

CEO REPORT

FEBRUARY 2022



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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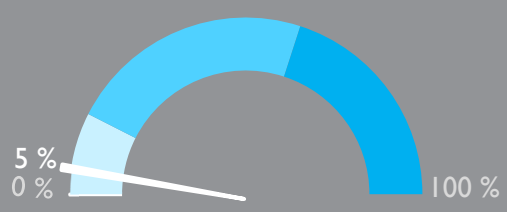
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VIRGINIA RAILWAY EXPRESS
A better way. A better life.

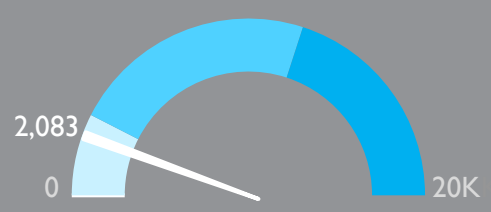


PERFORMANCE AT A GLANCE



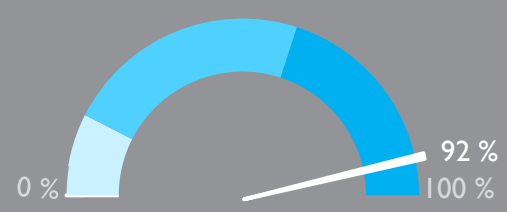
PARKING UTILIZATION

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



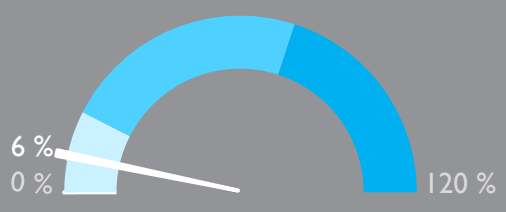
AVERAGE DAILY RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings and reduced, "S" schedule, service.
Same month, previous year: 1,179



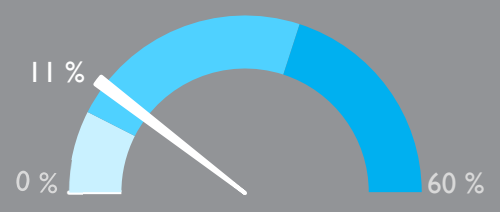
ON-TIME PERFORMANCE

Percent of trains arriving at their destination within 5 minutes of the schedule.
Same month, previous year: 92%



SYSTEM CAPACITY

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



OPERATING RATIO

Through December 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%

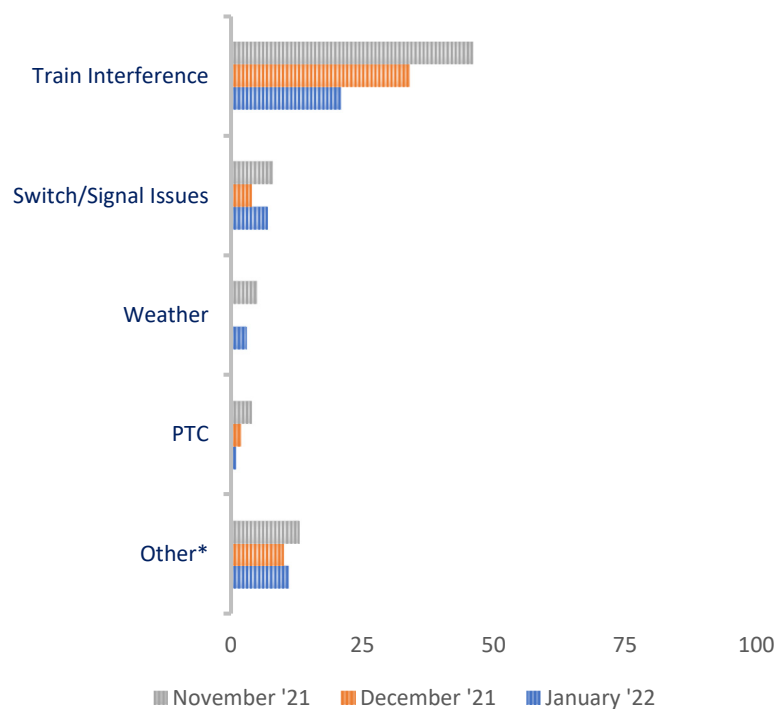
January 2022

ON-TIME PERFORMANCE

OUR RECORD

	January 2022	December 2021	January 2021
Manassas Line	90%	91%	90%
Fredericksburg Line	93%	92%	94%
Systemwide	92%	92%	92%

PRIMARY REASON FOR DELAY



VRE operated 523 trains in January. The on-time rate for January was 92 percent.

Forty-three trains arrived more than 5 minutes late to their final destinations. Of those late trains, 25 were on the Manassas Line (58 percent), and 18 were on the Fredericksburg Line (42 percent).

VRE met its performance goal again this month. A drop in delays due to train interference was offset by slight gains in the other delay classifications.

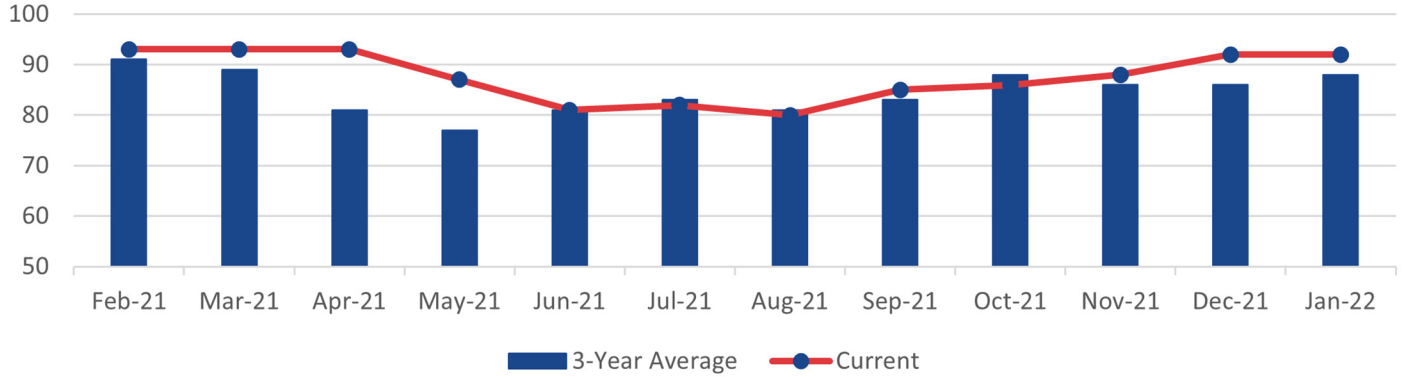
*Includes trains that were delayed due to operational testing and passenger handling.

LATE TRAINS

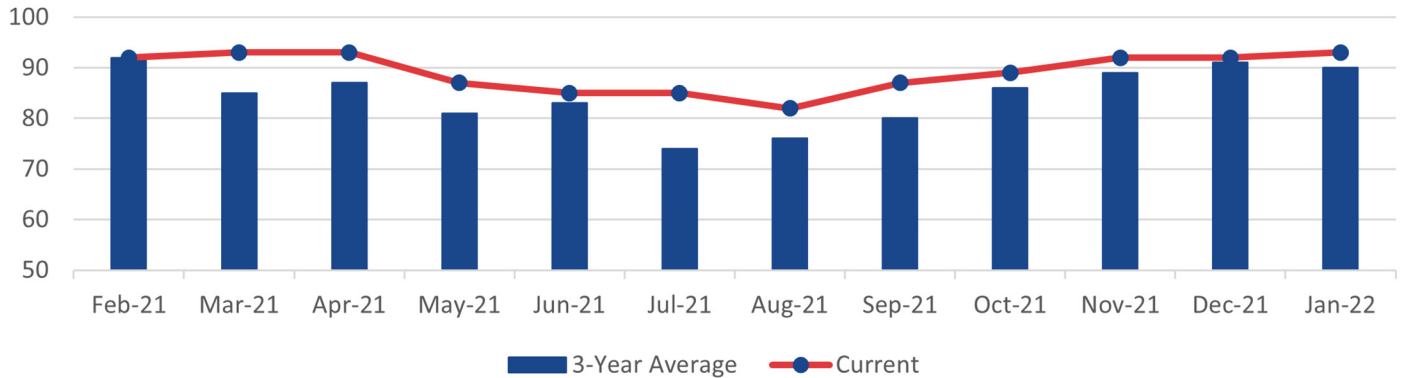
	System Wide			Fredericksburg Line			Manassas Line		
	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.
Total late trains	76	50	43	24	23	18	52	27	25
Average minutes late	12	14	22	12	18	21	11	11	22
Number over 30 minutes	3	6	9	2	5	4	1	1	5
Heat restrictions	0	0	0	0	0	0	0	0	0

ON-TIME PERFORMANCE

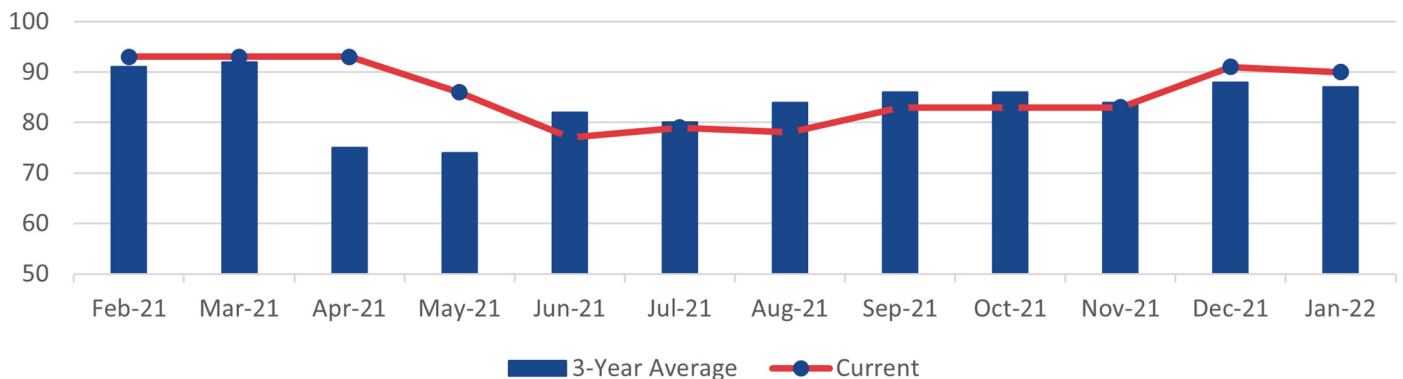
VRE SYSTEM



FREDERICKSBURG LINE

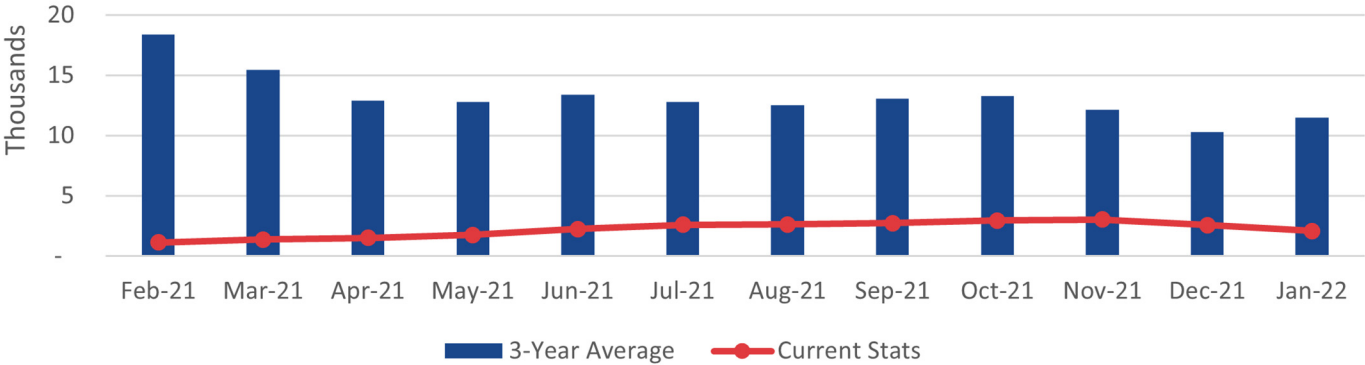


MANASSAS LINE

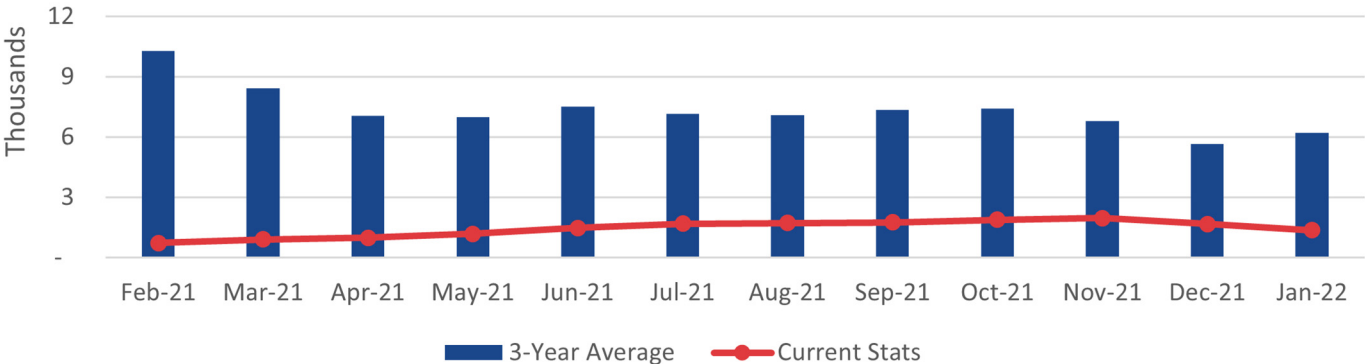


AVERAGE DAILY RIDERSHIP

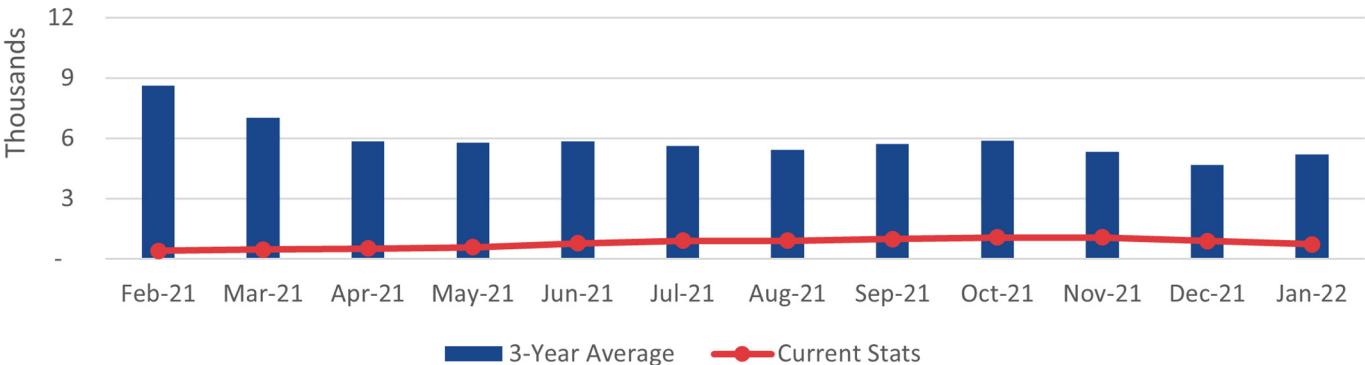
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



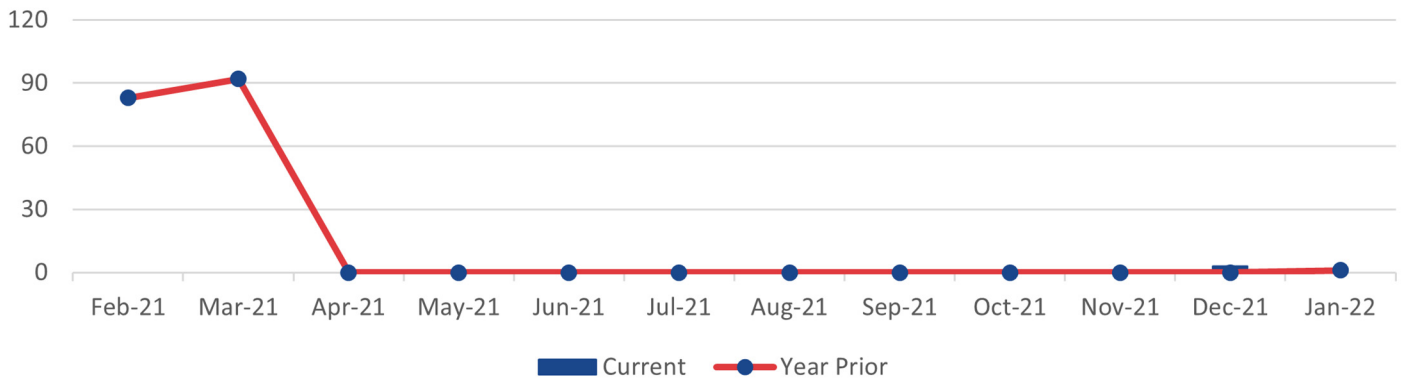
RIDERSHIP UPDATES

Average daily ridership in January was 2,083.
There were 18 service days.

	January 2022	December 2021	January 2021
Monthly Ridership	37,487	53,692	20,036
Average Daily Ridership	2,083	2,557	1,179
Full Service Days	15	17	0
"S" Service Days	3	4	17

SUMMONSES ISSUED

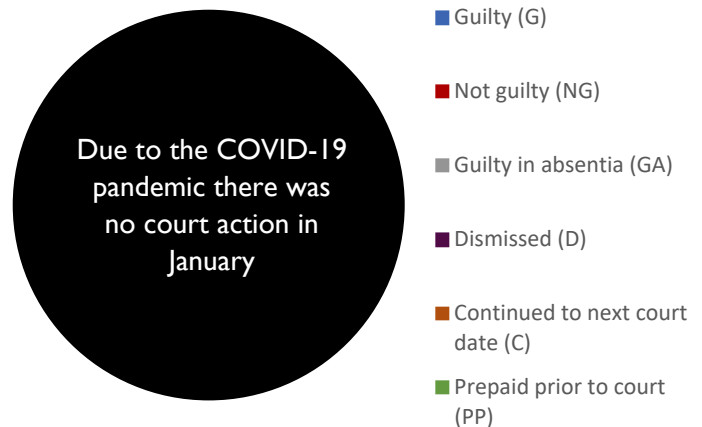
VRE SYSTEM



SUMMONSES WAIVED OUTSIDE OF COURT

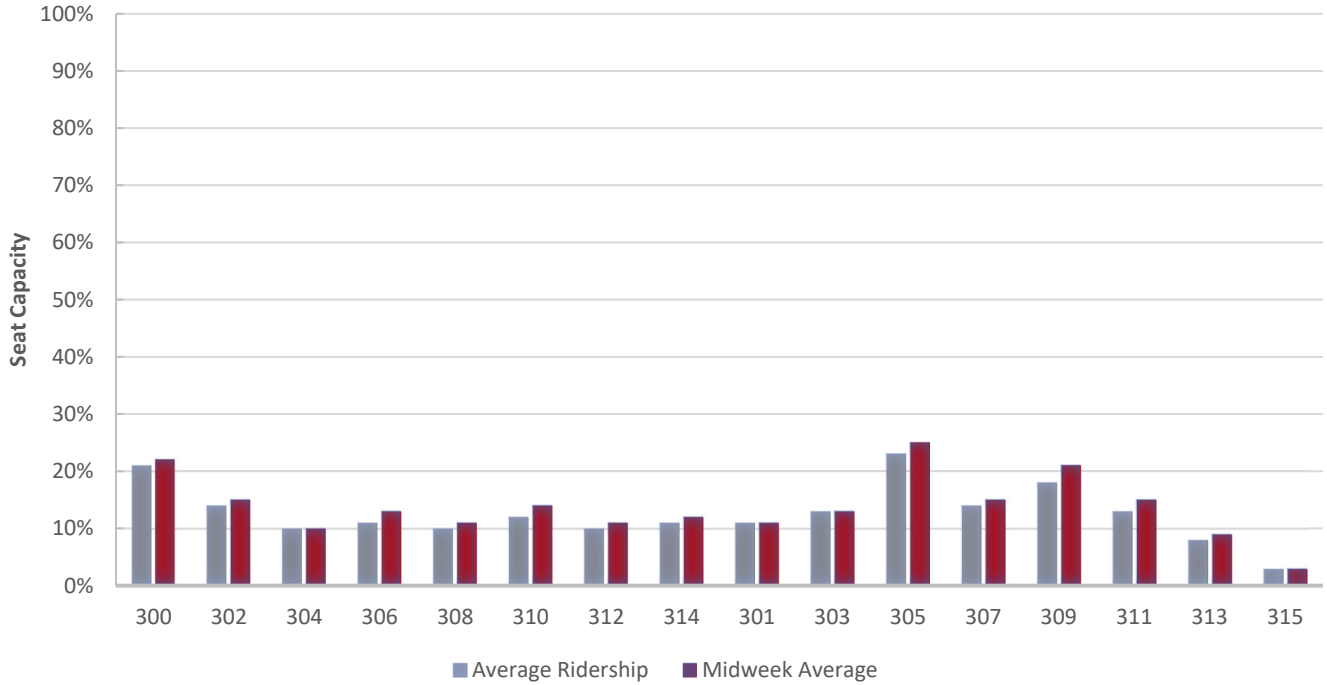
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	0
One-time courtesy	0
Per the request of the conductor	0
Defective ticket	0
Per ops manager	0
Unique circumstances	0
Insufficient information	0
Lost and found ticket	0
Other	0
Total Waived	0

MONTHLY SUMMONSES COURT ACTION

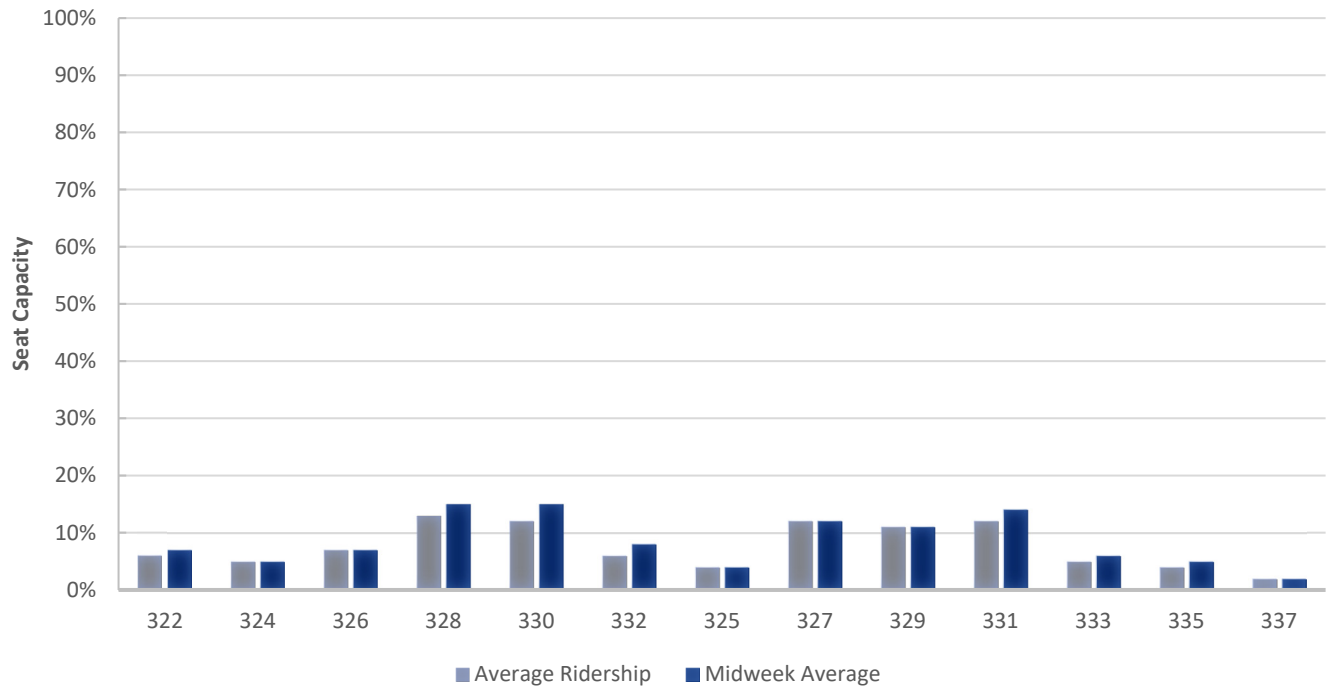


TRAIN UTILIZATION

FREDERICKSBURG LINE

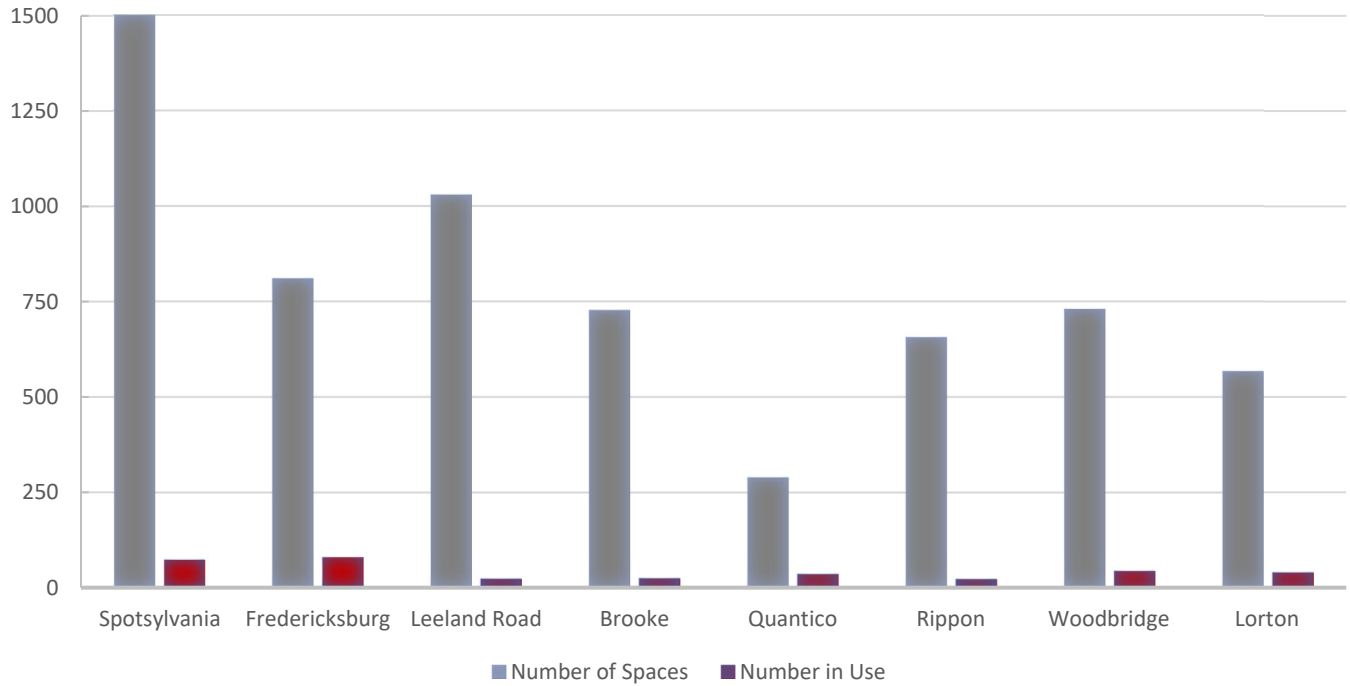


MANASSAS LINE

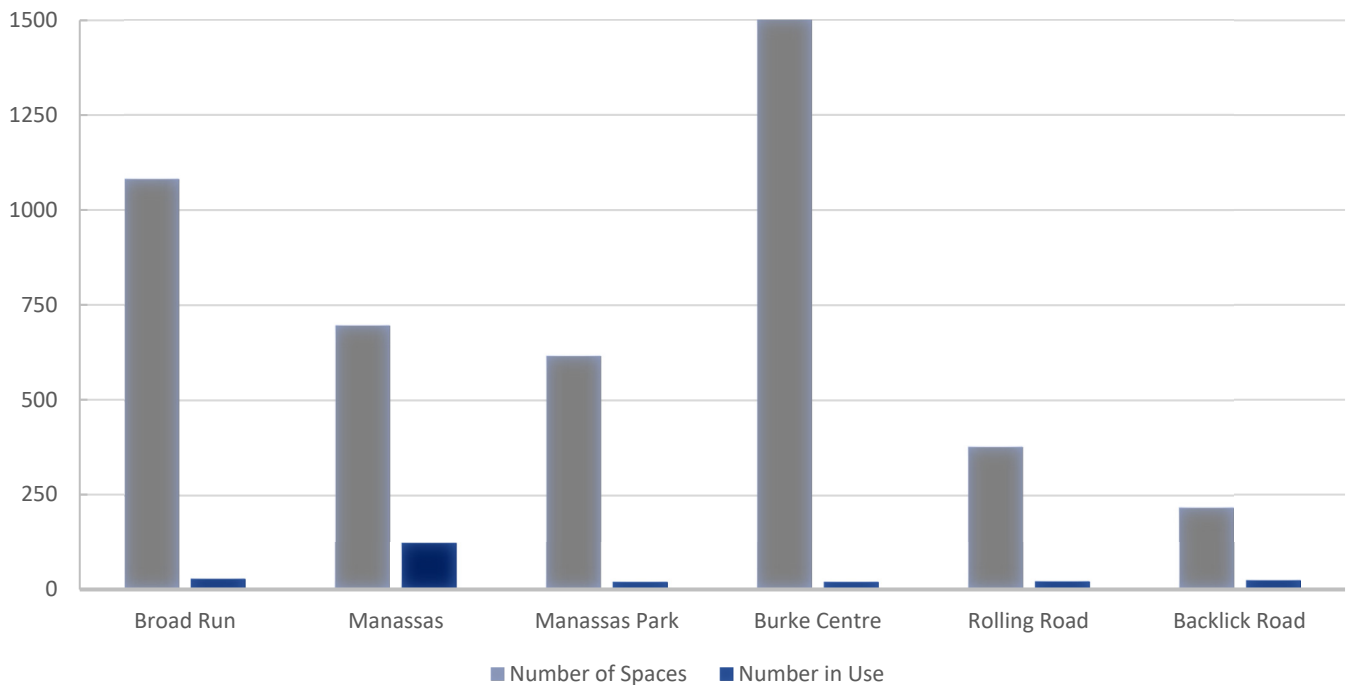


PARKING UTILIZATION

FREDERICKSBURG LINE



MANASSAS LINE



FINANCIAL REPORT

Fare revenue through the second quarter of FY 2022 (December 2021) is approximately \$775,000 below the amended budget (an unfavorable variance of -14%) and is 18% above the same period in FY 2021.

The coronavirus (COVID-19) pandemic continues to have a significant negative impact on VRE ridership. Ridership has remained well below pre-pandemic levels during the second quarter, with average daily ridership of 2,949 in October, 3,036 in November and 2,557 in December, 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 second quarter of FY 2022 is 11%, which is below VRE's amended budgeted operating ratio of 13% for the full twelve 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 December 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 December 31, 2021							
	CURR. MO.	CURR. MO.	YTD	YTD	YTD \$	YTD %	TOTAL FY22
	ACTUAL	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE	BUDGET
Operating Revenue							
Passenger Ticket Revenue	758,365	942,683	4,624,145	5,399,000	(774,855)	-14.4%	10,798,000
Other Operating Revenue	-	26,190	69,249	150,000	(80,751)	-53.8%	300,000
Subtotal Operating Revenue	758,365	968,873	4,693,395	5,549,000	(855,605)	-15.4%	11,098,000
Jurisdictional Subsidy (1)	-	-	183,038	175,451	7,587	4.3%	343,997
Federal/State/Other Jurisdictional Subsidy	1,563,732	1,563,732	9,447,266	9,447,265	1	0.0%	18,677,079
Appropriation from Reserve/Other Income	4,710,589	4,686,524	29,764,107	33,273,156	(3,509,049)	-10.5%	59,379,311
Interest Income	6,830	8,730	32,087	50,000	(17,913)	-35.8%	100,000
Total Operating Revenue	7,039,516	7,227,860	44,119,893	48,494,872	(4,374,979)	-9.0%	89,598,387
Operating Expenses							
Departmental Operating Expenses	6,450,271	6,712,685	42,185,530	45,374,095	3,188,565	7.0%	83,376,189
Debt Service	510,260	510,260	3,061,563	3,061,563	-	0.0%	6,222,198
Other Non-Departmental Expenses	-	-	-	-	-	0.0%	-
Total Operating Expenses	6,960,531	7,222,945	45,247,093	48,435,658	3,188,565	6.6%	89,598,387
Net income (loss) from Operations	78,985	4,915	(1,127,200)	59,214	(1,186,414)		-
Operating Ratio			11%	12%		Budgeted Goal	13% 50%

(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 December 31, 2021

A summary of the C-ROC Fund through the second 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 December 31, 2021

Period	Funds Earned	Funds Received	Interest Earned	Expenditures	C-ROC Account Balance (LGIP)
FY 2022 (Jul-Dec)	\$7,500,000	\$5,000,000	\$15,121	\$0	
Life to Date (sum of all periods)	\$52,500,000	\$50,000,000	\$476,457	\$0	\$50,476,457

The VRE Operations Board and the Commissions have approved the commitment of \$45 million in CROC 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. Design of waiting area at L'Enfant station
2. Replacement of fluorescent lighting with LED lighting at Alexandria headquarters
3. Issuance of sole source contract for continued Roadway Worker Protection (RWP) railroad safety training services



Installation of LED lighting at Alexandria headquarters

Projects scheduled to be completed this quarter:

1. Replacement of existing west platform and canopy lighting with LED lighting at Woodbridge station
2. Replacement of fluorescent lighting with LED lighting at Fredericksburg office
3. Overhaul of emergency generator at Fredericksburg office
4. Replacement of vertical blinds with window shades at Alexandria headquarters
5. Delivery of air purifiers to Fredericksburg office and Crossroads and Broad Run MASF buildings
6. Installation of VRE station-themed wall graphics in Alexandria headquarters elevator lobby
7. Issuance of purchase order for waste and recycling receptacles for station platforms



Overhauled emergency generator returned to Manassas parking garage

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. Modernization of east elevator at Woodbridge station
4. Minor structural concrete bridge repairs at Rippon and Brooke stations
5. Repair of platform sealer delamination at Spotsylvania station
6. Repair of concrete stairs at Burke Centre station
7. Replacement of existing lighting with LED lighting at Manassas station parking garage
8. Issuance of general signage services request for quotes

FEBRUARY 2022

Ongoing projects:

1. Overhaul of emergency generators at Woodbridge and Manassas stations, Alexandria headquarters and Fredericksburg office
2. Procurement of benches for station platforms
3. Replacement of existing yard lighting with LED lighting at Crossroads MASF and Broad Run MASF

UPCOMING PROCUREMENTS

1. Locomotive master controllers
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 of Fredericksburg Station platform rehabilitation
11. Construction Manager / General Contractor for the Alexandria Station improvements project
12. Broad Run and Crossroads security camera system power and network infrastructure upgrade

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. (Jan. & Feb. 2022)
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	30% redesign in progress. Fieldwork coordination has started. (Feb. 2022) Final design in progress. Norfolk Southern right of entry completed. (Jan. 2022)
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	VRE has reengaged this project and returned it to the CIP Budget for future years. Project schedule updates pending input from various stakeholders. (Jan. & Feb. 2022)
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 agreement is pending. (Jan. & Feb. 2022)
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	Launched 60% design; stakeholder coordination continues. (Feb 2022) The FTA determined the project meets criteria of a Class II listed Categorical Exclusion. Notice to proceed for final design was issued. (Jan. 2022).
Facilities Design Guidelines Update	Update to the 2019 VRE Facility Design Guidelines.	Final Design	\$ 80,000.00	Reviewing consultant's initial draft drawing. (Jan. & Feb. 2022)
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	In process of issuing a task order to design a pedestrian tunnel. (Feb. 2022) Performing underground utility investigation for pedestrian tunnel. Platform design is on hold pending that investigation. (Jan. 2022)

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	Invitation for bids package complete; finalizing agreements. (Jan. & Feb. 2022)
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	Ceiling tile replacement complete. LED light fixture replacement complete, except emergency fixtures (Feb. 2022) Ceiling tile replacement 90 percent complete. LED ceiling light fixtures on order. (Jan. 2022)
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. (Jan. & Feb. 2022)
Leeland Road Station Improvements	Design and construction of a platform extension to accommodate full-length VRE trains.	Development	\$ 6,736,091.00	VRE has reengaged this project and returned it to the CIP budget for future years. Project schedule updates pending input from various stakeholders. (Jan. & Feb. 2022)
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	Sediment control and stormwater permit applications remain under review by the District Department of Energy and Environment. VRE to pay review fees. (Jan. & Feb. 2022)
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. (Jan. & Feb. 2022)

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CAPITAL PROJECTS UPDATE

Project Name	Project Description	Current Phase	Budget	Project Notes
Lifecycle Overhaul and Upgrade (LOU) Facility	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	Area upgrades to electric power complete. Construction continues as backfilling progresses around the building foundation (Feb. 2022) Deep foundation and lower level building construction activities continue as we celebrated one year of construction in mid-December. (Jan. 2022)
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	Building plan review now slated for mid-Feb. (Feb. 2022) Site plan submitted to the city for review. Building plan review planned for end of Jan. (Jan. 2022)
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. (Jan. & Feb. 2022)
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	Reengaged Amtrak team in Jan. to discuss pending agreements and forthcoming design updates. (Feb. 2022) Attended design team site visit in Dec. to revisit original concept design and review alternatives. (Jan. 2022)
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	\$ -	Final design review and coordination continues, along with utility location and coordination. (Feb. 2022) Final design plans submitted to Prince William County for approval and permits and for VRE and CSX review and approval. (Jan. 2022)

- continued next page -

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	Elevator pits construction forthcoming and imminent. (Feb. 2022) Jack and bore for island platform drainage completed. Manhole installations and corresponding drainage lines proceeding. (Jan. 2022)
Rippon Station Improvements	Extend existing platform with a second pedestrian overpass.	Development	\$ 16,634,794.00	VRE has reengaged this project and returned it to the CIP budget for future years. Project schedule updates pending input from various stakeholders.
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	Existing canopy roofing replaced. Electrical conduits being installed. (Feb. 2022) Existing platform rehabilitation in progress. (Jan. 2022)

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

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