

# CEO REPORT

NOVEMBER 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 | NOVEMBER 2021

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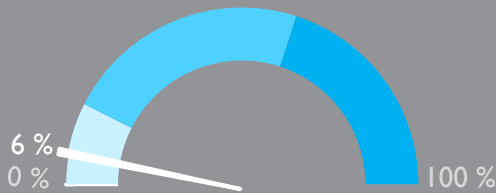
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VIRGINIA RAILWAY EXPRESS  
A better way. A better life.

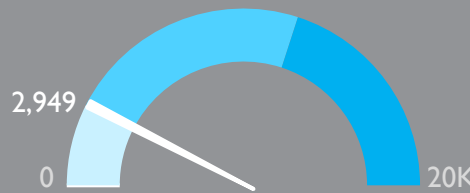


# PERFORMANCE AT A GLANCE



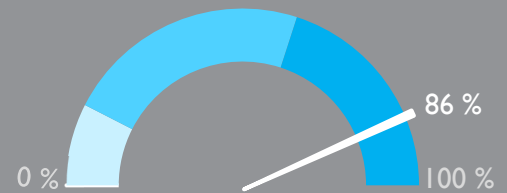
PARKING  
UTILIZATION

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



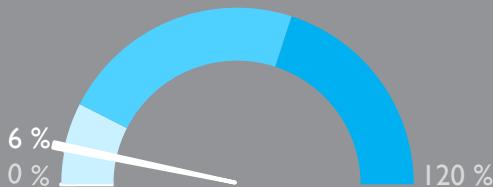
AVERAGE DAILY  
RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings and reduced, "S" schedule, service.  
Same month, previous year: 1,399



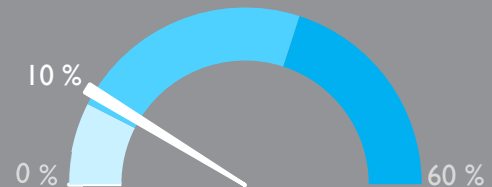
ON-TIME  
PERFORMANCE

Percent of trains arriving at their destination within 5 minutes of the schedule.  
Same month, previous year: 90%



SYSTEM CAPACITY

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



OPERATING RATIO

*Through September 2021*

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%

October 2021

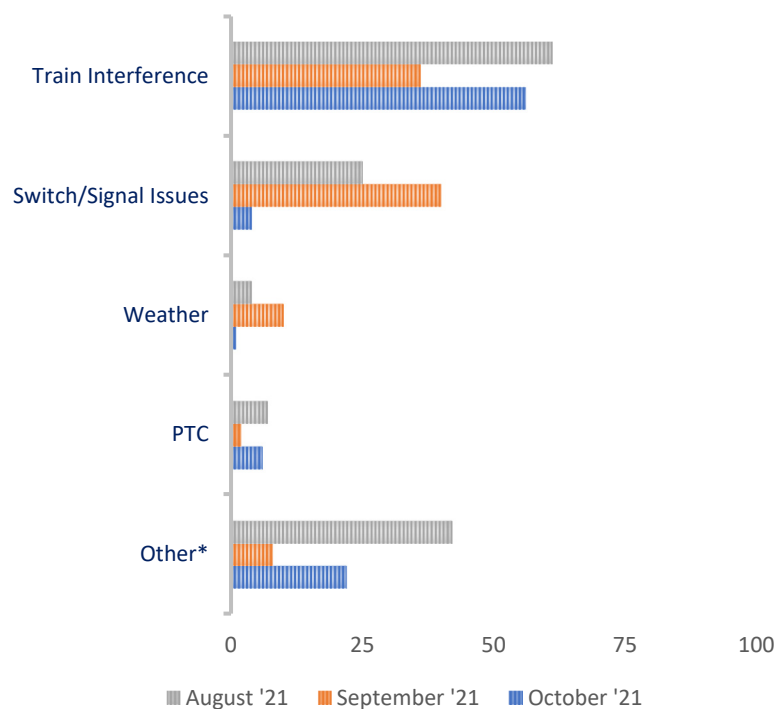


# ON-TIME PERFORMANCE

## OUR RECORD

	October 2021	September 2021	October 2020
Manassas Line	83%	83%	95%
Fredericksburg Line	89%	87%	94%
Systemwide	86%	85%	94%

## PRIMARY REASON FOR DELAY



VRE operated 640 trains in October. The on-time rate for October was 86 percent.

Eighty-nine trains arrived more than 5 minutes late to their final destinations. Of those late trains, 53 were on the Manassas Line (60 percent), and 36 were on the Fredericksburg Line (40 percent).

Although we saw similar numbers in September, there was a significant increase in the “other” category for various isolated reasons. Train interference, which continues to lead all categories, saw a jump in numbers this month.

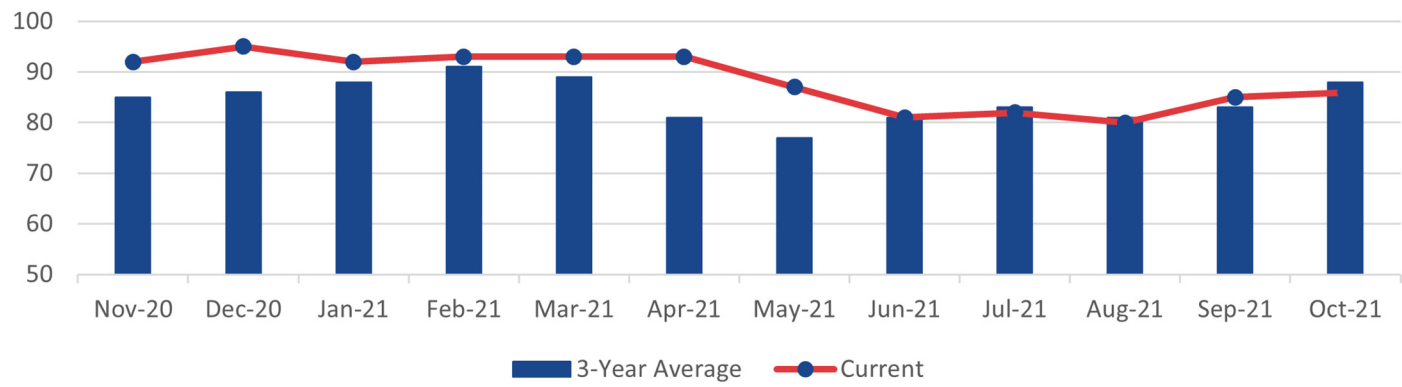
\*Includes trains that were delayed due to operational testing and passenger handling.

## LATE TRAINS

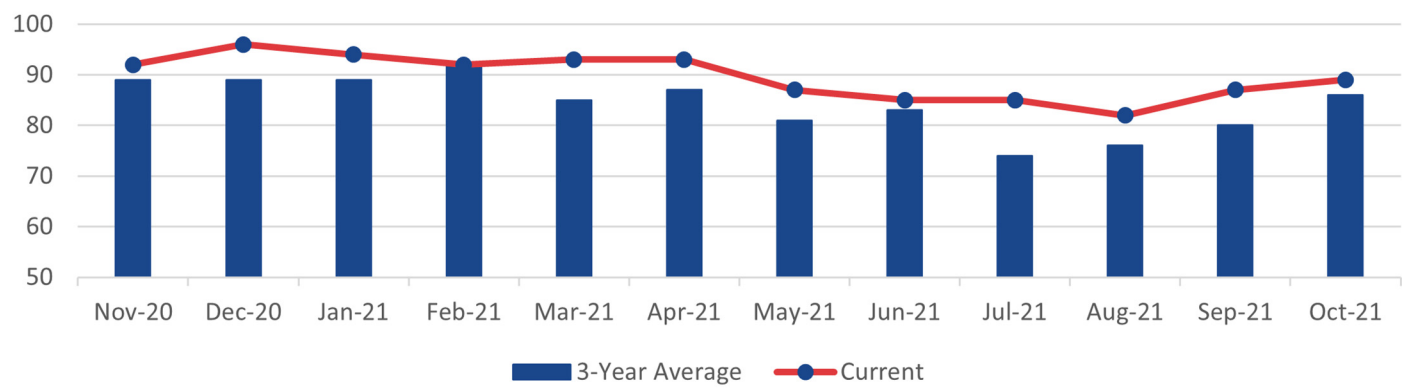
	System Wide			Fredericksburg Line			Manassas Line		
	Aug.	Sept.	Oct.	Aug.	Sept.	Oct.	Aug.	Sept.	Oct.
Total late trains	139	96	89	62	42	36	77	54	53
Average minutes late	14	14	25	15	13	27	13	14	24
Number over 30 minutes	11	2	23	7	1	10	4	1	13
Heat restrictions	14	0	0	14	0	0	0	0	0

ON-TIME PERFORMANCE

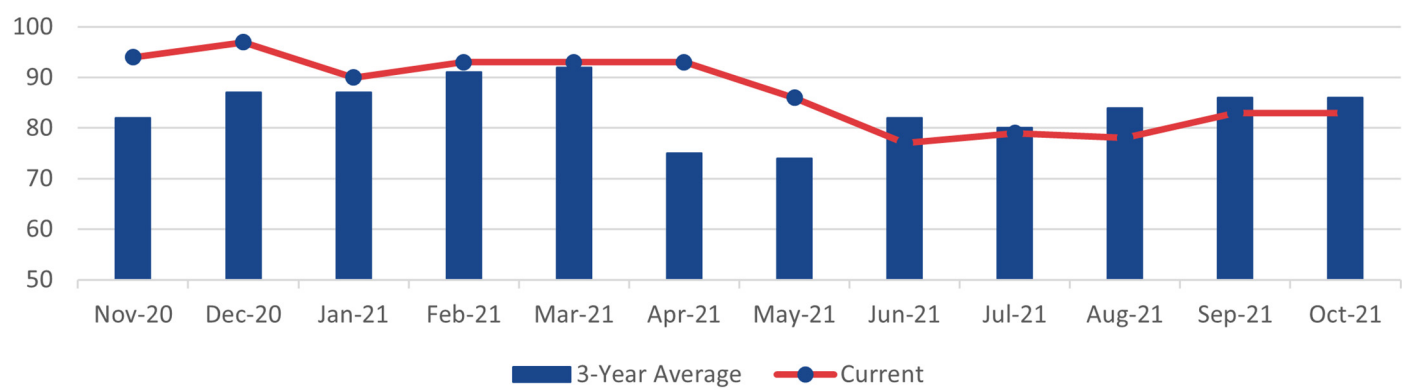
VRE SYSTEM



FREDERICKSBURG LINE

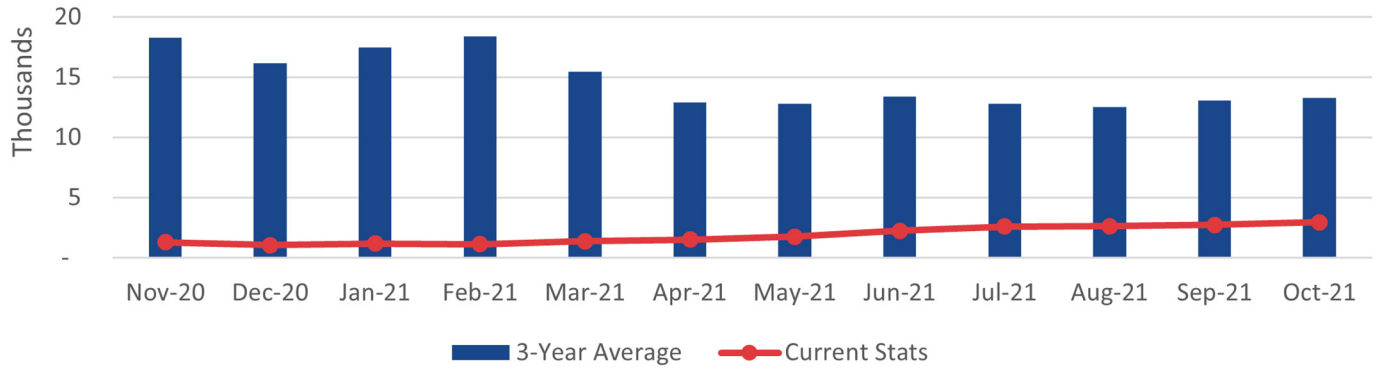


MANASSAS LINE

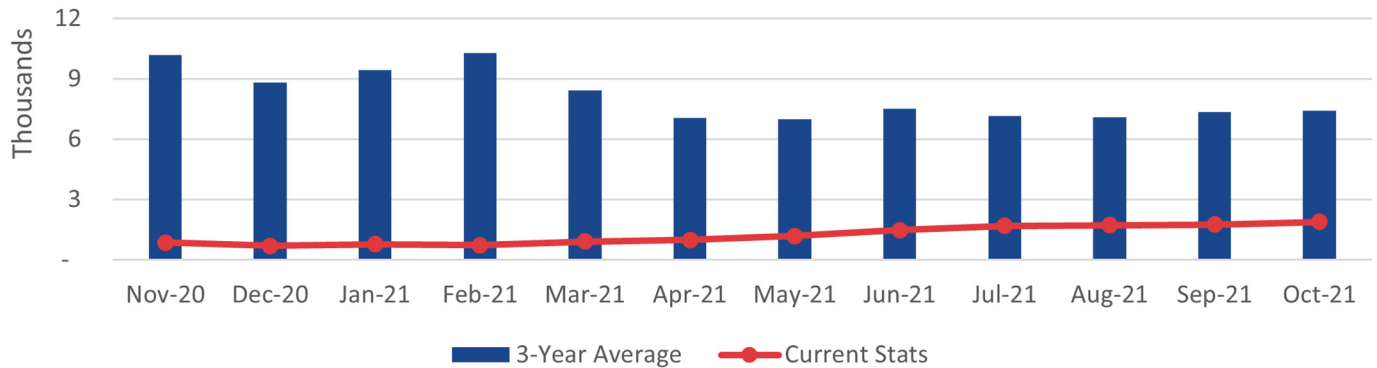


# AVERAGE DAILY RIDERSHIP

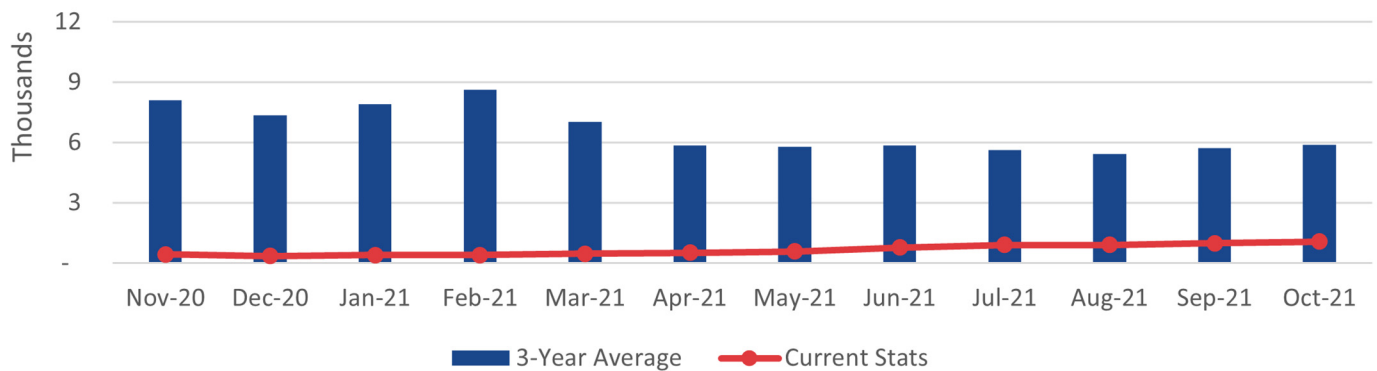
## VRE SYSTEM



## FREDERICKSBURG LINE



## MANASSAS LINE



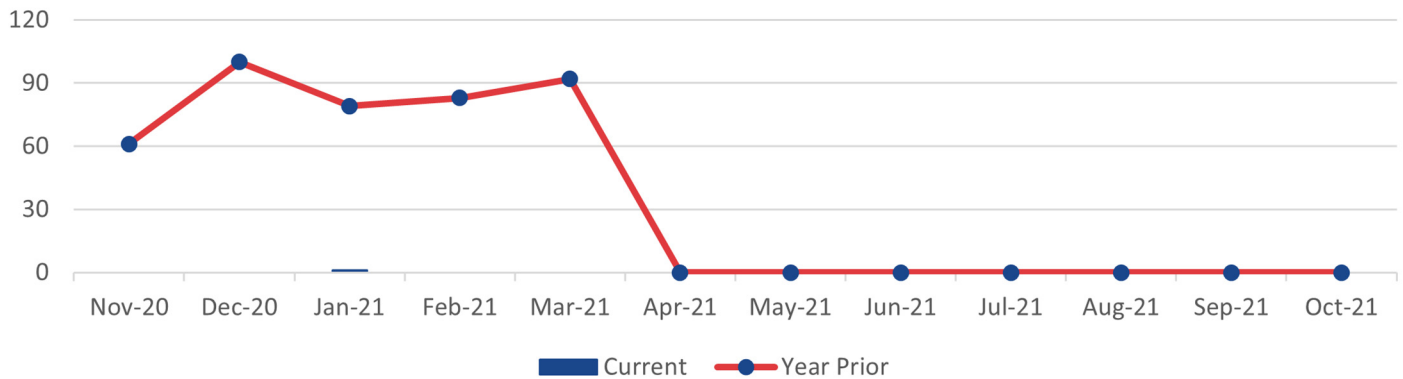
## RIDERSHIP UPDATES

Average daily ridership in October was 2,949. During October, we ran a full-service schedule with 32 trains daily.

	October 2021	September 2021	October 2020
Monthly Ridership	58,989	57,255	29,383
Average Daily Ridership	2,949	2,726	1,399
Full Service Days	20	20	21
"S" Service Days	0	1	0

## SUMMONSES ISSUED

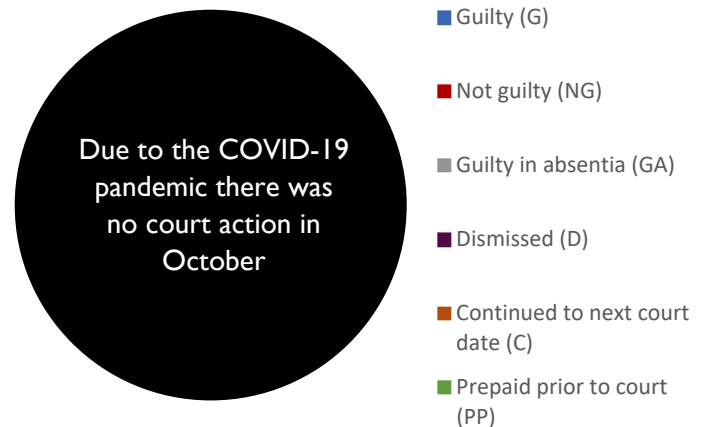
### VRE SYSTEM



### 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
<b>Total Waived</b>	<b>0</b>

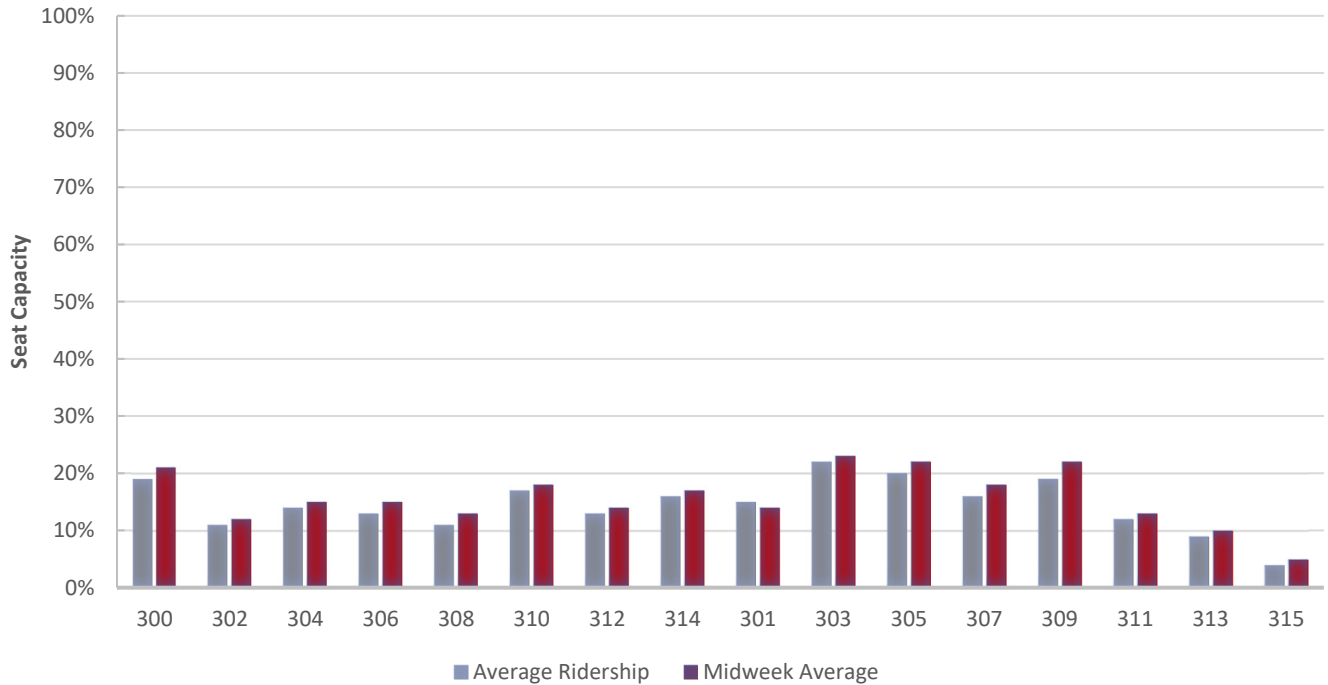
### MONTHLY SUMMONSES COURT ACTION



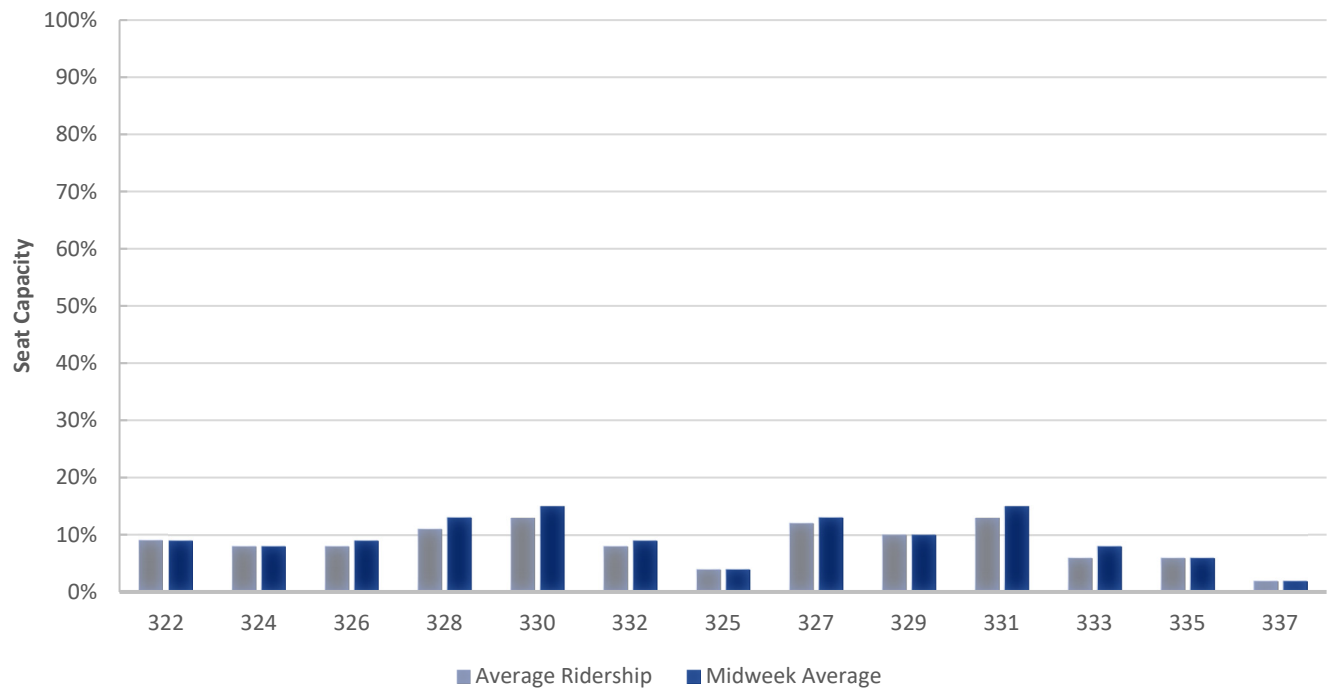


# TRAIN UTILIZATION

## FREDERICKSBURG LINE

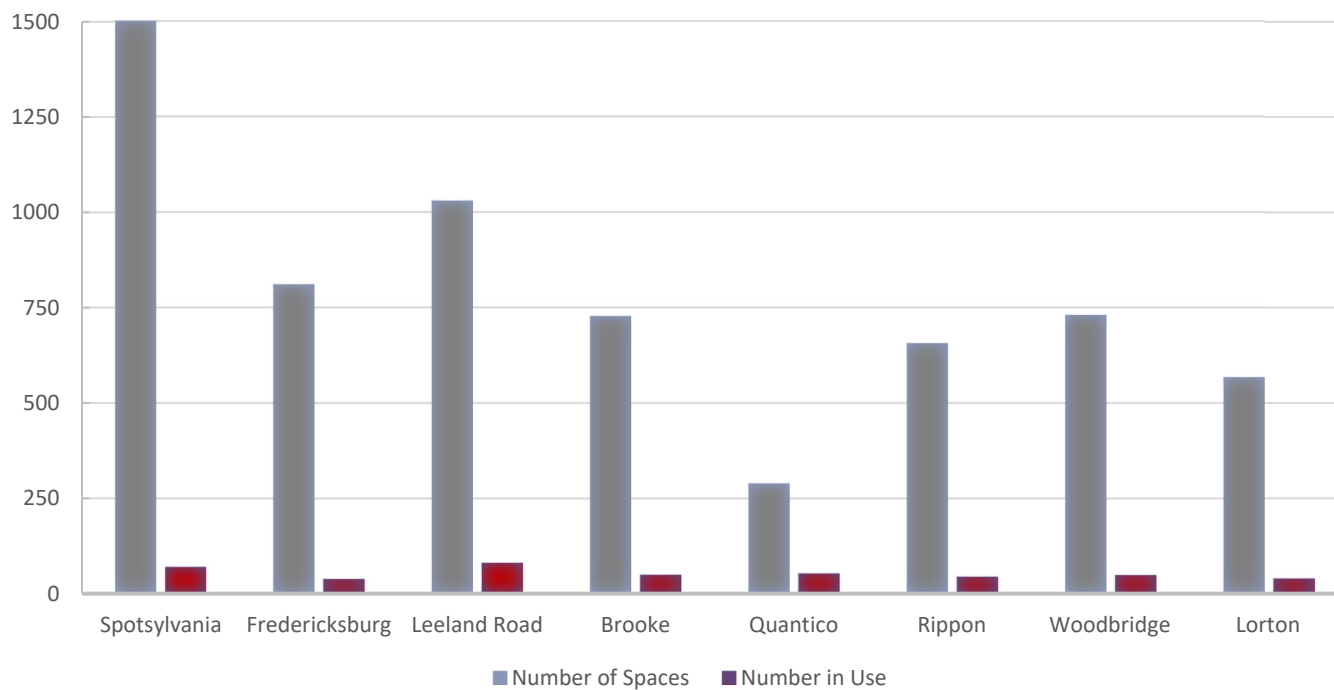


## MANASSAS LINE

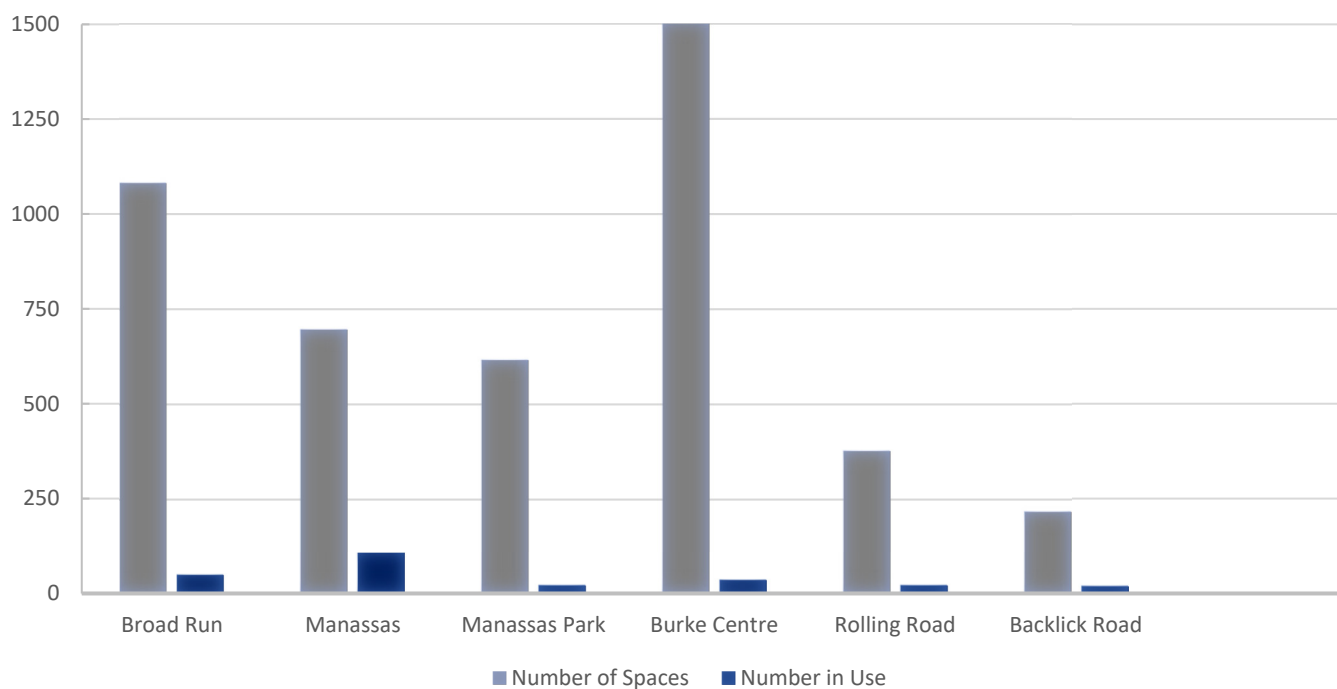


## PARKING UTILIZATION

### FREDERICKSBURG LINE



### MANASSAS LINE



# FINANCIAL REPORT

Fare revenue through the first quarter of FY 2022 (September 2021) is approximately \$2.2 million below budget (an unfavorable variance of -48%) and is 16% above the same period in FY 2021.

The coronavirus (COVID-19) pandemic continues to negatively impact VRE ridership. Ridership has remained significantly below pre-pandemic levels during the first quarter, with average daily ridership of 2,589 in July, 2,625 in August and 2,726 in September, as compared to average daily ridership of 18,692 in February 2020 (the last full month not affected by the pandemic). We expect to report significant ridership and revenue impacts related to the pandemic throughout the remainder of FY 2022.

The operating ratio for the first quarter of FY 2022 is 10%, which is below VRE's amended budgeted operating ratio of 18% for the full 12 months of the fiscal year. VRE is normally required to budget a minimum operating ratio of 50%, but this requirement has been waived for FY 2022 because of the pandemic.

A summary of the FY 2022 financial results through September follows, including information on major revenue and expense categories. Please note that these figures are preliminary and unaudited.

FY 2022 Operating Budget Report Month Ended September 30, 2021							
	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD \$ VARIANCE	YTD % VARIANCE	TOTAL FY21 BUDGET
<b>Operating Revenue</b>							
Passenger Ticket Revenue	813,346	1,519,667	2,392,028	4,631,365	(2,239,337)	-48.4%	18,236,000
Other Operating Revenue	-	25,000	10,681	76,190	(65,509)	-86.0%	300,000
<b>Subtotal Operating Revenue</b>	<b>813,346</b>	<b>1,544,667</b>	<b>2,402,710</b>	<b>4,707,556</b>	<b>(2,304,846)</b>	<b>-49.0%</b>	<b>18,536,000</b>
Jurisdictional Subsidy (1)	-	-	183,038	175,451	7,587	4.3%	343,997
Federal/State/Other Jurisdictional Subsidy	1,575,034	1,385,127	4,756,071	4,186,351	569,720	13.6%	16,398,201
Appropriation from Reserve/Other Income	18,534,122	9,749,111	18,534,122	18,969,472	(435,350)	-2.3%	54,035,604
Interest Income	4,445	29,167	16,236	88,889	(72,653)	-81.7%	350,000
<b>Total Operating Revenue</b>	<b>20,926,947</b>	<b>12,708,071</b>	<b>25,892,177</b>	<b>28,127,719</b>	<b>(2,235,542)</b>	<b>-7.9%</b>	<b>89,663,802</b>
<b>Operating Expenses</b>							
Departmental Operating Expenses	10,546,717	11,117,387	24,110,450	26,620,095	2,509,645	9.4%	83,441,604
Debt Service	518,516	518,516	1,555,549	1,555,549	-	0.0%	6,222,198
Other Non-Departmental Expenses	-	-	-	-	-	0.0%	-
<b>Total Operating Expenses</b>	<b>11,065,233</b>	<b>11,635,904</b>	<b>25,666,000</b>	<b>28,175,645</b>	<b>2,509,645</b>	<b>8.9%</b>	<b>89,663,802</b>
<b>Net income (loss) from Operations</b>	<b>9,861,714</b>	<b>1,072,168</b>	<b>226,177</b>	<b>(47,926)</b>	<b>274,103</b>		<b>-</b>
<b>Operating Ratio</b>			<b>10%</b>	<b>18%</b>		<b>Budgeted Goal</b>	<b>22% 50%</b>

(1) Total jurisdictional subsidy is \$4,756,658. 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 September 30, 2021

A summary of the C-ROC Fund through the first quarter of FY 2022 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 September 30, 2021**

<b>Period</b>	<b>Funds Earned</b>	<b>Funds Received</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>C-ROC Account Balance (LGIP)</b>
FY 2022 (Jul-Sep)	\$3,250,000	\$1,250,000	\$6,668	\$0	
<b>Life to Date (sum of all periods)</b>	<b>\$48,750,000</b>	<b>\$46,250,000</b>	<b>\$468,005</b>	<b>\$0</b>	<b>\$46,718,005</b>

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.

VRE has also committed to using C-ROC funds to support the Transforming Rail in Virginia (TRV) program. A Funding Agreement was executed in March 2021 between the Commissions and the Virginia Passenger Rail Authority which includes provisions for the Commissions to fund a portion of the TRV Program's "Planned Improvements" as well as the purchase of real property for right-of-way acquired by the Commonwealth from CSX Transportation (CSXT). The Commissions will utilize C-ROC funds for both a debt issuance and on a pay-as-you-go (PAYGO) basis as the source of the funding commitment. Sale and issuance of the CROC-backed debt is expected in the second half of FY 2022.

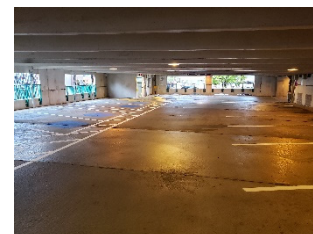


## FACILITIES UPDATE

The following is a status update of VRE facilities projects.

### Completed projects:

1. Minor stair steel repairs and caulking at Franconia-Springfield station
2. Restriping of Manassas station parking garage



*Manassas station parking garage restriping in progress*

### Projects scheduled to be completed this quarter:

1. Design of waiting area at L'Enfant station
2. Painting of Franconia-Springfield station
3. Replacement of existing west platform and canopy lighting with LED lighting at Woodbridge station
4. Testing of dry standpipes at Woodbridge and Manassas station parking garages
5. Painting of stairwells, railings, and platform steel at Manassas station parking garage
6. Installation of cubicle furniture at Alexandria headquarters
7. Replacement of fluorescent lighting with LED lighting at Alexandria headquarters and Fredericksburg office
8. Replacement of ceiling tiles at Alexandria headquarters Suite 201
9. Replacement of vertical blinds with window shades at Alexandria headquarters
10. Delivery of air purifiers at Alexandria headquarters, Fredericksburg office, Crossroads MASF buildings and Broad Run MASF buildings
11. Procurement of contract for continued Roadway Worker Protection (RWP) railroad safety training services



*Manassas station parking garage generator, overhauled, repainted and ready for delivery*

### Projects scheduled to be initiated this quarter:

1. Submission of IFB package for waiting area at L'Enfant station
2. Minor structural concrete repairs at Woodbridge station parking garage
3. Minor structural concrete bridge repairs at Rippon and Brooke stations
4. Repair of platform sealer delamination at Spotsylvania station
5. Repair of concrete stairs at Burke Centre station

6. Replacement of existing lighting with LED lighting at Manassas station parking garage
7. Replacement of existing yard lighting with LED lighting at Crossroads MASF and Broad Run MASF
8. Issuance of general signage services request for quotes

Ongoing projects:

1. Overhaul of emergency generators at Woodbridge and Manassas stations, Alexandria headquarters and Fredericksburg office
2. Procurement of waste and recycling receptacles for station platforms
3. Procurement of benches for station platforms

## UPCOMING PROCUREMENTS

1. Locomotive Master Controller
2. Renewal of locomotive head end power engine systems
3. Program management consulting services
4. Modernization of VRE Woodbridge Station east elevator
5. Forklift trucks
6. Passenger car wheelchair lift assemblies
7. Purchase of LED light fixtures
8. Variable Messaging System replacement
9. Tactile strip replacements
10. Construction management services for Fredericksburg Station platform rehabilitation
11. Construction of Fredericksburg Station platform rehabilitation
12. Construction Manager / General Contractor for the Alexandria Station improvements project

CAPITAL PROJECTS UPDATE

Project Name	Project Description	Current Phase	Budget	Project Notes
Alexandria Station Improvements	Passenger safety will be improved by replacing an at-grade pedestrian track crossing with elevators to connect the two platforms. The elevators, along with the current and proposed stairs, will connect to the existing tunnel between the two platforms. Adjustments to platform elevation will eliminate the need for step-boxes to access VRE and Amtrak trains. The center platform will be widened and lengthened to accommodate trains on both tracks.	Final Design	\$ 30,975,014.00	Permit coordination ongoing with the City of Alexandria
Broad Run Expansion	To accommodate forecasted ridership growth and increase service reliability, improvements are needed at both the Maintenance and Storage Facility (MSF) and station. The MSF will be enlarged to store longer trains and additional equipment. That will require shifting the existing platform to the east and adding a pedestrian tunnel between the platform and the existing and proposed parking lots. A second, 600-space parking lot and third main track will also be constructed.	Final Design	\$ 137,230,000.00	Final-design consultant contract authorized by VRE Operations Board (July 2021). Final 30% design plans and cost estimate complete. NEPA Documented Categorical Exclusion approved by FTA and FAA.
Brooke Station Improvements	Design and construction of a platform extension up to 700 feet to accommodate full-length VRE trains.	Development	\$ 9,284,208.00	With the future track projects by DRPT in consideration, the VRE concept design is being revised to account for the changes.
Crossroads MSF - Storage Expansion, Short-term	The project constructs additional storage tracks at the Crossroads Maintenance and Storage Facility (MSF) adjacent to the existing facility.	Development	\$ 8,365,765.00	SMART SCALE funding for this project is allocated in FY 2022 and 2023. A funding ageement is pending.
Crystal City Station Improvements	Improved station access and service reliability will result from construction of a new, expanded station. The platform at the relocated station will allow for the simultaneous boarding of two full-length trains. The station's design will accommodate a future pedestrian/bicycle connection between the station and Ronald Reagan National Airport.	Development	\$ 50,114,624.00	Operations Board authorized option to advance the preliminary engineering package to a 60% level of design. Anticipate issuing notice to proceed on 60% design efforts this quarter.
Facilities Design Guidelines Update	Update to the 2019 VRE Facility Design Guidelines.	Final Design	\$ 80,000.00	Gathering designs and details from recent projects to include in Facility Design Guideline update.
Franconia-Springfield Station Improvements	Extended platforms will be able to accommodate eight-car trains, eliminating the need for passengers near the rear to move to a different railcar when disembarking. Enhanced passenger safety and reduced station dwell times will result. The longer platforms will increase operational flexibility and capacity. The design will allow for a future third mainline track.	Final Design	\$ 13,000,000.00	VRE is performing an underground utility investigation for the pedestrian tunnel. The platform design is on hold pending tunnel investigation.

CAPITAL PROJECTS UPDATE

Project Name	Project Description	Current Phase	Budget		Project Notes
Fredericksburg Station Rehabilitation	The rehabilitation of platforms, stairs and bridges will improve passenger safety and better accommodate the boarding and disembarking of riders from VRE and Amtrak trains. New stairs will allow passengers to move between the platform and a parking lot without crossing the street at grade level. New signage, sidewalks, lighting and paint are included, as is installation of a low-clearance warning sign to a bridge that has experienced numerous vehicle strikes.	Final Design	\$	3,000,000.00	VRE continues to finalize the 100% design package, while also developing draft agreements for the upcoming construction phase.
HQ Office Renovations	The project will improve employee safety and security and maximize workspace efficiency at VRE Headquarters, and will include modifications to kitchen, supply room, mail room, bathroom/shower, office and cubicle areas in the north and south wings. The east wing will be modified to include additional offices.	Construction	\$	250,000.00	Work substantially complete. Punch list work in progress. Cubicle furniture delivery expected November 30.
Leeland Road Parking Improvements	This project will expand the surface parking lot at the Leeland Road station by approximately 225 spaces to accommodate future demand.	Development	\$	5,519,178.00	The project is funded through Virginia SMART SCALE. Funding is allocated for FY20 and 22. A funding agreement is pending.
Leeland Road Station Improvements	Design and construction of a platform extension to accommodate full-length VRE trains.	Development	\$	6,736,091.00	With the future track projects by DRPT in consideration, the VRE concept design is being revised to account for the changes.
L'Enfant Station Waiting Area	The existing platform at the L'Enfant station experiences overcrowding during the evening service period. The proposed project will create an additional paved area behind the existing platform, currently landscaped with shrubs and grass, for riders to wait for trains or to bypass riders waiting on the platform.	Final Design	\$	350,000.00	HDR submitted 100% plans, currently under review.
L'Enfant Track and Station Improvements	Expansion of the VRE L'Enfant Station to provide two platform edges and serve full-length trains. Add a new mainline track between LE and VA interlockings.	Development	\$	79,980,000.00	A property boundary and topographical survey is underway. Alternatives analysis and concept design to define a preferred alternative initiated.

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CAPITAL PROJECTS UPDATE

Project Name	Project Description	Current Phase	Budget	Project Notes
Lifecycle Overhaul and Upgrade (LOU) Facility Upgrade	Featuring 33,000 square feet of maintenance space, the LOU will allow VRE to cost-effectively maintain rolling stock, as well as systems and components, in a state of good repair. It will optimize maintenance and reduce costs by allowing the in-house replacement of items before they fail. The LOU will house two tracks that can hold up to four cars at one time and be equipped with a drop table and wheel truing machine. To maintain storage capacity within Crossroads Yard three new tracks are being constructed to provide enhanced flexibility to our operations crews for train movements and storage.	Construction	\$ 52,183,632.00	LOU building, with a footprint nearly the size of a football field, is taking shape. Excavation activities for the building's deep foundations are nearly complete.
Manassas Park Parking Expansion	A new garage will nearly double the 600 spaces currently available in the existing surface lot. A pedestrian bridge will provide grade-separated access to the existing platform and lot. The VRE station and garage are an integral part of the City Center Redevelopment District, the proposed transit-accessible high-density mixed-use town center of Manassas Park.	Final Design	\$ 25,983,000.00	90% design in progress.
Manassas Station Improvements	The project expands the VRE Manassas Station platform to serve full length trains and enhances pedestrian access to the station. Alternatives to increase the platform length to enable boarding and alighting from all passenger cars will be evaluated.	Development	\$ 9,125,000.00	This project is funded with I-66 OTB funding. Initiation of project planning pending completion of a Force Account Addendum with Norfolk Southern Railway.
New York Avenue Midday Storage Facility	This new facility will store trains currently located in Amtrak's Ivy City coach yard, as Amtrak now has need for the storage tracks. The New York Avenue site, which is proximate to Washington Union Station, will be able to accommodate additional VRE trains.	Development	\$ 89,666,508.00	Coordinating with Amtrak to finalize agreements and refine conceptual design.
Potomac Shores Station	This new station, in a master-planned community in Prince William County, is being funded, designed, and constructed by the developer of Potomac Shores in consultation with VRE and other stakeholders. The station will be just a short walk from the town center. A new side platform will be constructed which is designed to be converted into an island platform in the future when the 3rd track is added to corridor operations.	Final Design	\$ -	Pre-final 100% design package under development with submission to Prince William County for site/building permits pending.

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# CAPITAL PROJECTS UPDATE

Project Name	Project Description	Current Phase	Budget		Project Notes
Quantico Station Improvements	Service and safety will be enhanced through the construction of a new center platform, ADA-compliant pedestrian bridges, existing platform extension, and third track. These improvements will allow the station to accommodate additional passengers and more frequent and longer trains and operations flexibility with three boardable platform edges.	Construction	\$	23,973,061.00	Contractor continues to coordinate with utilities concurrently with early activities.
Rippon Station Improvements	Extend existing platform with a second pedestrian overpass.	Development	\$	16,634,794.00	With the future track projects by DRPT in consideration, the VRE concept design is being revised to account for the changes.
Rolling Road Station Improvements	An extended platform will accommodate eight-car trains, eliminating the need for passengers near the rear to move to a different railcar when disembarking. Enhanced passenger safety and reduced station dwell times will result. Rehabilitation and repair of the existing platform, replacement of stairs and the existing canopy roof, and an upgrade of the lighting and communication systems are planned.	Construction	\$	5,000,000.00	Precast installed and canopy structure installation in progress.

For more information about VRE capital projects, visit <https://projects.vre.org/list>

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