

CEO REPORT

FEBRUARY 2021



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.



CEO REPORT | FEBRUARY 2021

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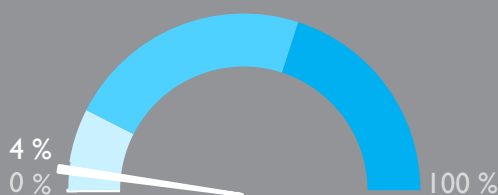
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VIRGINIA RAILWAY EXPRESS
A better way. A better life.

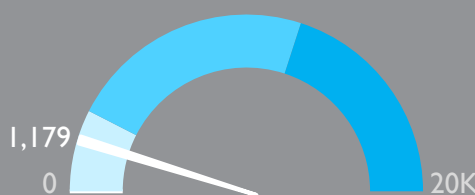


SUCCESS AT A GLANCE



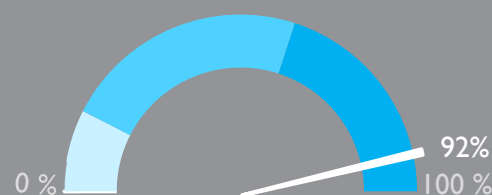
PARKING
UTILIZATION

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



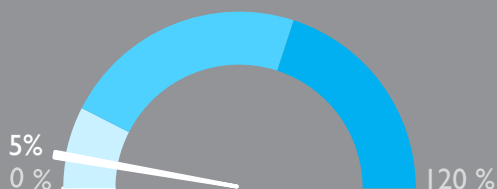
AVERAGE DAILY
RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings and reduced, "S" schedule, service.
Same month, previous year: 18,293



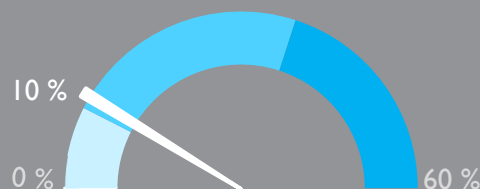
ON-TIME
PERFORMANCE

Percent of trains arriving at their destination within five minutes of the schedule.
Same month, previous year: 85%



SYSTEM CAPACITY

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



OPERATING RATIO

Through December 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%

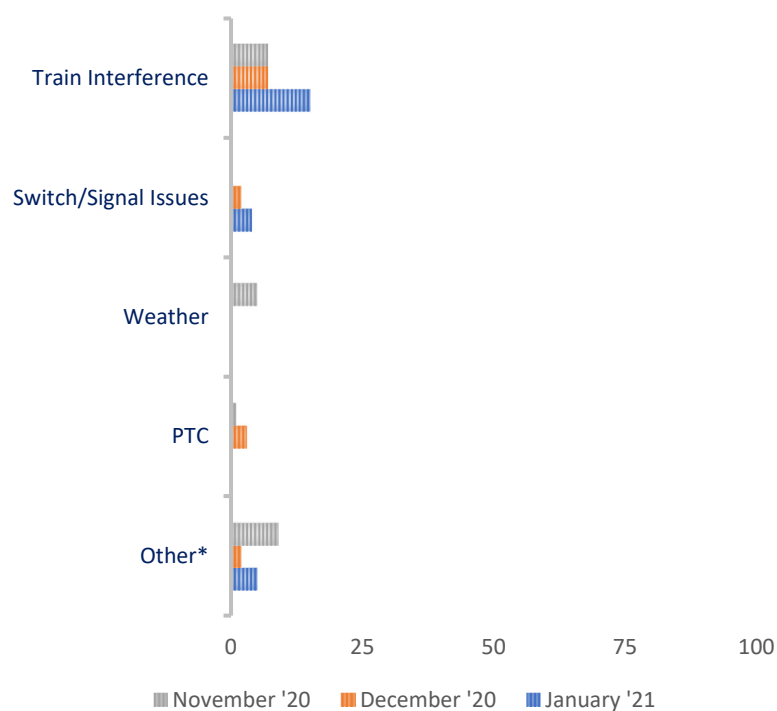
January 2021

ON-TIME PERFORMANCE

OUR RECORD

	January 2021	December 2020	January 2020
Manassas Line	90%	97%	83%
Fredericksburg Line	94%	96%	88%
Systemwide	92%	96%	85%

PRIMARY REASON FOR DELAY



VRE operated 306 trains in January. Our on-time rate for January was 92 percent. There were no delays more than 30 minutes and the average delay was 14 minutes.

Twenty-four trains arrived more than 5 minutes late to their final destinations. Of those late trains, 13 were on the Manassas Line (54 percent), and 11 were on the Fredericksburg Line (46 percent).

Delay numbers were low as there were only 17 service days last month. Train interference was responsible for 15 of the 17 late trains.

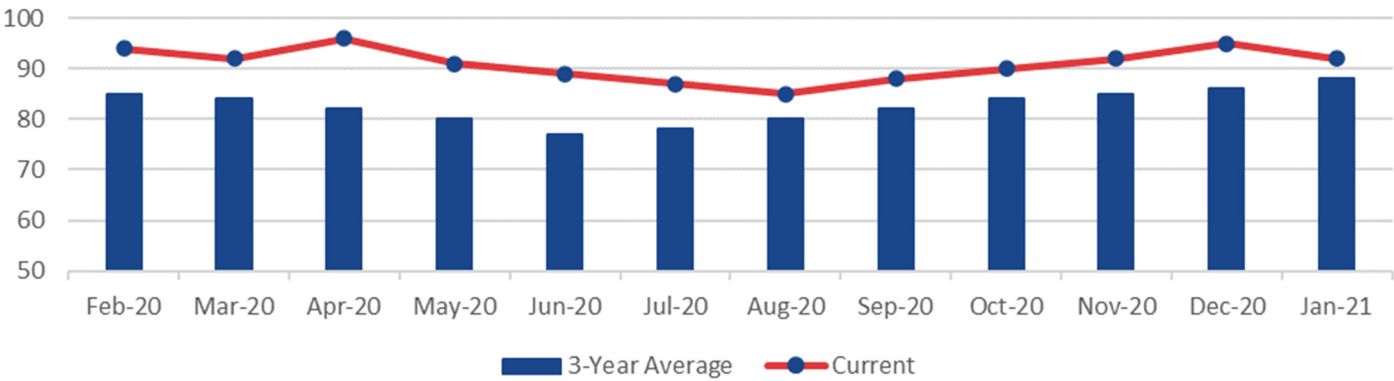
*Includes trains that were delayed due to operational testing and passenger handling.

LATE TRAINS

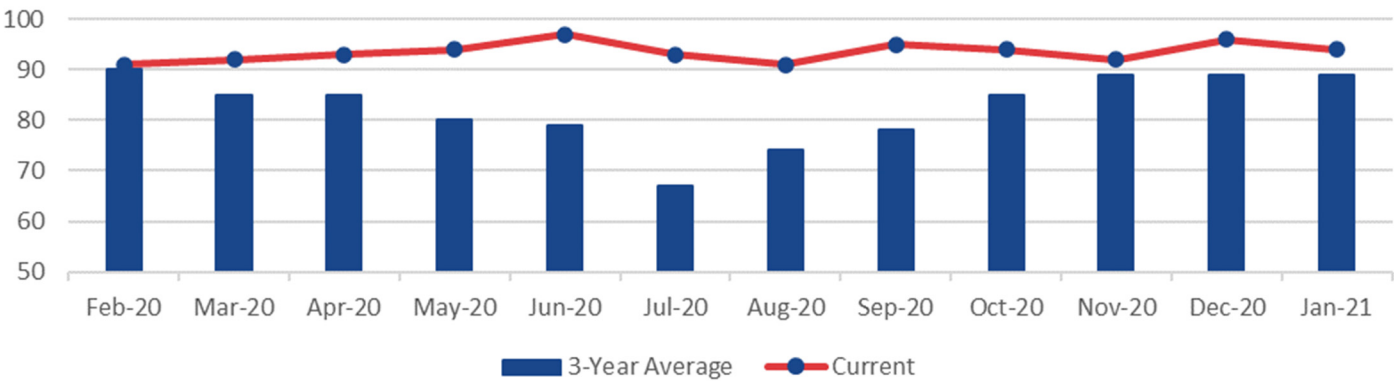
	System Wide			Fredericksburg Line			Manassas Line		
	Nov	Dec	Jan	Nov	Dec	Jan	Nov	Dec	Jan
Total late trains	22	14	24	14	9	11	8	5	13
Average minutes late	33	48	14	35	51	12	30	43	15
Number over 30 minutes	5	5	0	3	3	0	2	2	0
Heat restrictions	0	0	0	0	0	0	0	0	0

ON-TIME PERFORMANCE

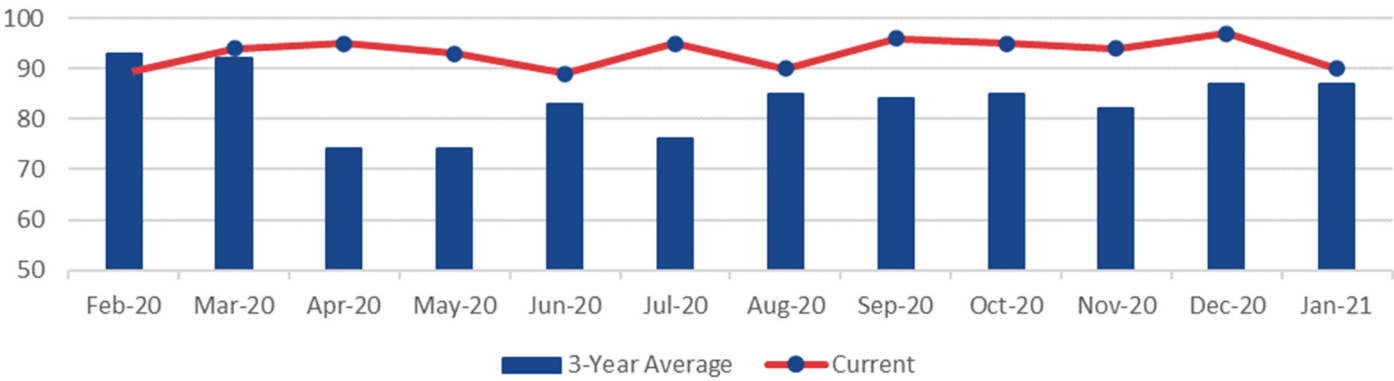
VRE SYSTEM



FREDERICKSBURG LINE

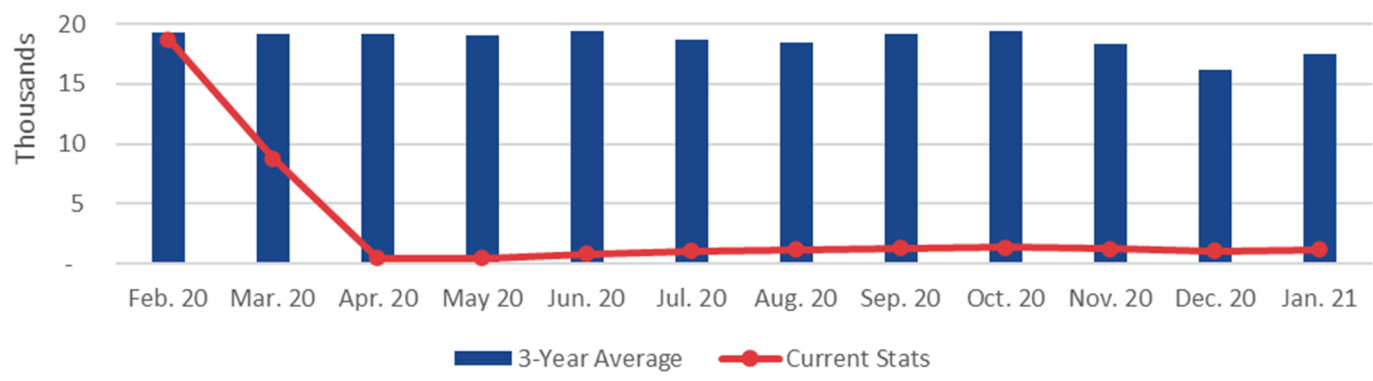


MANASSAS LINE

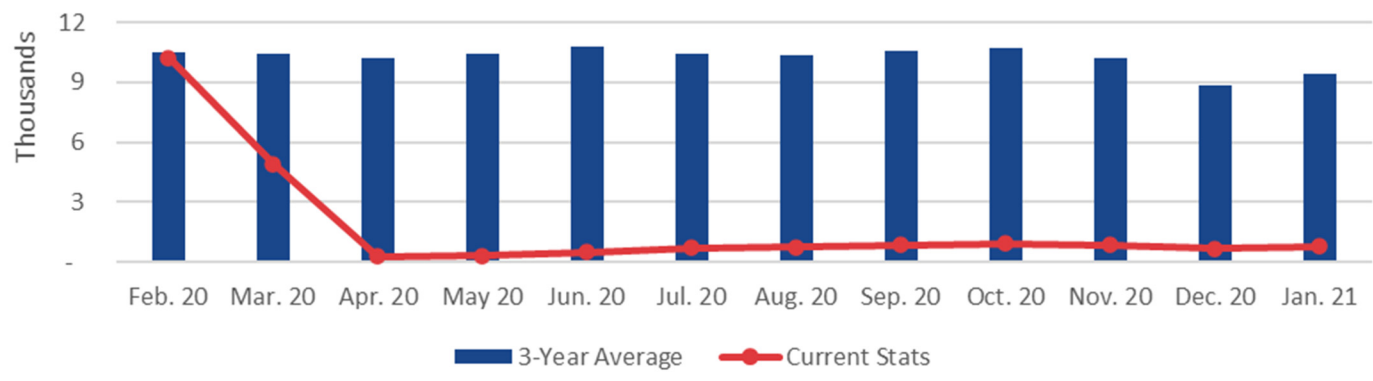


AVERAGE DAILY RIDERSHIP

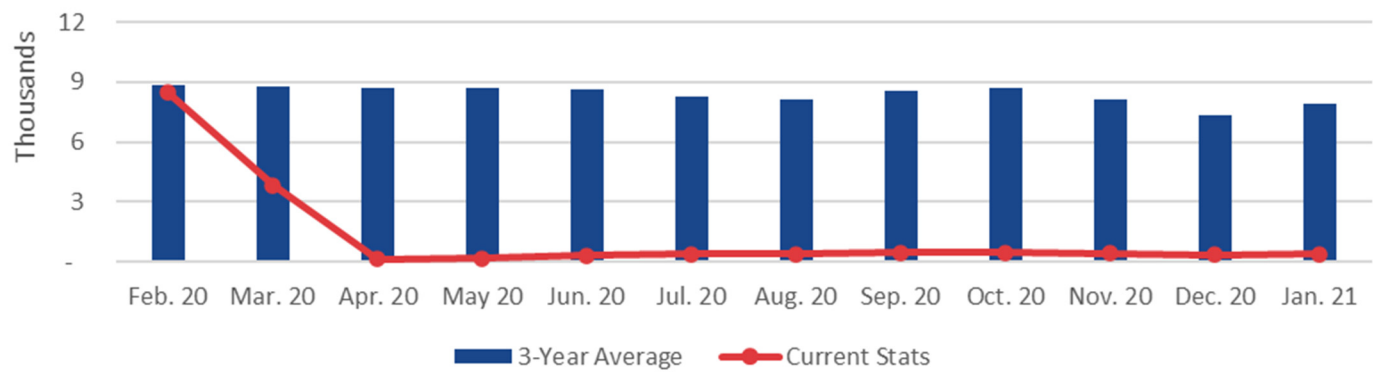
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



RIDERSHIP UPDATES

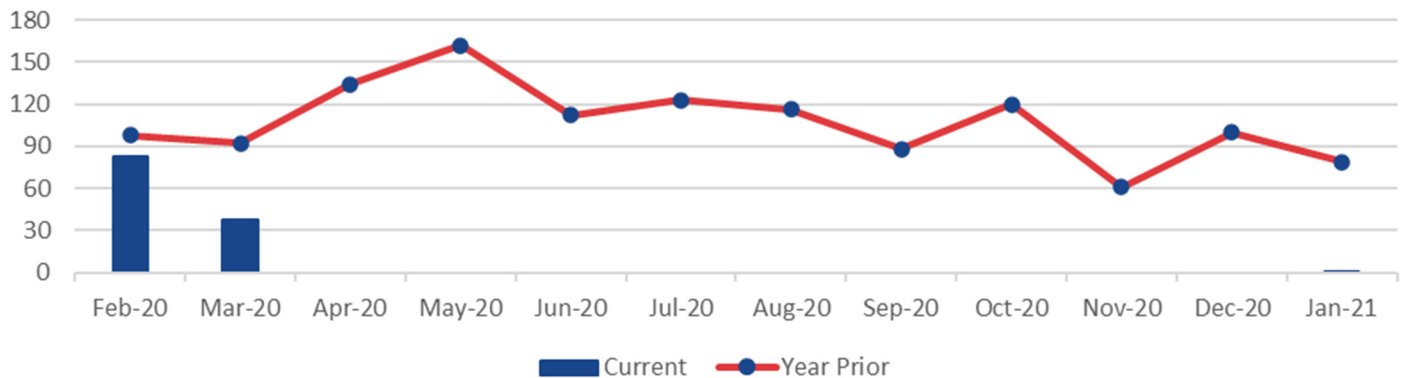
Average daily ridership (ADR) in January was 1,179. We continue to operate an “S” Schedule Plus (which includes trains 300 and 307), as necessitated by the COVID-19 pandemic.

We have seen modest gains on the daily average and expect the trend to continue now that we’re through the holiday season.

	January 2021	December 2020	January 2020
Monthly Ridership	20,036	22,190	387,698
Average Daily Ridership	1,179	1,057	18,293
Full Service Days	0	0	21
“S” Service Days	17	21	0

SUMMONSES ISSUED

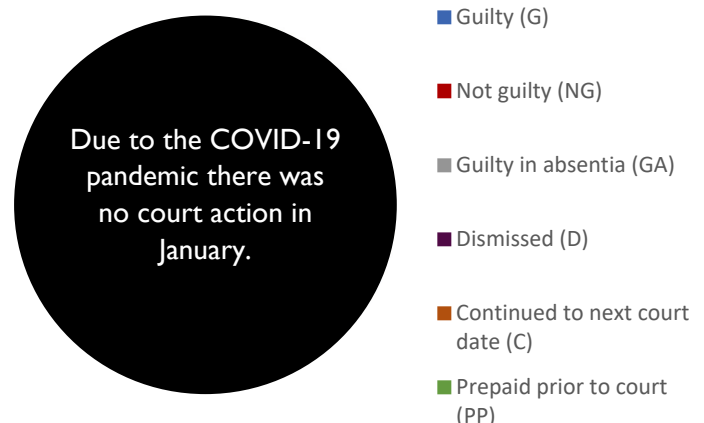
VRE SYSTEM



SUMMONSES WAIVED OUTSIDE OF COURT

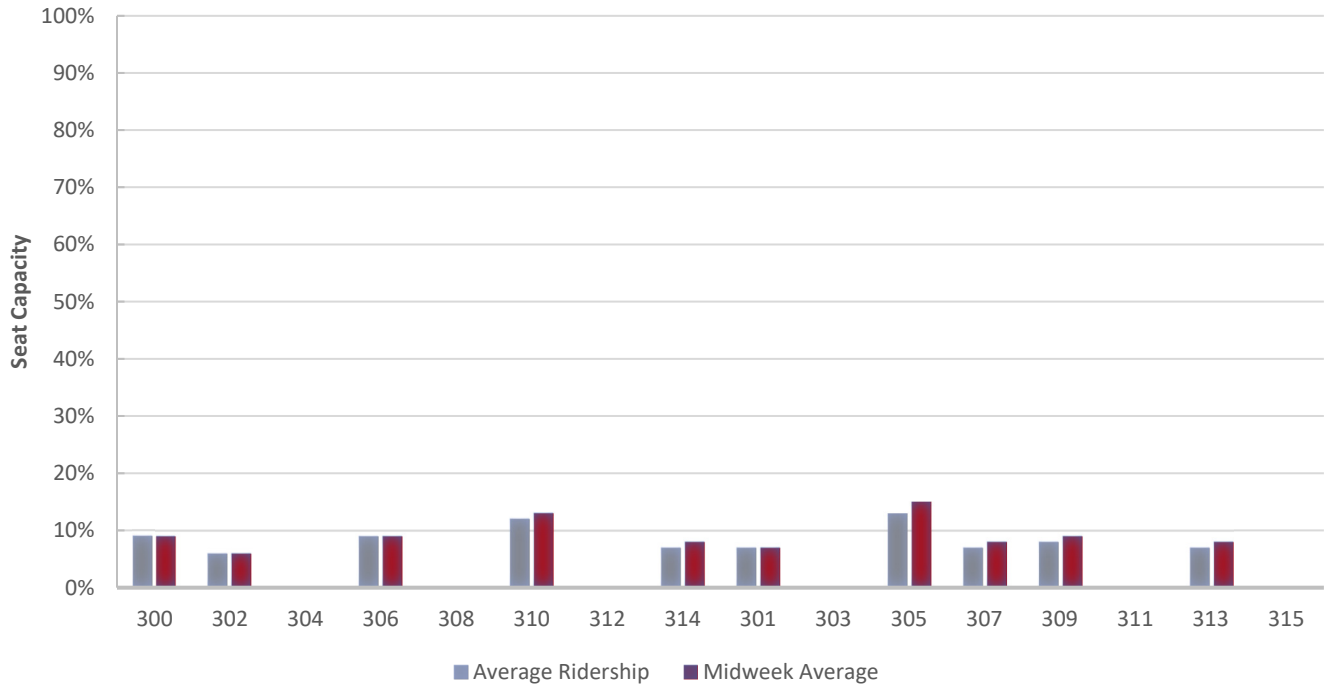
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	0
One-time courtesy	0
Per the request of the conductor	0
Defective ticket	0
Per ops manager	0
Unique circumstances	0
Insufficient information	0
Lost and found ticket	0
Other	0
Total Waived	0

MONTHLY SUMMONSES COURT ACTION

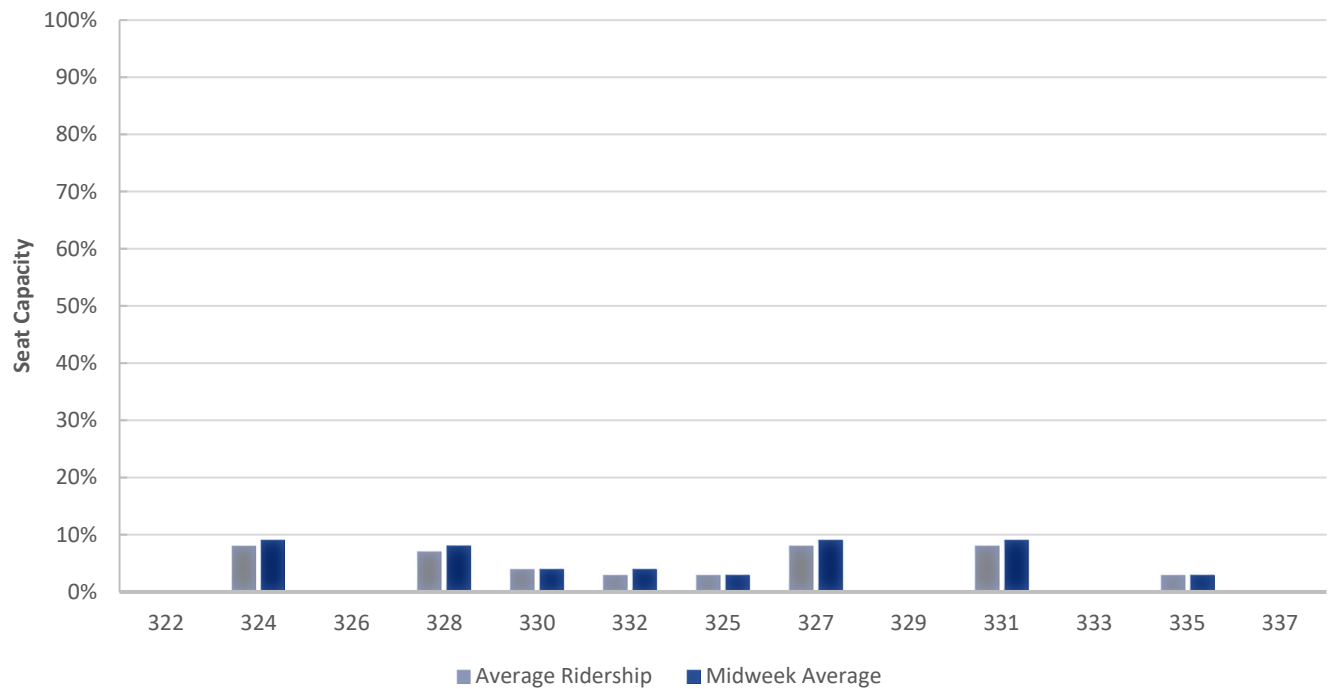


TRAIN UTILIZATION

FREDERICKSBURG LINE

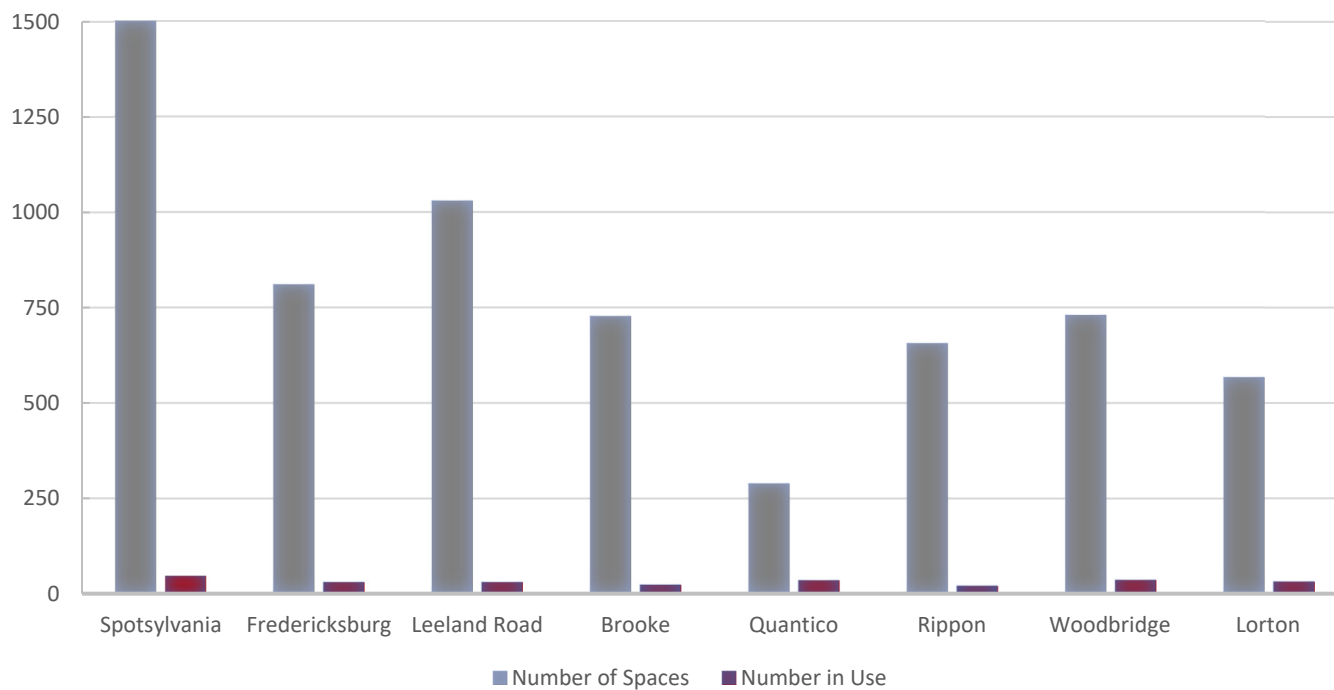


MANASSAS LINE

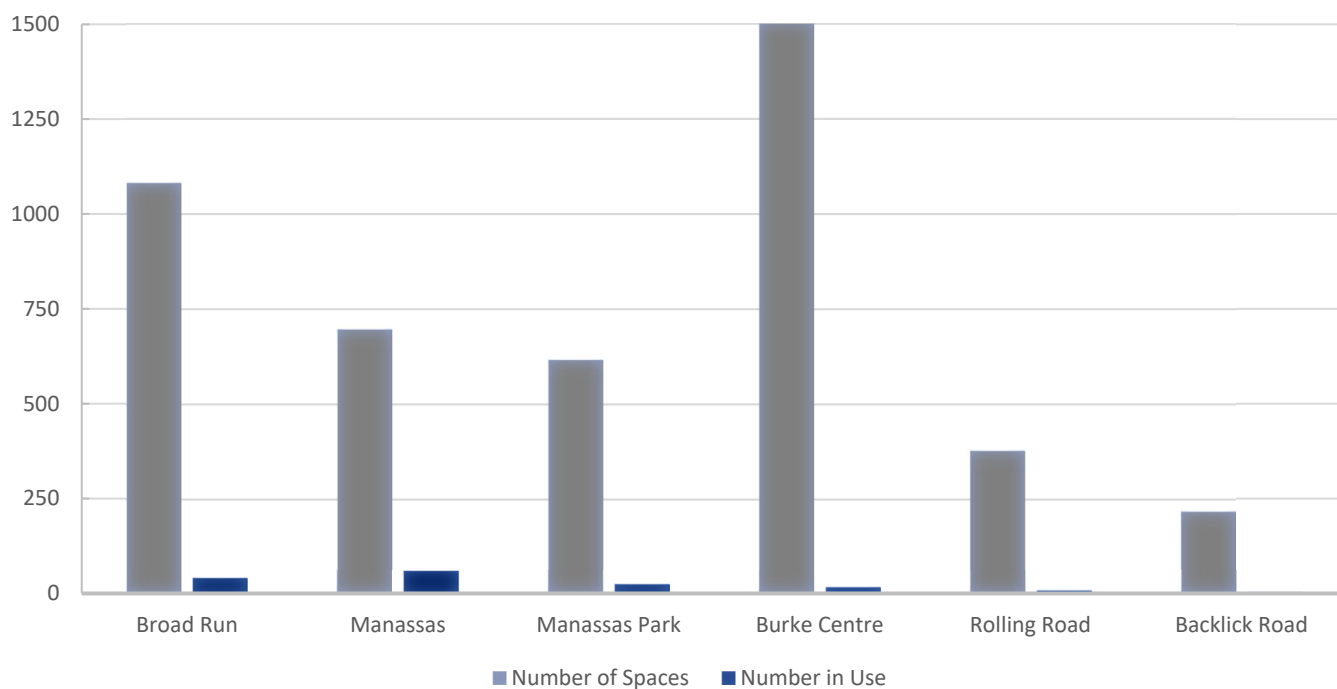


PARKING UTILIZATION

FREDERICKSBURG LINE



MANASSAS LINE



FINANCIAL REPORT FOR DECEMBER 2020

Fare revenue through the first half of FY 2021 (December 2020) is approximately \$18.2 million below budget (an unfavorable variance of -82%) and is also 82% below the same period in FY 2020.

The coronavirus pandemic continues to have a material negative impact on VRE ridership. Ridership was slightly lower during the second quarter due to normal holiday-related seasonality, with average daily ridership of 1,399 in October, 1,223 in November, and 1,009 in December. Ridership remains significantly below pre-pandemic levels – average daily ridership was 18,692 in February 2020 (the last full month not affected by the pandemic). We expect to report significant impacts related to the pandemic throughout the second half FY 2021.

The operating ratio through the first six months of FY 2021 is 10%, which is below VRE's budgeted operating ratio of 52% for the full 12 months of the fiscal year. VRE is required to budget a minimum operating ratio of 50%. The final operating ratio for the year will depend 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 through December 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 December 31, 2020							
	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD \$ VARIANCE	YTD % VARIANCE	TOTAL FY21 BUDGET
Operating Revenue							
Passenger Ticket Revenue	522,988	3,864,462	3,906,050	22,132,829	(18,226,779)	-82.4%	44,090,000
Other Operating Revenue	-	26,295	119,195	150,598	(31,402)	-20.9%	300,000
Subtotal Operating Revenue	522,988	3,890,757	4,025,245	22,283,426	(18,258,181)	-81.9%	44,390,000
Jurisdictional Subsidy (1)	-	-	6,908,817	6,908,816	1	0.0%	13,817,632
Federal/State/Other Jurisdictional Subsidy	2,624,324	2,703,279	15,667,259	16,103,036	(435,776)	-2.7%	31,879,656
Appropriation from Reserve/Other Income	-	-	-	-	-	0.0%	-
Interest Income	8,706	113,944	87,607	652,590	(564,983)	-86.6%	1,300,000
Total Operating Revenue	3,156,018	6,707,981	26,688,928	45,947,867	(19,258,939)	-41.9%	91,387,287
Operating Expenses							
Departmental Operating Expenses	5,962,232	7,221,509	40,382,497	44,596,145	4,213,649	9.4%	85,137,449
Debt Service	518,403	518,403	3,110,419	3,110,419	-	0.0%	6,220,838
Other Non-Departmental Expenses	-	2,542	-	14,558	14,558	0.0%	29,000
Total Operating Expenses	6,480,635	7,742,454	43,492,916	47,721,122	4,228,207	8.9%	91,387,287
Net income (loss) from Operations	(3,324,618)	(1,034,473)	(16,803,988)	(1,773,255)	(15,030,733)		-
Operating Ratio			10%	50%	Budgeted	52%	Goal

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

Commuter Rail Operating and Capital (C-ROC) Fund Quarterly Report

Background

Dedicated C-ROC funding for VRE began on July 1, 2018. The C-ROC Fund receives \$15 million annually (\$1.25 million monthly) from fuel taxes collected in the NVTC and PRTC regions. C-ROC funds are received from the Department of Motor Vehicles (DMV) and are held by NVTC for VRE in a separate account, in accordance with §33.2-1525.A of the Code of Virginia. The VRE Operations Board and Commissions approve the projects that are to be funded in whole or in part by the C-ROC, and VRE provides a quarterly report on the C-ROC Fund, including disbursements received, amounts expended, the purpose of the expenditures, and investment and interest earnings.

C-ROC Fund as of December 31, 2020

A summary of the C-ROC Fund through the second quarter of FY 2021 is presented below. Due to lags in the determination of total fuel tax revenue by DMV and the transfer of funds from DMV to NVTC/VRE, total C-ROC funds received may be less than total funds earned.

C-ROC Fund as of December 31, 2020

Period	Funds Earned	Funds Received	Interest Earned	Expenditures	C-ROC Account Balance
FY 2021 (Jul-Dec)	\$7,500,000	\$5,000,000	\$32,344	\$0	
Life to Date	\$37,500,000	\$35,000,000	\$443,596	\$0	\$35,443,596

The VRE Operations Board and the Commissions have approved the commitment of \$45 million in C-ROC funding to key capital projects – \$30 million for the L’Enfant Station and Fourth Track project and \$15 million for the Crystal City Station Improvements project. This commitment reflects three years of projected C-ROC funding (FY 2019 through FY 2021), and expenditures will be reflected above when construction commences on these projects.

FACILITIES UPDATE

The following is a status update of VRE facilities projects.

Completed projects:

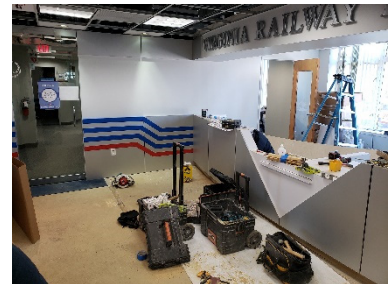
1. Repairs to cupola clock at Woodbridge Station
2. Replacement of “no trespassing” signage at Fredericksburg gravel parking lot

Projects scheduled to be completed this quarter:

1. Replacement of signage at Franconia-Springfield Station
2. Replacement of west platform and canopy lighting at Woodbridge Station
3. Submission of IFB package for canopy roof replacement at Backlick Road Station
4. Construction of renovations to Alexandria headquarters reception area
5. Submission of IFB package for replacement of tactile warning strips at various stations



Alexandria HQ reception area before renovations.



Alexandria HQ reception area during renovations.

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 stair steel repairs and caulking at Franconia-Springfield Station
3. Painting of Franconia-Springfield Station
4. Repair of minor cracks in west platform at Woodbridge Station
5. Repair of platform sealer delamination at Spotsylvania Station
6. Replacement of deck joint sealant at Manassas Station parking garage
7. Replacement of lighting at Manassas Station parking garage
8. Replacement of lighting at Broad Run MASF service & inspection building
9. Issuance of general signage services request for quotes
10. Overhaul of emergency generators at Woodbridge and Manassas Stations, Alexandria headquarters and Fredericksburg office

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 subsequent phases 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
- Renewal of locomotive head end power engine systems
- Overhaul of emergency generators
- Headquarters renovations
- Construction management services for Fredericksburg Station platform rehabilitation

CAPITAL PROJECTS UPDATES

The following is a status update of VRE capital projects.

Completed projects or major project milestones:

1. Construction initiated on Lifecycle Overhaul & Upgrade Facility (LOU)
2. Construction initiated on Quantico Station Improvements
3. Rippon Station Improvements preliminary engineering plans
4. Brooke Station Improvements preliminary engineering plans
5. Leeland Road Station Improvements preliminary engineering plans

Projects or project phases scheduled to be completed this quarter:

6. Franconia-Springfield Station Improvements final 90% complete plans (pending railroad review)
7. Broad Run Expansion (BRX) Section 106 Consultation
8. Construction of Benchmark Road Slope Stabilization Complete (Hamilton to Crossroads overall project/funding closeout and stakeholder concurrence anticipated this quarter)

Projects or project phases scheduled to be initiated this quarter:

9. Execution of Contract for Construction of Quantico Station Improvements and Pre-NTP activities - NTP forthcoming
10. Execution of Contract for Construction of Lifecycle Overhaul & Upgrade Facility (LOU) and Pre-NTP activities - NTP forthcoming
11. Board Authorization, Execution of Contract for Construction of Rolling Road Station Improvements and Pre-NTP activities – NTP forthcoming
12. Execution of Contract and NTP for CM for Construction of Quantico Station Improvements

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. Leeland Road Station Improvements
19. Brooke Station Improvements
20. Quantico Station Improvements
21. Rippon Station Improvements
22. Franconia-Springfield Station Improvements
23. Alexandria Station Improvements
24. Alexandria Station Track I Access (Slaters Lane)
25. Crystal City Station Improvements
26. L'Enfant Train Storage Track - South
27. L'Enfant Station Improvements
28. New York Avenue Midday Storage Facility
29. Potomac Shores VRE Station – *design by others*
30. Washington Union Station Improvements Environmental Impact Statement – *study by others*
31. DC2RVA Environmental Impact Statement – *study by others*
32. Long Bridge Project – *study by others*

Projects Progress Report Follows

PASSENGER FACILITIES

PROJECT	DESCRIPTION	PHASE					
		CD	PE	EC	RW	FD	CN
Alexandria Station Improvements	Eliminate at-grade track crossing, add elevators, modify platforms.	◆	◆	◆	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.	◆	●	●	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.	◆	●	●	N/A		
Leeland Road Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	●	●	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: ◆ 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

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

ESTIMATED COSTS (\$)						STATUS	
Total	Funded	Unfunded	Authorized	Expended ²	Percent Complete ¹	Project Completion Date	
31,875,014	31,875,014	-	2382759	2193257	90%	2nd QTR 2023	● 90% Design complete. CSX and City of Alexandria review progressing.
13,000,000	13,000,000	-	*	863,964	35%	4th QTR 2023	● FD underway with anticipated completion 2nd QTR 2021. Ongoing coordination with DRPT projects.
16,634,793	16,634,793	-	*	414,075	20%	4th QTR 2030	● PE design/EC completed 4th QTR 2020. Ongoing coordination with DRPT projects.
No costs for VRE. Private developer providing station.					20%	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	● Final Funding Agreements forthcoming. Execution of Construction and CM contracts forthcoming, and pre-NTP activities anticipated 3rd Quarter 2020. NTP to follow.
23,391,019	23,391,019	-	*	419,095	20%	4th QTR 2030	● DRPT LONP received; REF grant pending. PE design/EC completed 4th QTR 2020. Ongoing coordination with DRPT projects.
15,527,090	15,527,090	-	*	400,032	20%	4th QTR 2026	● DRPT LONP received; REF grant pending. PE design/EC completed 4th QTR 2020. Ongoing coordination with DRPT projects.
25,983,000	25,983,000	0	2,238,144	670,225	30%	4th QTR 2022	● Design due to site relocation to start in December 2020.
5,000,000	2,000,000	3,000,000	640,503	418,887	70%	4th QTR 2021	● Contractor has been selected. Construction to begin 1st QTR 2021.
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 track to VRE storage track and as well as signal and wayside-power 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	100%	3rd QTR 2018		Benchmark Slope project complete.	
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%	1st QTR 2023		Notice to proceed issued to construction contractor on December 14, 2020.	
2,950,000	2,950,000	-	2,950,000	163,565	100%	1st QTR 2020		Land acquisition 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.	
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%	1st QTR 2021		American Eagle working on redesign with uplift to new platform.	

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