

CEO REPORT

SEPTEMBER 2020



OUR MISSION

The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission, will provide safe, cost-effective, accessible, reliable, convenient, and customer responsive commuter-oriented rail passenger service. VRE contributes to the economic vitality of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.



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VIRGINIA RAILWAY EXPRESS
A better way. A better life.



SUCCESS AT A GLANCE



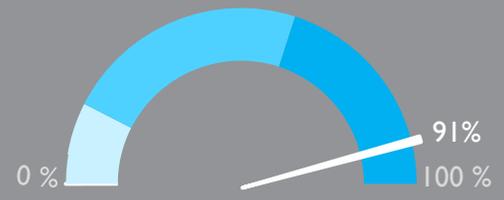
PARKING UTILIZATION

The total number of parking spaces used in the VRE system during the month, divided by the total number of parking spaces available.



AVERAGE DAILY RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings and reduced, "S" schedule, service. Same month, previous year: 18,665



ON-TIME PERFORMANCE

Percent of trains arriving at their destination within five minutes of the schedule. Same month, previous year: 79%



SYSTEM CAPACITY

The percent of peak hour train seats occupied. The calculation excludes reverse flow and non-peak hour trains.



OPERATING RATIO
Through July 2020

Year-to-date operating revenues divided by year-to-date operating expenses, which represents the share of operating costs paid by the riders. Board-approved goal: 52%

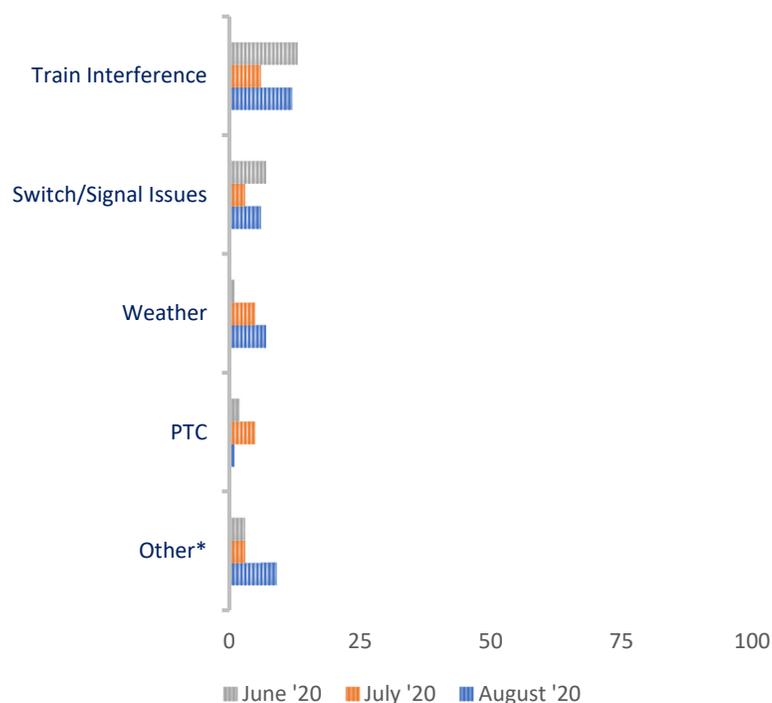
August 2020

ON-TIME PERFORMANCE

OUR RECORD

	August 2020	July 2020	August 2019
Manassas Line	90%	95%	82%
Fredericksburg Line	91%	93%	76%
Systemwide	91%	94%	79%

PRIMARY REASON FOR DELAY



VRE operated 375 trains in August. Our on-time rate for August was 91 percent.

Thirty-six trains arrived more than 5 minutes late to their final destinations. Of those late trains, 17 were on the Manassas Line (47 percent), and 19 were on the Fredericksburg Line (53 percent).

Categories of delay in August were up across the board, except for PTC. Train interference and “other” issues accounted for the largest jumps this month.

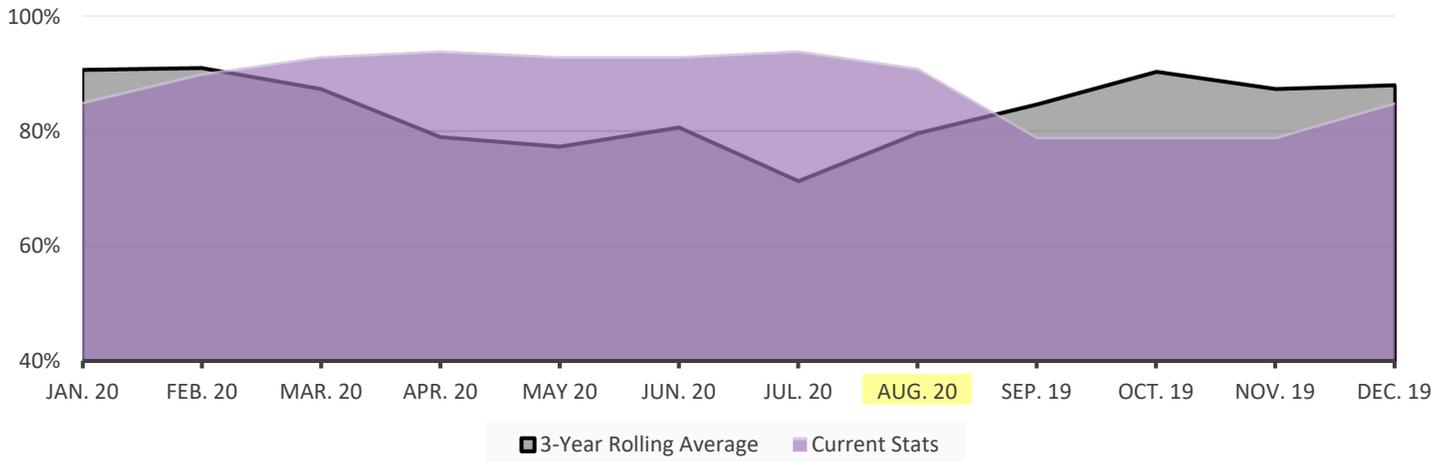
*Includes trains that were delayed due to operational testing and passenger handling.

LATE TRAINS

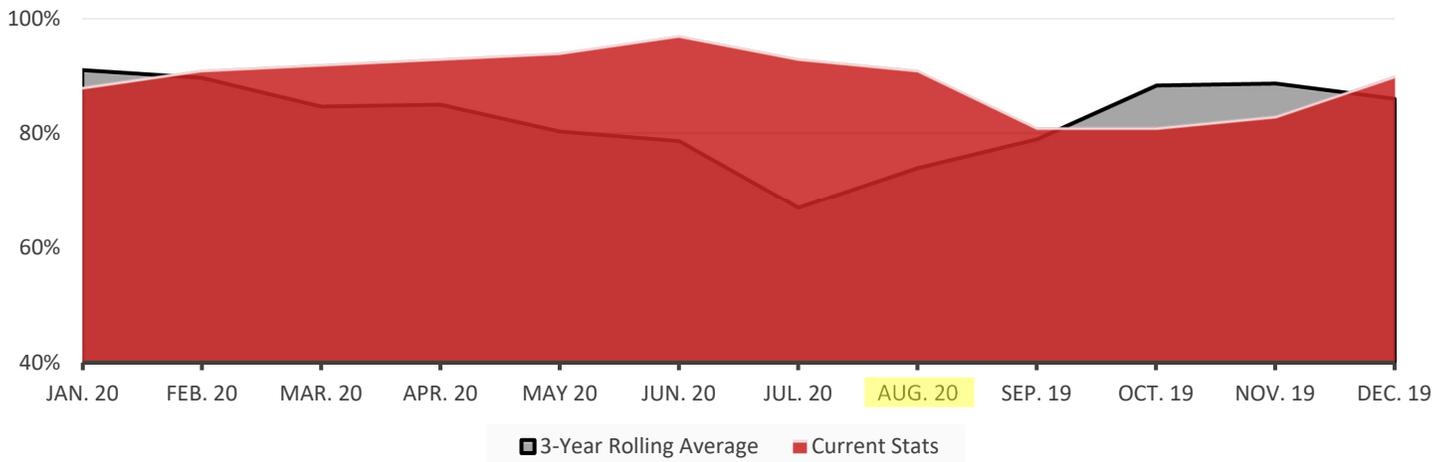
	System Wide			Fredericksburg Line			Manassas Line		
	June	July	August	June	July	August	June	July	August
Total late trains	25	22	37	6	13	20	19	9	17
Average minutes late	14	16	26	21	18	17	11	12	36
Number over 30 minutes	2	3	8	2	2	3	0	1	5
Heat restrictions	15	20	8	15	20	8	0	0	0

ON-TIME PERFORMANCE

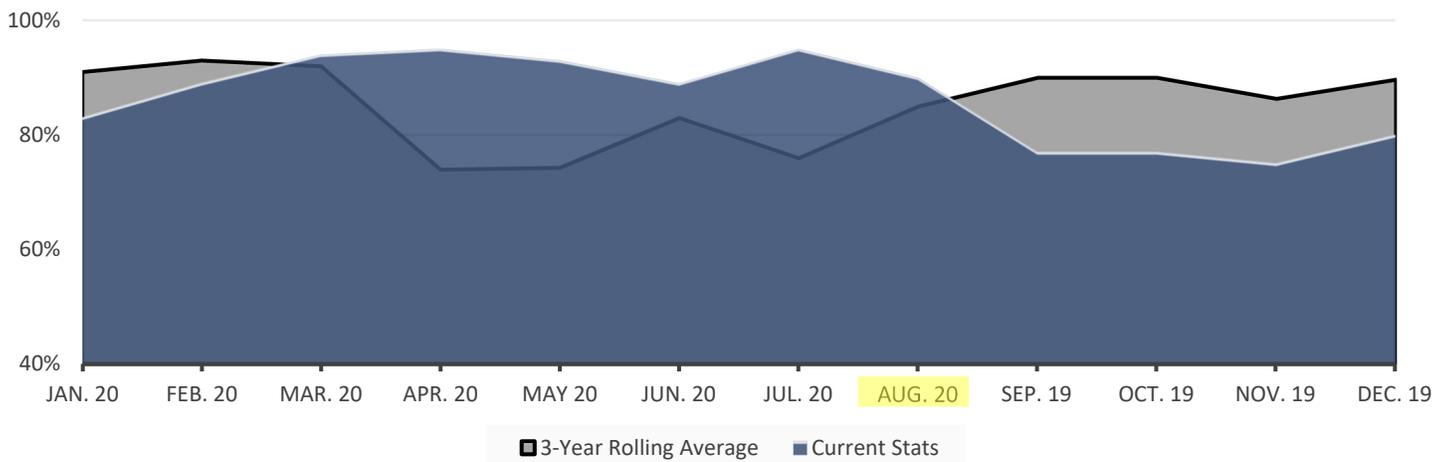
VRE SYSTEM



FREDERICKSBURG LINE

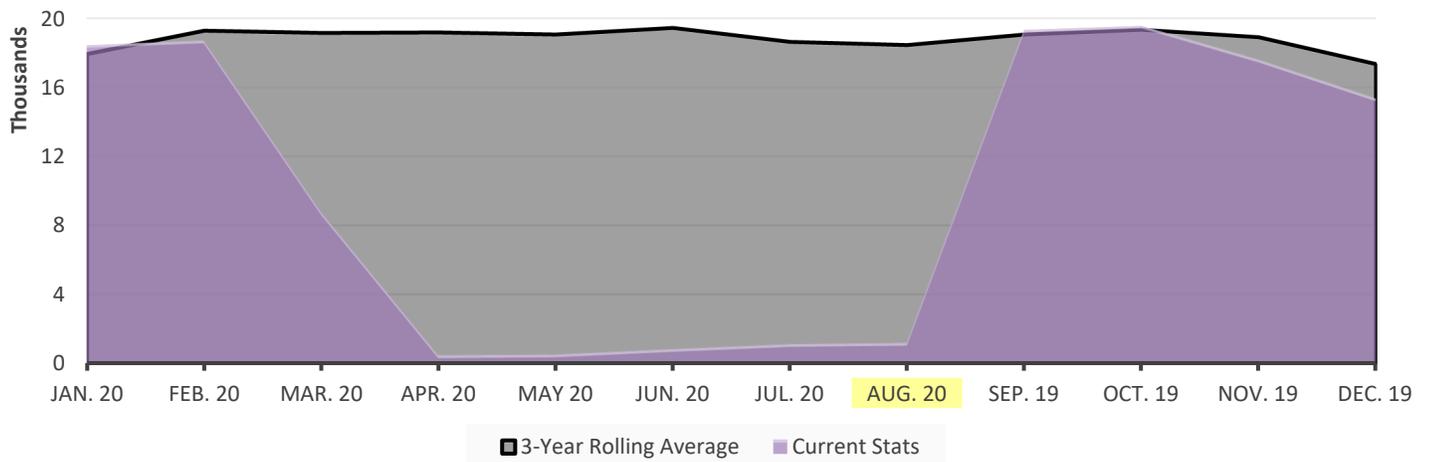


MANASSAS LINE

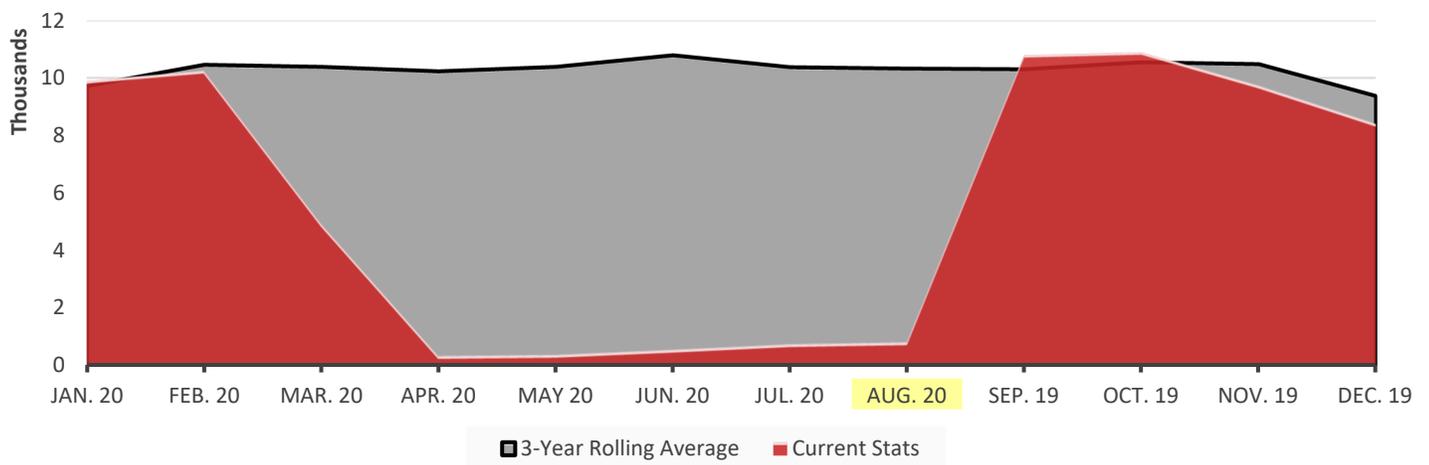


AVERAGE DAILY RIDERSHIP

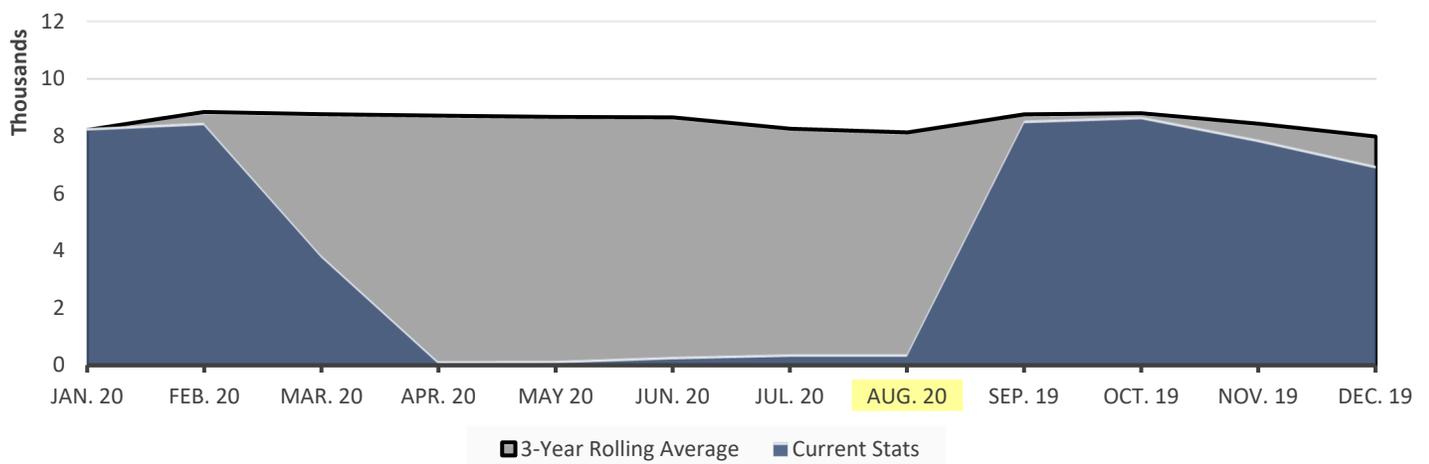
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



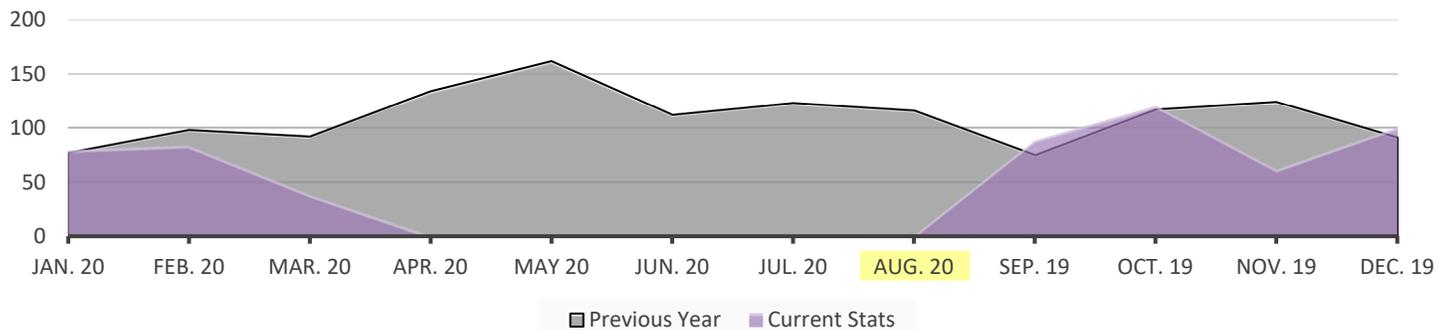
RIDERSHIP UPDATES

Average daily ridership (ADR) in August was nearly 1,200. ADR for the month was up from July, as we now run on the “S” Schedule Plus (which adds trains 300 and 307 to service) necessitated by the COVID-19 pandemic.

	August 2020	July 2020	August 2019
Monthly Ridership	24,716	23,287	410,631
Average Daily Ridership	1,177	1,109	18,665
Full Service Days	0	0	22
“S” Service Days	21	21	0

SUMMONSES ISSUED

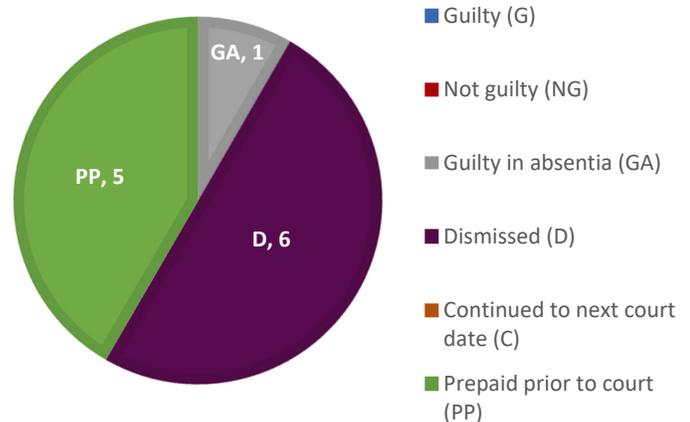
VRE SYSTEM



SUMMONSES WAIVED OUTSIDE OF COURT

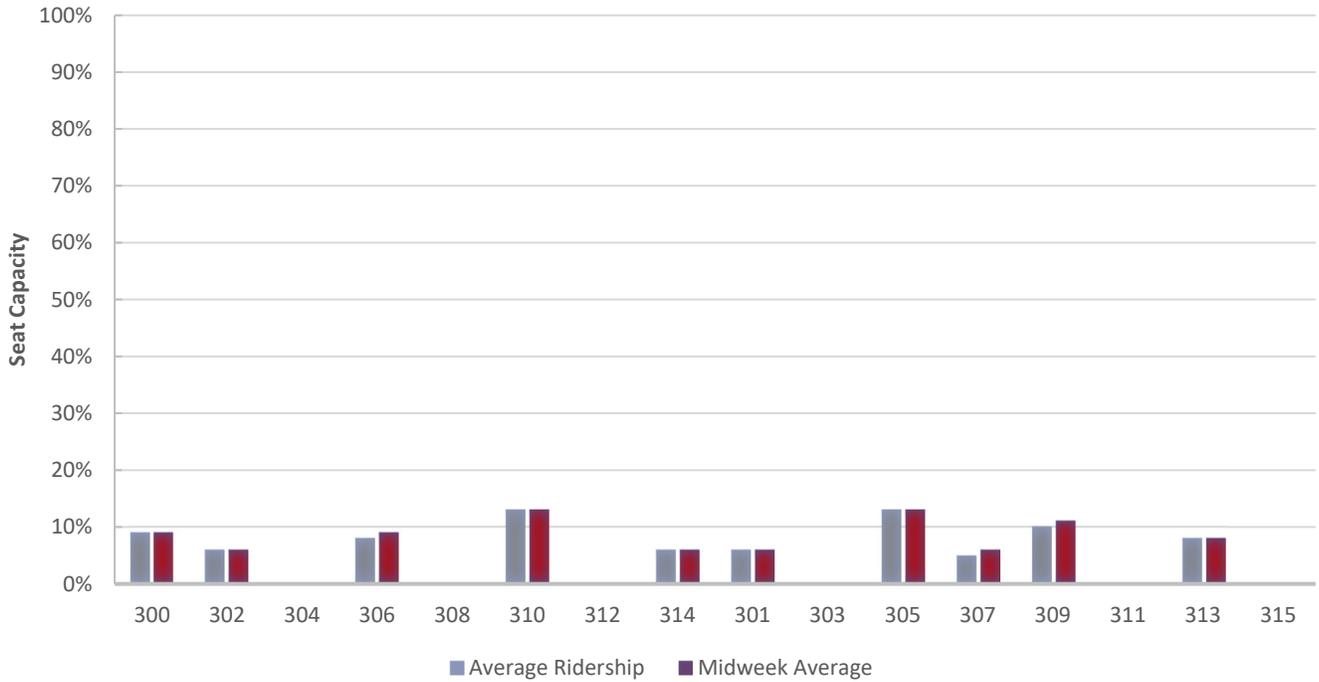
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	0
One-time courtesy	0
Per the request of the conductor	0
Defective ticket	0
Per ops manager	0
Unique circumstances	0
Insufficient information	0
Lost and found ticket	0
Other	0
Total Waived	0

MONTHLY SUMMONSES COURT ACTION

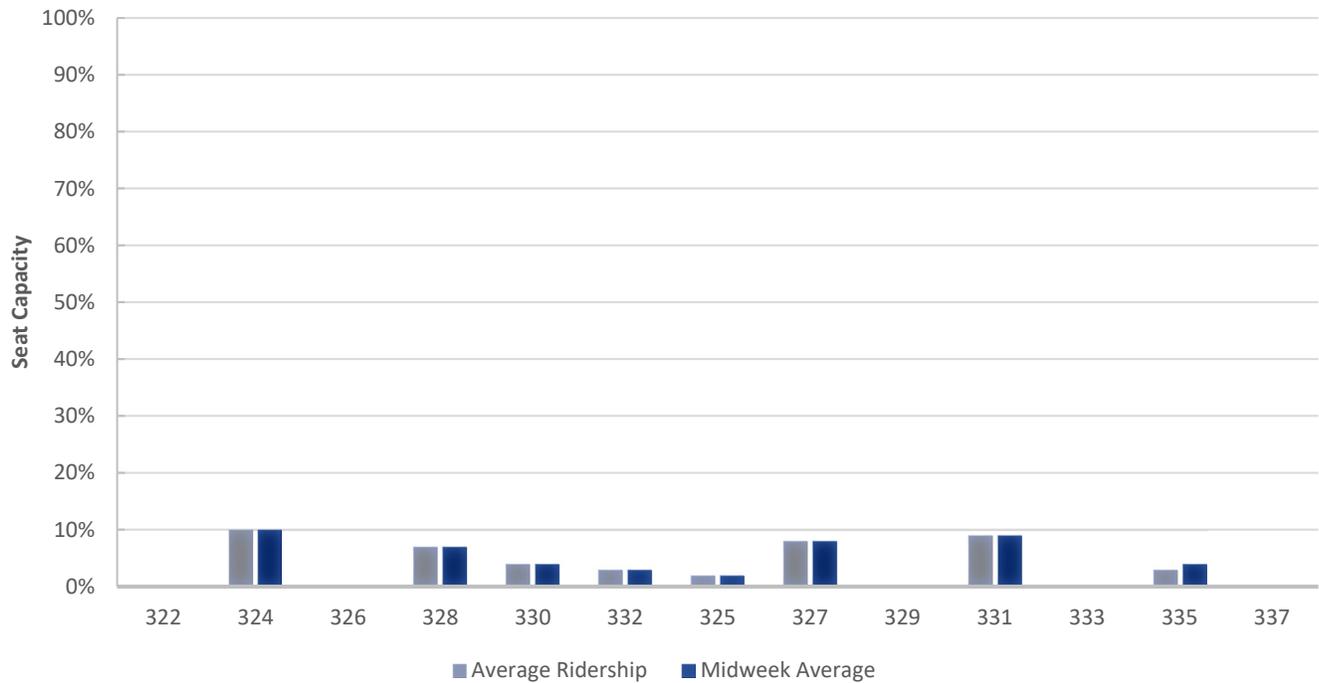


TRAIN UTILIZATION

FREDERICKSBURG LINE

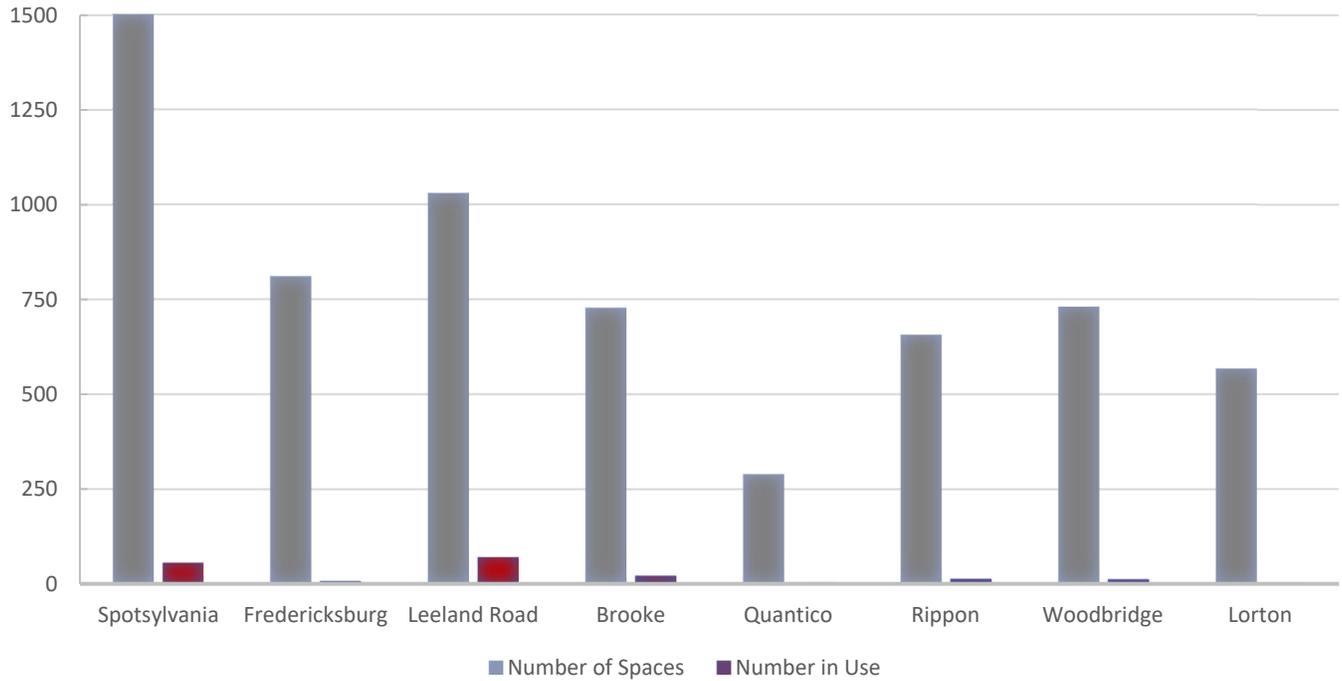


MANASSAS LINE

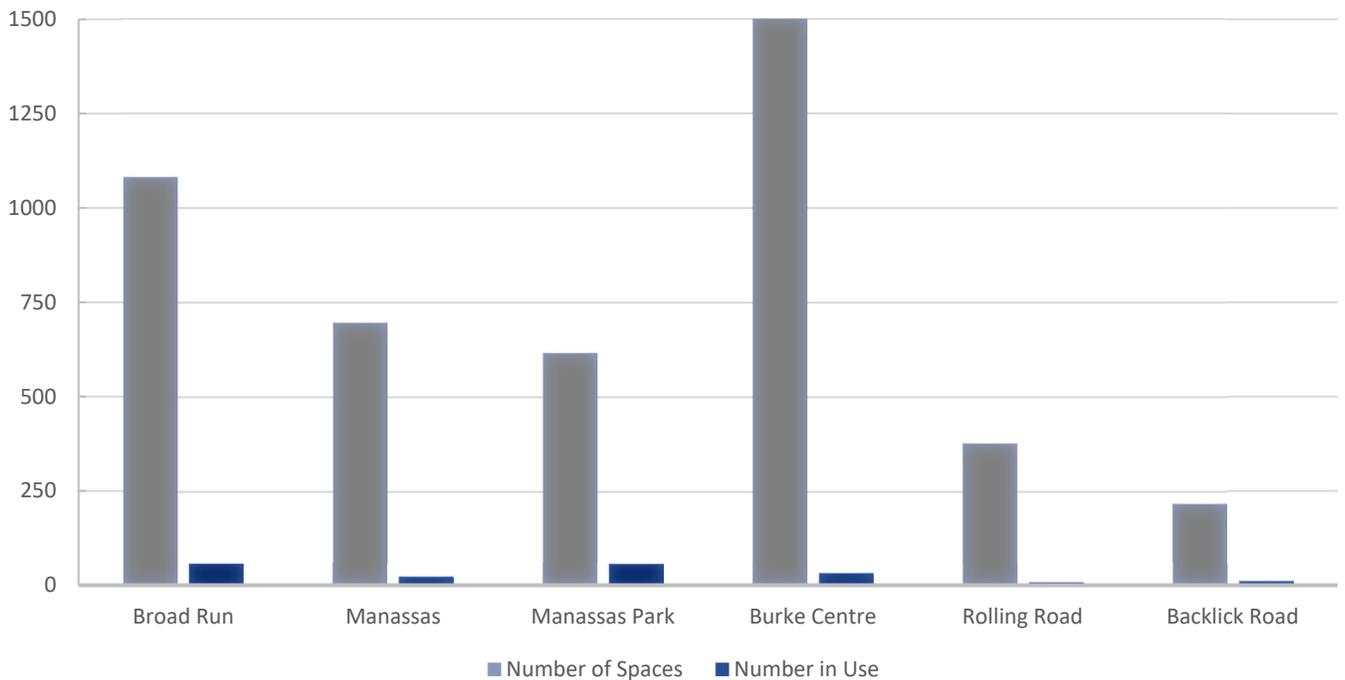


PARKING UTILIZATION

FREDERICKSBURG LINE



MANASSAS LINE



FINANCIAL REPORT FOR JULY 2020

Fare revenue for the first month of FY 2021 is approximately \$3.0 million below budget (an unfavorable variance of -78%) and is also 78% below the same period in FY 2020.

The coronavirus (COVID-19) pandemic continues to have a material negative impact on VRE ridership. Average daily ridership in July 2020 was 1,109 trips per day, as compared to 18,692 per day in February 2020 (the last full month not affected by the pandemic). We expect to report significant impacts related to the pandemic throughout FY 2021.

As in past years, VRE's annual liability insurance premium was accounted for in full in July, resulting in higher total monthly expense and a year-to-date operating ratio of 7%. Absent this insurance premium, the operating ratio would have been 15%. VRE's budgeted operating ratio for FY 2021 is 52%, in accordance with the 50% minimum requirement in the Master Agreement. The actual operating ratio for the full year will depend heavily on whether and when ridership rebounds, but it is unlikely that the 50% threshold will be reached.

A summary of the FY 2021 financial results for July follows, including information on major revenue and expense categories. Please note that these figures are preliminary and unaudited.

FY 2020 Operating Budget Report							
Month Ended July 31, 2020							
	CURR. MO.	CURR. MO.	YTD	YTD	YTD \$	YTD %	TOTAL FY19
	ACTUAL	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE	BUDGET
Operating Revenue							
Passenger Ticket Revenue	845,137	3,864,462	845,137	3,864,462	(3,019,325)	-78.1%	44,090,000
Other Operating Revenue	42,208	26,295	42,208	26,295	15,913	60.5%	300,000
Subtotal Operating Revenue	887,346	3,890,757	887,346	3,890,757	(3,003,411)	-77.2%	44,390,000
Jurisdictional Subsidy (1)	9,334,076	9,334,075	9,334,076	9,334,075	1	0.0%	13,817,632
Federal/State/Other Jurisdictional Subsidy	2,622,193	2,680,145	2,622,193	2,680,145	(57,952)	-2.2%	31,879,656
Appropriation from Reserve/Other Income	-	-	-	-	-	0.0%	-
Interest Income	9,403	113,944	9,403	113,944	(104,542)	-91.7%	1,300,000
Total Operating Revenue	12,853,017	16,018,921	12,853,017	16,018,921	(3,165,904)	-19.8%	91,387,287
Operating Expenses							
Departmental Operating Expenses	12,523,434	11,038,778	12,523,434	11,038,778	(1,484,656)	-13.4%	85,137,449
Debt Service	518,403	518,403	518,403	518,403	-	0.0%	6,220,838
Other Non-Departmental Expenses	-	2,542	-	2,542	2,542	0.0%	29,000
Total Operating Expenses	13,041,837	11,559,723	13,041,837	11,559,723	(1,482,114)	-12.8%	91,387,287
Net income (loss) from Operations	(188,820)	4,459,198	(188,820)	4,459,198	(4,648,018)		-
Operating Ratio			7%	35%		Budgeted Goal	52%

(1) Total jurisdictional subsidy is \$18,300,780. Portion shown as budgeted is attributed to Operating Fund only.

FACILITIES UPDATE

The following is a status update of VRE facilities projects.

Completed projects:

1. Replacement of fire-damaged timber pedestrian crossing at Quantico Station
2. Submission of IFB package for overhaul of emergency generators at Woodbridge and Manassas Stations, Alexandria Headquarters and Fredericksburg office



Fire-damaged timber pedestrian crossing



Repaired timber pedestrian crossing

Projects scheduled to be completed this quarter:

1. Submission of IFB package for canopy roof replacement at Backlick Road Station
2. Submission of IFB package for replacement of tactile warning strips at various stations

Projects scheduled to be initiated this quarter:

1. Issuance of GEC Task Orders for design of minor structural repairs at Franconia-Springfield, Woodbridge, Rippon, Brooke and Manassas Stations
2. Minor steel repairs, caulking and partial painting of stairs at Franconia-Springfield Station
3. Repair of minor cracks in west platform at Woodbridge Station
4. Minor steel repairs, caulking and painting of stairs at Rippon Station
5. Repair of platform sealer delamination at Spotsylvania Station
6. Cleaning of storm drainage systems in Woodbridge and Manassas parking garages

Ongoing projects:

1. Design of waiting area at L'Enfant Station
2. Replacement of signage at Franconia-Springfield, Woodbridge and Leeland Road stations
3. Replacement of waste and recycling receptacles at various stations
4. Design of renovations to Alexandria headquarters

UPCOMING PROCUREMENTS

- Program management services
- Canopy roof replacement at the Backlick Road Station
- Modernization of VRE Woodbridge Station east elevator
- Passenger car wheelchair lift assemblies
- Purchase of LED light fixtures
- Construction of L'Enfant south storage track wayside power
- Variable Messaging System replacement
- Tactile strip replacements
- Pavement repairs and striping at the Rippon and Leeland Road stations and Fredericksburg Lot G
- Franconia-Springfield Station painting services
- Purchase of forklift trucks
- Final design services for VRE Broad Run expansion
- Renewal of locomotive head end power engine systems
- Overhaul of emergency generators
- Headquarters renovations

CAPITAL PROJECTS UPDATES

The following is a status update of VRE capital projects.

Completed projects or major project milestones:

1. Long Bridge Project (*study by others*) – Virginia and the District of Columbia have concluded the environmental planning process. DRPT is evaluating responses to its RFP for architectural/engineering consulting services.
2. New Washington Union Station Improvements (*study by others*) – FRA released the Draft Environmental Impact Statement (DEIS) and Draft Section 4(f) Evaluation for comment from agencies and the public on June 4. Two telephonic public hearings took place on July 14.

Projects or project phases scheduled to be completed this quarter:

3. Franconia-Springfield Station Improvements draft 90% complete plans
4. Rippon Station Improvements revised preliminary design plans
5. Brooke Station Improvements revised preliminary design plans
6. Leeland Road Station Improvements revised preliminary design plans
7. Broad Run Expansion (BRX) Section 106 Consultation
8. Construction of Benchmark Road Slope Stabilization (Hamilton to Crossroads closeout)

Projects or project phases scheduled to be initiated this quarter:

9. IFB for construction of Quantico Station Improvements
10. IFB for construction of Lifecycle Overhaul & Upgrade Facility (LOU)
11. IFB for construction of Rolling Road Station Improvements
12. Request for proposals (RFP) advertised for LOU Construction Management

Ongoing projects:

13. Broad Run Expansion (BRX)
14. Manassas Park Parking Improvements
15. Rolling Road Station Improvements
16. Crossroads Maintenance and Storage Facility (MSF) – land acquisition completed
17. Lifecycle Overhaul & Upgrade Facility (LOU)
18. Benchmark Road Slope Stabilization (Hamilton to Crossroads closeout)
19. Leeland Road Station Improvements
20. Brooke Station Improvements
21. Quantico Station Improvements
22. Rippon Station Improvements
23. Franconia-Springfield Station Improvements
24. Alexandria Station Improvements
25. Alexandria Station Track I Access (Slaters Lane)
26. Crystal City Station Improvements
27. L'Enfant Train Storage Track - South
28. L'Enfant Station Improvements
29. New York Avenue Midday Storage Facility
30. Potomac Shores VRE Station – *design by others*
31. Washington Union Station Improvements Environmental Impact Statement – *study by others*
32. DC2RVA Environmental Impact Statement – *study by others*
33. Long Bridge Project – *study by others*
34. Washington Union Station Improvements Environmental Impact Statement – *study by others*

Projects Progress Report Follows

PASSENGER

PROJECT	DESCRIPTION	PHASE					
		CD	PE	EC	RW	FD	CN
Alexandria Station Improvements	Eliminate at-grade track crossing, add elevators, modify platforms.	◆	◆	◆	N/A	●	
	Modify Slaters Lane Interlocking for passenger trains on Track #1.	◆	◆	◆	N/A	●	
	Extend and widen East Platform and elevate West Platform.	◆	◆	◆	N/A	●	
Franconia-Springfield Station Improvements	Extend both platforms and widen East Platform for future third track. ●	◆	◆	◆	N/A	●	
Rippon Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. ^À	◆	●	●	N/A		
Potomac Shores Station Improvements	New VRE station and parking in Prince William County provided by private developer.	◆	●	◆	N/A		
Quantico Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	◆	◆	N/A	●	
Brooke Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. ^À	◆	●	●	N/A		
Leeland Road Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. ^À	◆	●	●	N/A		
Manassas Park Parking Improvements	Parking garage to increase parking capacity to 1,100 spaces.	◆	◆	●	N/A		
Rolling Road Station Improvements	Extend existing platform and rehabilitate existing station	◆	◆	◆	N/A	●	●
Crystal City Station Improvements	Replace existing side platform with new, longer island platform.	◆	●	●	N/A		
L'Enfant Station Improvements	Replace existing platform with wider, longer island platform. Add fourth track (VA-LE)	◆			N/A		

PHASE: CD - Conceptual Design PE - Preliminary Engineering EC - Environment Clearance RW - Right of Way Acquisition
FD - Final Design CN - Construction

STATUS: u Completed l Underway n On Hold ^À part of the "Penta-Platform" program

¹ Total project cost estimate in adopted FY2020 CIP Budget; percentage complete based on VRE Operations Board authorization

² Does not include minor (< \$50,000) operating expenditures

* \$2,181,630 authorization divided across five "Penta-Platform" program stations

ESTIMATED COSTS (\$)						STATUS	
Total ¹	Funded	Unfunded	Authorized	Expended ²	Percent Complete ¹	Project Completion Date	
31,875,014	31,875,014	-	2,382,759	2,193,257	90%	4th QTR 2020	● Design underway. CSX and City of Alexandria review progressing.
7,000,000	7,000,000	-	467,500	270,487	60%	2nd QTR 2019	● Materials continue to be delivered. Assembly of cross-over has begun.
2,400,000	400,000	2,000,000	-	-	5%	4th QTR 2020	● Design work on east platform only; west platform improvements unfunded.
13,000,000	13,000,000	-	*	612,756	35%	4th QTR 2022	● FD underway with anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
16,634,793	16,634,793	-	*	397,897	20%	4th QTR 2023	● PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
<i>No costs for VRE. Private developer providing station.</i>					10%	TBD	● Potomac Shores VRE Station design underway to include parking structure. 60% Re-Design Submittal received and under review by CSX and VRE.
18,372,949	18,372,949	0	830,833	683,892	60%	TBD	● SMART SCALE grant agreement pending. FD completion and Construction Procurement anticipated 2nd Quarter 2020.
23,391,019	23,391,019	-	*	392,814	20%	4th QTR 2023	● DRPT LONP received; REF grant pending. PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
15,527,090	15,527,090	-	*	365,142	20%	4th QTR 2023	● DRPT LONP received; REF grant pending. PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
25,983,000	25,983,000	0	2,238,144	670,225	30%	4th QTR 2022	● Evaluating City of Manassas Park relocation request.
5,000,000	2,000,000	3,000,000	640,503	418,887	70%	3rd QTR 2021	● Invitation for Bids (IFB) issued on 8/14/2020.
49,940,000	19,098,463	30,841,537	1,584,619	397,848	30%	2nd QTR 2024	● PE & EC initiated in Oct 2019 and anticipated completion 3rd QTR 2020.
70,650,000	62,465,721	8,184,279	130,501	65,150	50%	2nd QTR 2023	● DRPT LONP received. Real estate research in progress under LONP.

TRACK AND INFRASTRUCTURE

PROJECT	DESCRIPTION	PHASE					
		CD	PE	EC	RW	FD	CN
Hamilton-to-Crossroads Third Track	2¼-miles of new third track with CSXT design and construction of signal and track tie-ins.	◆	◆	◆	N/A	◆	◆

MAINTENANCE AND STORAGE FACILITIES

L'Enfant Train Storage Track - South	Conversion of CSXT Temporary Track to VRE Storage Track (1,350 feet) and Associated Signal Work	◆	◆	◆	N/A	●	●
Lifecycle Overhaul & Upgrade Facility	New LOU facility to be added to the Crossroads MSF.	◆	◆	◆	N/A	◆	■
Crossroads Maintenance and Storage Facility - Land Acquisition	Acquisition of 19.5 acres of land, construction of two storage tracks and related site improvements.	◆	N/A	N/A	●	N/A	N/A
New York Avenue Midday Storage Replacement Facility	Midday storage facility replacement for Ivy City storage facility.	◆	●	●	●		

ROLLING STOCK

Passenger Railcar Procurement	Acquisition of 29 new railcars.	◆	N/A	N/A	N/A	◆	◆
Positive Train Control	Implement Positive Train Control for all VRE locomotives and control cars.	◆	N/A	N/A	N/A	◆	●

PLANNING, COMMUNICATIONS AND IT

Broad Run Expansion (was Gainesville-Haymarket Extension)	NEPA and PE for expanding commuter rail service capacity in Western Prince William County	◆	●	●	-	-	-
Mobile Ticketing	Implementation of a new mobile ticketing system.	◆	N/A	N/A	N/A	◆	●

PHASE: CD - Conceptual Design PE - Preliminary Engineering EC - Environment Clearance
RW - Right of Way Acquisition FD - Final Design CN - Construction

STATUS: ◆ Completed ● Underway ■ On Hold

¹ Total project cost estimate in adopted FY2020 CIP Budget; percentage complete based on VRE Operations Board authorization

² Does not include minor (< \$50,000) operating expenditures

Total ¹	ESTIMATED COSTS (\$)				Percent Complete ¹	Project Completion Date		STATUS
	Funded	Unfunded	Authorized	Expended ²				
32,500,000	32,500,000	-	33,285,519	30,578,003	99%	3rd QTR 2018		Close-out pending repair of storm damage to embankment.
3,965,000	3,965,000	-	2,937,323	1,699,610	60%	4th QTR 2019		CSXT Construction Agreement received. CM underway.
38,183,632	38,183,632	-	3,176,039	2,143,583	70%	TBD		FD completion pending Final Electrical Design Coordination with REC. IFB anticipated 2nd Quarter 2020, upon
2,950,000	2,950,000	-	2,950,000	163,565	100%	1st QTR 2020		Land acquisition has been completed.
89,666,508	89,666,508	-	3,588,305	2,257,455	90%	4th QTR 2021		Preliminary design has been completed and continuing to collaborate with Amtrak on agreements.
75,264,693	75,264,693	-	69,457,809	47,915,644	99%	4th QTR 2020		All cars received. Completion date reflects end of warranty period.
14,191,833	14,191,833	-	10,294,079	7,984,451	95%	4th QTR 2018		Implementation Completed. Final stabilization and familiarization phase in process.
110,700,000	82,526,398	28,173,602	5,855,650	4,539,446	80%	4th QTR 2024		PE design and EC underway. Property acquisition due diligence underway.
3,510,307	3,510,307	-	3,510,627	2,282,853	70%	3rd QTR 2019		American Eagle working on redesign with uplift to new platform projected for late summer 2020.



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