



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)

DRAFT MINUTES

Meeting of the Virginia Passenger Rail Authority Monday, October 26, 2020 - 10:00 am Electronic Board Meeting

The Virginia Passenger Rail Authority held a meeting on October 26, 2020 via electronic media. The meeting was audio recorded. The audio and meeting documents and presentation materials are on the Virginia Department of Rail and Public Transportation's website, www.dprt.virginia.gov.

MEMBERS PRESENT

Sharon Bulova, Deborah Bulter Painter, Victor Cardwell, Patricia Doersch, Jay Fisette, Roderick Hall, Wick Moorman, Cynthia Moses-Nedd, Paul Nichols, Hossein Sadid, James Spore, Mariia Zimmerman, Rich Dalton (Ex-Officio), Bruno Maestri (Ex-Officio) and Jennifer Mitchell (Chair).

VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION STAFF PRESENT

Bridget Davis, Suzanne Ellison, Jeremy Latimer, Michael McLaughlin and Steve Pittard.

GUESTS/OTHERS PRESENT

Honorable Shannon Valentine, Secretary of Transportation
Julie Whitlock, Office of the Attorney General
Lisa Wright, Office of the Attorney General.

CALL TO ORDER

The Chair, Jennifer Mitchell called the meeting to order at 10:00 a.m. and welcomed everyone for attending the inaugural Virginia Passenger Rail Authority board meeting. She expressed her eagerness to work with the new board. Prior to taking up any agenda items Ms. Bulova made the following motion:

In light of the continuing state of emergency declared by Governor Northam, where it is impracticable or unsafe to assemble a quorum in a single location, I move that we adopt this agenda to take action to discuss or transact the business statutorily required or necessary to continue operation of the Virginia Passenger Rail Authority.



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The motion was seconded by Mr. Spore and carried unanimously by Board roll call vote.

Chair Mitchell welcomed the guest speaker, Honorable Secretary Valentine and asked her to provide remarks to the board.

SECRETARY'S WELCOME

Honorable Secretary Valentine welcomed the new members and thanked them for their willingness and commitment to serve on the board. She continued by introducing herself and expressing her passion for rail. She highlighted the importance of maintaining rail initiatives and priorities to enhance transportation throughout the Commonwealth of Virginia.

INTRODUCTION OF THE BOARD

Each board member introduced themselves and provided a brief bio and statement.

WORKSHOP PRESENTATIONS

The following items were presented for information:

1. Virginia Passenger Rail Authority Overview & Early Operations Plan

Presented by: Michael McLaughlin, Virginia Department of Rail and Public Transportation
Referenced by attachment of presentation.

2. Overview of Rail in Virginia

Presented by: Jeremy Latimer, Virginia Department of Rail and Public Transportation
Referenced by attachment of presentation.

3. Review Board Member Role(s)

Presented by: Lisa Wright, Office of the Attorney General
Referenced by attachment of presentation.



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MOTION FOR CLOSED SESSION

Following the presentations, Ms. Bulova made the following motion:

"I move that the Board convene in a Closed Session pursuant to Section 2.2-3711 (A)(1) and (6) of the Code of Virginia, for the purpose of discussing a personnel issue of the Virginia Passenger Rail Authority which will result the expenditure of public funds where bargaining is involved and where the financial interest of the Commonwealth would be adversely affected if the discussion were made public at this time,

And,

pursuant to Va. Code Sec. 2.2-3711(A)(8), for the purpose of consulting with legal counsel regarding provisions in the agreement requiring legal advice.

"Additionally, I move that staff and attorneys attend the Closed Session because their presence is deemed necessary, and will aid the Board in its consideration of this matter."

The motion was seconded by Mr. Hall and carried unanimously by Board roll call vote.

The Board suspended the open session at 11:50 a.m. on October 26, 2020 to move into closed session with instructions that the open session would reconvene at 1:30 p.m. on October 26, 2020.

RECONVENE IN OPEN SESSION

The Chair reconvened the open session meeting at 1:31 p.m. on October 26, 2020. Upon reconvening the meeting, Ms. Bulova made the following statement:

"I move that to the best of my knowledge, during the Closed Meeting, the only matters heard, discussed or considered were those matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and only those public business matters as were identified in the motion by which the Closed Meeting was convened."

The motion was seconded by Mr. Nichols and carried unanimously by Board roll call vote.



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WORKSHOP PRESENTATIONS

The following item was presented for information:

4. VPRA Funding Overview

Presented by: Steve Pittard, Virginia Department of Rail and Public Transportation
Referenced by attachment of presentation.

PUBLIC COMMENT

Chair Mitchell opened the meeting to the public for comment. No public comments were offered.

ACTION ITEMS

The following items were presented for action in the meeting:

1. Action: Adopting VPRA Bylaws

Presented by: Lisa Wright

Mr. Moorman made the motion to adopt the VPRA Bylaws. Ms. Bulova seconded the motion. Motion carried, resolution approved, unanimously.

2. Action: Election of VPRA Board Officers

Presented by: Jennifer Mitchell, Chair

Chair Mitchell asked for a nomination for slate of officers. Mr. Fisette nominated Ms. Bulova for Vice Chair, Mr. Sadid for Treasurer and Mr. Spore for Secretary. There were no other nominations.

Ms. Butler Painter made the motion to approve the VPRA Board Officer nominations. Mr. Hall seconded the motion. Motion carried, resolution approved, unanimously.



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3. Action: Authorize DRPT/VPRA MOA

Presented by: Steve Pittard

Mr. Sadid made the motion to authorize the DRPT/VPRA MOA. Ms. Bulova seconded the motion. Motion carried, resolution approved, unanimously.

4. Action: Authorize Executive Director Search

Presented by: Jennifer Mitchell, Chair

Ms. Moses-Nedd made the motion to authorize the Executive Director search. Ms. Bulova seconded the motion. Motion carried, resolution approved, unanimously.

NEW BUSINESS

None.

ADJOURNMENT

Chair Mitchell stated that the next board meeting will be held in early December. The expectation would be to discuss the draft budget, draft personnel policy, committee assignments and a briefing on the financial plan. The meeting was adjourned at 2:00 p.m.

Respectfully Submitted:

Bridget Davis, Executive Assistant

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Virginia Passenger Rail Authority Background and Overview

Michael McLaughlin, Chief of Rail – DRPT

Background: Need for I-95 Corridor Rail Solutions

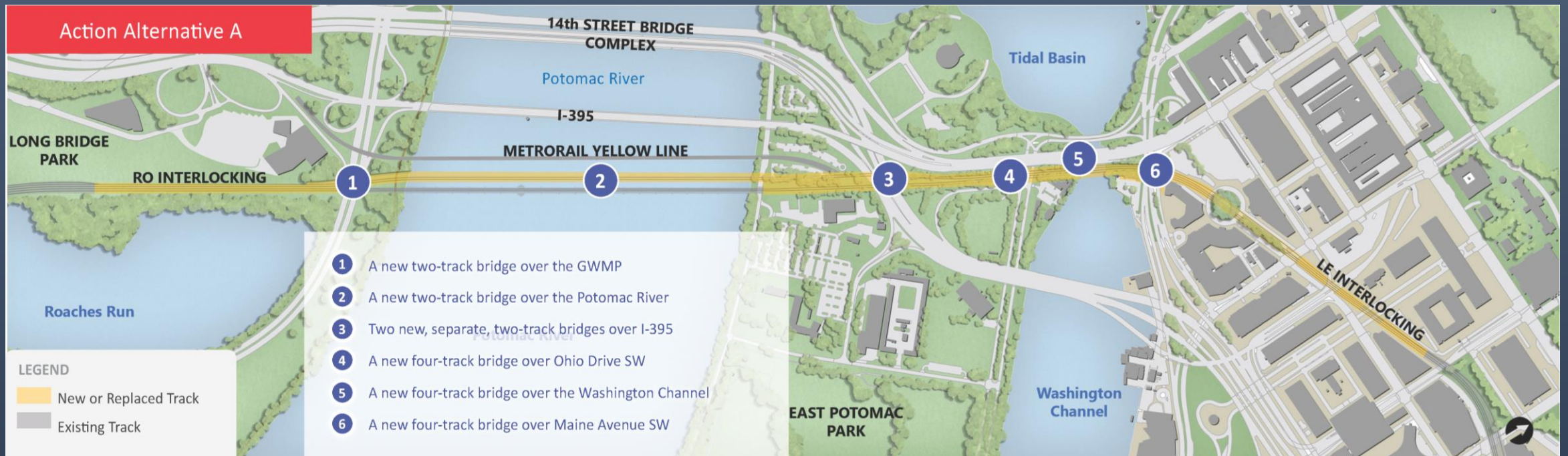
- The Commonwealth promotes multimodal solutions to moving people and goods efficiently through transportation corridors.
- The I-95 Corridor has some of the highest congestion for rail and roadways.
- Virginia (DRPT and VRE) have worked collaboratively with CSX to improve rail capacity, especially in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



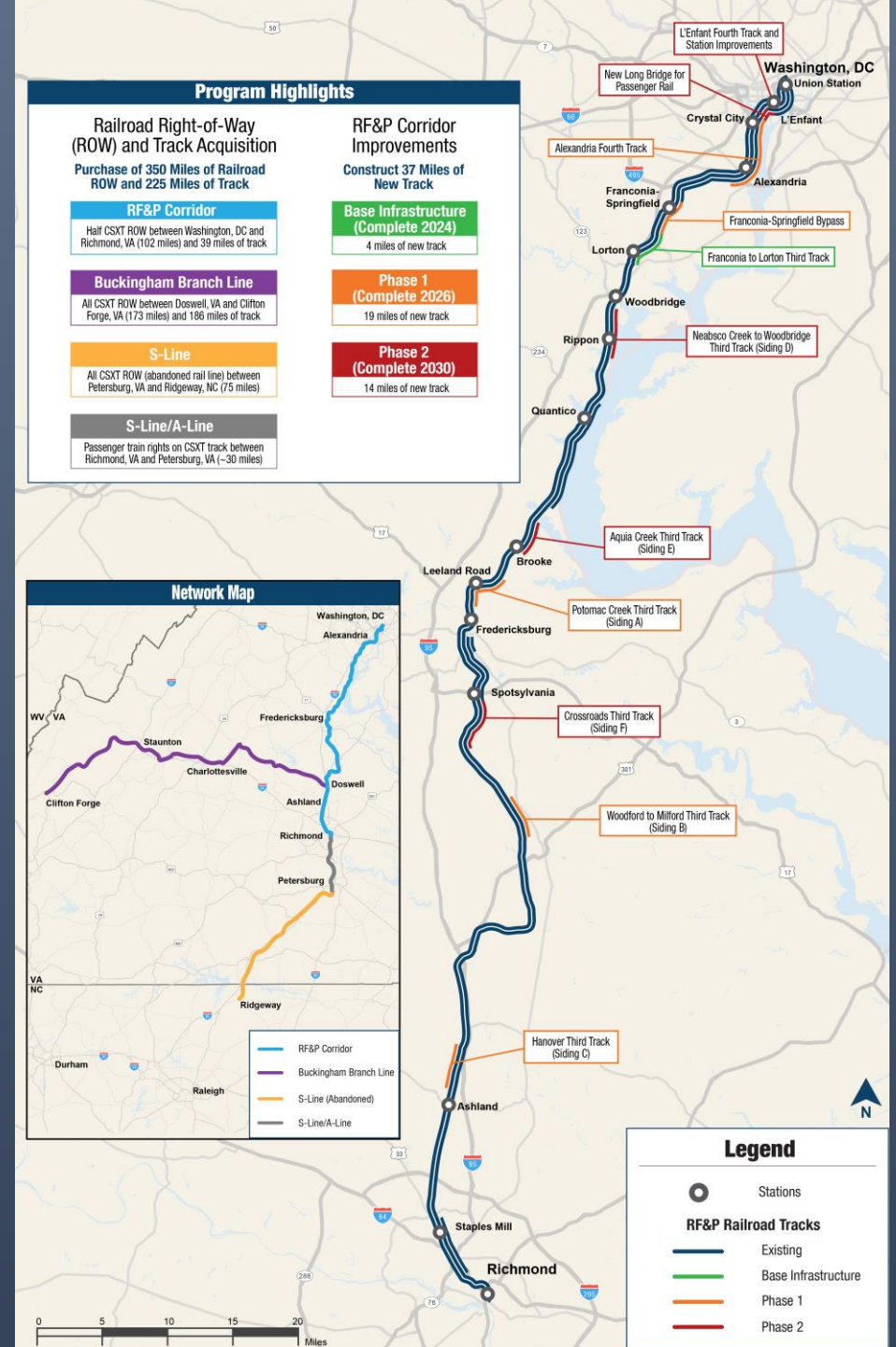
Transforming Rail in Virginia Program

- 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.



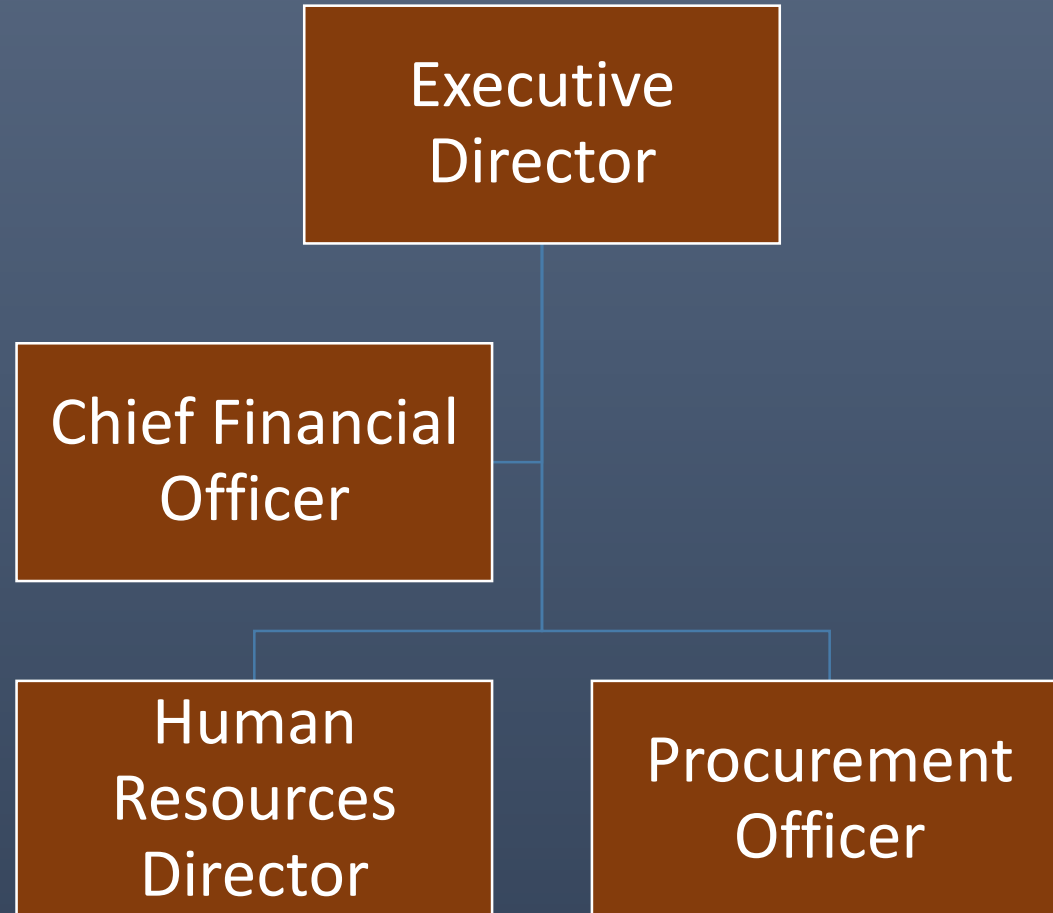
VPRA Early Operations

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.

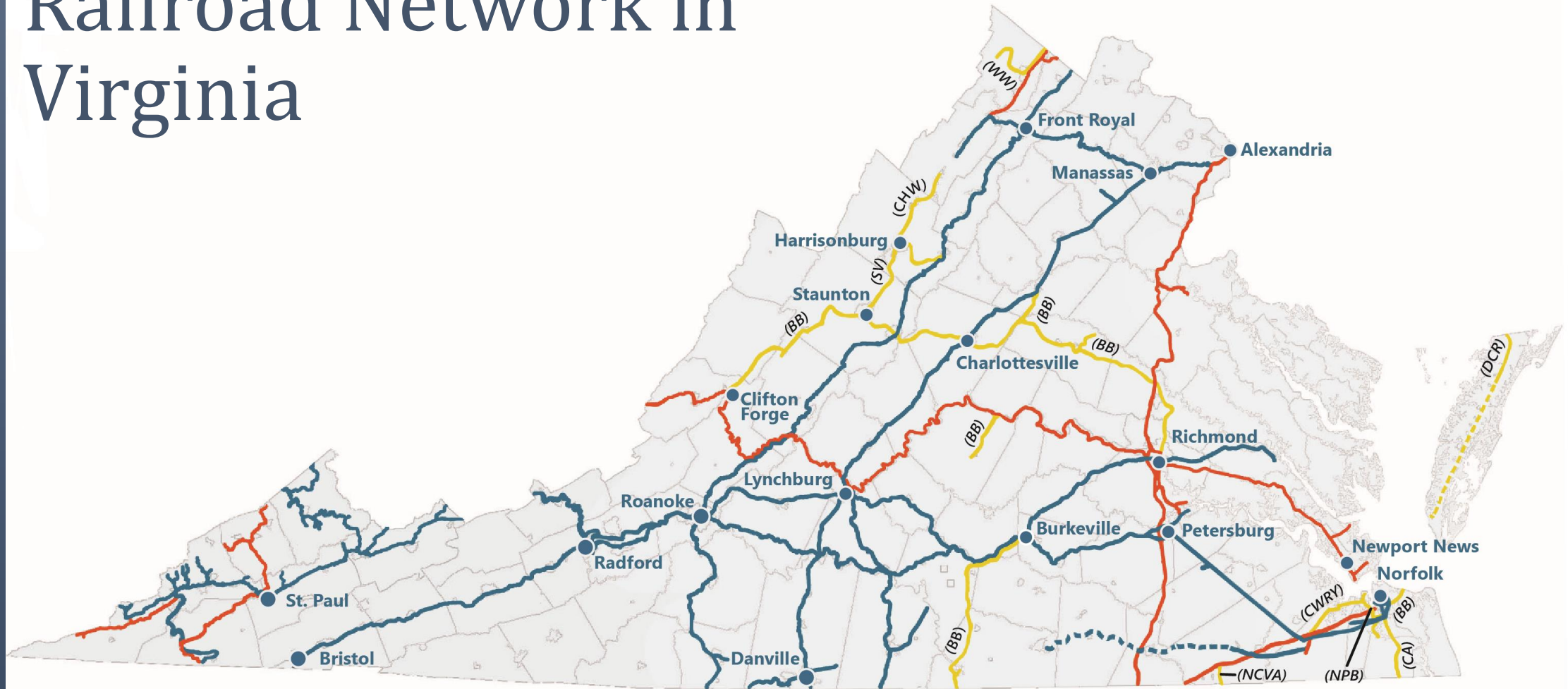
DRPT Staff Services

- 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

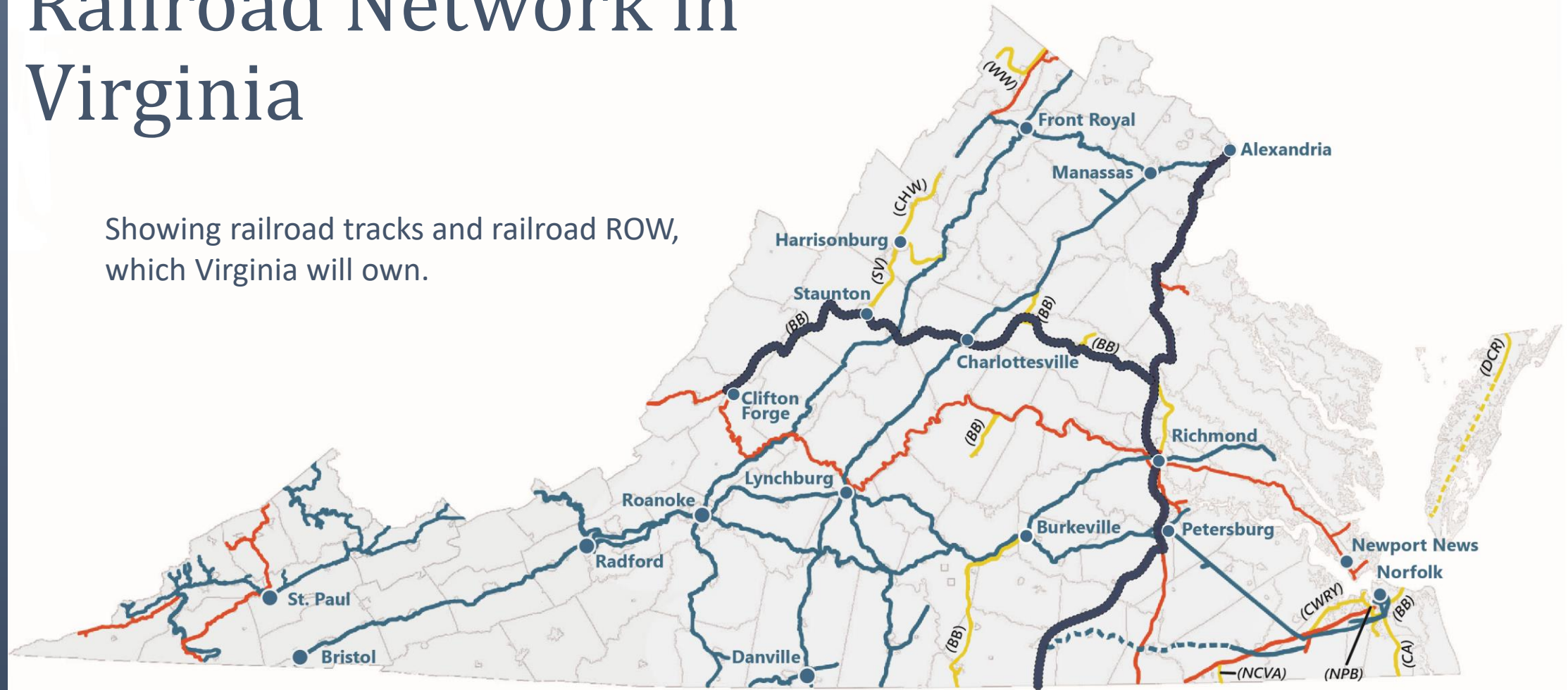
Host Railroads

- 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
- Discontinued
- Cities/Towns

Host Railroads

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

- CWR Commonwealth Railway
- NPB Norfolk & Portsmouth Belt Line Railroad
- 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

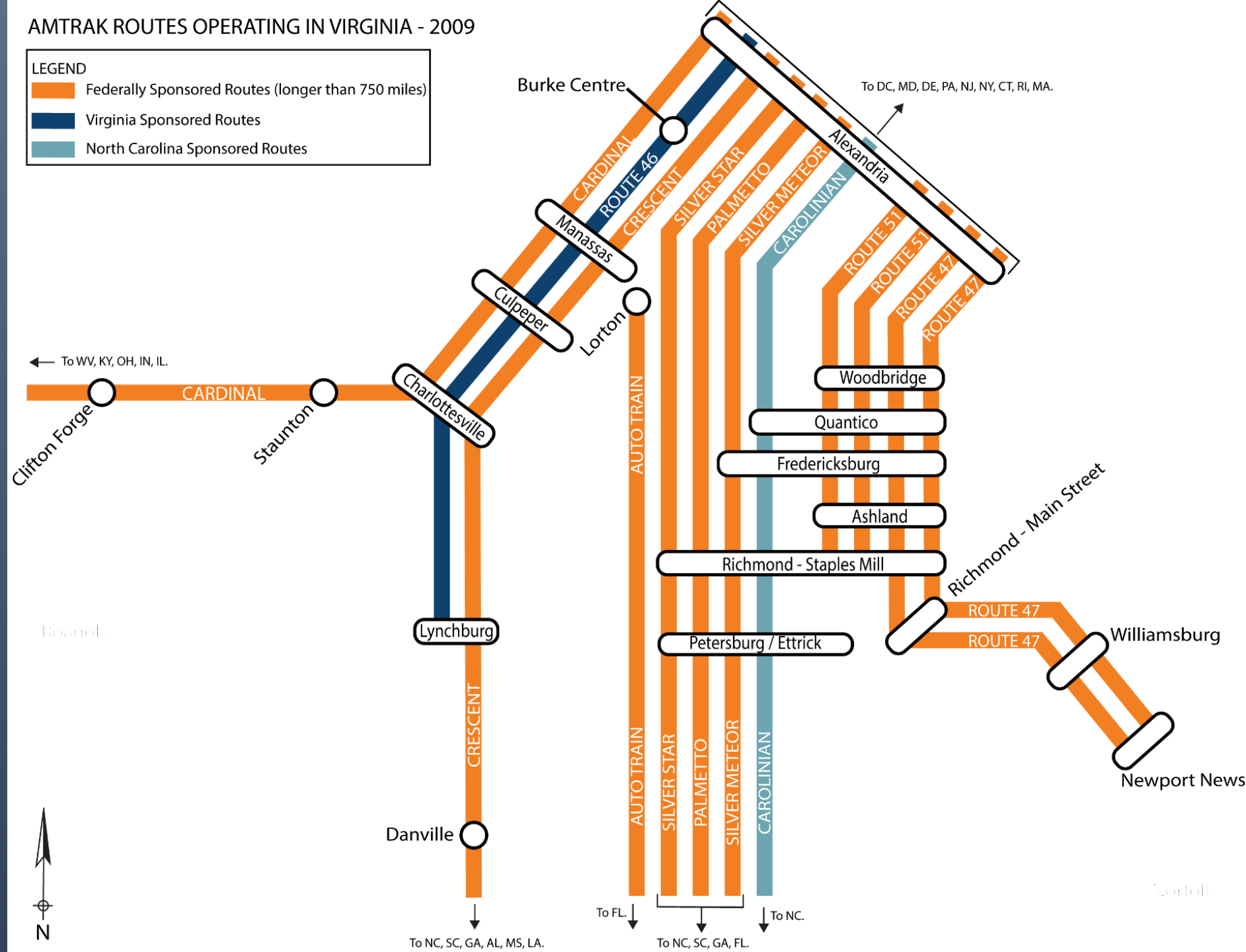
AMTRAK ROUTES OPERATING IN VIRGINIA - 2009

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2010

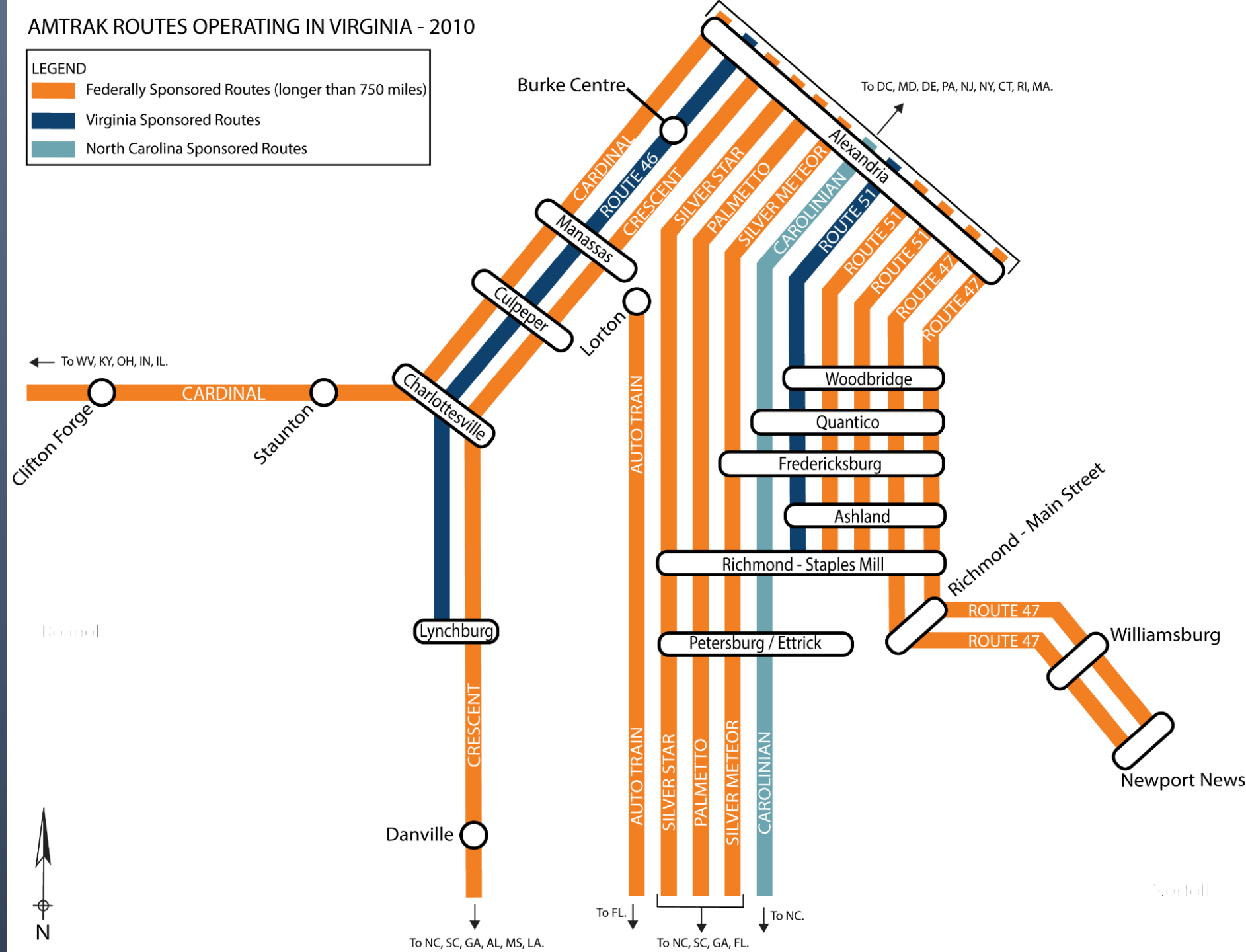
AMTRAK ROUTES OPERATING IN VIRGINIA - 2010

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2012

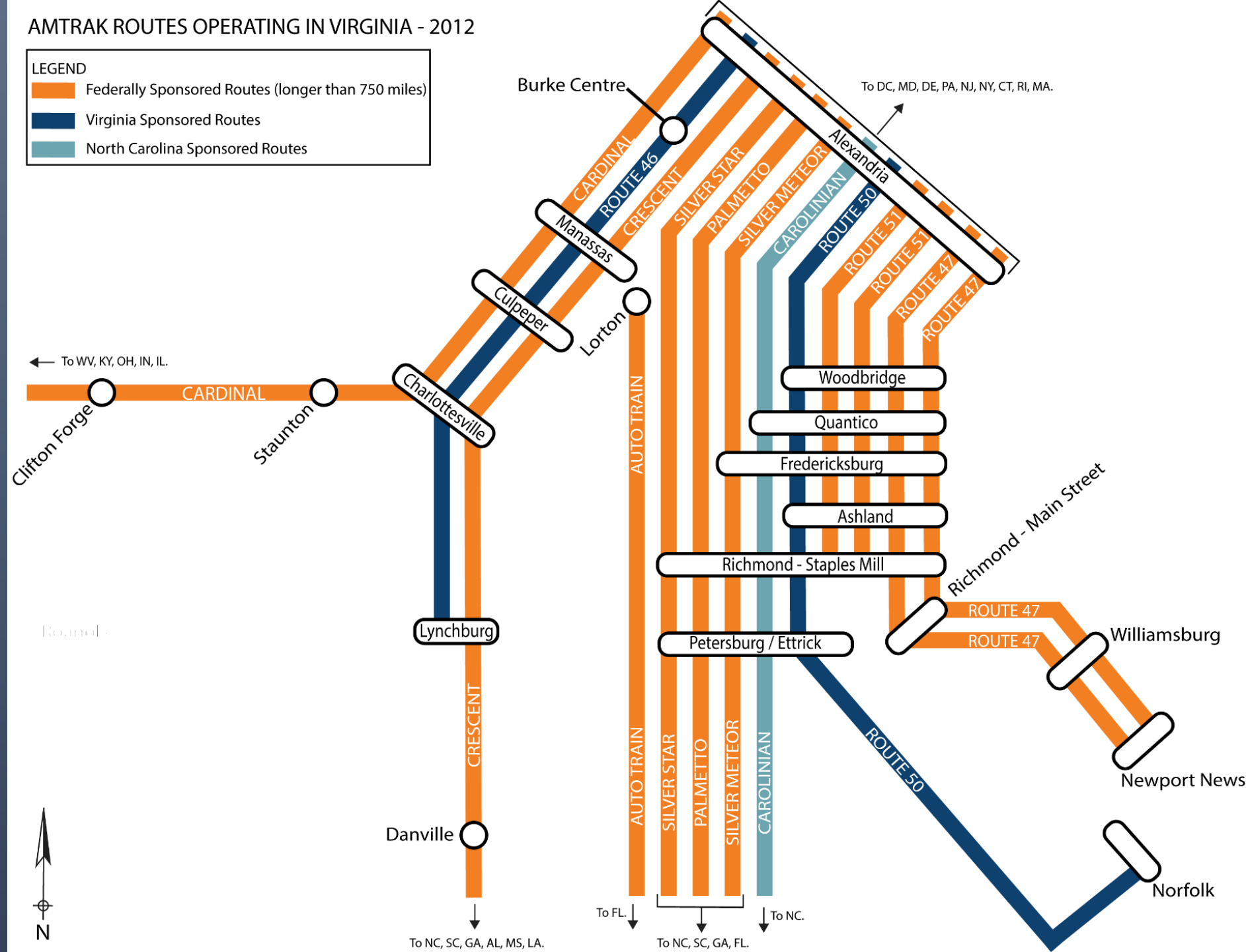
AMTRAK ROUTES OPERATING IN VIRGINIA - 2012

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2013

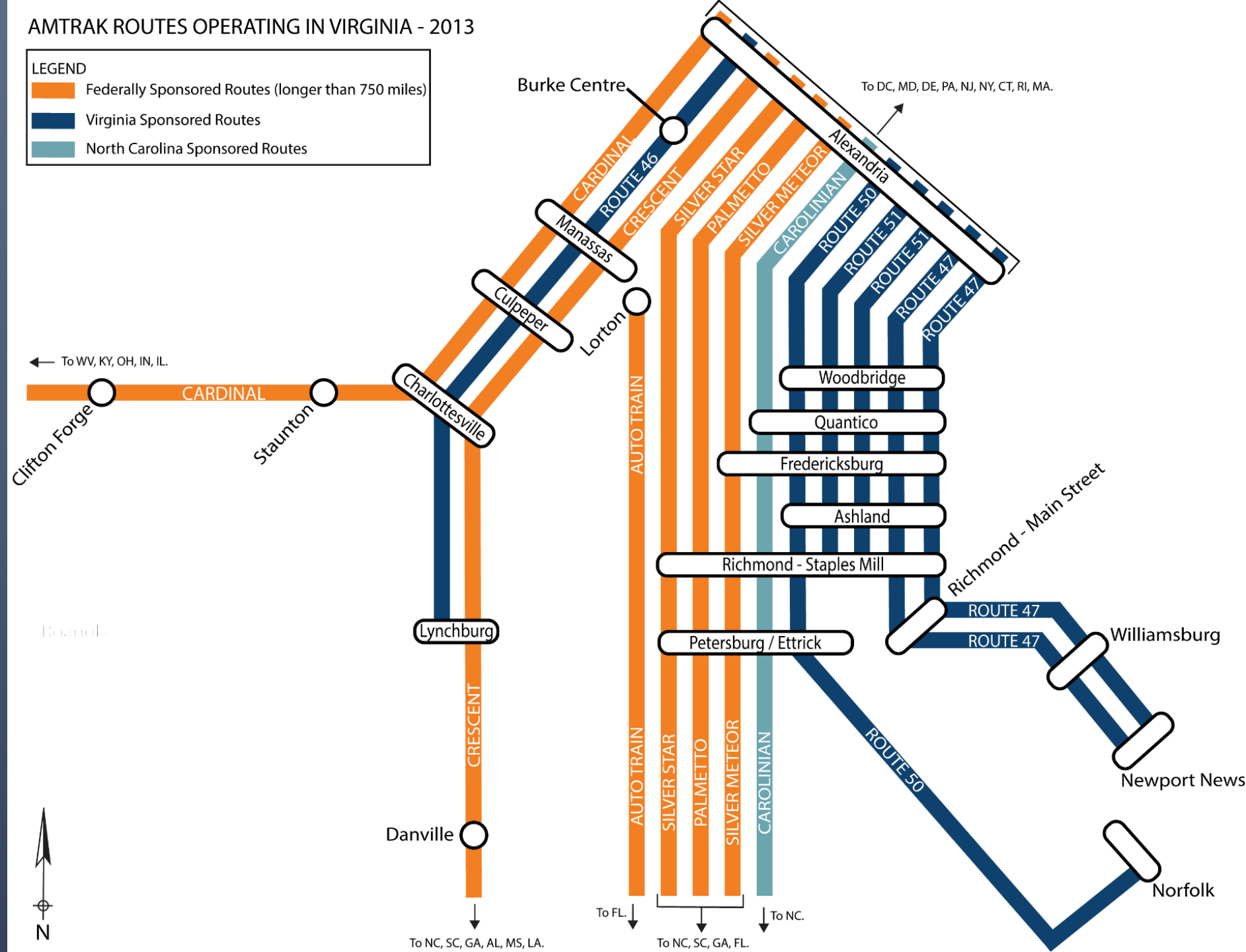
AMTRAK ROUTES OPERATING IN VIRGINIA - 2013

LEGEND

Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2017

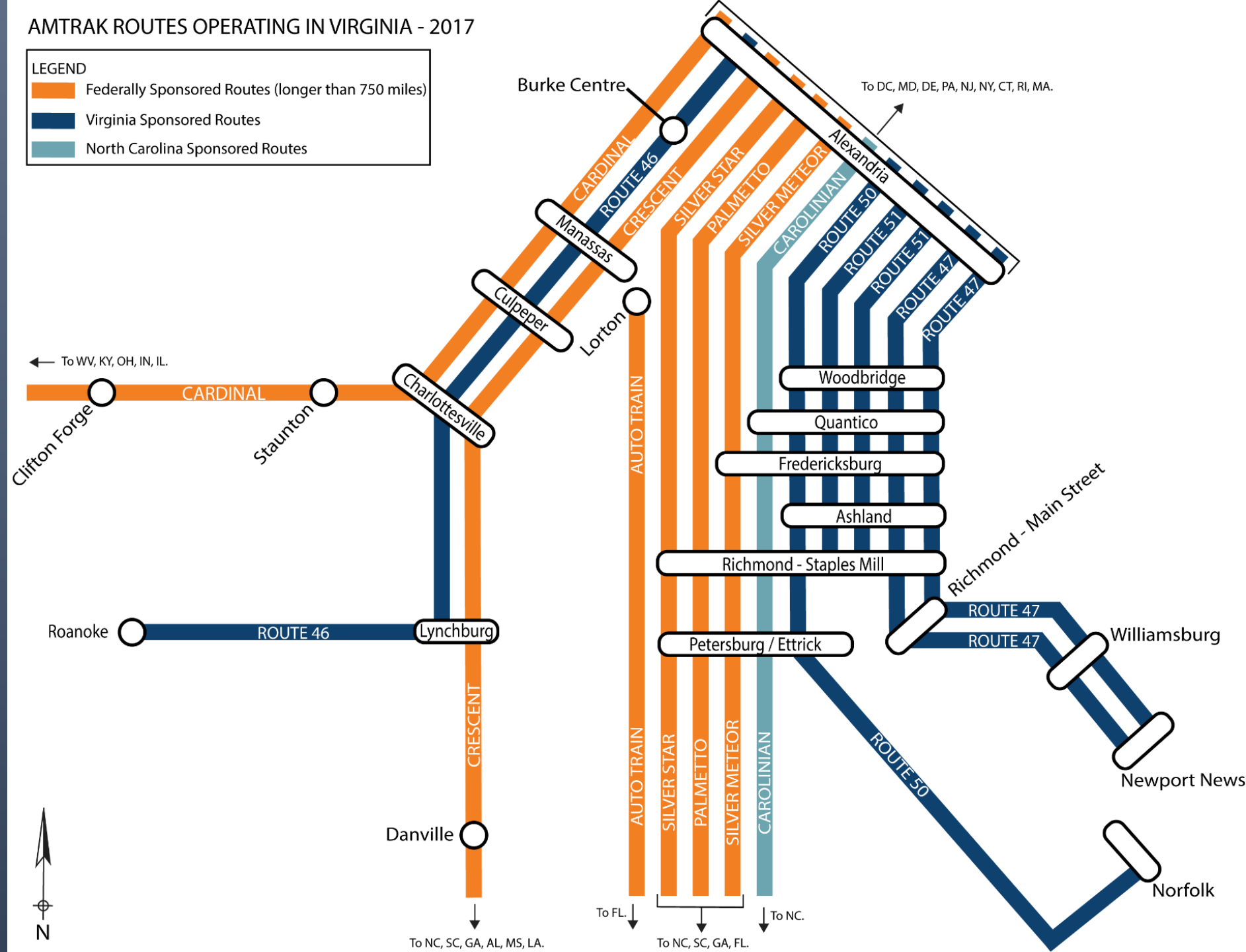
AMTRAK ROUTES OPERATING IN VIRGINIA - 2017

LEGEND

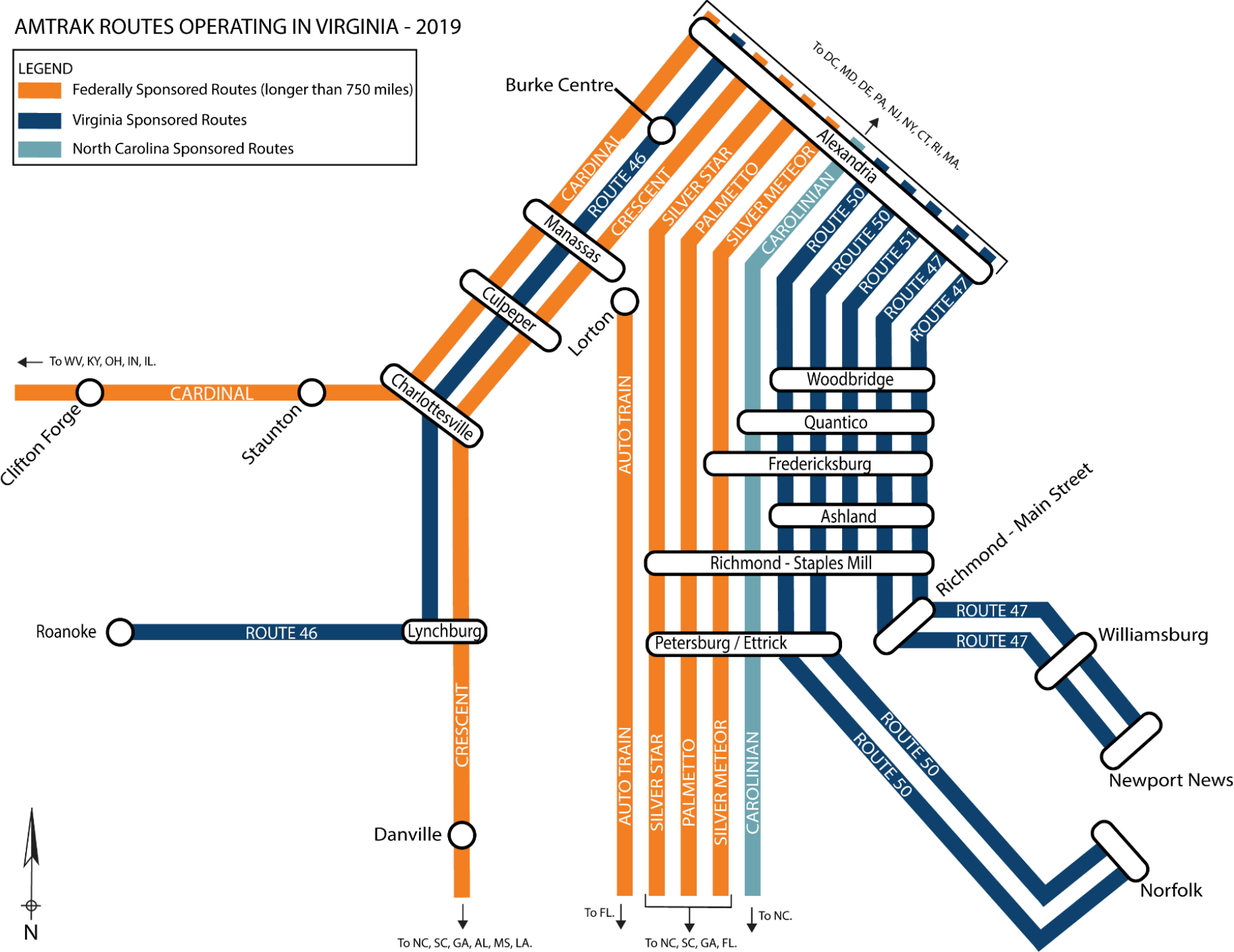
Federally Sponsored Routes (longer than 750 miles)

Virginia Sponsored Routes

North Carolina Sponsored Routes



2019



10th Anniversary: Virginia-Amtrak Service



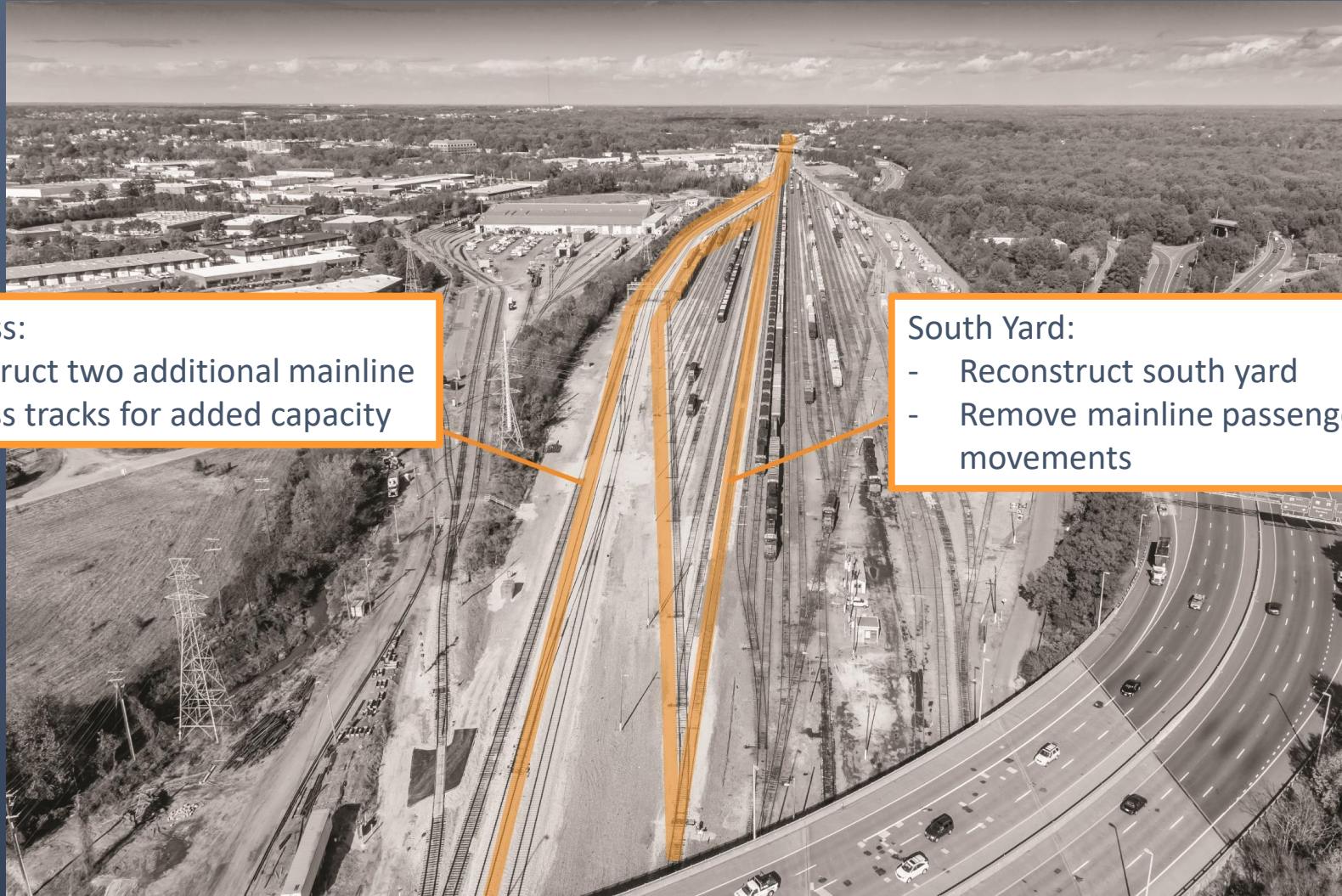
Capital Projects for Freight/Passenger Network



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

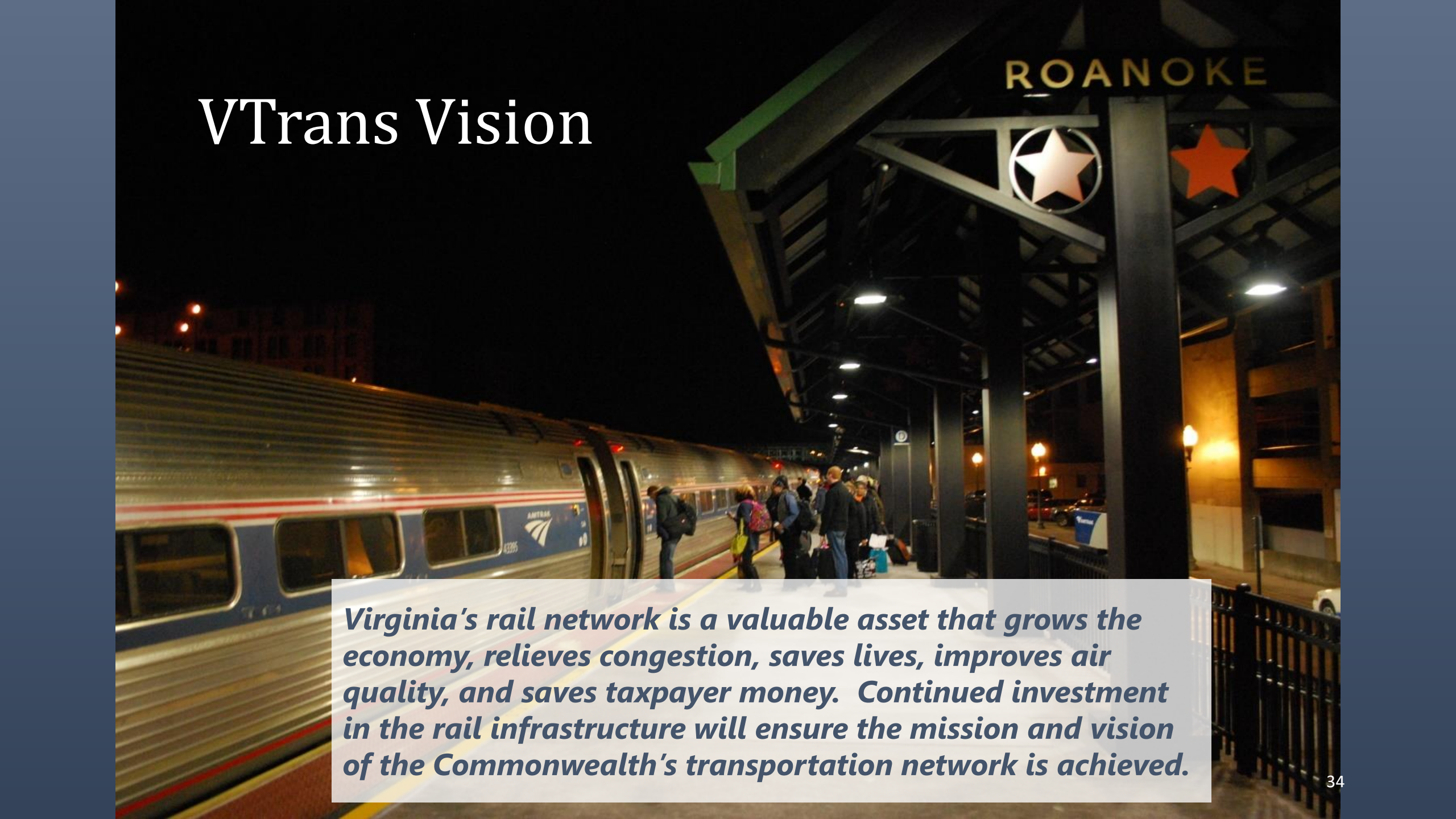
Past Successes



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.

Virginia Passenger Rail Authority Funding

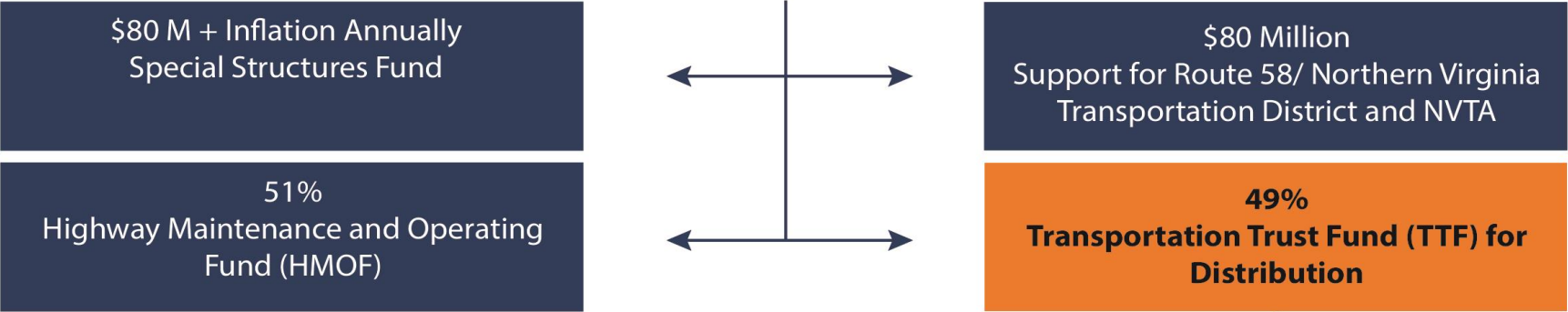
Steve Pittard, Chief Financial Officer – DRPT

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
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COMMONWEALTH TRANSPORTATION FUND



TRANSPORTATION TRUST FUND

92.5% OTHER MODES	7.5% CRF
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COMMONWEALTH RAIL FUND (CRF)

93% VIRGINIA PASSENGER RAIL AUTHORITY	7% DRPT
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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