providing that notice of the intention to present such resolution shall be given at least three (3) business days in advance of the meeting at which the motion to adopt such resolution is to be made. Such notice may be given by any member of the Board or any committee of the Board or by the Secretary at the request of any member of the Board or any committee of the Board and shall be given in writing, mailed or delivered, to all members of the Board. The notice of intention to amend these Bylaws shall include the language of the suggested change together with a reference to the Article subject to the proposed amendment.

SECTION 4.4. Inconsistency. In the event of inconsistency between these Bylaws and any provision of the Code, the Code will govern.

Election of Officers

Jennifer Mitchell, Chairperson, Director of DRPT

Memorandum of Agreement DRPT & VPRA

Steve Pittard, CFO - DRPT

VPRA Board Decision Brief

Execution of the Memorandum of Agreement between the Virginia Department of Rail and Public Transportation & the Virginia Passenger Rail Authority for support services.

October 26, 2020

Item: In order for the Virginia Department of Rail and Public Transportation (DRPT) to provide temporary services on an as-needed basis to mobilize the Virginia Passenger Rail Authority (VPRA), the Board needs to execute a Memorandum of Agreement (MOA). This MOA will set forth the types of services that will be provided by DRPT; the terms and processes for reimbursement; and reporting requirements.

Context: The VPRA is currently utilizing DRPT staff to support Board activities, undertake initial steps to mobilize the VPRA, hire VPRA staff, provide policies and benefits, perform day-to-day activities, and continue passenger rail planning, program design, program management and construction and design services for passenger rail projects across the Commonwealth.

The MOA will allow DRPT to continue operating on behalf of the VPRA on a temporary basis.

Recommendation: Staff recommends approval of the attached resolution.

Action Required by VPRA Board: Approval of the attached resolution.

Options: Approve, Deny, or Defer.



COMMONWEALTH of VIRGINIA

Virginia Passenger Rail Authority Board

Jennifer L. Mitchell
Chairperson

600 East Main Street
Richmond, Virginia 23219

(804) 786-6440 (DRPT)
Fax: (804) 786-3752 (DRPT)

RESOLUTION OF THE VIRGINIA PASSENGER RAIL AUTHORITY BOARD

October 26, 2020

MOTION

Made By: Seconded By: Action:

Title: Approval of Memorandum of Agreement Between the Virginia Passenger Rail Authority and the Virginia Department of Rail and Public Transportation

WHEREAS, the 2020 General Assembly, through Virginia Code Section 33.2-288, established the Virginia Passenger Rail Authority ("Authority") to promote, sustain, and expand the availability of passenger and commuter rail service in the Commonwealth and to increase ridership of such service by connecting population centers with passenger and commuter rail service and increasing availability of such service; and

WHEREAS, Section 33.2-292 of the Code of Virginia enumerates the powers of the Authority and Section 33.2-289 establishes the Virginia Passenger Rail Authority Board ("Board") to govern the Authority; and

WHEREAS, until such time as the Board has taken the necessary steps for the Authority to function independently, staff of the Virginia Department of Rail and Public Transportation ("DRPT") will continue to assist the Board and the Authority on an as needed basis; and

WHEREAS, the attached Memorandum of Agreement ("MOA") between the Authority and DRPT sets forth the types of services, fees and payment, the terms for payment, and information access for the assistance DRPT staff will provide the Authority

NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves and adopts the attached MOA between the Authority and DRPT.

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**MEMORANDUM OF AGREEMENT
BETWEEN
THE DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION
AND
THE VIRGINIA PASSENGER RAIL AUTHORITY**

This Memorandum of Agreement (MOA) is between the Department of Rail and Public Transportation (DRPT) and the Virginia Passenger Rail Authority (VPRA) (Individually DRPT and VPRA may be referred to as “Party”, collectively as “Parties”). DRPT and VPRA want to maintain a cooperative relationship concerning the provision of financial and administrative support and operational services during the startup phase of the VPRA; therefore, the Parties agree as follows:

**Article 1
PURPOSE**

1.1 The purpose of this MOA is to set forth the terms pursuant to which DRPT will provide the following services to VPRA on a temporary basis. Additionally, this MOA shall document the terms of the initial funding transfer from DRPT to VPRA to provide working capital and to comply with provisions of the FY2021 Appropriations Act.

**Article 2
SERVICES**

2.1 Financial Services. DRPT will assist with financial and accounting services to VPRA, including reporting, establishing accounts for the deposit of funds allocated by the Virginia General Assembly, transfer of funds held by DRPT that pursuant to the Code of Virginia should be held and administered by VPRA, accounts receivable, accounts payable, purchasing and fixed asset management. DRPT shall also assist in the preparation of monthly financial reports on VPRA revenue, expenditures, and fund balances, annual financial attachments and other periodic state fiscal reporting requirements mandated by the Governor, Commonwealth Transportation Board (CTB), state legislature or otherwise required in keeping with good accounting practices.

2.2 Human Resources Services. DRPT, with support from the Department of Human Resources Management (DHRM) shall provide personnel and human resources services to VPRA, including the following:

- (1) Employment services, including criminal background investigations;
- (2) Development and maintenance of personnel policies and procedures;
- (3) Establishment and modification of VPRA positions, including entry into Virginia’s Personnel Management Information System;
- (4) Position evaluations and drafting job descriptions;
- (5) Assistance with applicable grievance policies and procedures;
- (6) Benefits administration;
- (7) Performance management and pension participation;
- (8) Management of the Virginia Sickness and Disability Program; and

(9) Maintenance of personnel files.

2.3 Payroll Services. DRPT shall assist VPRA with payroll services utilizing VPRA's system or with payroll processing through an outside payroll processor as determined by VPRA.

2.4 Procurement Services. DRPT shall provide procurement services to VPRA as requested. These services may include planning, producing, managing RFPs or purchasing needed materials, equipment or supplies needed to perform the function and purpose of VPRA. DRPT will perform these services based on the procurement laws and regulations that govern DRPT.

2.5 Information Technology Services. DRPT shall provide information technology services to VPRA as requested. These services may include setup of computers and telephones, connection to internet and systems, programming assistance and technical assistance for computer and systems related problems.

2.6 Printing and Mail Services. DRPT shall provide printing and mailing services to VPRA as requested. These services may include printing and laying out forms, periodic newsletters, and non-routine letters and documents.

2.7 Office and Meeting Facilities. DRPT shall allow VPRA employees to utilize office space within the DRPT offices in Richmond and Alexandria. DRPT and VPRA meeting or conference room facilities shall be made available to the other Party, upon timely request and reservations. The Parties shall not charge a fee for such use of meetings and meeting facilities. DRPT shall charge VPRA the direct costs related to office space utilized by VPRA employees on a full time basis. Further, DRPT will lease office space in 600 East Main Street building for a one year period to provide a physical location for the VPRA.

2.8 Passenger Rail Planning, Design, Program Management and Construction and Design Services. DRPT shall provide Passenger Rail Planning, Design, Program Design and Management and Management of Construction and Design of Passenger Rail projects on behalf of VPRA in furtherance of VPRA's mission.

2.9 Other Administrative and Communication Services. DRPT will provide personnel to perform administrative activities of VPRA as well as Communications and Marketing Services. These services may include Board meeting facilitation, website development, press releases, marketing activities of Amtrak Virginia regional services, as well as other needed assistance.

Article 3

Quarterly Reimbursement

3.1 Determination of Amount Due. Unless otherwise provided, the fee for services provided by DRPT under Article 2 of this MOA shall be determined based on the full recovery costs to DRPT in providing such services which shall include the application of an overhead rate. DRPT shall

charge VPRA the direct costs related to these services, including payroll costs, and indirect costs of DRPT's general administrative costs. The Cost Allocation Plan is based on the direct allocation method described in OMB Circular A-122. The plan treats all costs as direct costs except general administration expenses. Direct costs are those that can be identified specifically to one of the Parties activities. Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified to one of the Parties.

3.2 Billing and Payment. The amount due from one of the Parties to the other under Article 2 shall be billed and paid quarterly. Any bill initiated for payment under this MOA is due no later than 30 days after receipt.

3.3 Establishment of VPRA Contributed Capital. Effective with the signing of this MOA, DRPT agrees to transfer to VPRA the cash balance as of June 30, 2020 from the prior Intercity Passenger Rail and Capital Fund and the Rail Enhancement Fund, as well as 93% of the revenues of the Commonwealth Rail Fund starting from July1, 2020. Expenditures incurred on behalf of the VPRA beginning on July 1, 2020 will be netted from the cash balances transferred.

Cash balances allocated to administrative task orders that were undertaken prior to July 1, 2020 and cash balances in the Rail Preservation Fund shall remain with DRPT.

VPRA agrees to transfer cash to DRPT within five business days of formal request to cover the expenditures of projects that had allocations of IPROC and/or REF funds prior to July 1, 2020 and that will remain under the oversight of DRPT in its new Freight Rail Program.

Article 4 CONDITIONS

4.1 Additional standards, rules, procedures, and guidelines. The Director of DRPT and the Executive Director of VPRA may establish written standards, rules, procedures and guidelines relating to this MOA in accordance with the Virginia Code and published regulations. Any such standards, rules, procedures or guidelines jointly established and signed by the Director and Executive Director shall be considered a part of this MOA.

4.2 Assignment. The rights and liabilities under the MOA may not be assigned except by written agreement of the Parties.

4.3 Relationship of Parties. Nothing in this MOA creates an agency relationship, partnership or joint venture relationship between the Parties.

4.4 Conformance to Virginia law. This MOA is subject to any restrictions, limitations or conditions enacted by the Virginia General Assembly, executive order or state regulation that may affect the provision or terms of this MOA in any manner.

4.5 Prior agreements terminated. This MOA supersedes and rescinds all previous negotiations, agreements or understandings between the Parties regarding the services described in this MOA.

4.6 Term. This MOA shall become effective when all Parties' representative with binding authority have signed it. The date of this agreement will be the date this agreement is signed by the last Party to sign it (as indicated by the date associated with that Party's signature). The term of this agreement shall commence upon execution and continue until (i) it is terminated by joint consent of the Parties, or (ii) the effective date of a written agreement signed by both Parties terminating, modifying, altering, or amending this MOA.

Article 5 INFORMATION ACCESS

VPRA requires access to DRPT record files to perform its function. Each agency's responsibilities related to records access are as follows:

- (1) DRPT shall make available to VPRA such DRPT record files as are necessary for purposes of this MOA. Information obtained through such access shall be subject to the restrictions upon use and dissemination imposed by statutes, regulations, guidelines, and agreements between the Parties.
- (2) VPRA shall limit access to the electronic equipment and to the data and information from DRPT to those persons who are authorized and whose responsibilities relate to the data and information.
- (3) DRPT may suspend or terminate without notice access privileges of VPRA and its employees upon the discovery of any breach of, or failure to fulfill, any responsibility established pursuant to this MOA or the documents incorporated by reference into this MOA. DRPT or VPRA may suspend or terminate without notice access privileges of any authorized user upon the discovery of any breach of or failure to fulfill any responsibility established pursuant to this MOA or for any violation of any successor statutes.

Each Party is signing this agreement on the date stated beneath that Party's signature.

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

By: _____
Jennifer L. Mitchell, Director

Date: _____

VIRGINIA PASSENGER RAIL AUTHORITY

By: _____
Secretary, VPRA Board of Directors

Date: _____

Authorization of Executive Director Search

Jennifer Mitchell, Chairperson, Director of DRPT

VPRA Board Decision Brief

Authorization of Executive Director Recruitment

October 26, 2020

Item: Section 33.2-290 of the Code of Virginia states the Board shall employ an Executive Director of the Authority, who shall not be a member of the Board and who shall serve at the pleasure of the Board, to direct the day-to-day operations and activities of the Authority and carry out the powers and duties conferred upon them as may be delegated to them by the Board.

Context: Certain activities, including recruitment of an Executive Director of the Authority, are necessary to stand-up the Virginia Passenger Rail Authority.

Per Section 33.2-290, the Executive Director's compensation from the Commonwealth shall be fixed by the Board in accordance with law. This compensation shall be established at a level that will enable the Authority to attract and retain a capable Executive Director.

The Department of Rail and Public Transportation (DRPT) has engaged a consultant for executive recruitment services. DRPT will utilize consultant assistance to recruit and interview candidates for consideration by the Board.

Recommendation: Staff recommends approval of the attached resolution.

Action Required by VPRA Board: Approval of the attached resolution.

Options: Approve, Deny, or Defer.



COMMONWEALTH of VIRGINIA

Virginia Passenger Rail Authority Board

Jennifer L. Mitchell
Chairperson

600 East Main Street
Richmond, Virginia 23219

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RESOLUTION OF THE VIRGINIA PASSENGER RAIL AUTHORITY BOARD

October 26, 2020

MOTION

Made By: Seconded By: Action:

Title: Employment of Executive Director of the Authority

WHEREAS, under Section 33.2-290 of the Code of Virginia, the Virginia Passenger Rail Authority Board ("Board") shall employ an executive director of the Authority, who shall not be a member of the Board, who shall serve at the pleasure of the Board in order to direct the day-to-day operations and activities of the Authority and carry out the powers and duties conferred upon him as may be delegated to him by the Board; and

WHEREAS, the executive director's compensation from the Commonwealth shall be fixed by the Board in accordance with law and be established at a level that will enable the Authority to attract and retain a capable executive director; and

WHEREAS, in order to assist in the search for an executive director, the Virginia Department of Rail and Public Transportation has engaged an executive recruiter agency for executive recruitment services; and

WHEREAS, the Board has discussed the proposed compensation and benefits packaged in closed session pursuant to Va. Code Sec. 2.2-3711(A)(1) and Va. Code Sec. 2.2-3711(A)(8); and

NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves the recruitment of executive director candidates utilizing consultant executive recruitment services procured by the Department of Rail and Public Transportation for the executive director of the Authority.

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