

CEO REPORT

JANUARY 2019



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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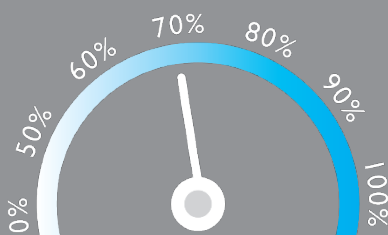


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A better way. A better life.



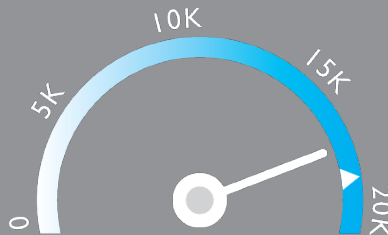
SUCCESS AT A GLANCE

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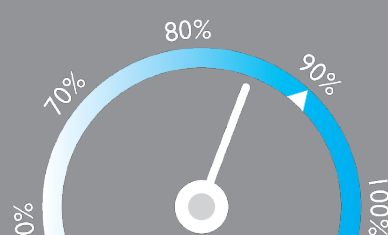
**PARKING
UTILIZATION**

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



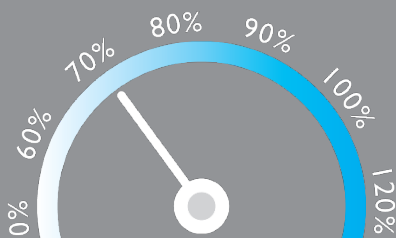
**AVERAGE DAILY
RIDERSHIP**

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings but excluding "S" schedule operating days.
▲ Same month, previous year.



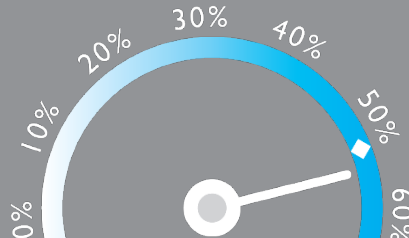
**ON-TIME
PERFORMANCE**

Percentage of trains that arrive at their destination within five minutes of the schedule.
▲ Same month, previous year.



SYSTEM CAPACITY

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



OPERATING RATIO

The monthly operating revenues divided by the monthly operating expenses, which depicts the percent of operating costs paid by the riders.
◆ Board-established goal.

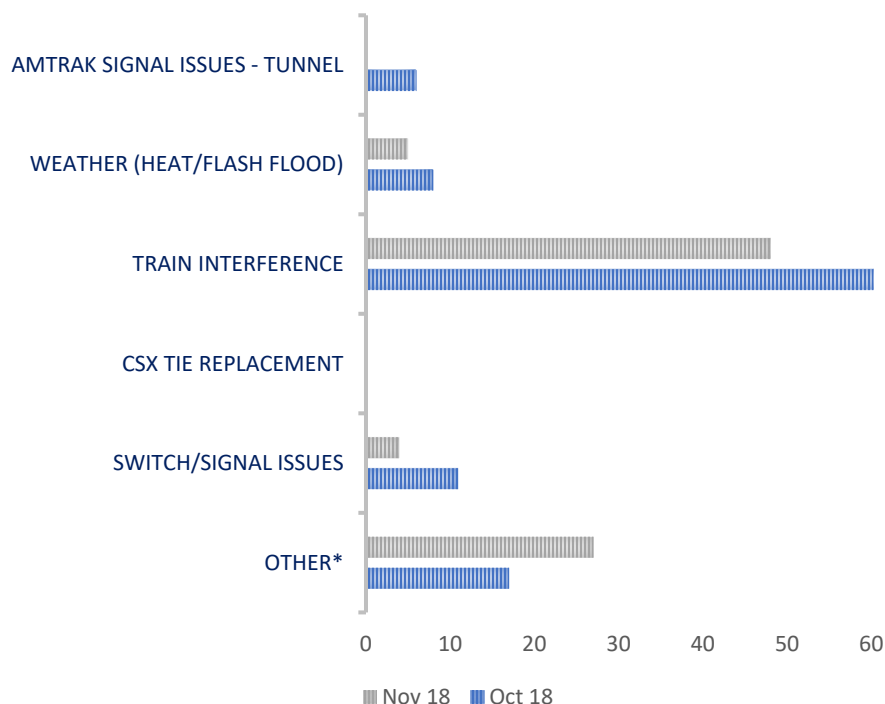
NOVEMBER 2018

ON-TIME PERFORMANCE

OUR RECORD

	November 2018	October 2018	November 2017
Manassas Line	82%	87%	89%
Fredericksburg Line	91%	84%	93%
System Wide	86%	86%	91%

REASONS FOR DELAYS



VRE operated 624 trains in November.

Our on-time rate for November was 86%.

Eighty-five of the trains arrived more than five minutes late to their final destinations. Fifty-seven of those late trains were on the Manassas Line (82%), and twenty-eight of those late trains were on the Fredericksburg Line (91%).

While the Fredericksburg Line was over 90%, the Manassas Line finished below goal. Train Interference was cited as the largest single contributor to late trains. This month saw a higher rate of delay to our reverse flow trains, causing late turns at the terminals. This accounts for the lower rate on the Manassas side.

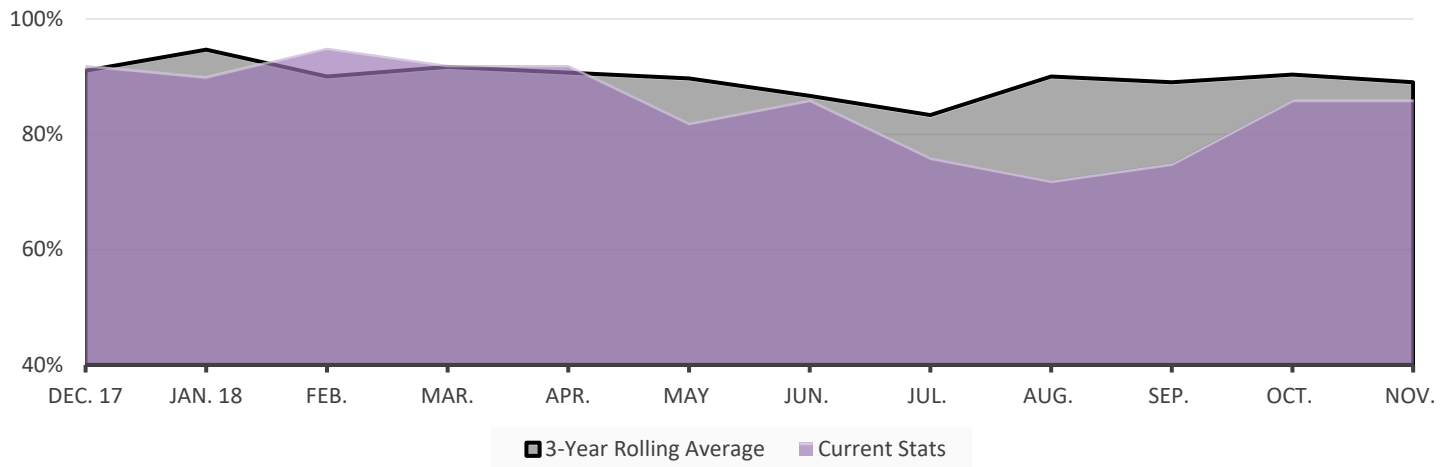
*Includes trains that were delayed due to operational testing and passenger handling.

LATE TRAINS

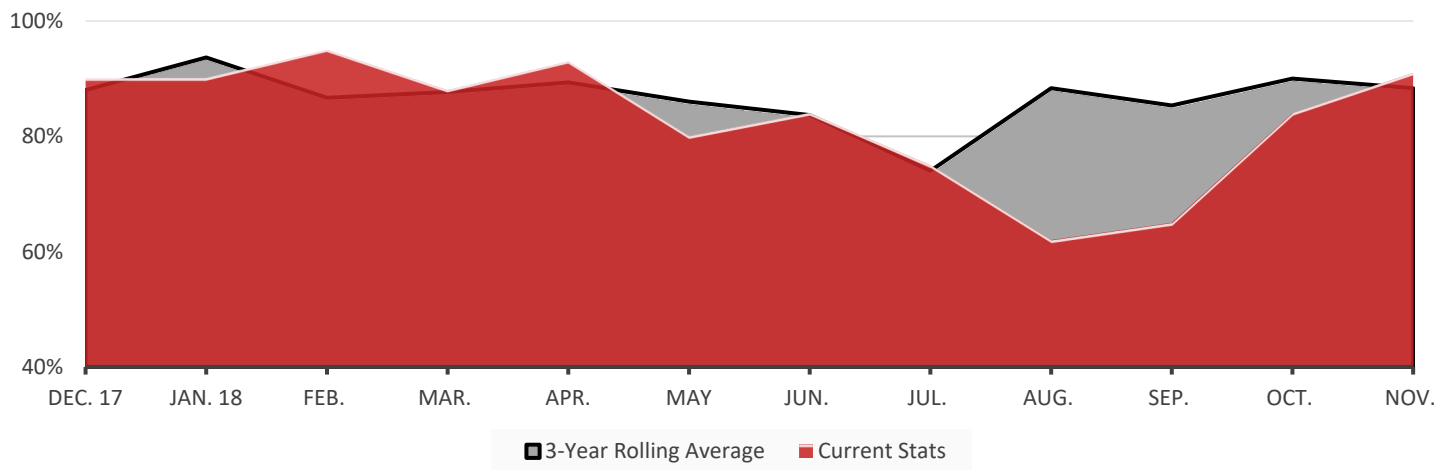
	System Wide			Fredericksburg Line			Manassas Line		
	Sep.	Oct.	Nov.	Sep.	Oct.	Nov.	Sep.	Oct.	Nov.
Total late trains	154	102	85	105	55	28	49	47	57
Average minutes late	15	20	13	15	27	11	16	13	14
Number over 30 minutes	13	22	4	6	18	0	7	4	4
Heat restriction days / total days	0/19	0/22	0/20						

ON-TIME PERFORMANCE

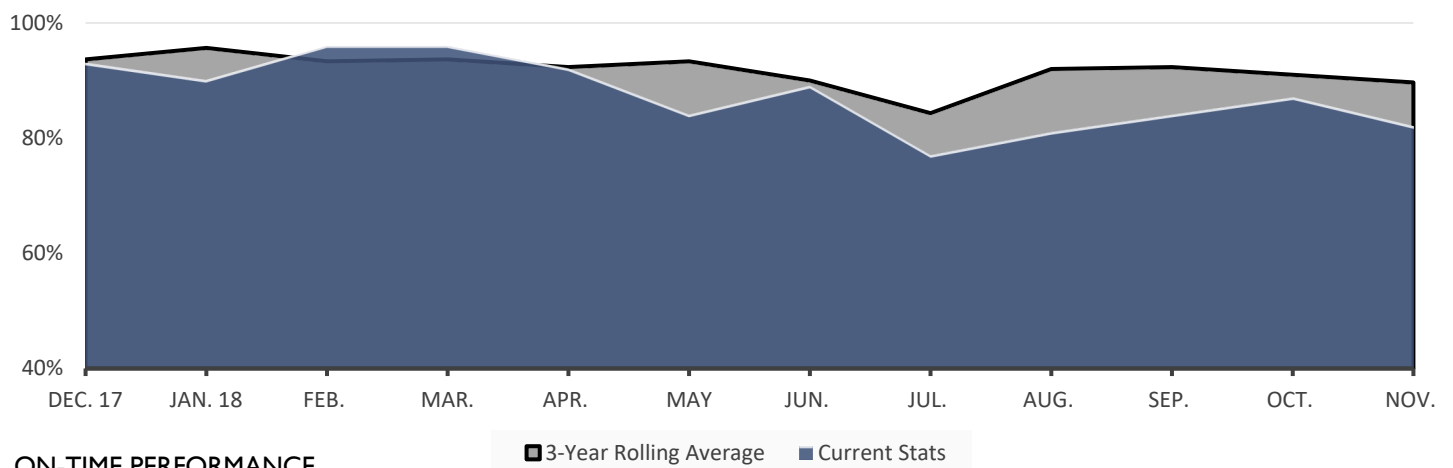
VRE SYSTEM



FREDERICKSBURG LINE

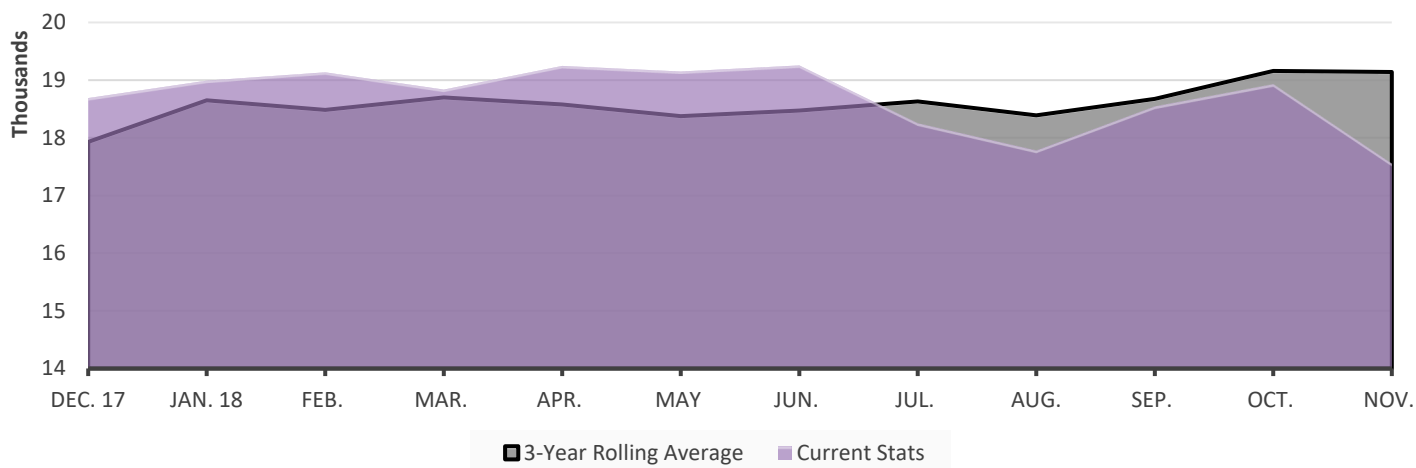


MANASSAS LINE

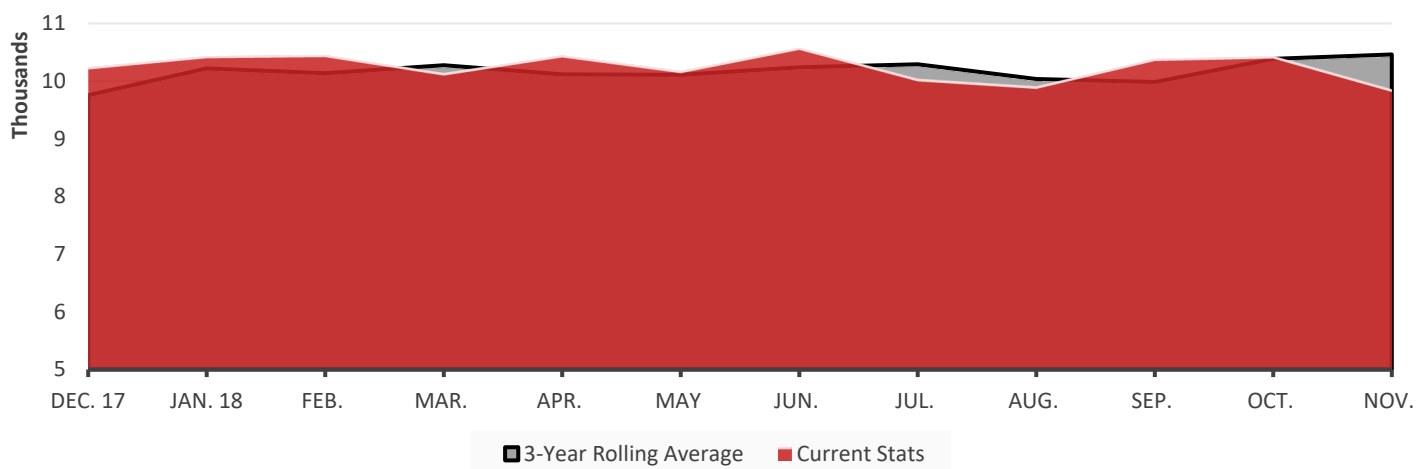


AVERAGE DAILY RIDERSHIP

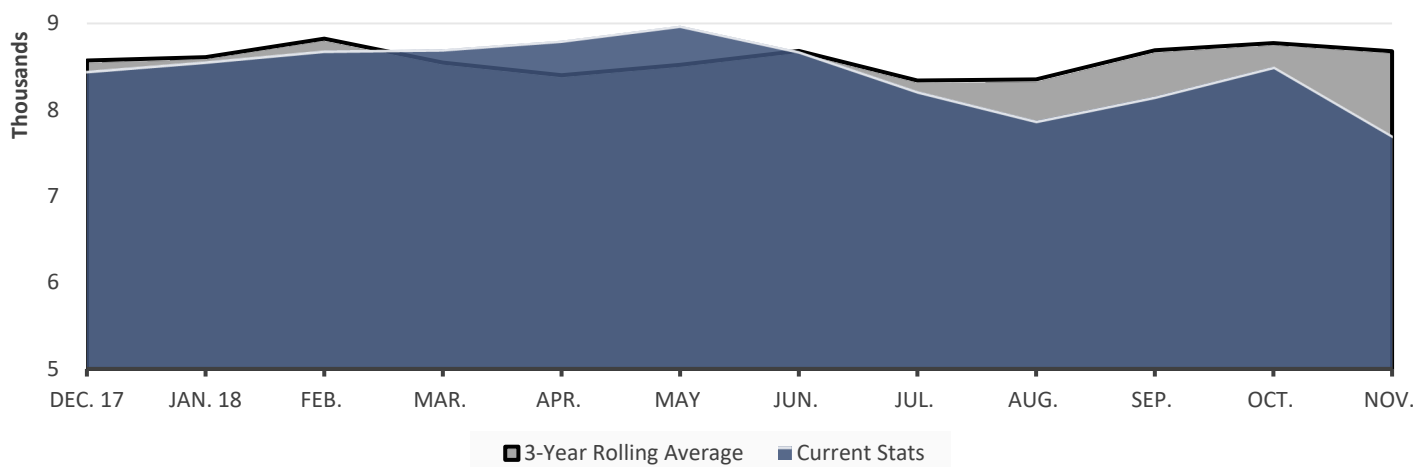
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



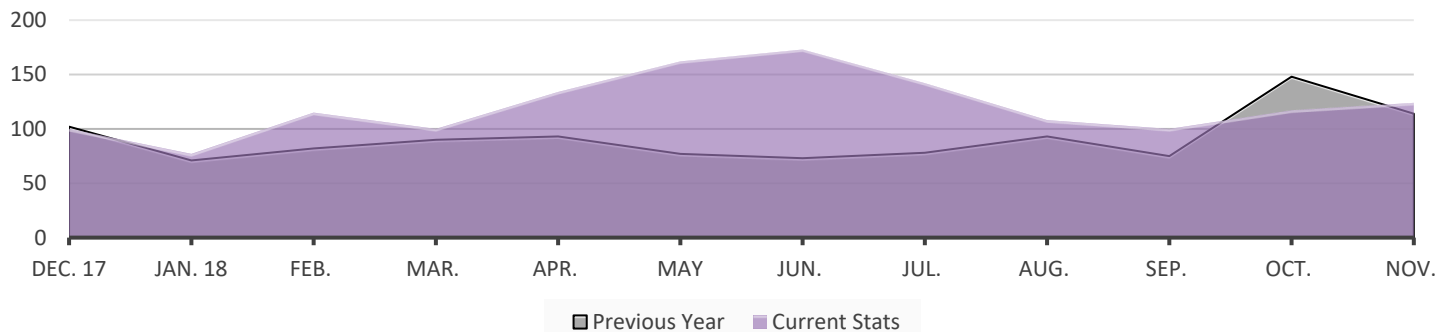
RIDERSHIP UPDATES

Average daily ridership (ADR) in November was approximately 17,500.

	November 2018	October 2018	November 2017
Monthly Ridership	351,049	416,414	378,048
Average Daily Ridership	17,552	18,928	18,619
Full Service Days	20	22	19
"S" Service Days	1	0	1

SUMMONSES ISSUED

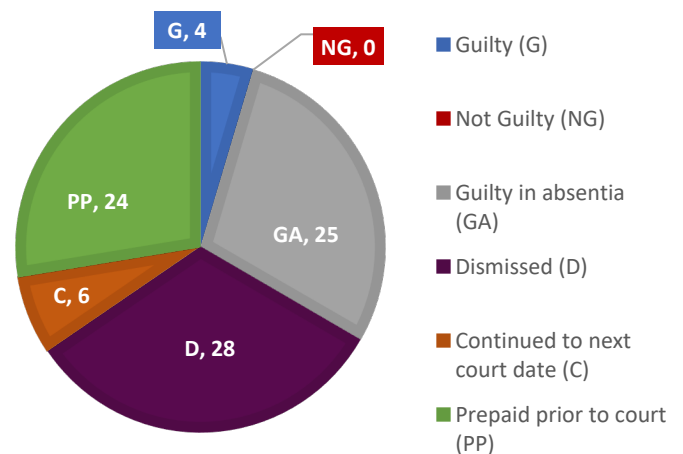
VRE SYSTEM



SUMMONSES WAIVED OUTSIDE OF COURT

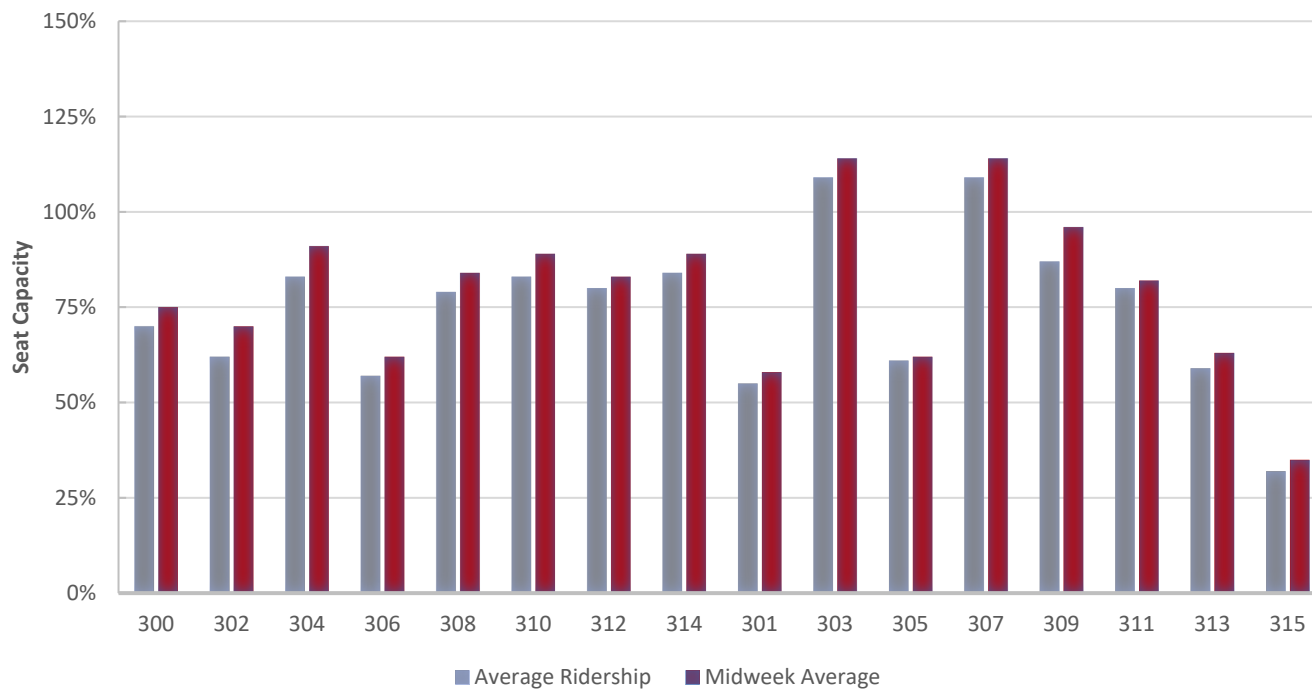
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	16
One-time courtesy	1
Per the request of the conductor	13
Defective ticket	0
Per Ops Manager	1
Unique circumstances	0
Insufficient information	0
Lost and found ticket	0
Other	4
Total Waived	35

MONTHLY SUMMONSES COURT ACTION

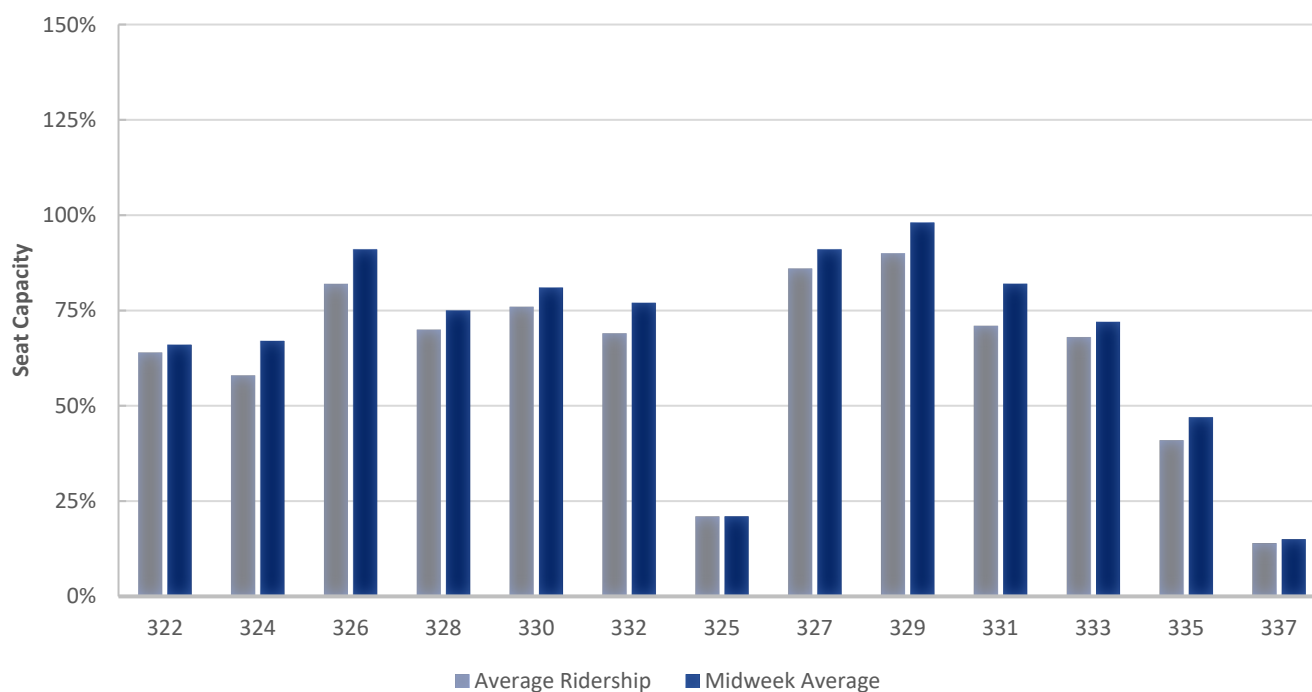


TRAIN UTILIZATION

FREDERICKSBURG LINE

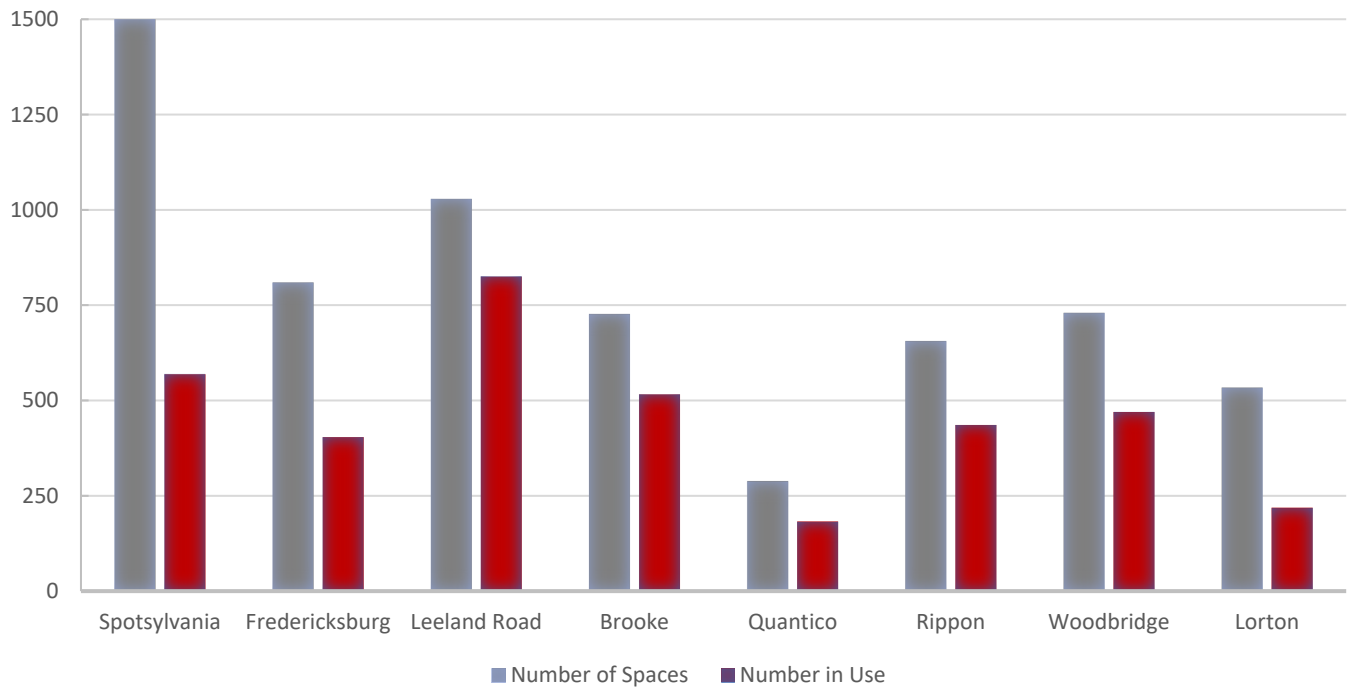


MANASSAS LINE

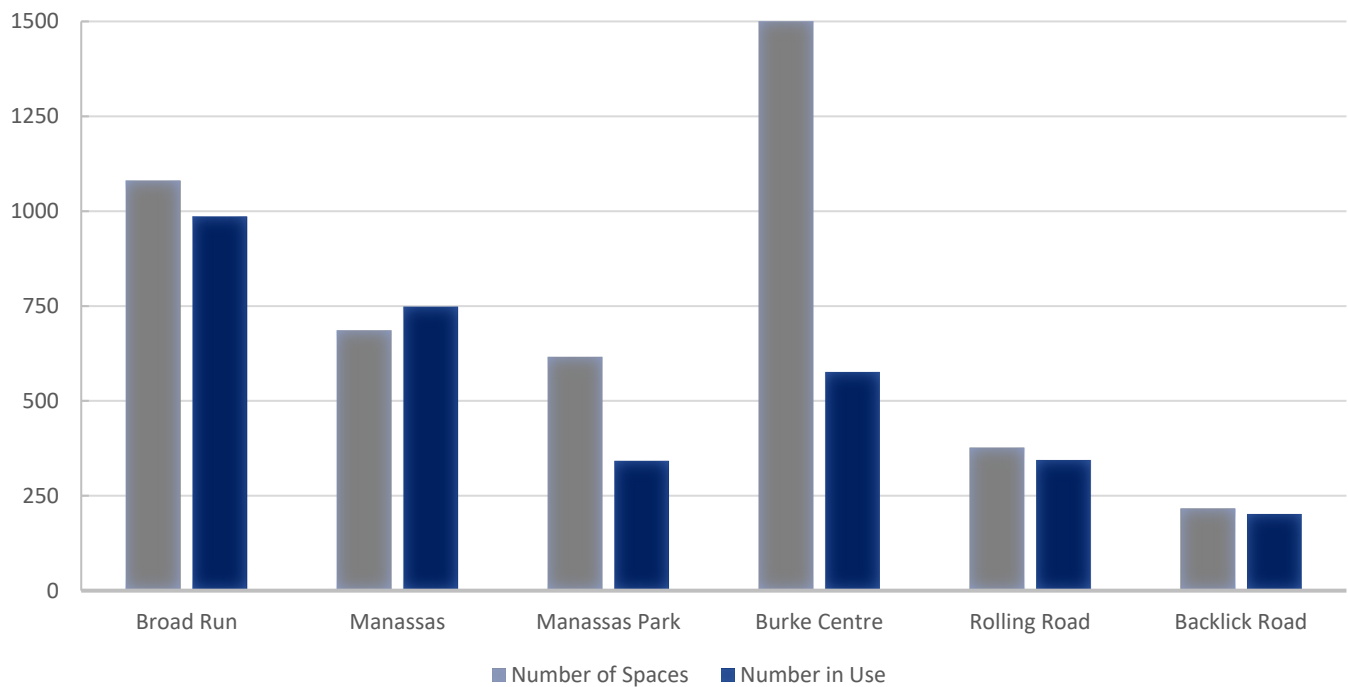


PARKING UTILIZATION

FREDERICKSBURG LINE



MANASSAS LINE



FINANCIAL REPORT

Fare revenue through the fifth month of FY 2019 is approximately \$70,000 below budget (an unfavorable variance of -0.4%) and is 0.3% below the same period in FY 2018.

The operating ratio through November is 54%, which is above VRE's budgeted operating ratio of 52% for the full twelve months of FY 2019. VRE is required to budget a minimum operating ratio of 50%.

A summary of the FY 2019 financial results through November follows, including information on major revenue and expense categories. Please note that these figures are preliminary and unaudited.

FY 2019 Operating Budget Report							
Month Ended November 30, 2018							
	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD \$ VARIANCE	YTD % VARIANCE	TOTAL FY19 BUDGET
Operating Revenue							
Passenger Ticket Revenue	3,522,310	3,392,000	17,738,358	17,808,000	(69,642)	-0.4%	42,400,000
Other Operating Revenue	159,776	18,000	169,549	94,500	75,049	79.4%	225,000
Subtotal Operating Revenue	3,682,085	3,410,000	17,907,908	17,902,500	5,408	0.0%	42,625,000
Jurisdictional Subsidy (1)	-	-	9,119,260	9,062,209	57,051	0.6%	13,336,628
Federal/State/Other Jurisdictional Subsidy	2,618,810	2,590,395	12,933,868	12,976,893	(43,025)	-0.3%	31,371,051
Appropriation from Reserve/Other Income	-	79,200	-	415,800	(415,800)	0.0%	990,000
Interest Income	105,141	16,000	469,904	84,000	385,904	459.4%	200,000
Total Operating Revenue	6,406,036	6,095,595	40,430,939	40,441,402	(10,463)	0.0%	88,522,679
Operating Expenses							
Departmental Operating Expenses	5,740,962	6,320,567	33,313,509	36,067,169	2,753,659	7.6%	81,761,809
Debt Service	477,249	513,555	2,551,750	2,751,845	200,095	7.3%	6,714,870
Other Non-Departmental Expenses	-	3,680	11,737	19,320	7,583	0.0%	46,000
Total Operating Expenses	6,218,211	6,837,802	35,876,995	38,838,334	2,961,338	7.6%	88,522,679
Net income (loss) from Operations	187,825	(742,207)	4,553,944	1,603,069	2,950,875		0
Operating Ratio							
			54%	50%	Budgeted	52%	
					Goal	50%	

(1) Total jurisdictional subsidy is \$17,767,748. 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. Reestablishment of drainage ditch to prevent ice on access road at Franconia-Springfield Station
2. Replacement of various parking lot signage at Rippon, Quantico, Brooke, Leeland Road and Rolling Road Stations

Projects scheduled to be completed this quarter:

1. Replacement of tactile warning strip at L'Enfant Station
2. Repairs to platform concrete at L'Enfant Station
3. Repairs to right-of-way fence along access road at Franconia-Springfield Station
4. Repairs to fascia and soffit at Woodbridge Station east building
5. Replacement of gutters and downspouts at Rippon Station
6. Repairs to platform concrete at Manassas Station
7. Installation of automated parking count system at stations with parking lots

Projects scheduled to be initiated this quarter:

1. Design of platform widening at L'Enfant Station
2. Replacement of signage at additional stations (locations TBD)
3. Development of IFB for pavement repairs and striping at Rippon and Leeland Road Stations and Fredericksburg Lot G, pending Operations Board authorization to issue solicitation

Ongoing projects:

1. Renovations to Alexandria Headquarters Suite 201
2. Development of specifications for modernization of east elevator at Woodbridge Station
3. Development of IFB for canopy roof replacement at Backlick Road Station
4. Replacement of station posters throughout VRE system
5. Replacement of parking lot entrance signs at various stations
6. Replacement of waste and recycling receptacles at various stations



Drainage Ditch Reestablished at Franconia-Springfield



Ice Problem Before Drainage Ditch Reestablished at Franconia-Springfield

UPCOMING PROCUREMENTS

- Purchase of Passenger Elevators
- Construction of the Lifecycle Overhaul and Upgrade Facility
- Construction Management Services for the Lifecycle Overhaul and Upgrade Facility
- Program Management Services
- Graphic Design Services
- Canopy Roof Replacement at the Backlick Road Station
- Modernization of VRE Woodbridge Station East Elevator
- Repair and Overhaul of Passenger Car HVAC Assemblies
- Passenger Car Wheelchair Lift Assemblies
- Seat Bottoms for Passenger Cars
- Construction of Benchmark Road Slope Stabilization
- Construction of Rolling Road Platform Extension
- Purchase of LED Light Fixtures
- Construction of L'Enfant South Storage Track Wayside Power
- Variable Messaging System Replacement
- Tactile Strip Replacements
- Banking Services
- Delivery of Diesel Fuel for VRE Locomotives

CAPITAL PROJECTS UPDATES

AS OF 12/5/18

Broad Run Expansion Study (BRX)

- Preliminary engineering design and NEPA underway for maintenance and storage facility (MSF) expansion, platform modifications, parking expansion, and 3rd track
- NS force account agreement for design review pending
- Draft agreements between VRE and Prince William County, City of Manassas regarding Broad Run Station and MSF expansion, funding, and other responsibilities under development
- Coordination meeting with Manassas Regional Airport on 12/4/18

Manassas Park Station Parking Expansion

- Final design underway incorporating Value Engineering recommendations
- Plat of parcel to be conveyed to VRE being prepared
- Sidewalk study completed
- Coordination ongoing with NS for access to railroad ROW for survey and geotechnical work

Rolling Road Platform Extension

- Design 100% complete
- Invitation for Bids (IFB) for platform extension and rehabilitation pending 2019 construction season start

Crossroads Real Estate Acquisition

- Revised appraisal underway

Crossroads Lifecycle Overhaul & Upgrade Facility (LOU)

- Property negotiations continue to acquire property needed to relocate storage tracks for LOU construction
- Design 100% complete

Leeland Road Station Improvements

- DRPT LONP received; execution of REF grant pending
- 30% design/NEPA underway

Brooke Station Improvements

- DRPT LONP received; execution of REF grant pending
- 30% design/NEPA underway

Quantico Station Improvements

- IPROC grant executed 11/26/18
- Completion of final design and construction start pending execution SmartScale grants by DRPT

Rippon Station Improvements

- 30% design/NEPA underway
- CSXT design review agreement pending

Lorton Station Improvements (Second Platform)

- 30% design/NEPA complete

Franconia-Springfield Station Improvements

- 30% design complete

Alexandria Station Improvements

- GEC Task Order for final design modifications pending
- Coordination meeting with the City of Alexandria scheduled for 12/20/18
- Coordination ongoing with FRA, CSXT, DRPT and the City of Alexandria

Slaters Lane/Alexandria Track 1 Access

- CSXT forces on hold until after 1/1/19

Crystal City Station Improvements

- DRPT LONP received; execution of REF grant pending
- RFP for preliminary engineering/NEPA under development
- REF application for construction under development
- CSXT design review agreement under development
- Coordination with CC2DCA, DC2RVA and Amazon HQ2 underway

L'Enfant (South) Storage Track Wayside Power

- Coordinating with PEPCO for power supply

L'Enfant Track and Station Improvement

- DRPT LONP received; execution of REF grant pending
- Initiation of preliminary engineering/NEPA pending

Midday Storage Replacement Facility

- Draft Categorical Exclusion (CE) under revision
- Framework/agreement with Amtrak pending for real estate acquisition, designing and construction activities
- Owner permission for site access for survey pending for privately-owned parcels

VRE Transit Development Plan Update

- Draft TDP document under development

Long Bridge Expansion Environmental Impact Statement (EIS)

- Public Information Meeting held 11/29/18
- Draft EIS scheduled for completion summer 2019
- Record of Decision (ROD) scheduled for completion spring 2020






Washington Union Station Improvements Environmental Impact Statement (EIS)

- Subbasement, concourse, and lower level design and coordination activities continue
- Section 106 Consulting Parties meeting postponed until 2019

JANUARY 2019

Projects Progress Report to Follow

PASSENGER FACILITIES

PROJECT	DESCRIPTION	PHASE					
		CD	PD	EC	RW	FD	CN
Alexandria Station Improvements	Eliminate at-grade track crossing. Pedestrian tunnel to METRO	◆	◆	◆	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	●	
Lorton Station Improvements	Construct new second platform with pedestrian overpass. 	◆	◆	◆	N/A	●	
Rippon Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. 	◆	●	●	N/A		
Potomac Shores Station Improvements	New VRE station 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 Expansion	Parking garage to increase parking capacity to 1,100 spaces.	◆	◆	●	N/A		
Rolling Road Station Improvements	Extend existing platform.	◆	◆	◆	N/A	●	
Crystal City Station Improvements	Replace existing side platform with new, longer island platform.	◆	●	●	N/A		
L'Enfant Track and Station Improvements	Replace existing platform with wider, longer island platform. Add fourth track (VA-LE)	◆			N/A		

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

STATUS: ◆ Completed ● Underway ■ On Hold  part of the "Penta-Platform" program

¹Total project cost estimate in adopted FY2018 CIP Budget

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

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

Total ¹	ESTIMATED COSTS (\$)			Expended ²	COMPLETION		STATUS
	Funded	Unfunded	Authorized		Percent	Date	
26,674,365	26,674,365	-	1,814,559	2,193,257	60%	4th QTR 2020	● 60% design complete. Re-start with modified design is pending.
7,000,000	7,000,000	-	467,500	90,749	30%	2nd QTR 2019	● CSX forces on hold until after Jan. 1, 2019.
2,400,000	400,000	2,000,000	-	-	5%	4th QTR 2020	● Design work on East Platform only. West Platform elevation funded.
13,000,000	13,000,000	-	*	337,165	25%	4th QTR 2022	● 30% design/envt. review complete; final design underway with anticipated completion 4th QTR 2019.
16,150,000	16,150,000	-	*	414,156	25%	4th QTR 2022	● 30% design/NEPA complete; final design underway with anticipated completion 4th QTR 2019.
16,632,716	16,632,716	-	*	326,505	20%	4th QTR 2023	● 30% design/NEPA underway with anticipated completion in 3rd QTR 2019.
No costs for VRE. Private developer providing station.					10%	TBD	● Design resumed after resolution of DRPT/CSXT/FRA track project issues.
18,350,745	18,350,745	0	-	-	30%	TBD	■ Completion of FD & construction pending excution of IPROC/SmartScale grants by DRPT.
23,390,976	23,390,976	-	*	291,842	20%	4th QTR 2023	● DRPT LONP received; REF grant pending. 30% design/NEPA anticipated completion 3rd QTR 2019.
15,527,090	15,527,090	-	*	292,727	20%	4th QTR 2023	● DRPT LONP received; REF grant pending. 30% design/NEPA anticipated completion 3rd QTR 2019.
25,983,000	25,983,000	0	2,238,144	472,389	30%	4th QTR 2022	● Final design underway.
2,000,000	2,000,000	-	442,900	323,207	50%	3rd QTR 2020	● Invitation for Bids (IFB) for platform extension and rehabilitation pending 2019 construction season start.
41,810,000	5,410,000	36,400,000	399,121	393,642	10%	2nd QTR 2023	■ DRPT LONP received; completion of PD & EC pending excution of REF grant by DRPT.
70,650,000	3,226,000	67,424,000	2,980,000	58,793	10%	2nd QTR 2023	■ DRPT LONP received; completion of PD & EC pending excution of REF grant by DRPT.

TRACK AND INFRASTRUCTURE

PROJECT	DESCRIPTION	PHASE					
		CD	PD	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 South Storage Track and Wayside Power	Conversion of CSXT Temporary Track to VRE Storage Track (1,350 feet) and Associated Signal Work	◆	◆	◆	N/A	●	●
Lifecycle Overhaul and Upgrade Facility	New LOU facility to be added to the Crossroads MSF.	◆	◆	◆	N/A	◆	■
Crossroads Maintenance and Storage Facility Land Acquisition	Acquisition of 16.5 acres of land, construction of two storage tracks and stormwater retention and new	◆	N/A	N/A	●	N/A	N/A
Midday Storage	New York Avenue Storage Facility: Planning, environmental and preliminary engineering.	◆	●	●	●		

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 PD - Preliminary Design 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 FY2018 CIP Budget

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

Total ¹	ESTIMATED COSTS (\$)				COMPLETION			STATUS
	Funded	Unfunded	Authorized	Expended ²	Percent	Date		
32,500,000	32,500,000	-	33,285,519	30,578,003	100%	3rd QTR 2018		Close-out pending repair of storm damage to embankment.
3,965,000	3,965,000	-	2,937,323	1,675,478	50%	2nd QTR 2019		Coordination with PEPCO underway.
38,183,632	38,183,632	-	3,176,039	2,143,583	90%	TBD		Design 100% complete. On hold pending property acquisition.
2,950,000	2,950,000	-	2,950,000	139,154	95%	TBD		Revised appraisal pending.
89,666,508	89,666,508	-	3,588,305	1,385,037	35%	4th QTR 2019		Final design underway, finalizing NEPA documentation.
75,264,693	75,264,693	-	69,457,809	47,915,644	95%	4th QTR 2020		All cars received. Completion date reflects end of warranty period.
10,553,000	10,553,000	-	10,294,079	7,984,451	80%	4th QTR 2018		Onboard installations ongoing.
137,230,000	83,825,501	53,404,499	5,208,845	4,437,003	22%	4th QTR 2022		Completion of preliminary engineering/30% design and NEPA review pending NS force account agreement.
3,510,307	3,510,307	-	3,510,627	2,168,462	65%	2nd QTR 2019		Rate My Ride is live in app. Big Commerce/Moovel collaboration underway for web based ticketing portal.

NOTES

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