ITEM
January 14, 2021
PRTC Regular Meeting
Res. No. 21-01-___

MOTION:

SECOND:

RE: **ADOPT AND REFER THE AMENDED FY2021 AND RECOMMENDED FY2022 VIRGINIA RAILWAY EXPRESS OPERATING AND CAPITAL BUDGETS TO THE JURISDICTIONS**

ACTION:

WHEREAS, the Virginia Railway Express (VRE) Master Agreement requires the Potomac and Rappahannock Transportation Commission (PRTC) and the Northern Virginia Transportation Commission (NVTC) (the "Commissions") be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the recommended FY2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions; and

WHEREAS, the amended FY2021 and recommended FY2022 budgets reflect the impact of the COVID-19 pandemic, which began in March 2020 and has substantially reduced VRE's ridership; and

WHEREAS, the VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results and so the planned October 2020 survey was cancelled; and

WHEREAS, the VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy; and

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips; and

WHEREAS, the FY2022 budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare; and

WHEREAS, the FY2022 budget recommends no change in the total jurisdictional subsidy contribution compared to the FY2021 level, for a total amount of $18,300,780; and

WHEREAS, the VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission hereby adopts the FY2022 VRE Operating and Capital Budget in the following amounts and forwards this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement:

Operating Budget	$ 89,663,802
Capital Budget	96,198,922
Total Operating and Capital	$185,862,724

BE IT FURTHER RESOLVED that PRTC adopts the amended FY2021 VRE Operating and Capital Budget in the following amounts:

Operating Budget	$ 90,368,825
Capital Budget	71,283,079
Total Operating and Capital	$161,651,904

BE IT FURTHER RESOLVED that having cancelled the October 2020 Master Agreement Survey, PRTC does hereby determine that the jurisdictional subsidy in the FY2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY2021 budget.

BE IT FURTHER RESOLVED that given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, PRTC does hereby determine that it is in the best interests of the Commissions and the riders of VRE that the amended FY2021 and recommended FY2020 operating budgets do not achieve a 50 percent recovery of operating expenses from passenger fares.

BE IT FURTHER RESOLVED that given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, PRTC does hereby determine that the usual six (6)-year financial forecast shall be excluded from the FY2022 operating and capital budget and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior.

BE IT FURTHER RESOLVED that PRTC does hereby authorize the executive directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY2021 and FY2022.

BE IT FURTHER RESOLVED that PRTC does hereby authorize the executive director of PRTC to submit to the Commonwealth the approved budget as part of the FY2022 state aid grant application.

Votes:
Ayes:
Abstain:
Nays:
Absent from Vote:
Alternate Present Not Voting:
Absent from Meeting:

VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-D
Action Item

To: **Chair Skinner and the VRE Operations Board**

From: **Rich Dalton**

Date: **December 18, 2020**

Re: **Referral of the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities**

Recommendation:

The VRE Operations Board is asked to adopt the amended FY 2021 VRE Operating and Capital Budget and the recommended FY 2022 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their review and adoption; and to recommend the Commissions authorize the Executive Directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding.

Summary:

Following the presentation of the preliminary FY 2022 budget in September and the budget updates in October and November, staff is presenting the recommended FY 2022 Operating and Capital Budget for adoption and referral. Despite the challenges presented by the ongoing COVID-19 pandemic, the recommended budget is balanced, with no funding gap, and with all projected uses of funding in FY 2022 supported by reasonably expected sources of funding. The FY 2022 budget includes no change in total jurisdictional contribution and no changes to passenger fares as compared to FY 2021.

Background:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the key issues to be addressed in the FY 2022 budget were presented to

the VRE Operations Board for discussion in July 2020, and the preliminary FY 2022 budget was prepared for review and referral at the September 2020 Operations Board meeting. Additional discussions and reviews were undertaken with the Operations Board, the members of the Finance Committee, and staff members of the jurisdictions through the VRE Coordinating Committee (VCC).

Discussion:

The recommended FY 2022 Operating and Capital Budget totals $185.9 million. The budget includes no changes to passenger fares and projects an average daily ridership of 6,000 trips, which results in projected annual fare revenue of $18.2 million. The budget includes no change to total subsidy contribution over FY 2021 levels, resulting in a total subsidy of $18,300,780 across VRE's nine jurisdictional partners. See below for additional details on the impact of the COVID-19 pandemic on both ridership and the jurisdictional subsidy.

The recommended FY 2022 operating budget of $89.7 million (which includes $6.2 million in debt-related expenses) represents a decrease of $1.7 million or 1.9% over the approved FY 2021 operating budget. The detailed operating budget assumptions are provided in the FY 2022 Recommended Budget document, but the key assumptions include:

- Sufficient budget to return to a normal service plan of 32 daily revenue trains at any point during FY 2022 when passenger demand requires it.
- No increase to passenger fares, including no change to the current Amtrak Step-Up fare.
- State operating assistance of $10.0 million. Total state assistance in FY 2021 will be $12.0 million as a result of funding reallocations by the Department of Rail and Public Transportation (DRPT) to support agencies and their day-to-day operations during the pandemic. It is difficult to project how much funding will be available next year, so the assumption is that future funding will be somewhat lower.
- Continued track access fee reimbursement by the Commonwealth – through either DRPT or the new Virginia Passenger Rail Authority (VPRA) – at a total rate of 84%, with VRE responsible for the balance (16%). In the past, track access reimbursement has been a combination of federal STP funds and state funds, but VRE has been advised that in FY 2022, all the reimbursement funding will be from state funds, with no federal participation.
- Diesel fuel expenses of $2.98 million based on expected utilization of 1.70 million gallons at a per gallon cost of $1.75. Utilization will be lower if VRE is not yet operating a full service plan of 32 daily trains by the start of FY 2022. Expected per gallon costs remain below historical levels due to the economic impact of the pandemic and are based on projections from VRE's diesel fuel consultant.
- Departmental discretionary expenses, particularly for consulting and other third-party services, have been deferred or eliminated where possible in order to reduce overall expenditures and extend the availability of federal CARES Act funding (see below for additional details).

Ridership and Fare Revenue

The epidemiological and economic outlook of the COVID-19 pandemic remains unclear as of early December 2020. A significant return of riders to VRE depends on employees returning to work in their offices, which in turn depends on many factors, in particular public health guidance that it is safe to do so. Although COVID-19 cases are currently increasing, recent progress on multiple vaccines appears positive. If widespread vaccine distribution can be achieved quickly, it is possible that ridership may begin to increase from its current levels by the fourth quarter of FY 2021.

The FY 2021 amended operating budget (which is described in further detail below) assumes that average daily ridership for the second half of the fiscal year remains below 2,000, with the potential for moderate growth during the fourth quarter from the current midweek level of 1,400 to 1,500 daily riders. This ridership outlook results in total projected fare revenue for FY 2021 of $9.7 million, or a reduction of approximately 80% from the original approved budget.

From that baseline, the FY 2022 recommended budget assumes a steady increase in ridership over the course of the fiscal year as the economy recovers. However, ridership and fare revenue are still projected to be below normal by the end of the year. (Average daily ridership in February 2020, the last full month prior to the pandemic, was approximately 18,700.) Averaged over the course of the entire year, daily ridership is expected to be 6,000 trips, which corresponds to total projected fare revenue for the year of $18.2 million, which is less than half of a normal year.

FY 2022 Jurisdictional Subsidy Allocation

In September 2020, the Operations Board directed staff to forego the VRE Master Agreement survey that is normally conducted in October each year. The Operations Board found the survey would be (a) challenging to safely administer in the current environment and (b) unlikely to produce reliable results on which to base an updated jurisdictional subsidy allocation for FY 2022.

In place of an updated subsidy allocation calculation, the Operations Board directed staff to allocate jurisdictional subsidy in FY 2022 using the same allocation percentages from the approved FY 2021 budget. Since the FY 2022 budget has no change to the total subsidy of $18.30 million, each jurisdiction has the identical subsidy amount in FY 2022 that it had in FY 2021.

CARES Act Funding to Replace Lost Fare Revenue

In late March 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed, and the act included $25 billion in emergency relief to transit agencies. VRE was allocated approximately $86 million in relief funding through the CARES Act that is available to help offset additional costs and lost revenues. Along with the additional state assistance provided through DRPT, the CARES Act funding is allowing VRE to provide continuity of operations, maintain service levels, and retain staff. Consequently, the

amended FY 2021 and recommended FY 2022 budgets reflect this critical backstop provided by the CARES Act.
Based on actual ridership to date beginning in the fourth quarter of FY 2020, and as reflected in the amended FY 2021 and recommended FY 2022 budgets, VRE's projected use of the CARES Act funding to supplement lost fare revenue is as follows:

Fiscal Year	**Projected Use of CARES Act Funds**
FY 2020 (Q4 only)	$2.7 million
FY 2021	$32.0 million
FY 2022	$24.9 million
Beyond FY 2022	$25.6 million
Required 1% Set-Aside for Safety/Security	$0.9 million
TOTAL	**$86.1 million**

Given currently projected ridership levels and the desire to maintain a continuity of operations and high-quality service, the Operations Board has directed staff to recommend a balanced budget that does not achieve a 50 percent farebox recovery ratio (i.e. 50 percent of operating expenses covered by passenger fares). The budget achieves balance through the available emergency funding from DRPT and the CARES Act, rather than through higher fares, reduced service, or increased jurisdictional subsidy contributions.

Six-Year Financial Forecast

The annual budget normally includes a financial forecast for the five years following the year of adoption (six years in total). This forecast includes projections for ridership, planned fare increases and total fare revenue, grant and subsidy funding, operating expenses, and capital expenditures. The forecast is intended to demonstrate the projected sustainability of VRE's budget beyond the initial year and to highlight areas of potential risk so they can be addressed in advance.

Given the depth of uncertainty facing not just VRE but the entire regional and national economy, this year's budget does not include a six-year forecast. Such a forecast would reflect highly uncertain estimates on many key variables, particularly ridership, and would not serve as a reliable basis for Operations Board decision-making. As the recovery from the pandemic proceeds and the outlook for commuting and VRE ridership is clarified, staff will return to the Operations Board with additional information.

Capital Budget and Six-Year Capital Improvement Program (CIP)

The FY 2022–2027 Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety and operational efficiency, maintain the VRE

system in a state of good repair, and expand capacity. The six-year CIP includes both fully- and partially-funded projects.

Over the last two years, VRE has gradually shifted its orientation from project planning and development as well as grant seeking – where new projects were frequently being added to the CIP – into a period of project implementation that will last for the next decade. At the same time, the Commonwealth's Transforming Rail in Virginia Program will ultimately separate freight and passenger rail operations in the Fredericksburg Line corridor, and this has resulted in several of VRE's planned station projects being reduced or eliminated. Taken together, these changes result in a smaller and more focused CIP, with fewer projects and greater emphasis on construction.

The total project count in the CIP is now smaller, as some projects like the Slaters Lane Crossover and the Automated Parking Counters have been completed, while other projects like the Lorton, Woodbridge, and Rippon station expansions have been removed because the work will not occur until 2030 or later, beyond the six-year window of this plan.

Given current cost estimates, full funding of the projects in the FY 2022–2027 CIP (including all costs to complete) will require approximately $818.6 million. Of this total, $704.9 million (86%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2021). The table below represents VRE's funded and unfunded project costs for projects in the six-year CIP.

FY 2022 to 2027 Capital Improvement Program

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	$77.6	$77.6	
Expansion	$606.6	$492.9	($113.7)
Replacement and Rehabilitation	$134.1	$134.1	
Other	$0.3	$0.3	
Total	**$818.6**	**$704.9**	**($113.7)**

(amounts in millions)

Further details on the CIP by project and by funding source are provided in the attachments.

Commuter Rail Operating and Capital (C-ROC) Fund and VRE Support for the Transforming Rail in Virginia Program

The joint agreement between NVTC and PRTC for the administration of VRE's dedicated C-ROC funding sets out the process for the programming of C-ROC funds as part of the annual budget process. VRE staff engaged with the Operations Board members during the FY 2020 budget process to develop criteria and strategic guidance, and at the conclusion of that

year's process, the Operations Board agreed to commit $15 million of C-ROC funding to the Crystal City Station Improvements project (FY 2020 funding) and $30 million to the L'Enfant Station Improvements project (FY 2019 and FY 2021 funding).

On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the $15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and can be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

FY 2021 Amended Budget

As part of the annual process of adopting the budget for the upcoming fiscal year, VRE also revised the current year budget to reflect updated projections for revenues and expenses and changes to capital funding sources. In most years, this is a relatively technical process of adjusting specific line items that were unknown at the time of adoption, and it does not usually result in significant changes to the overall budget.

Given the COVID-19 pandemic and its effect on ridership, however, the amended FY 2021 operating budget is substantially different from the original approved version, particularly with respect to revenues. The major revisions to the budget are identified below:

Operating Budget

Revenues

- Average daily ridership reduced to 1,800 and total fare revenue reduced to $9.7 million as a result of the pandemic (a net reduction of $34.4 million).
- Interest income reduced to $250,000 as a result of lower interest rates (a net reduction of $1.0 million).
- State operating support increased to $12.0 million as a result of reprogramming actions by DRPT to assist agencies with pandemic response (a net increase of $2.3 million).
- Projected federal CARES Act reimbursement of $32.0 million to replace lost fare revenues (not included in the original budget).

- A net-zero change in the composition of VRE's 84% track access reimbursement funding, from 50% STP and 34% state funding to 80% STP and 4% state funding, based on direction from DRPT.

Expenses

- Net increase in liability and property insurance costs of $2.6 million as a result of ongoing changes and uncertainty in the global insurance market.
- Addition of $500,000 for COVID-specific costs such as cleaning, equipment, etc.
- Net decrease of $900,000 in diesel fuel expenses due to lower utilization from reduced service.
- Net decrease of $1.6 million in retail sales commissions and bank discounts due to reduced ticket sales.

As a result of the additional DRPT operating assistance and federal CARES Act funding, the FY 2021 budget remains balanced and no additional jurisdictional contribution is required.

Capital Budget

There are no revisions to non-federal sources and uses of funding in the FY 2021 capital budget. The updates to the federal formula funding (Sections 5307 and 5337) are as follows:

- The original approved budget projected total formula funding of $32,007,289, while funding actually received was $30,492,192, a reduction of approximately $1.5 million. The difference is reflected as a reduction in the 'Unprogrammed Federal Funds' category.
- Changes to future expenditures and required funding for the Equipment Asset Management (EAM) and Facilities Asset Management (FAM) programs, as well as the Fredericksburg Station Rehabilitation project, which are reflected in the recommended FY 2022-2027 CIP, also involve the programming of FY 2021 federal funds that were previously unprogrammed. The total increase in programmed funding (inclusive of required state and local match) is approximately $3.35 million.

Virginia Railway Express
Operations Board

Resolution
9D-12-2020

Referral of the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities

WHEREAS, the VRE Master Agreement requires the Commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the recommended FY 2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions; and,

WHEREAS, the Amended FY 2021 and Recommended FY 2022 budgets reflect the impact of the COVID-19 pandemic which began in March 2020 and has substantially reduced VRE's ridership; and,

WHEREAS, the VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results, and so the planned October 2020 survey was cancelled; and,

WHEREAS, the VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy; and,

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips; and,

WHEREAS, the FY 2022 budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare; and,

WHEREAS, the FY 2022 budget recommends no change in the total jurisdictional subsidy contribution compared to the FY 2021 level, for a total amount of $18,300,780;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2022 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

Operating Budget	$ 89,663,802
Capital Budget	$ 96,198,922
Total Operating and Capital	$185,862,724

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2021 Operating and Capital Budget in the following amounts; and,

Operating Budget	$ 90,368,825
Capital Budget	$ 71,283,079
Total Operating and Capital	$161,651,904

BE IT FURTHER RESOLVED THAT, having cancelled the October 2020 Master Agreement Survey, the VRE Operations Board does hereby recommend the jurisdictional subsidy in the FY 2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY 2021 budget; and,

BE IT FURTHER RESOLVED THAT, given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, the VRE Operations Board does hereby recommend that it is in the best interests of the Commissions and the riders of VRE the Amended FY 2021 and Recommended FY 2020 Operating Budgets do not achieve a fifty percent recovery of operating expenses from passenger fares; and,

BE IT FURTHER RESOLVED THAT, given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, the VRE Operations Board acknowledges the FY 2022 Operating and Capital Budget does not include a formal six-year financial forecast, and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2021 and FY 2022; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2022 state aid grant applications.

Approved this 18th day of December 2020

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Gary Skinner
Chair

_____
Jeanine Lawson
Secretary

Attachment 1

FY 2022 Subsidy by Jurisdiction

Jurisdiction	FY 2021 Subsidy	FY 2021 Percent	FY 2022 Subsidy	FY 2022 Percent	Change FY21 to FY22 Net +/-	Change FY21 to FY22 % Change
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

Attachment 2

Capital Improvement Program By Program Area *(amounts in millions of $)*

Program Name	Project ID	Project Name	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair	**AM-2**	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
	AM-5	Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
	AM-6	Facilities Asset Management Program	15.2	0.2							15.4
	AM-6A	Fredericksburg Station Rehabilitation	1.9	3.2							5.0
	AM-8	Security Cameras	1.6	0.3			0.5		0.3		2.7
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			**55.3**	**9.9**	**2.2**	**2.1**	**2.3**	**2.0**	**3.7**	**0.1**	**77.6**
Information Technology	**IT-2**	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			**3.8**								**3.8**
Passenger Station Facilities	**ST-1**	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			**111.8**	**27.2**	**35.3**	**47.3**	**29.0**	**42.3**			**292.8**
Rolling Stock Equipment	**RS-3**	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			**28.1**	**10.7**	**15.9**	**17.7**	**7.5**				**79.9**
Station Parking	**PK-3**	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			**26.3**	**0.7**	**5.2**	**3.8**					**36.0**
Train Maintenance and Storage Facilities	**MS-3**	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3					99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			**206.6**	**26.1**	**19.7**	**75.9**					**328.3**
Misc. (Multiple Categories)	**OT-4**	Forklifts purchase	0.3								0.3
Misc. (Multiple Categories) Total			**0.3**								**0.3**
Grand Total			**432.2**	**74.5**	**78.2**	**146.8**	**38.9**	**44.3**	**3.7**	**0.1**	**818.6**

Capital Improvement Program by Funding Source (*amounts in millions of $)*

Funding Source Type	Funding Source	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
Federal Formula Grants Total		**183.9**	**37.4**	**35.3**	**31.1**	**23.4**	**12.0**	**3.7**	**0.1**	**327.0**
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1			0.0					6.1
	Other		**0.7**							**0.7**
Non-Federal Formula Funded Total		**248.2**	**37.1**	**42.9**	**33.9**	**7.9**	**7.9**			**377.9**
Grand Total		**432.2**	**74.5**	**78.2**	**65.0**	**31.3**	**19.9**	**3.7**	**0.1**	**704.9**

FISCAL YEAR

2022

VIRGINIA RAILWAY EXPRESS

Recommended Budget for Fiscal Year 2022

Amended Budget for Fiscal Year 2021

Capital Improvement Program

VRE™

VIRGINIA RAILWAY EXPRESS
A Better Way. A Better Life.

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Recommended FY 2022 Budget

Introduction

The Virginia Railway Express (VRE) is a commuter rail service jointly owned and operated by the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC). NVTC and PRTC are political subdivisions of the Commonwealth of Virginia. VRE was created in 1989 under the terms of a Master Agreement executed by the two Commissions and the local jurisdictions that participate in or contribute to the operation of the commuter rail service.

The VRE Operating and Capital Budget is developed annually in accordance with the VRE Master Agreement and includes estimated operating and capital revenues and expenses for the next fiscal year. In addition, the six-year Capital Improvement Program (CIP) provides projections of capital funding and outlays for future years. The preliminary FY 2022 VRE Operating and Capital Budget was initially prepared for review at the September 2020 VRE Operations Board meeting. The proposed budget was reviewed and discussed at subsequent meetings of the VRE Operations Board, the VRE Coordinating Committee (VCC), and the Finance Committee of the Operations Board before its presentation to the Operations Board in December 2020 and the Commissions in January 2021.

The VRE budget uses accrual accounting for major revenue and expense items; for example, transactions such as access fees are recorded for the month due, rather than for the month paid, and related grant revenue is recorded when earned rather than when received. However, the budget is developed on a cash basis for other items, such as payment of principal on outstanding debt, in order to fully capture annual resource needs. The VRE financial statements use the full accrual basis of accounting.

The FY 2022 VRE Budget has been developed to meet existing operational requirements and in accordance with the VRE Mission Statement of providing safe, cost effective, and reliable commuter-oriented rail passenger service. The VRE Budget and CIP is also developed in accordance with the Financial and Debt Management Principles adopted by the Commissions in November 2013, detailed later in this document.

The Recommended FY 2022 Operating and Capital Budget totals $185.9 million. The budget projects average daily ridership of 6,000 passengers which results in a total of $18.2 million of fare revenue. These projections are significantly lower than previous years due to the effects of the ongoing COVID-19 pandemic. The total jurisdictional subsidy of $18,300,780 is unchanged from the prior fiscal year. The FY 2022 budget also includes no increase to fares and no change in the cost to the rider of the Amtrak Step-Up ticket. Staff have worked to limit or eliminate operating cost increases wherever possible, and departmental expenses have been reviewed and evaluated to ensure appropriateness while ensuring VRE achieves its safety and operational goals. Contractual increases, such as railway and station access fees, train operations and maintenance of equipment are projected to be moderate for FY 2022, and diesel fuel costs are projected to remain consistent with recent price trends. Increases to liability and property insurance costs are the primary reasons for cost increases in the FY 2022 operating budget.

The projects included in the FY 2022 to FY 2027 CIP are prioritized with an emphasis on regulatory requirements, the maintenance of equipment and facilities to support current service levels, and provisions for passenger safety. Concurrently, VRE will focus the organization on maximizing ridership, maintaining critical infrastructure, and providing a safe and effective transportation option for the region.

In FY 2016, VRE completed a long-term Financial Plan that assessed the revenues and costs associated with various service scenarios over a 25-year period. The conclusion of this analysis was that existing sources of revenue will be inadequate to meet the system's baseline operating and capital needs over time (including operation of the existing level of service), with further funding needed for service expansion to support projected growth in the region.

The findings of the Financial Plan, which were endorsed by the Commonwealth Transportation Board, were critical in building support for the Commuter Rail Operating and Capital (C-ROC) Fund, which was created by the General Assembly in 2018. VRE's financial plan update that was completed in FY 2019 indicated that operational support from C-ROC is not needed in the near-to-medium term timeframe, helped in part by DRPT's commitment on reimbursement of track access fees at a rate of 84%. This commitment is critical to VRE's overall sustainability.

Given the funding changes described above, the overall outlook in the FY 2022 to FY 2027 CIP is generally positive. VRE has moved from a period of project planning and development (where new projects were frequently being added to the CIP) into a period of project implementation that will last for a number of years. At the same time, the Commonwealth's Transforming Rail in Virginia Program will ultimately separate freight and passenger rail operations in the Fredericksburg Line corridor, which has resulted in a number of VRE's planned station projects being reduced or eliminated. Taken together, these changes result in a smaller and more focused CIP, with fewer projects and greater focus on construction.

On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the $15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and can be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

Mission Statement

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 comfortable commuter-oriented rail passenger service. VRE will contribute to the economic development of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.

Goals for Fiscal Year 2022

- Due to the ongoing impacts of the COVID-19 pandemic on ridership, VRE is unlikely to achieve its usual goal of a 50 percent operating ratio (i.e., cost recovery from passenger fares) in FY 2022. VRE's goal for FY 2022 is to continue to provide a safe and reliable transportation option that is available to riders as they return to work after the pandemic.

- Achieve at least 90 percent on-time performance for train operations.

- Achieve at least 6,000 average daily ridership for the year, with ridership increasing over the course of the year as the national and regional economies recover from the pandemic.

- Strive to attain the following financial ratios over the course of the Six-Year Plan:
  - Debt service as a percent of annual budget not greater than 20%.
  - Working capital reserves that are on average not less than two months of operating expenditures, with a goal of increasing to and/or maintaining three months over a ten-year period.
  - Percent of pay-as-you-go financing equal to a minimum of 20% of the total funded portion of the capital program over the term of the capital program.
  - Risk management reserves equal to amounts imposed by the Commonwealth, currently set at $10 million.

Financial and Debt Management Principles
(Adopted November 7, 2013)

The purpose of this document is to formalize financial and debt management principles for the Virginia Railway Express (VRE), the commuter rail service jointly owned and operated by the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), together referred to as the Commissions. In accordance with the Master Agreement that established VRE, any bonds or notes issued to support the commuter rail operation will be issued in the name of NVTC, with the concurrence of both Commissions and all member jurisdictions. This Statement of Financial and Debt Management Principles confirms the commitment of VRE's Operations Board, the Commissions, and the management and staff of VRE to adhere to sound financial and debt management practices in the conduct of VRE's business.

1. Any debt or financing arrangement issued in support of VRE projects must be in full compliance with all applicable provisions of the Commonwealth of Virginia statutes, federal laws and the VRE Master Agreement.

2. Any long term debt issued in support of VRE projects will be included in VRE's Capital Improvement Program and Six Year Financial Forecast and debt will only be issued for approved capital projects. Prior to issuance, VRE will forecast the long-term impact of such debt on the use of federal formula funds, the impact on VRE's six year plan, the annual contributions required from its member jurisdictions over the term of the debt, and to test compliance with the financial ratios described below.

3. VRE strives to attain the following financial ratios over its Six Year Plan:
   a. A fare box recovery ratio not lower than 50% of operating expenses.
   b. Debt service as a percent of annual budget not greater than 20%.
   c. Percent of pay-as-you-go financing equal to a minimum of 20% of the total funded portion of the capital program over the term of the capital program.
   d. Working capital reserves that are on average not less than 2 months of operating expenditures, with a goal of increasing to 3 months over a 10 year period.
   e. Risk management reserves equal to amounts imposed by the Commonwealth. Currently the risk management reserve requirement is $10 million.

4. VRE will match one time revenue with one time expenditures to avoid creating structural imbalance in its annual budgets.

5. Projects included in VRE's Capital Improvement Program will be prioritized with emphasis on regulatory requirements, the maintenance of equipment and facilities to support current service levels, and provisions for passenger safety.

6. The capital reserve will be maintained through the contribution of surplus funds generated from operations and from other sources in order to provide the necessary match funds to take advantage of grant funding opportunities and to complete advantageous capital projects.

7. VRE will maintain an asset management plan for all major capital assets which will identify operating, maintenance, and renewal costs over the life of the asset. If a reliable source of funding is not expected to be available to meet peak needs when they occur, a sinking fund will be established for this purpose. The annual budget and Capital Improvement Program will include the life-cycle cost impact of each project in the CIP.

8. VRE will maintain access to external liquidity sources, such as a line of credit, because of the heavy reliance on funding from other parties. This short term borrowing will only be used with the approval of the Operations Board and when the source of repayment has been identified.

9. Debt that supports VRE projects will be amortized for a period not to exceed the useful life of the assets being financed.

10. For any publicly sold debt to support VRE projects:
    a. Debt service funds will be established at the time of issuance and contributions will be made on a monthly basis so that amounts are available to ensure timely payment of principal and interest when due.
    b. A debt service reserve fund will be established (as needed by the revenue bond structure or for credit purposes) to provide a cushion of funding for the debt obligations. Such funds will be sized to equal maximum annual debt service, subject to limitations imposed by the IRS for funding of such reserves.
    c. The bond structure will be sufficient to secure a rating in the A category or better.

11. The debt service structure that supports VRE projects will be developed and maintained to achieve strong credit ratings while addressing the overall revenue constraints and capacity of VRE. Total principal and interest payments for any borrowing will be structured to create level debt service in aggregate for VRE. Alternatively, VRE may use a more rapid repayment structure, such as equal annual principal payments. The use of back loaded principal repayment, bullet and balloon maturities will be avoided, except to achieve overall level aggregate debt service or to match anticipated one-time revenues.

12. As needed, VRE will establish and maintain a separate set of post issuance policies and procedures for managing any required disclosure, tax or other legal requirements.

13. The use of variable rate debt is discouraged, except under unusual circumstances. However, should it be found to be in VRE's best interest to use this mechanism, the Operations Board and Commissions will first establish appropriate policies and procedures.

Commuter Rail Operating and Capital (C-ROC) Fund

In 2018, the Virginia legislature approved the creation of the Commuter Rail Operating and Capital (C-ROC) Fund. C-ROC funding is critical to addressing VRE's current and future investment needs and to delivering on planned capacity expansion projects. C-ROC funding is dedicated to "retaining, maintaining, improving, and developing commuter rail-related infrastructure improvements and operations" that are "essential to the Commonwealth's continued economic growth, vitality, and competitiveness." C-ROC funding may be used to support the cost of VRE's operations as well as to make necessary capital investments and improvements, either on a pay-as-you-go basis or through the issuance of debt. C-ROC funding may be used as matching funds for state and federal grants.

In addition to creating C-ROC, the Virginia legislature also authorized changes to the regional gasoline taxes collected by the two Commissions. From the total gasoline tax revenues that are generated in the Commissions' jurisdictions, $15 million is dedicated annually to the C-ROC Fund. This $15 million of dedicated funding is then disbursed from the C-ROC Fund to VRE for its use on operating and capital projects. C-ROC funding does not replace or supplant any existing revenues, and current jurisdictional contributions must be maintained.

In October 2018, the Commissions authorized the execution of a joint agreement for the distribution and allocation of the C-ROC funds. The agreement establishes that NVTC will serve on behalf of both Commissions as the recipient of all funds from the C-ROC Fund and that project prioritization and programming of the C-ROC funds must occur as part of the broader annual VRE budget process. More information on the programming of prior year and future year C-ROC funds is provided in the 'Capital Improvement Program FY 2022 – FY 2027' section of this document.

FY 2022 Budget Assumptions & Summary

The FY 2022 Budget totals $185.9 million. FY 2022 operating budget expenses of $89.7 million are lower than the prior year amount by $1.7 million, a decrease of 1.9%, with projected revenue decreases netting out against decreased operating expenses and the Coronavirus Aid, Relief, and Economic Security Act (CARES). Major assumptions are as follows:

- Total jurisdictional subsidy of $18,300,780, no increase from the FY 2021 subsidy.
- No increase in passenger fares, including the Amtrak Step-Up fare. Fare revenue budgeted at $18.2 million based on a projected average daily ridership of 6,000 and 32 daily revenue trains.
- State operating assistance is projected at $10.0 million, a decrease of $2.0 million from the actual amount received in FY 2021, but a slight increase over the amount originally projected in the approved FY 2021 budget.
- Fuel cost projected at $3.0 million, based on an average cost per gallon of $1.75 and projected usage of 1.70 million gallons.
- Track access fees across all three host railroads of $18.6 million, based on estimated or actual contractual amounts. Grant funding from all sources for track access fees at 84%, or $15.6 million, unchanged from the reimbursement percentage received in FY 2021.
- No staff additions proposed in FY 2022.
- Required contractual increases for train operations and maintenance of equipment budgeted at a net increase of $0.3 million reflecting projected cost revisions, increased services and a CPI increase of 1.2%.
- Operating contingency at 1.0% of the operating budget, a reduction from the 2% budgeted for FY 2021, and a decrease of $830,000.
- Insurance premium costs increased by 71.2%, or $3.0 million, due to ongoing changes in the global insurance marketplace.
- Net Departmental operating expenses decreased by 10.4%, or a reduction of $3.2 million compared to FY 2021.
- Federal 5307 (Urbanized Area) and 5337 (State of Good Repair) funding of $30.5 million, $1.5 million less than in the approved FY 2021 budget.
- Capital matching funds from the State for the majority of the required non-federal share for selected projects. Most projects budgeted at 16% match, with 34% funding requested from the state for the Midday Storage and Washington Union Station improvement projects.
- Contribution to the Capital Reserve of $3 million, with no allocation from the Reserve balance for FY 2022 capital projects.

Subsidy by Jurisdiction

The FY 2022 budget includes no change in the total jurisdictional subsidy amount. Each year, VRE and PRTC conduct a survey of VRE riders that includes the rider's jurisdiction of residence. This survey data serves as the basis for calculating the subsidy allocation by jurisdiction, in accordance with the VRE Master Agreement. However, due to the COVID-19 pandemic, the VRE Operations Board found that a survey would be challenging to administer safely and unlikely to produce reliable results. Therefore, the Operations Board directed staff that no survey was to be performed in October 2020 and that jurisdictional subsidy would remain at FY 2021 levels for all jurisdictions. The FY 2022 jurisdictional subsidy is as follows:

	FY 2021		FY 2022		Change FY21 to FY22	
Jurisdiction	**Subsidy**	**Percent**	**Subsidy**	**Percent**	**Net +/-**	**% Change**
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

FY 2022 Summary Recommended Budget

Category	Approved FY 2021		Recommended FY 2022	
	FY 2021 Operating	FY 2021 Capital	FY 2022 Operating	FY 2022 Capital
Revenues:				
Fare Revenue	44,090,000		18,236,000	
Miscellaneous Revenue	300,000		300,000	
Jurisdictional Subsidy	13,817,632	4,483,148	13,888,119	4,412,661
Other Sources (Use of Prev. Surplus)	-	-	-	-
NVTA Grant Funding	-	-	-	-
State CROC Dedicated Funding	-	15,000,000	-	15,000,000
Federal/State Subsidy - Operating (includes CARES)	31,879,656		56,889,683	
Federal/State Subsidy - Capital		53,024,602		76,786,261
Operating/Capital Reserves	-	-	-	-
Interest Income	1,300,000		350,000	
Total Revenue	**91,387,287**	**72,507,750**	**89,663,802**	**96,198,922**
Operating/Non-Operating Expenses:				
Non-Departmental Operating	5,800,514		7,971,699	
Executive Management	1,263,000		1,544,700	
Chief of Staff	683,600		691,000	
Marketing	409,300		375,500	
Finance and Human Resources	4,507,800		3,051,500	
Purchasing and Contract Administration	745,850		764,850	
Project Development	956,900		732,805	
Project Implementation	1,117,500		1,027,500	
Rail Operations	2,386,500		2,332,000	
Information Technology	2,078,500		2,171,350	
Facilities Maintenance	4,527,300		4,013,800	
Mechanical Operations	10,565,700		9,639,700	
System Safety & Security	1,488,200		1,179,200	
PRTC	102,000		102,000	
NVTC	90,000		90,000	
Train Operations	16,591,500		16,787,500	
Maintenance of Equipment	7,832,285		7,898,500	
Amtrak	5,181,000		4,450,000	
Amtrak Access Fees	6,879,000		6,830,000	
Norfolk Southern Access Fees	3,442,000		3,244,000	
CSX Access Fees	8,468,000		8,544,000	
Total Operating/Non-Operating Expenses	**85,116,449**	**-**	**83,441,604**	**-**
CIP Expenditures		72,507,750		96,198,922
Debt Service	6,270,838		6,222,198	
Total CIP and Other Expenditures	**6,270,838**	**72,507,750**	**6,222,198**	**96,198,922**
Grand Total Expenses	**91,387,287**	**72,507,750**	**89,663,802**	**96,198,922**

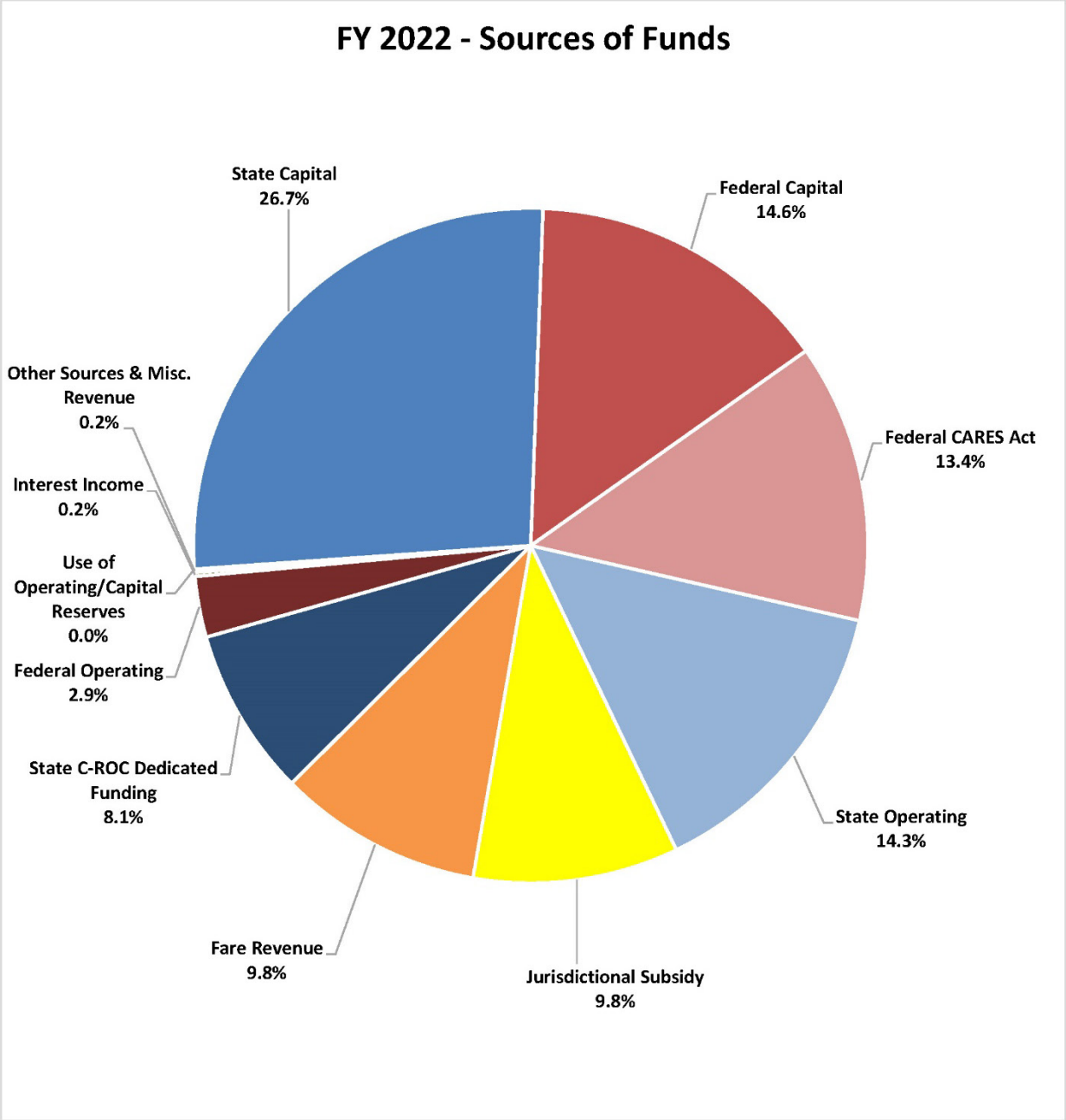
FY 2022 Sources and Uses

Access and Lease Fees	
Amtrak	6,830,000
NS	3,244,000
CSX	8,544,000
Total	**18,618,000**

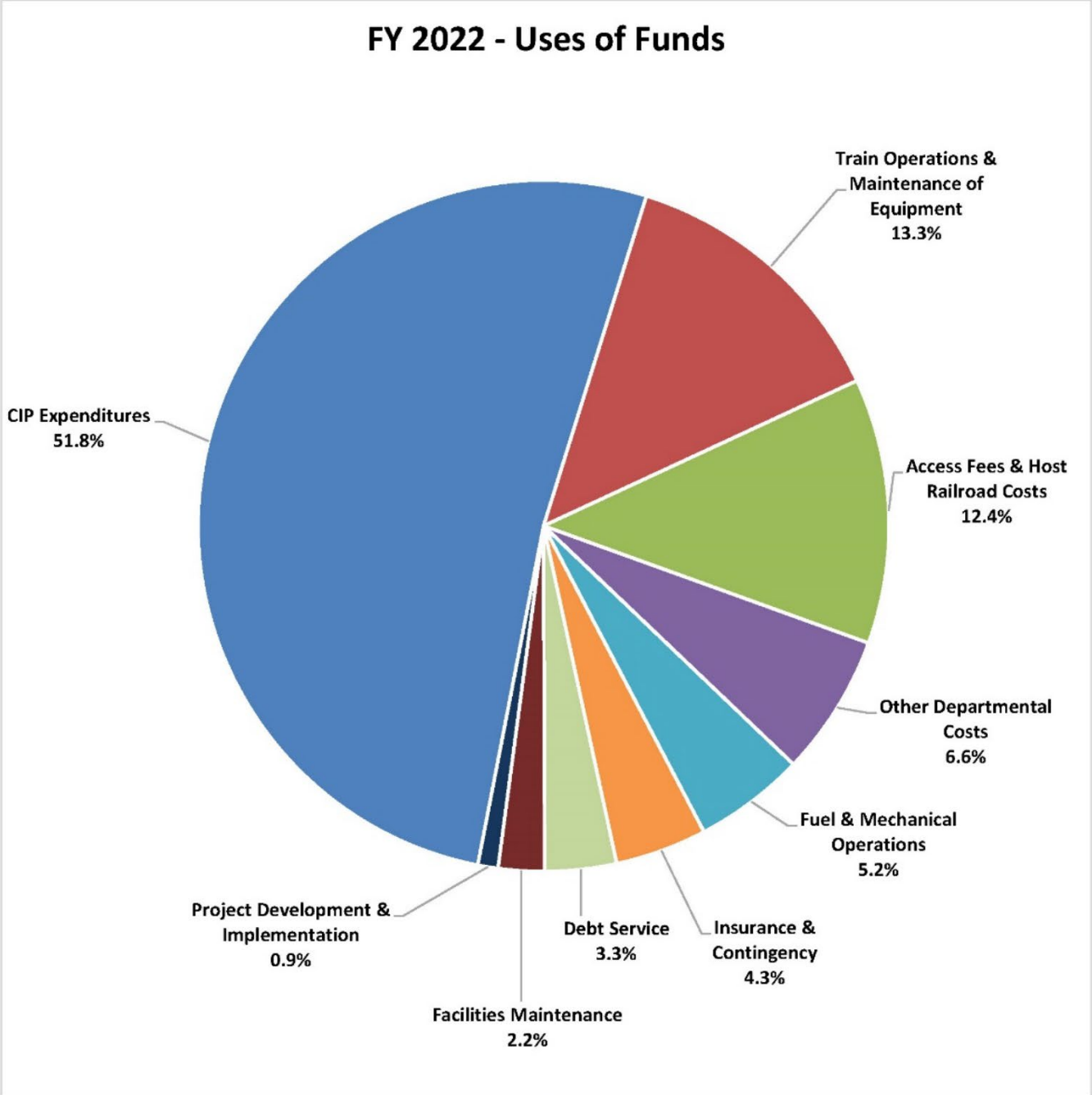
LEVEL OF SERVICE FOR FY 2022 32 Trains 6,000 Average Daily Riders

	USES OF FUNDS	SOURCES OF FUNDS													
								STATE			FEDERAL				
		FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE OPERATING	STATE CAPITAL	STATE STP	5307/5337	FEDERAL CARES ACT	OTHER	TOTAL
Operating Expenses	**83,441,604**	**18,236,000**	**350,000**	**300,000**	**13,544,122**	**-**	**-**	**-**	**10,000,000**	**15,639,120**	**0**	**520,000**	**24,852,362**	**-**	**83,441,604**
Non-Operating Expenses:															
Operating Reserve	-				-										-
Debt Service MUFG - Gallery IV - 11 Cabcars	1,931,357				77,254					309,017		1,545,086			1,931,357
Debt Service VRA - 60 Railcars (Local)	99,072				99,072										99,072
Debt Service VRA - 60 Railcars (Fed/State/Local)	4,191,769				167,671					670,683		3,353,415			4,191,769
Non-Operating Summary	**6,222,198**	**-**	**-**	**-**	**343,997**	**-**	**-**	**-**	**-**	**979,700**	**-**	**4,898,501**	**-**	**-**	**6,222,198**
Total Expenses (Subtotal)	**89,663,802**	**18,236,000**	**350,000**	**300,000**	**13,888,119**	**-**	**-**	**-**	**10,000,000**	**16,618,820**	**0**	**5,418,501**	**24,852,362**	**-**	**89,663,802**
Capital Projects:															
Crystal City Station Improvements	13,018,750				520,750					2,083,000		10,415,000			13,018,750
New York Avenue Midday Storage Facility	12,664,073				506,563					4,305,785		7,851,725			12,664,073
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000			5,000,000
L'Enfant Station Improvements	2,438,708				97,548					390,193		1,950,966			2,438,708
Equipment Asset Management Program	2,090,000				83,600					334,400		1,672,000			2,090,000
Security Enhancements	105,000				4,200					16,800		84,000			105,000
Unprogramed CROC Funds	15,000,000				-			15,000,000		-		-			15,000,000
Capital Reserve Contribution	3,000,000				3,000,000										3,000,000
Capital Project Summary	**53,316,531**	**-**	**-**	**-**	**4,412,661**	**-**	**-**	**15,000,000**	**-**	**8,830,178**	**-**	**25,073,692**	**-**	**-**	**53,316,531**
CMAQ/REF/IPROC															
Broad Run Expansion (CMAQ)	2,000,000				-					400,000		-		1,600,000	2,000,000
Brooke Station Improvements (CMAQ)	313,394				-					62,679		-		250,715	313,394
Leeland Road Station Improvements (CMAQ)	313,394				-					62,679		-		250,715	313,394
Fleet Expansion Coaches (Smartscale)	15,855,000				-					15,855,000		-		-	15,855,000
Alexandria Station Improvements (Smart Scale)	6,284,000				-					6,284,000		-		-	6,284,000
Leeland Road Parking Improvements (Smart Scale)	5,159,178				-					5,159,178		-		-	5,159,178
Quantico Station Improvements (Smart Scale)	5,150,700				-					5,150,700		-		-	5,150,700
Crossroads MSF Expansion (Smart Scale)	5,057,000				-					5,057,000		-		-	5,057,000
Leeland Road Station Improvements (Smart Scale)	2,749,725				-					2,749,725		-		-	2,749,725
Summary	**42,882,391**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**40,780,961**	**-**	**-**	**-**	**2,101,430**	**42,882,391**
TOTAL	**185,862,724**	**18,236,000**	**350,000**	**300,000**	**18,300,780**	**-**	**-**	**15,000,000**	**10,000,000**	**66,229,959**	**0**	**30,492,192**	**24,852,362**	**2,101,430**	**185,862,724**

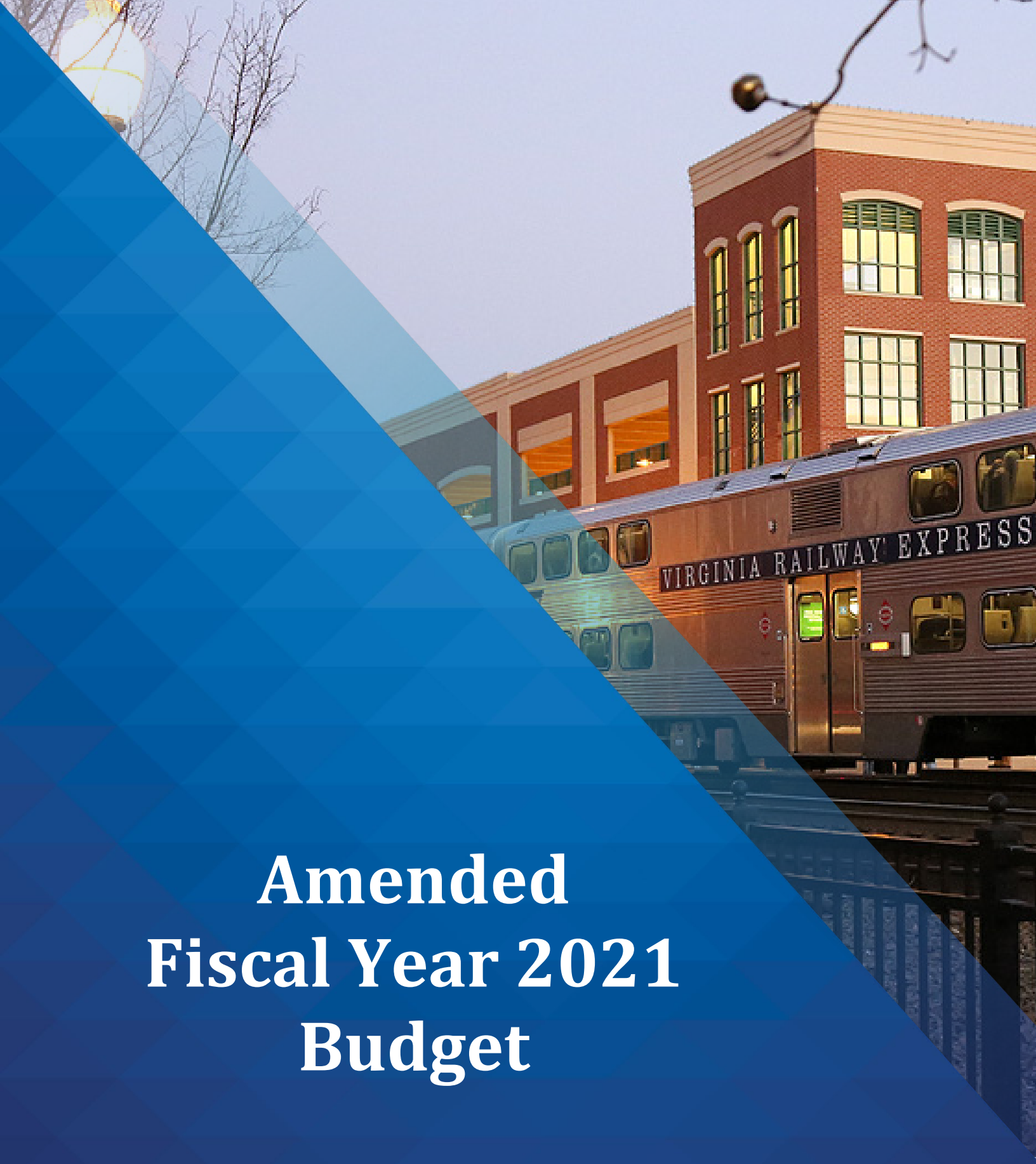
	Soft Capital Projects	Funding	Program	Federal Amt.	State Amt.
	Debt Service 11 Cabcars	5337	1,931,357	1,545,086	309,017
	Access lease funding (0%/84%)	Full 84% State	18,618,000	-	15,639,120
Local only	Debt Service VRA - 60 Railcars		99,072	-	-
Fed/State/Local	Debt Service VRA - 60 Railcars	5337	2,445,198	1,956,159	391,232
Fed/State/Local	Debt Service VRA - 60 Railcars	5307	1,746,570	1,397,256	279,451
	Grant & Project Management	5307	650,000	520,000	-
		Subtotal	25,490,198	5,418,501	16,618,820
	Capital Projects/Earmarks		96,198,922	27,175,122	49,611,139
	Capital Program	Total	121,689,120	32,593,623	66,229,959



Revenue Source	FY 2021 Amount	% of Total
State Capital	$ 49,611,139	26.7%
Federal Capital	$ 27,175,122	14.6%
Federal CARES Act	$ 24,852,362	13.4%
State Operating	$ 26,618,820	14.3%
Jurisdictional Subsidy	$ 18,300,780	9.8%
Fare Revenue	$ 18,236,000	9.8%
State C-ROC Dedicated Funding	$ 15,000,000	8.1%
Federal Operating	$ 5,418,501	2.9%
Interest Income	$ 350,000	0.2%
Other Sources & Misc. Revenue	$ 300,000	0.2%
Use of Operating/Capital Reserves	$ -	0.0%
Total Sources of Funds	**$ 185,862,724**	**100.0%**



Type of Use	FY 2021 Amount	% of Total
CIP Expenditures	$ 96,198,922	51.8%
Train Operations & Maintenance of Equipment	$ 24,686,000	13.3%
Access Fees & Host Railroad Costs	$ 23,068,000	12.4%
Other Departmental Costs	$ 12,302,100	6.6%
Fuel & Mechanical Operations	$ 9,639,700	5.2%
Insurance & Contingency	$ 7,971,699	4.3%
Debt Service	$ 6,222,198	3.3%
Facilities Maintenance	$ 4,013,800	2.2%
Project Development & Implementation	$ 1,760,305	0.9%
Total Uses of Funds	**$ 185,862,724**	**100.0%**



Amended Fiscal Year 2021 Budget

FY 2021 Budget Amendments

The FY 2021 budget has been revised to reflect current projections for revenue and expenses, as follows:

- Revenue
  - Decrease in passenger fare revenue in the amount of $34.4 million, to reflect the effect of the ongoing COVID-19 pandemic on VRE ridership.
  - Addition of a new funding source, the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, totaling $32.0 million to supplement lost passenger revenue and support pandemic-related costs.
  - Increase in state operating assistance in the amount of $2.3 million to reflect a higher funding amount than originally projected.
  - A net decrease to federal and state grant revenue by a total of $1.8 million related to an overall reduction of Federal formula funds awarded to VRE.
  - A decrease in interest income of $1.0 million, reflecting lower than projected interest rates.
  - Allocation of $669,200 in capital reserve for various projects (see below).

- Expenses
  - FY 2021 operating contingency was reduced by $595,052 for various additions and revisions of current year operating and capital costs and revenue, many of which are directly related to the COVID-19 pandemic. The notable expense changes are:
  - An increase in liability and property insurance costs of $2.6 million;
  - An increase in COVID-19 related costs for cleaning and other goods/services of $500,000;
  - A reduction of $1.6 million in ticket sales commission and bank fees related to credit/debit card sales due to the COVID-19 pandemic effect on ridership and ticket sales;
  - A reduction in diesel fuel costs of $910,000 as a result of reduced service.
  - The remaining operating contingency of $1.0 million was eliminated as part of the calculation of CARES Act funding (see Revenue changes above).

- Capital Program
  - Capital project obligations were decreased by $1.9 million to reflect reduced available capital funding:
  - A net decrease to federal and state grant obligations of $1.8 million related to a reduction of Federal formula funds awarded to VRE.
  - Allocation of $4.0 million of unallocated Federal and state grant funding for the Lifecycle Overhaul and Upgrade (LOU) Facility.
  - Allocation of $3.0 million of unallocated Federal and state grant funding for the Fredericksburg Station Rehabilitation project.

- Allocation of an additional $2.2 million of unallocated Federal and state grant funding to the Equipment Asset Management Program.
- A reduction of $2.0 million allocated to the Facilities Asset Management Program.
- A net decrease to unallocated Federal and State grants of $8.9 million as a result of the above changes.
- Capital Reserve funds of $669,200 allocated for the Scheidt & Bachmann Fare Validators ($469,200) and the VRE Mobile Ticketing System ($200,000).

- Use of FY 2020 Surplus
  - No one-time items in FY 2022 are in need of funding from the prior year surplus.
  - Operating reserve (working capital) currently at slightly more than three months of operating expense – no additional contribution required.
  - $5.1 million contribution to Capital Reserve.

FY 2021 Amended Sources and Uses

LEVEL OF SERVICE FOR FY 2021 32 Trains 1,800 Average Daily Riders

Access and Lease Fees	
Amtrak	6,879,000
NS	3,442,000
CSX	8,468,000
Total	18,789,000

	USES OF FUNDS	SOURCES OF FUNDS													
								|----STATE----|			|----FEDERAL----|			
		FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE OPERATING	STATE CAPITAL	STATE STP	5307/5337	New FY21 CARES ACT	OTHER	TOTAL
Operating Expenses	**84,118,987**	**9,700,000**	**250,000**	**300,000**	**13,520,444**	**-**	**-**	**-**	**12,030,000**	**751,560**	**15,031,200**	**520,000**	**32,015,783**	**-**	**84,118,987**
Non-Operating Expenses:															
Operating Reserve	29,000				29,000										29,000
Debt Service BTMU - Gallery IV - 11 Cabcars	1,931,357				77,254					309,017		1,545,086			1,931,357
Debt Service VRA - 60 Railcars (Local)	99,072				99,072										99,072
Debt Service VRA - 60 Railcars (Fed/State/Local)	4,190,409				167,616					670,465		3,352,327			4,190,409
Non-Operating Summary	**6,249,838**	**-**	**-**	**-**	**372,943**	**-**	**-**	**-**	**-**	**979,483**	**-**	**4,897,413**	**-**	**-**	**6,249,838**
Total Expenses (Subtotal)	**90,368,825**	**9,700,000**	**250,000**	**300,000**	**13,893,386**	**-**	**-**	**-**	**12,030,000**	**1,731,043**	**15,031,200**	**5,417,413**	**32,015,783**	**-**	**90,368,825**
Capital Projects:															
Facilities Asset Management Program	208,687				8,347					33,390		166,950			208,687
New York Avenue Midday Storage Facility	12,072,745				482,910					4,104,733		7,485,102			12,072,745
Equipment Asset Management Program	6,120,242				244,810					979,239		4,896,194			6,120,242
Life-Cycle Overhaul and Upgrade Facility	4,000,000				160,000					640,000		3,200,000			4,000,000
Security Enhancements	105,000				4,200					16,800		84,000			105,000
Security Cameras	300,000				12,000					48,000		240,000			300,000
Crystal City Station Improvements	669,713				26,789					107,154		535,770			669,713
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000			5,000,000
Fredericksburg Station Rehabilitation	3,158,000				126,320					505,280		2,526,400			3,158,000
Unprogramed Federal Formula Funds	3,550,454				142,018					568,073		2,840,363			3,550,454
L'Enfant Station Improvements (CROC)	15,000,000				-			15,000,000		-		-			15,000,000
Fare Validators	469,200				-	469,200				-		-			469,200
VRE Mobile	200,000				-	200,000				-		-			200,000
Capital Reserve Contribution	3,000,000				3,000,000										3,000,000
Capital Project Summary	**53,854,041**	**-**	**-**	**-**	**4,407,394**	**669,200**	**-**	**15,000,000**	**-**	**8,702,669**	**-**	**25,074,779**	**-**	**-**	**53,854,041**
CMAQ/REF/IPROC															
Broad Run Expansion (CMAQ)	4,262,000				-					852,400		-		3,409,600	4,262,000
Backlick Road Station Improvements (CMAQ)	2,000,000				-					400,000		-		1,600,000	2,000,000
Brooke Station Improvements (CMAQ)	245,019				-					49,004		-		196,015	245,019
Leeland Road Station Improvements (CMAQ)	245,019				-					49,004		-		196,015	245,019
Fleet Expansion Coaches (Smartscale)	10,677,000				-					10,677,000		-		-	10,677,000
Summary	**17,429,038**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,027,408**	**-**	**-**		**5,401,630**	**17,429,038**
TOTAL	**161,651,904**	**9,700,000**	**250,000**	**300,000**	**18,300,780**	**669,200**	**-**	**15,000,000**	**12,030,000**	**22,461,119**	**15,031,200**	**30,492,192**	**32,015,783**	**5,401,630**	**161,651,904**

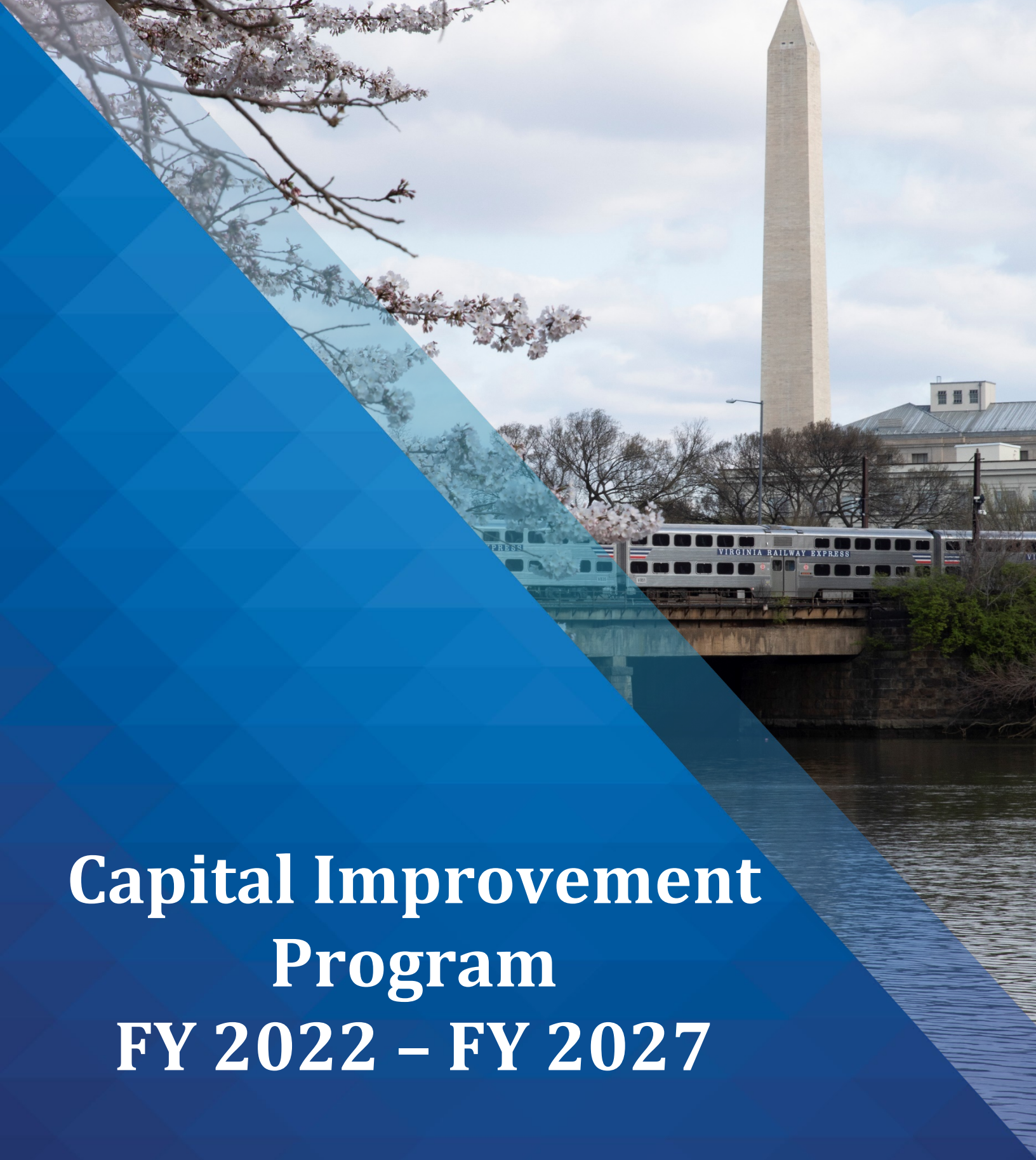
	Soft Capital Projects	Funding	Program	Federal Amt	State Amt
	Debt Service 11 Cabcars	5337	1,931,357	1,545,086	309,017
	Access lease funding (80%/4%)	SSTP/State	18,789,000	15,031,200	751,560
Local only	Debt Service VRA - 60 Railcars		99,072	-	-
Fed/State/Local	Debt Service VRA - 60 Railcars	5337	2,444,405	1,955,524	391,105
Fed/State/Local	Debt Service VRA - 60 Railcars	5307	1,746,004	1,396,803	279,361
	Grant & Project Management	5307	650,000	520,000	-
	Subtotal		25,659,838	20,448,613	1,731,043
	Capital Projects/Earmarks		71,283,079	30,476,409	20,730,076
	Federal Cap Program		96,942,917	50,925,022	22,461,119

Six-Year Financial Forecast FY 2022 – FY 2027

Six-Year Financial Forecast

The annual budget normally includes a financial forecast for the five years following the year of adoption (six years in total). This forecast includes projections for ridership, planned fare increases and total fare revenue, grant and subsidy funding, operating expenses, and capital expenditures. The forecast is intended to demonstrate the projected sustainability of VRE's budget beyond the initial year and to highlight areas of potential risk so they can be addressed in advance.

Given the depth of uncertainty facing not just VRE but the entire regional and national economy, the FY 2022 budget does not include a six-year forecast. Such a forecast would reflect highly uncertain estimates on many key variables, particularly ridership, and would not serve as a reliable basis for decision-making. As the recovery from the pandemic proceeds and the outlook for commuting and VRE ridership is clarified, staff will return to the Operations Board and the Commissions with additional information.



Capital Improvement Program
FY 2022 – FY 2027

Introduction

The FY 2022 – 2027 VRE Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety and operational efficiency, maintain the system in a state of good repair, and expand capacity. The six-year CIP includes both fully- and partially-funded projects. Future projects that are unfunded are not shown in the six-year program but are discussed separately.

- **Funded** projects are those that are funded through federal formula grants received annually by VRE; through state funding in accordance with the Commonwealth's Six-Year Improvement Program (SYIP); through already allocated funds from other entities, such as NVTA, FAMPO or a VRE jurisdiction; or through other committed sources.

- **Partially funded** projects are those that are pending a discretionary allocation by a funding authority or for which a funding source has not yet been identified. Because discretionary funding relies on the actions of other entities, funds may not be available when needed.

In addition to grants and other funding agreements with outside partners, VRE has the following internal funding mechanisms to support the capital program:

- The **Commuter Rail Operating and Capital (C-ROC) Fund** was created by the General Assembly in 2018. C-ROC funding is dedicated to "retaining, maintaining, improving, and developing commuter rail-related infrastructure improvements and operations" in the Commonwealth. VRE receives a dedicated allocation of $15 million annually from C-ROC that may be used to support the cost of VRE's commuter rail operations as well as to make necessary capital investments and improvements, either on a pay-as-you-go basis or through the issuance of debt. C-ROC funding may be used as matching funds for state and federal grants.

- The **Capital Reserve** was created in order to complete projects, take advantage of grant opportunities that require substantial local match, or to fund initial costs to support major grant proposals or evaluate alternatives. Funding is provided from prior year surpluses, the sale of assets, and, beginning in FY 2015, from a $3 million annual jurisdictional contribution included in the budget.

- The **Capital Planning Fund (CPF)** was established to provide immediate, small-scale funding for studies required to advance system investments or support future federal or state applications or to meet other immediate capital program needs. The CPF was established in FY 2015 from unallocated Capital Reserve funds in the amount of $1.58 million. A replenishment of $2 million was included in the FY 2017 Amended Budget.

Description of the CIP

The VRE Capital Improvement Program is designed to maintain VRE passenger equipment and facilities in a state of good repair and to accommodate growth within adopted service and safety standards. Items listed in the CIP fall into one of the following categories:

- The acquisition of land for a public purpose.
- The construction or purchase of an asset of significant size, including rolling stock and other equipment, facilities, railroad infrastructure and automated systems.
- Rehabilitation or major repair to all or part of a major facility, piece of equipment, or other asset, beyond the level considered as routine annual maintenance.
- Any specific planning, engineering, design work or grant and project management costs related to an individual project falling within the first three categories.
- Any long-term grant funded projects for which inclusion in the CIP is considered appropriate.

Priorities: Projects included in the CIP are prioritized with an emphasis on passenger safety, regulatory requirements, and maintaining current equipment and facilities in a state of good repair. In addition, expansion projects are selected in accordance with VRE's System Plan 2040.

Board/Commission Approval: Once the CIP has been developed, it is forwarded as part of the budget to the Operations Board. With their approval, the budget goes to the Commissions for final authorization. The VRE budget process begins in the summer, with approval by the Operations Board in December and Commissions in January. Grant applications for the next fiscal year are prepared based on the approved CIP. The Operations Board and Commissions formally approve the current year of the CIP and amendments to the prior year.

Project Information: Detailed project information is provided, including a summary of funding sources for each project. FY 2021 funding reflects the amended budget for that year. In order to provide a complete picture of each project, funding and cost information is provided from the inception of the project through to its conclusion.

Prior Year Projects: Projects fully funded in prior years are reported in the CIP until all work on the project is completed.

The Capital Improvement Program (CIP) is a comprehensive inventory of VRE's capital needs and the capital funding sources that have been identified for the six years of this plan (FY 2022 to FY 2027). The primary purpose of the CIP is to provide a realistic picture of the funding outlook and the challenges VRE may face in securing adequate funding to pay for needed capital improvements. The majority of the projects in VRE's six-year program are fully funded; however, certain key projects are only partially funded and additional funding must be identified. VRE's internal funding sources (C-ROC funds and the Capital Reserve)

may be programmed to fill some of these gaps, but VRE will also continue to pursue additional funding at the federal, state, and local level in order to fully fund the capital program.

In FY 2016, VRE developed a financial analysis that compared the capital and operating needs associated with various service profiles (including implementation of System Plan 2040) to available funding sources and quantified the need for additional funding. This analysis was critical to making the case to the General Assembly for the creation of the C ROC Fund. In FY 2019, VRE completed an update of the financial analysis that accounted for changes in operating expense and revenue trends, available capital funding, and project scopes and schedules. This analysis confirmed that C-ROC support for operations is not expected to be needed in the near- to medium-term, which will allow C-ROC to continue to support transformative capacity-enhancing capital projects during the next ten years.

The capital improvement projects are designed to maintain and enhance VRE's service by renovating and strengthening the core system; improving the system's security and reliability; and modernizing and expanding the system to accommodate increasing ridership demand. This CIP is a snapshot of the current outlook and is updated periodically as projects are further developed and the funding environment evolves.

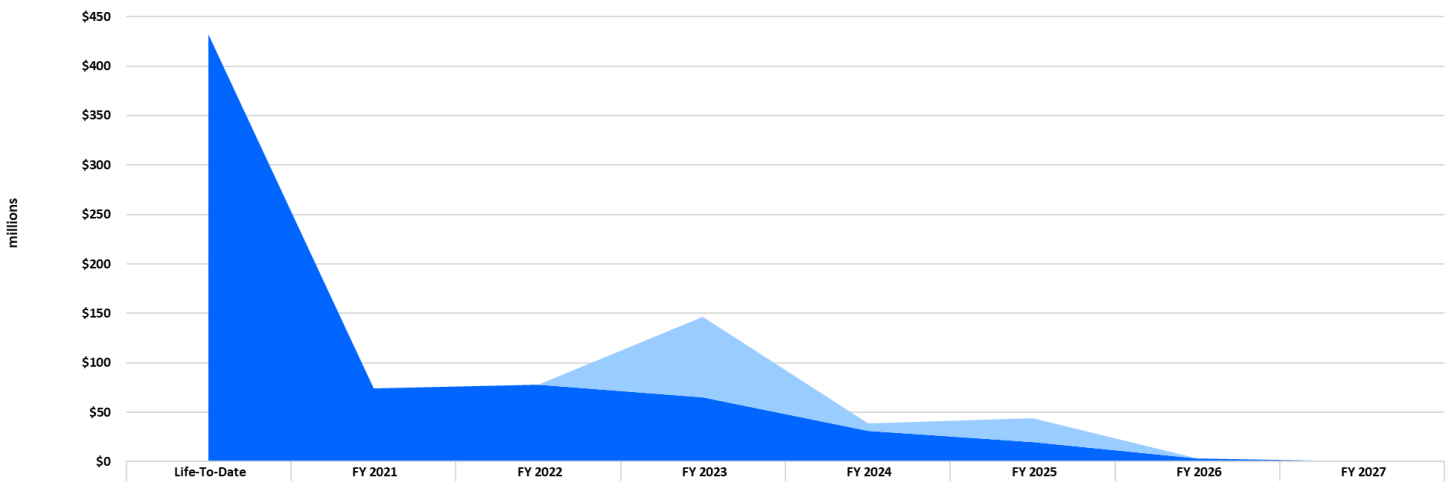
Capital Financial Outlook

The overall outlook for the FY 2022 to FY 2027 CIP is generally positive, despite the current COVID-19 pandemic. Political and legislative actions over the past few years – including the creation of the dedicated C-ROC Fund at $15 million per year, the commitment by the Commonwealth to continue current levels of reimbursement for track access fees, and the creation of the Virginia Passenger Rail Authority as part of the Transforming Rail in Virginia program – have created an environment that is supportive of VRE's long-term growth and stability. Some funding challenges remain, however, particularly beyond the immediate six-year period. On the capital side, certain key near-term projects are still partially unfunded, and while C ROC and Capital Reserve funds may be available to fill some gaps, an ongoing VRE priority for FY 2022 will be to continue to work with local, state and other partners on securing additional funding for the commuter rail system. The statutory limitations on the use of VRE's primary source of federal formula funding (the Section 5337 State of Good Repair program) further complicates the capital funding picture.

Beyond the six-year horizon, relatively modest projected growth in ridership combined with increasing contractual and other costs results in a structural deficit that cannot be solved simply by larger fare increases or greater jurisdictional contributions. Sustainable funding of existing service must be in place before future service expansions can be implemented.

Given current cost estimates, full funding of the projects in the FY 2021-FY 2026 CIP (including all costs to complete) will require approximately **$818.6 million**. Of this total, **$704.9 million** (86.1%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2020). The graph below represents VRE's funded and unfunded project costs of $818.6 million for projects included in the FY 2022 – 2027 Six Year Plan.

Capital Financial Outlook FY 2022 - FY 2027



	Life-To-Date	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Unfunded	0.0	0.0	0.0	81.8	7.5	24.4	0.0	0.0
Funded	432.2	74.5	78.2	65.0	31.3	19.9	3.7	0.1

Capital Sources and Uses

Capital projects frequently rely on funds obligated in prior years, unlike operating expenses. Most grants are awarded on a reimbursement basis, and grant allocations can be obtained for specific projects and programs over multiple years during which they can "accumulate" and be committed to a contract when the balance is sufficient for that phase of the project to proceed. The construction phase of a capital project will not be initiated unless and until the entire underlying funding commitment is in place.

In order to operate within funding constraints, VRE's CIP centers on the fundamental need to prioritize the most vital initiatives and investments necessary to achieve key safety, reliability, capacity, and sustainability goals. The FY 2022 capital budget is driven primarily by the need to meet established programmatic commitments and maintain the necessary financial capacity to address emerging and longstanding needs required to maintain the safety and reliability of essential capital assets.

Capital funds come from a wide variety of federal, state, regional, and local sources. Except for FTA Section 5307 and 5337 formula allocations and the associated state transit capital match and local matching funds, most of VRE's capital funding sources are one-time competitive or discretionary grants. Given the magnitude of VRE's capital needs over the next six years and beyond, an aggressive approach to securing discretionary grants has been pursued in recent years and will continue to be necessary. Advocacy for project grant funding must be continuous at the local, regional, state, and federal levels from the moment a project is initiated. This process is intensive and requires the coordinated efforts of VRE

staff, other local and regional bodies, and elected officials. The charts and graphs at the end of this section show the magnitude of the various funding sources on which VRE relies.

Decision-Making Factors

VRE considers a number of factors when determining which capital projects are allocated the limited funding that is available, including:

- Does the expenditure maintain the system in a state of good repair?
- Does this expenditure help VRE manage risk? Does this expenditure address VRE's biggest identified sources of risk?
- Does this expenditure close an identified need (i.e., a gap between target and actual service levels)?
- Does this expenditure minimize life-cycle cost?
- Does this expenditure yield ongoing operational cost savings either through efficiency or reduced risk?
- Project continuity: Is this project already underway and does it need ongoing funding to continue implementation from a prior year?
- Project interdependence: Are other projects dependent on this project? Is this project dependent on others?

Commuter Rail Operating and Capital (C-ROC) Fund

In October 2018, the Commissions authorized the execution of a joint agreement for the distribution and allocation of the C-ROC funds. In addition to designating NVTC to serve as the recipient of all funds from the C-ROC Fund (following the existing practice of having PRTC receive and manage VRE's federal funds and NVTC receive and manage VRE's state and regional funds), the agreement lays out an annual process for incorporating the programming of C-ROC funds into the larger VRE budget. As noted above, C-ROC funds are flexible and can be used (a) to support both operations and capital investment, (b) as a match to other state or federal funding sources, and (c) on a pay-as-you-go (PAYGO) basis or as the backing for a debt issuance.

As part of the FY 2020 budget, the Operations Board adopted the follow criteria for programming of C-ROC funds:

1. C-ROC funds should be prioritized to projects that are not eligible for typical VRE discretionary capital funding sources, such as DRPT Smart Scale or NVTA regional funding.
2. C-ROC funds should be prioritized to projects where a commitment of local funding could leverage significant state or federal matching funds.
3. C-ROC funds should support projects that are necessary in order to allow for future capacity expansion.
4. VRE should continue to use the Capital Reserve to fund smaller needs (such as minor cost or scope changes in an existing project) and should use C-ROC funds on 'transformative' projects.
5. VRE should consider C-ROC funds as a supplementary funding source for the replacement of major existing assets such as railcars.

Based on these criteria, the Operations Board committed three years of C-ROC funding to two critical projects:

- FY 2019: $15 million for L'Enfant Station Improvements
- FY 2020: $15 million for Crystal City Station Improvements
- FY 2021: $15 million for L'Enfant Station Improvements

Following the announcement of the Transforming Rail in Virginia Program and the Commonwealth's agreement to purchase railroad right-of-way from CSXT, VRE entered into discussions with DRPT regarding a financial contribution to the overall Program. On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the $15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and will be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

Unfunded Projects and Unprogrammed Funding Sources

Approximately 13.9%, or $113.7 million, of VRE's $818.6 million CIP is currently unfunded. This figure includes the Broad Run Expansion Project and Fleet Expansion railcars as well as the other major projects. These unfunded needs will be addressed in future budget cycles through a combination of applications for discretionary funding as well as the likely programming of internal VRE funds (e.g., Capital Reserve). In addition to these unfunded projects, the six-year CIP period also includes federal grant funds – primarily Section 5337 State of Good Repair (SGR) funds and the associated state and local match – that are not currently programmed to a specific project. The total unprogrammed amount (inclusive of the required match) is approximately $97 million over the entire CIP period. (VRE's total projected federal grant allocation plus match over the period, including FY 2020 Amended, is approximately $267 million.)

In the past, when VRE's allocation of federal funds was smaller and its investment needs for SGR projects were larger, VRE was able to fully program its federal funds each year. Now, while VRE is still able to program the majority of its funds for projects such as debt service, Washington Union Terminal, midday storage, and asset management activities, a portion of the funds remains unprogrammed. Unfortunately, these SGR funds are not available to support VRE's capacity expansion projects, and VRE's primary existing assets – railcars, locomotives, stations, parking lots, and yards – do not require significant rehabilitation or replacement at this time. VRE is working with stakeholders, including the Federal Transit Administration, on alternative strategies to utilize this SGR funding in a timely manner. In addition, VRE believes it is prudent at this time to keep some of these funds unprogrammed in the event that economic changes or other uncertainties lead to significant cost increases for existing SGR projects.

CIP Project Sheets

The CIP includes 30 separate projects. For ease of understanding, these individual projects have been grouped into **categories** with identifying project IDs:

Asset Management/State of Good Repair (AM) – refers to projects that ensure that assets perform at their highest level throughout their service life, and to the formal effort to consistently address, evaluate, analyze and prioritize the condition of VRE's rolling stock and facilities.

Information Technology (IT) – Includes project that supports the installation of an Enterprise Resource Planning system to support VRE operations and the Upgrade of VRE's Transit Display system and train information portal.

Passenger Station Facilities (ST) – includes projects that lengthen or widen existing station platforms, construct new platforms at current stations or add new stations to the system.

Rolling Stock Equipment (RS) – refers to the purchase of replacement or expansion locomotives and coaches; coaches may be either cab cars or trailers.

Station Parking (PK) – includes projects that modify or expand parking at specific VRE station locations. Parking may be provided in surface lots or as structured parking. Parking at a station can exclusively serve VRE riders but may also serve other users such as bus transit riders at multi-modal stations.

Track and Signal Infrastructure (TS) – refers to the installation of rail, ties, rail fastenings, hardware and roadbed over which trains operate; the electrical or mechanical signal devices used to control train movements; and other railroad infrastructure such as interlockings, crossovers, switches, or turnouts.

Train Maintenance and Storage Facilities (MS) - includes midday or overnight storage tracks and related switches, signals, or power sources; buildings, structures or equipment used to inspect, repair or maintain rolling stock; warehouse facilities; crew buildings; and other facilities or equipment such as employee parking or exterior fencing or lighting.

Other (OT) – projects that are unique because they span multiple categories; will be primarily funded by other stakeholders; or represent reserve contributions.

In addition, projects are classified by project **type**, as follows:

Asset Management – improvements or repairs to prolong the useful life of an existing asset; meet mandated requirements or otherwise modernize the asset or system; or to enhance safety and security.

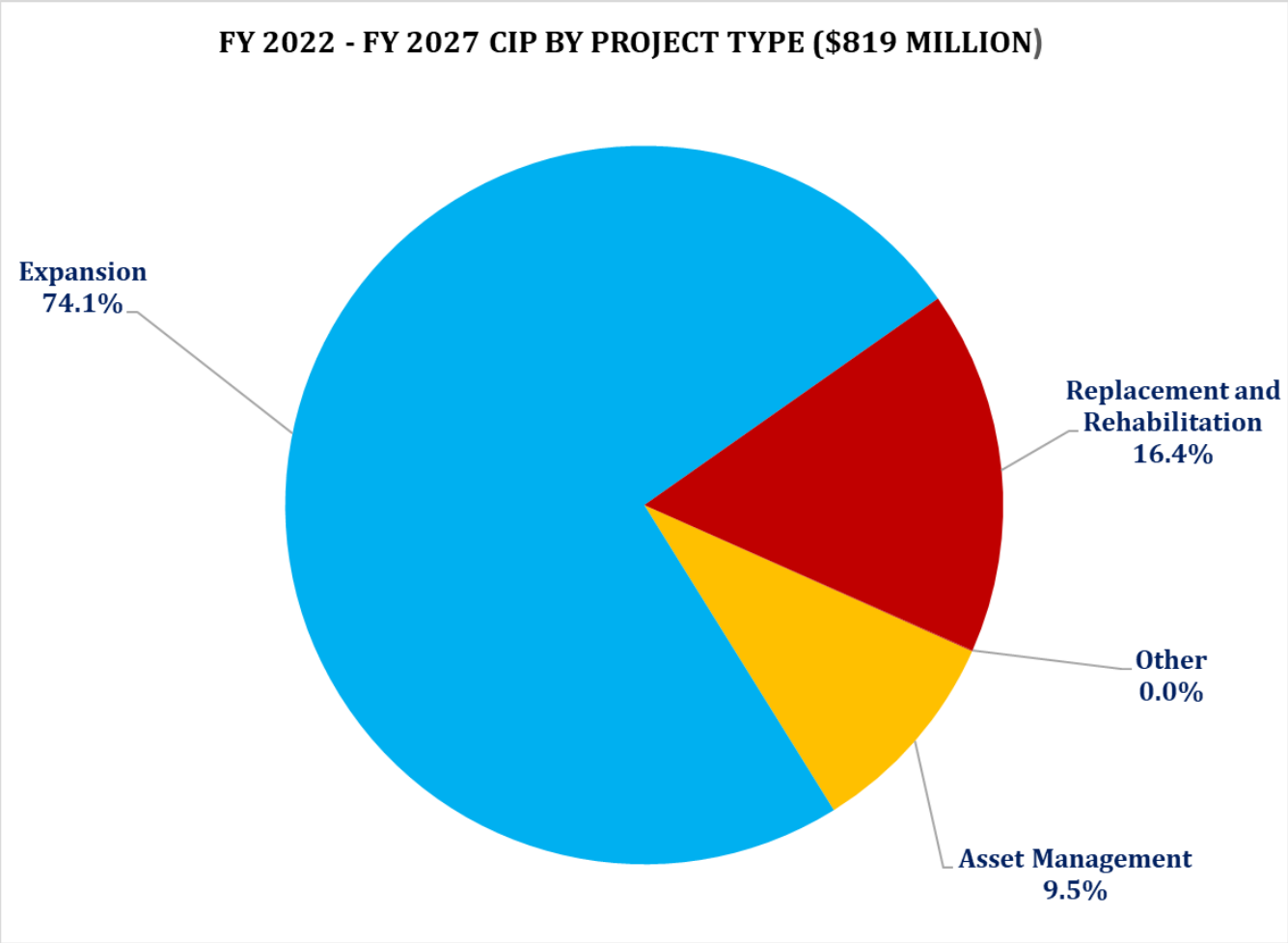
Replacement and Rehabilitation - replacement or major rehabilitation of an existing asset.

Expansion – improvements implemented primarily for the purpose of increasing capacity.

Other – Office building improvements and other miscellaneous non-transit projects.

Several projects are in process that will benefit VRE but are being undertaken by others: the construction of the Potomac Shores VRE station; DRPT's Fredericksburg Line Third Track project(s) and the Fourth Track between RO (Rosslyn) and AF (Alexandria); and potential parking additions. Although these projects are important to the operation of the VRE system, they are not included in the CIP. More information on these projects is provided after the project pages, along with a brief discussion of other future projects that may or may not be undertaken by VRE.

The tables below list the individual projects within each project category, including the identifying Project ID, and shows the funding needs by year for the total program and summarize the funding sources for the FY 2022 to FY 2027 CIP indicating the amount unfunded by year. No unfunded amounts are reflected through FY 2022 since project work cannot be authorized unless funding is available. Any delays this may have caused to the desired project schedule is noted on the individual project sheet.



(amounts in millions of $)

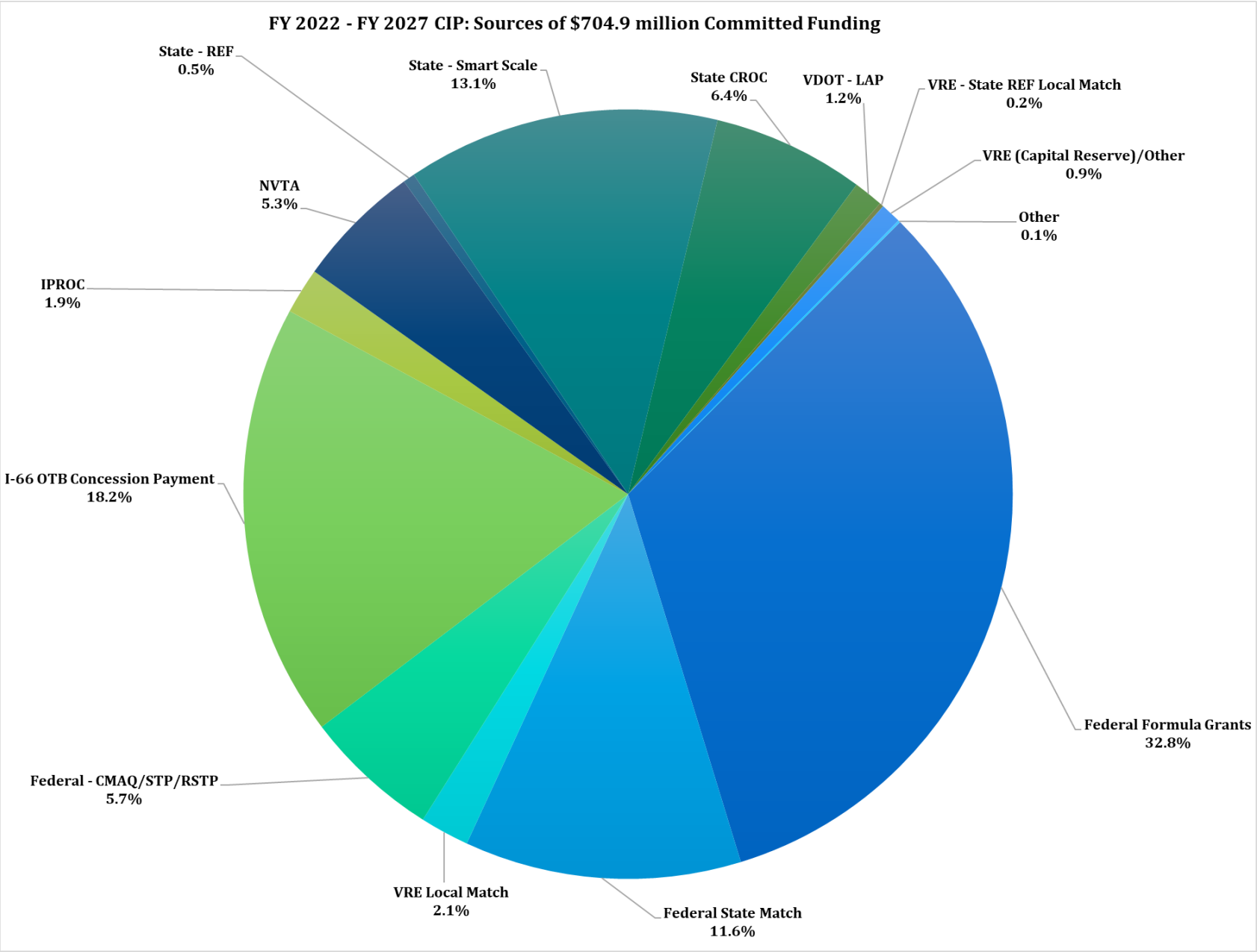
PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	77.6	77.6	
Expansion	606.6	492.9	113.7
Replacement and Rehabilitation	134.1	134.1	
Other	0.3	0.3	
Total	**818.6**	**704.9**	**113.7**

Capital Improvement Program By Program Area *(amounts in millions of $)*

Program Name	Project ID	Project Name	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair	**AM-2**	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
	AM-5	Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
	AM-6	Facilities Asset Management Program	15.2	0.2							15.4
	AM-6A	Fredericksburg Station Rehabilitation	1.9	3.2							5.0
	AM-8	Security Cameras	1.6	0.3			0.5		0.3		2.7
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			**55.3**	**9.9**	**2.2**	**2.1**	**2.3**	**2.0**	**3.7**	**0.1**	**77.6**
Information Technology	**IT-2**	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			**3.8**								**3.8**
Passenger Station Facilities	**ST-1**	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			**111.8**	**27.2**	**35.3**	**47.3**	**29.0**	**42.3**			**292.8**
Rolling Stock Equipment	**RS-3**	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			**28.1**	**10.7**	**15.9**	**17.7**	**7.5**				**79.9**
Station Parking	**PK-3**	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			**26.3**	**0.7**	**5.2**	**3.8**					**36.0**
Train Maintenance and Storage Facilities	**MS-3**	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3					99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			**206.6**	**26.1**	**19.7**	**75.9**					**328.3**
Misc. (Multiple Categories)	**OT-4**	Forklifts purchase	0.3								0.3
Misc. (Multiple Categories) Total			**0.3**								**0.3**
Grand Total			**432.2**	**74.5**	**78.2**	**146.8**	**38.9**	**44.3**	**3.7**	**0.1**	**818.6**

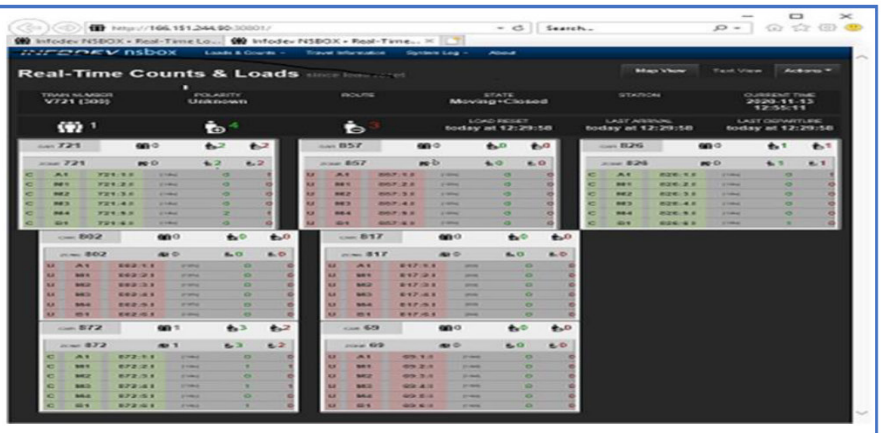
Capital Improvement Program by Funding Source *(amounts in millions of $)*

Funding Source Type	Funding Source	Life-To-Date	FY 2021 Amended	FY 2022 Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
Federal Formula Grants Total		**183.9**	**37.4**	**35.3**	**31.1**	**23.4**	**12.0**	**3.7**	**0.1**	**327.0**
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1			0.0					6.1
	Other		**0.7**							**0.7**
Non-Federal Formula Funded Total		**248.2**	**37.1**	**42.9**	**33.9**	**7.9**	**7.9**			**377.9**
Grand Total		**432.2**	**74.5**	**78.2**	**65.0**	**31.3**	**19.9**	**3.7**	**0.1**	**704.9**


FY 2022 - FY 2027 CIP: Sources of $704.9 million Committed Funding
State - REF
0.5%
State - Smart Scale
13.1%
State CROC
6.4%
VDOT - LAP
1.2%
VRE - State REF Local Match
0.2%
VRE (Capital Reserve)/Other
0.9%
Other
0.1%
NVTA
5.3%
IPROC
1.9%
I-66 OTB Concession Payment
18.2%
Federal Formula Grants
32.8%
Federal - CMAQ/STP/RSTP
5.7%
VRE Local Match
2.1%
Federal State Match
11.6%

Asset Management/ State of Good Repair

Project Name:
Automatic Passenger Counters
Project ID:
AM-2
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
N/A



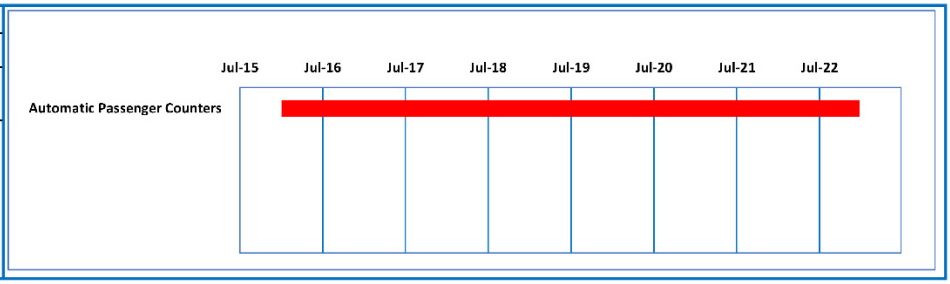
Project Description

Currently, passenger counts are performed manually by train conductors each morning and evening to comply with the National Transit Database (NTD) and internal VRE reporting needs. This project will allow for automatic passenger counters as the riders board and detrain at each station. Installation of the passenger counters will also allow gathering of additional passenger information for use in planning and operational analyses. Any new rail cars purchased by VRE will have the APC equipment installed during the construction process.

Project Funding

This project is funded with federal 5307 (Urbanized Area formula program) grants requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Automatic Passenger Counters	1/1/2016	12/31/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	2,320,000									2,320,000
Federal State Match	464,000									464,000
VRE Local Match	116,000									116,000
Unfunded (To Be Determined)										
Total Funding	**2,900,000**									**2,900,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**1,324,256**	**325,000**	**1,250,744**							**2,900,000**

Project Name:
Enhancement Grant - Security
Project ID:
AM-4
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
N/A

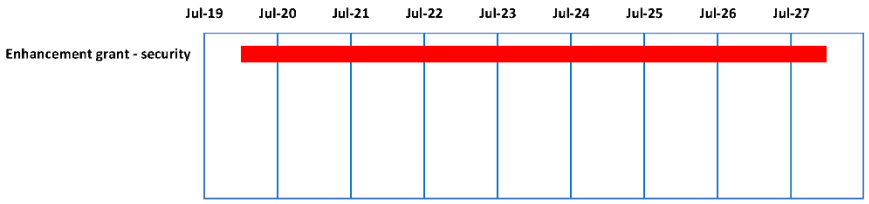
Project Description

Grantees receiving federal 5307 funds must certify that at least 1% of funding received each fiscal year is being used for transit security projects. Eligible projects include improvements to station lighting and security, systems safety consulting, and security drills with first responders.

Project Funding

Projects are funded through 1% set-aside of federal 5307 annual allocations for transit security projects. Annual allocation is $105,000.

Schedule Information		
Phase	Ongoing	
Enhancement grant - security		



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	644,178	84,000	84,000	84,000	84,000	84,000	84,000	84,000		1,232,178
Federal State Match	124,362	16,800	16,800	16,800	16,800	16,800	16,800	16,800		241,962
VRE Local Match	81,305	4,200	4,200	4,200	4,200	4,200	4,200	4,200		110,705
Unfunded (To Be Determined)										
Total Funding	**849,844**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**		**1,584,844**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**849,844**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**		**1,584,844**

Project Name:
Equipment Asset Management Program
Project ID:
AM-5
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
N/A

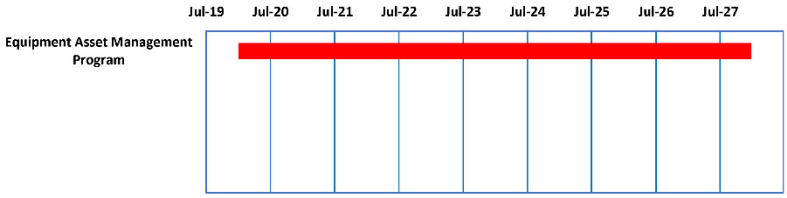
Project Description

This ongoing program provides funding for major lifecycle overhaul and upgrade costs for VRE rolling stock to ensure all equipment is maintained in a state of good repair in accordance with VRE's Maintenance Management Plan and Transit Asset Management program.

Project Funding

This program is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information		
Phase	**Ongoing**	
Equipment Asset Management Program		



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	23,563,406	4,896,194	1,672,000	1,584,294	1,357,492	1,520,000	2,663,200			37,256,586
Federal State Match	4,712,681	979,239	334,400	316,859	271,498	152,000	266,320			7,032,997
VRE Local Match	1,178,170	244,810	83,600	79,215	67,875	228,000	399,480			2,281,149
Unfunded (To Be Determined)										
Total Funding	**29,454,258**	**6,120,242**	**2,090,000**	**1,980,368**	**1,696,865**	**1,900,000**	**3,329,000**			**46,570,733**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**6,895,258**	**8,047,675**	**10,210,000**	**9,925,000**	**3,789,800**	**3,233,000**	**2,270,000**	**2,200,000**		**46,570,733**

Project Name:
Facilities Asset Management Program
Project ID:
AM-6
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
System-wide

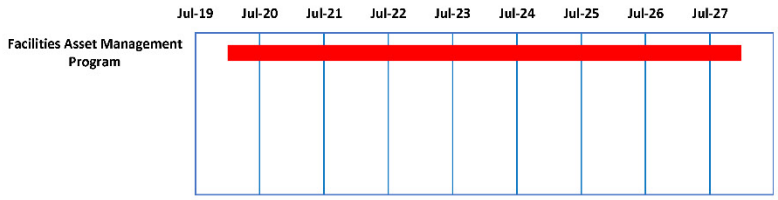
Project Description

As VRE facilities age, there is an increasing need for repairs and improvements to maintain these assets in a State of Good Repair (SGR). An independent evaluation of all station, maintenance, storage, office facilities and systems was conducted at the beginning of FY 2018 in accordance with VRE's Transit Asset Management program, in order to establish maintenance, rehabilitation and replacement cycles and priorities. This ongoing program supports those required rehabilitation and replacement efforts at VRE facilities.

Project Funding

This ongoing program is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information		
Phase	**Ongoing**	
Facilities Asset Management Program		



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	11,730,881	166,950								11,897,830
Federal State Match	2,321,176	33,390								2,354,566
VRE Local Match	611,544	8,347								619,892
VRE Capital Reserve	500,000									500,000
Unfunded (To Be Determined)										
Total Funding	**15,163,601**	**208,687**								**15,372,288**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**3,647,288**	**2,850,000**	**3,675,000**	**1,200,000**	**1,350,000**	**1,050,000**	**800,000**	**800,000**		**15,372,288**

Project Name:
Fredericksburg Station Rehabilitation
Project ID:
AM-6A
Program Name:
Passenger Station Facilities
Project Type:
Rehabilitation
Location:
Fredericksburg

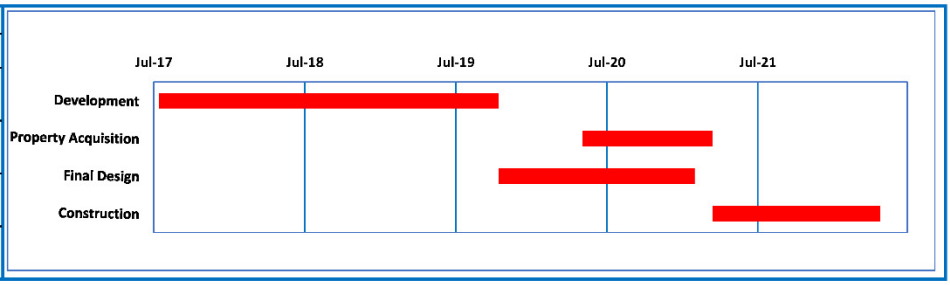
Project Description

The project supports rehabilitation of the existing Fredericksburg station. Work includes repair of approximately 125 feet of the southernmost portion of each platform, dental concrete repairs, lighting, and signage. The project will improve the boarding capacity for VRE and Amtrak trains. In conjunction with the platform repairs, stairs will be added at the southeast corner of the station for safe passenger movements to nearby parking. This new passenger path will not require crossing Princess Anne Street at-grade.

Project Funding

This project is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	7/14/2017	10/14/2019
Property Acquisition	5/5/2020	3/16/2021
Final Design	10/15/2019	2/1/2021
Construction	3/16/2021	4/26/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	1,480,000	2,526,400								4,006,400
Federal State Match	296,000	505,280								801,280
VRE Local Match	74,000	126,320								200,320
Unfunded (To Be Determined)										
Total Funding	**1,850,000**	**3,158,000**								**5,008,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**213,821**	**1,636,179**	**3,158,000**							**5,008,000**

Project Name:
Security Cameras
Project ID:
AM-8
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
System-wide

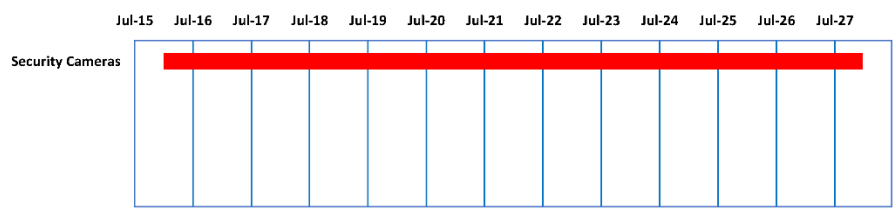
Project Description

The system of security cameras and infrastructure at VRE stations and yards is being modernized and expanded. This project covers cameras at VRE's existing facilities; the cost of the initial installation of cameras associated with construction projects is included in the budgets for these projects. Funding is currently provided for cameras and associated hardware at 22 locations.

Project Funding

This project is funded with federal 5307 (Urbanized Area formula program) grants requiring a 20% local match as well as the required 1% safety/security set aside in the federal CARES Act funds allocated to VRE in March 2020.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Security Cameras	1/1/2016	12/31/2027



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	862,960	240,000			400,000		234,951			1,737,911
Federal State Match	172,592	48,000			80,000		46,990			347,582
VRE Local Match	43,148	12,000			20,000		11,748			86,896
VRE Capital Reserve	500,000									500,000
Unfunded (To Be Determined)										
Total Funding	**1,578,700**	**300,000**			**500,000**		**293,689**			**2,672,389**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**997,171**	**775,219**	**600,000**				**150,000**	**150,000**		**2,672,389**

Project Name:
Real-Time Multimodal Traveler Information
Project ID:
AM-9
Program Name:
Asset Management/State of Good Repair
Project Type:
Asset Management
Location:
System-wide

RM3P
Travel Decisions Powered by Data

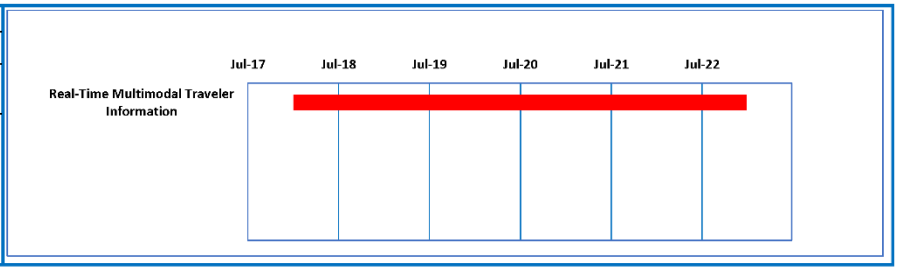
Project Description

VRE has a system-wide program to implement automatic passenger counters in all rail cars and automatic parking counters at all VRE parking facilities. While train location information is currently provided on the internet and on screens at the stations, there are plans to provide real-time train arrival information in the future. Software upgrades will be required to provide these real-time data feeds that can then be integrated with VRE Mobile and other third-party apps and websites, as well as on display screens at VRE stations and other locations along the I-66 corridor. Separate funding has been committed for implementing automatic passenger counters and automatic parking counters at existing VRE facilities.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

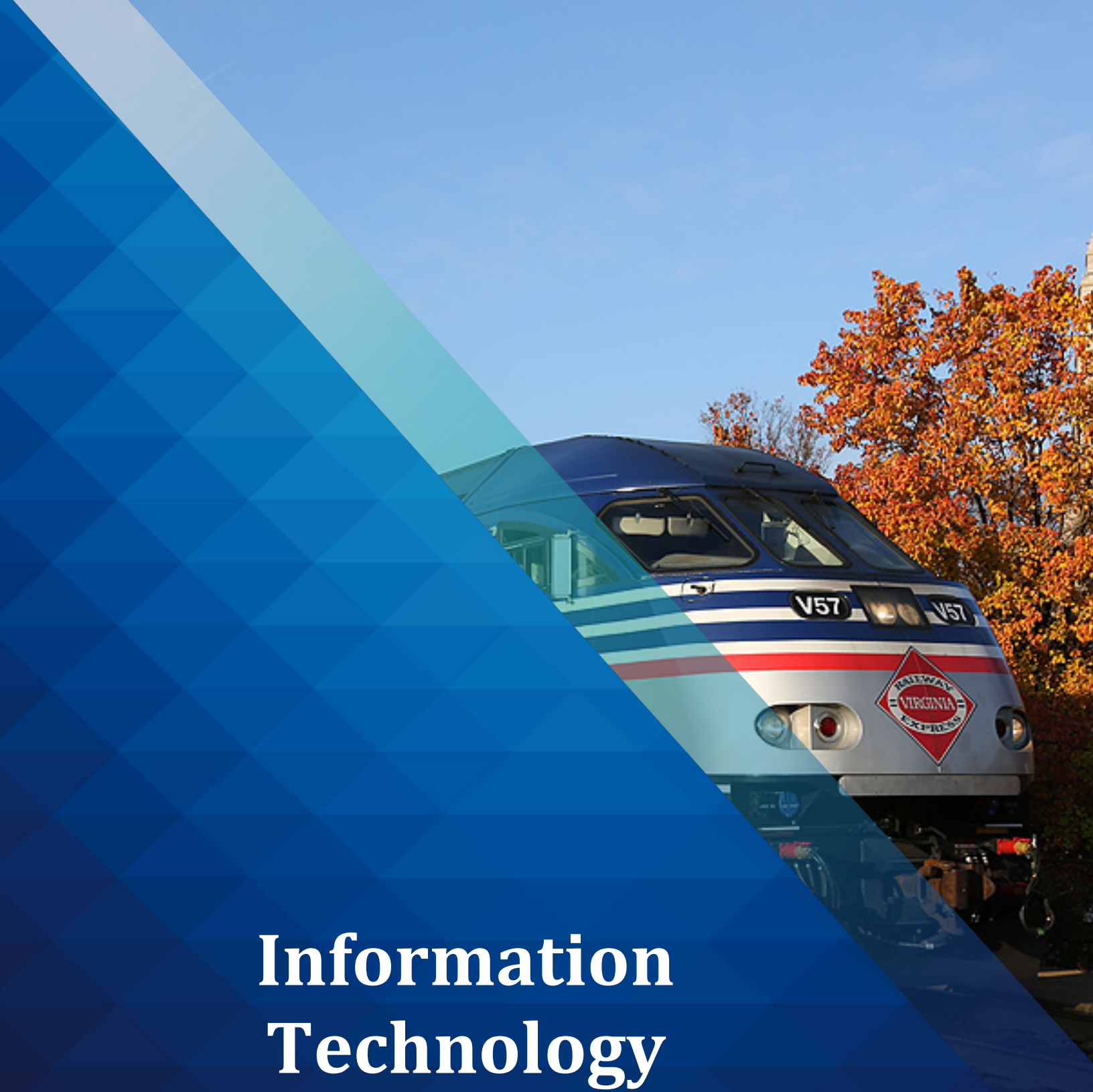
Schedule Information		
Phase	**Start Date**	**Finish Date**
Real-Time Multimodal Traveler Information	1/1/2018	12/31/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	3,481,000									3,481,000
Unfunded (To Be Determined)										
Total Funding	**3,481,000**									**3,481,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan			**3,481,000**							**3,481,000**



Information Technology

Project Name:
ERP Implementation
Project ID:
IT-2
Program Name:
Information Technology
Project Type:
New Installation
Location:
N/A

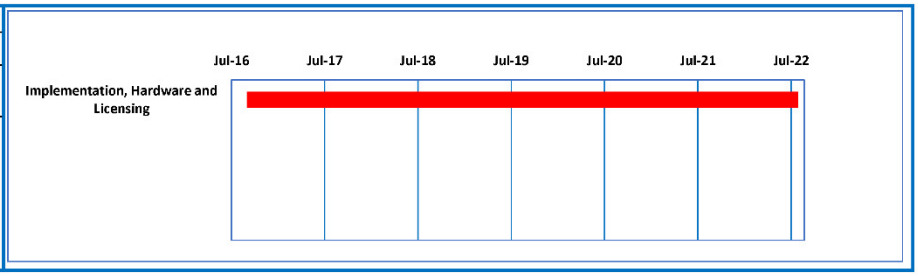
Project Description

This project supports the installation of an Enterprise Resource Planning system (ERP) to support VRE operations. The project will target implementation of a new system to provide automation of process workflows related to Human Resources, Accounting, Finance, Budgeting, Grant Management, Inventory Management, Project Management and Procurements. The project aims to replace a number of current manual processes with data automation and improved reporting. This project will enhance the effectiveness of VRE operations by creating greater process efficiencies throughout the organization.

Project Funding

Project is fully funded with VRE Local funds (Capital Reserve).

Schedule Information		
Phase	**Start Date**	**Finish Date**
Implementation, Hardware and Licensing	9/1/2016	8/2/2022



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Planning Fund (98)	140,000									140,000
VRE Capital Reserve	2,610,000									2,610,000
Unfunded (To Be Determined)										
Total Funding	**2,750,000**									**2,750,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**377,433**	**1,082,400**	**1,290,167**							**2,750,000**

Project Name:
TRIP/VMS Upgrade
Project ID:
IT-3
Program Name:
Information Technology
Project Type:
New Installation
Location:
N/A

Project Description

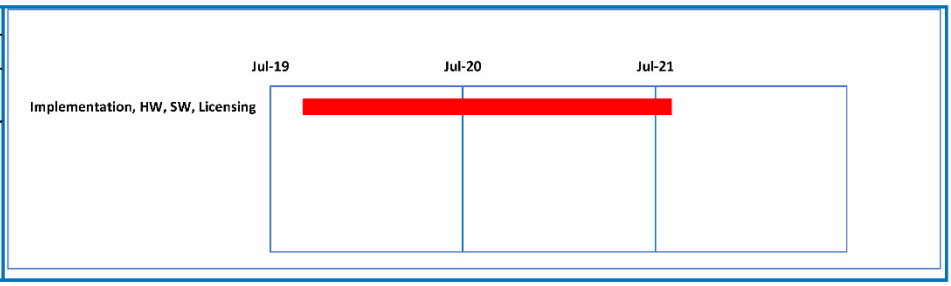
This project supports the upgrade of VRE's Transit Display system and train information portal. The project will replace the current infrastructure and system which was installed more than ten years ago. This project will enhance the effectiveness of VRE operations through communication of multi-modal transit data and an updated GTFS feeds to VDOT for their use on VDOT Variable Message Signs.

Project Funding

This project is funded with VRE internal funds (Capital Reserve).

Schedule Information

Phase	Start Date	Finish Date
Implementation, HW, SW, Licensing	9/1/2019	8/2/2021



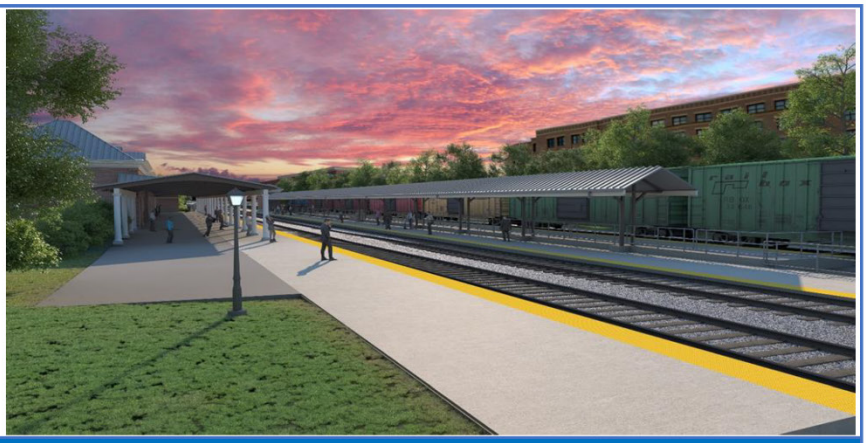
Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Reserve	1,000,000									1,000,000
Unfunded (To Be Determined)										
Total Funding	**1,000,000**									**1,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**45,222**	**954,778**								**1,000,000**

Passenger Station Facilities

Project Name:
Alexandria Station Improvements
Project ID:
ST-1
Program Name:
Passenger Station Facilities
Project Type:
Replacement and Rehabilitation
Location:
City of Alexandria



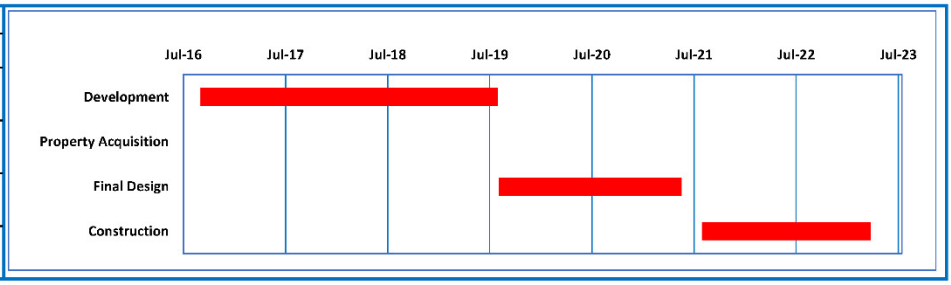
Project Description

The project will provide an ADA-compliant, grade-separated pedestrian tunnel and elevator access between the two platforms at the VRE/Amtrak station in Alexandria and modify and extend the east platform at the station to accommodate eight-car trains and enable the platform to service two trains simultaneously, from a track on each side of the platform. The west platform adjacent to the station building will also be modified to raise its height relative to the top of rail as part of the project.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal funds (provided through VDOT) to eliminate railroad grade crossings and improve railroad safety.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	9/1/2016	8/2/2019
Property Acquisition	5/9/2019	5/9/2019
Final Design	8/5/2019	5/21/2021
Construction	8/2/2021	3/31/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	320,000									320,000
Federal State Match	64,000									64,000
VRE Local Match	16,000									16,000
Federal Funds - Other	8,721,865									8,721,865
State - Smart Scale	9,234,149		6,284,000	6,335,000						21,853,149
Unfunded (To Be Determined)										
Total Funding	**18,356,014**		**6,284,000**	**6,335,000**						**30,975,014**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**3,276,467**	**2,000,000**	**20,100,000**	**5,598,547**						**30,975,014**

Project Name:
Backlick Road Station Improvement
Project ID:
ST-4
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Fairfax County

VRE Backlick Road Station Improvements

Project Description

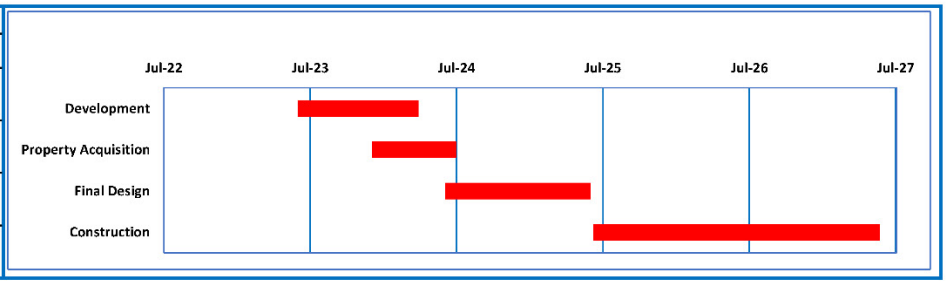
The existing platform at the VRE Backlick Road Station on the Manassas Line only accommodates five-car train sets for boarding and detraining. Some passengers must move to different cars for detraining longer trains. The platform extension project will construct an approximately a 300-foot platform extension to accommodate eight-car trains.

Project Funding

This project is currently supported with Federal CMAQ/RSTP funds. Additional CMAQ funds will be sought for the unfunded portion of the project.

Schedule Information

Phase	Start Date	Finish Date
Development	6/1/2023	3/29/2024
Property Acquisition	12/4/2023	7/1/2024
Final Design	6/3/2024	6/2/2025
Construction	6/9/2025	5/26/2027



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP		1,600,000		400,000						2,000,000
State - CMAQ/STP/RSTP Match		400,000		100,000						500,000
Unfunded (To Be Determined)				3,500,000						3,500,000
Total Funding		**2,000,000**		**4,000,000**						**6,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan				**260,000**	**200,000**	**350,000**	**1,250,000**	**3,940,000**		**6,000,000**

Project Name:
Brooke Station Improvement
Project ID:
ST-5
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Stafford County

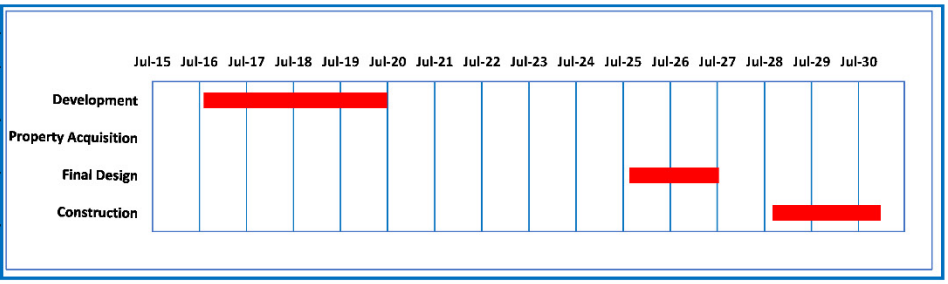
Project Description

This project previously included the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Brooke Station. With the introduction of the Transforming Rail in Virginia program, however, the project is being rescoped to include only an expansion of the existing side platform. These capacity enhancements will improve operational efficiency and accommodate eight-car trains.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal CMAQ funds. Rail Enhancement Fund (REF) funding that supported the original larger project has been reallocated.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/4/2016	6/30/2020
Property Acquisition		
Final Design	8/27/2025	7/20/2027
Construction	9/13/2028	12/31/2030



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	210,000	196,016	250,714	459,890						1,116,620
State - CMAQ/STP/RSTP Match	52,500	49,003	62,680	114,973						279,156
State - REF										
State - Smart Scale				7,393,331						7,393,331
Unfunded (To Be Determined)										
Total Funding	**262,500**	**245,019**	**313,394**	**7,968,194**						**8,789,107**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**299,655**	**195,445**					**414,700**	**1,347,776**	**6,531,531**	**8,789,107**

Project Name:
Crystal City Station Improvements
Project ID:
ST-8
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Arlington County

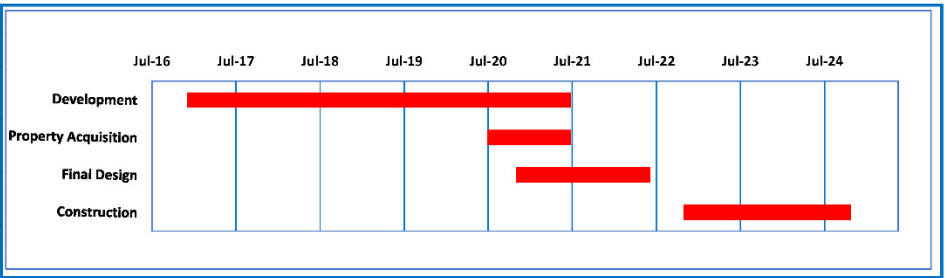
Project Description

This project includes the planning, design, permitting, and construction for an expanded and relocated station and platform for the VRE Crystal City Station and related track modifications. The project will construct an island platform to enable simultaneous boarding of two trains and accommodate full-length trains and the planned fourth track in and around the station. This project is related to and must be coordinated with the fourth track project between AF and RO interlockings, part of the DC2RVA project, the planned CC2DCA pedestrian bridge connection to Ronald Reagan National Airport, and Long Bridge Capacity Improvements.

Project Funding

The project is funded with multiple funding sources including Federal formula grants, NVTA funds, Rail Enhancement funds (REF), Commuter Rail Operating and Capital (C-ROC) funds, and VRE Capital Reserve funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	12/1/2016	6/30/2021
Property Acquisition	7/1/2020	6/30/2021
Final Design	11/2/2020	6/10/2022
Construction	11/1/2022	10/31/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds		535,770	10,415,000							10,950,770
Federal State Match		107,154	2,083,000							2,190,154
VRE Local Match		26,789	520,750							547,539
NVTA	400,000	4,000,000			7,900,000	7,900,000				20,200,000
VRE - State REF Local Match	707,000									707,000
VRE Capital Reserve	303,000									303,000
VRE Capital Reserve	174,619			41,537						216,156
State CROC	15,000,000									15,000,000
Unfunded (To Be Determined)										
Total Funding	**16,584,619**	**4,669,713**	**13,018,750**	**41,537**	**7,900,000**	**7,900,000**				**50,114,619**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**393,642**	**3,190,977**	**2,000,000**	**14,844,000**	**14,843,000**	**14,843,000**				**50,114,619**

Project Name:
Franconia-Springfield Station Improvements
Project ID:
ST-9
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Fairfax County

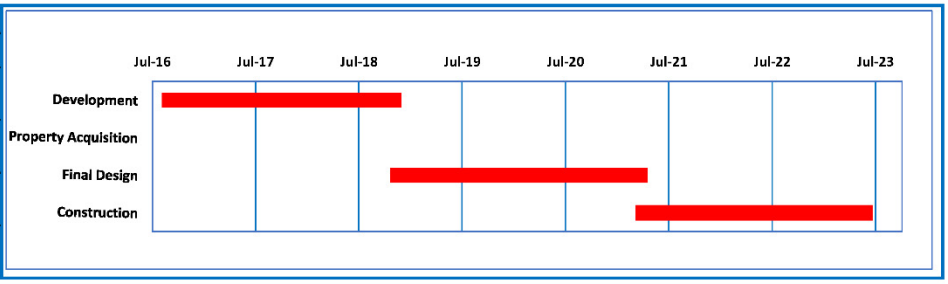
Project Description

This project supports the design and construction of an extension to the existing west platform (adjacent to WMATA) and a widening/extension of the existing east platform at the VRE Franconia-Springfield Station. These capacity expansions will improve operational efficiency and accommodate eight-car trains. The project is within the limits of the broader DRPT Atlantic Gateway third track project.

Project Funding

This project is funded entirely with NVTA funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/4/2016	11/30/2018
Property Acquisition		
Final Design	10/22/2018	4/21/2021
Construction	3/10/2021	6/27/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
NVTA	13,000,000									13,000,000
Unfunded (To Be Determined)										
Total Funding	**13,000,000**									**13,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**612,756**	**2,377,244**	**5,720,000**	**4,290,000**						**13,000,000**

Project Name:
Leeland Road Station Improvements
Project ID:
ST-10
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Stafford County

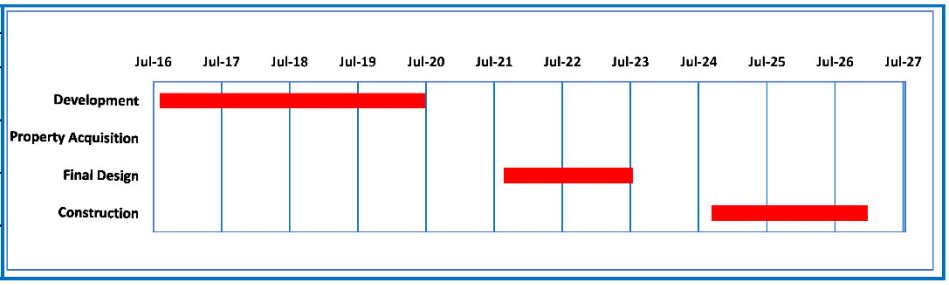
Project Description

This project previously included the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Leeland Road Station. With the introduction of the Transforming Rail in Virginia program, however, the project is being rescoped to include only an expansion of the existing side platform. These capacity enhancements will improve operational efficiency and accommodate eight-car trains.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal CMAQ funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/4/2016	6/30/2020
Property Acquisition		
Final Design	8/26/2021	7/19/2023
Construction	9/13/2024	12/31/2026



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	210,000	196,016	250,714	459,890						1,116,620
State - CMAQ/STP/RSTP Match	52,500	49,003	62,680	114,973						279,156
State - Smart Scale			2,749,725	2,109,789						4,859,514
Unfunded (To Be Determined)										
Total Funding	**262,500**	**245,019**	**3,063,119**	**2,684,652**						**6,255,290**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**365,141**	**92,659**	**289,875**	**289,875**		**1,304,435**	**2,608,871**	**1,304,435**		**6,255,290**

Project Name:
L'Enfant Station and Fourth Track
Project ID:
ST-11
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
District of Columbia

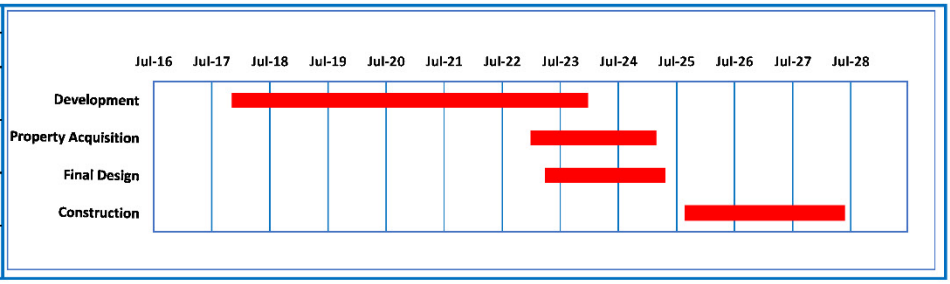
Project Description

This project includes the planning, design, permitting, and construction for an expanded VRE L'Enfant Station and an additional mainline track between the Virginia (VA) and L'Enfant (LE) Interlockings in Washington, DC. The expanded station will support simultaneous boarding of two full-length trains. The project will aim to improve station access and customer convenience while improving service reliability. The project must be coordinated with the L'Enfant Train Storage Track-South and Long Bridge Capacity Improvements projects.

Project Funding

This project will be supported by Federal formula funds, C-ROC funds and REF funds, as well as other sources yet to be determined.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	11/6/2017	12/29/2023
Property Acquisition	1/2/2023	3/3/2025
Final Design	4/3/2023	4/28/2025
Construction	9/1/2025	6/2/2028



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds			1,950,966	12,542,472	8,898,338					23,391,777
Federal State Match			390,193	2,508,494	889,834					3,788,522
VRE Local Match			97,548	627,124	1,334,751					2,059,423
State CROC	15,000,000	15,000,000								30,000,000
VRE - State REF Local Match	954,000									954,000
VRE Capital Reserve	46,000									46,000
Unfunded (To Be Determined)						24,350,279				24,350,279
Total Funding	**16,000,000**	**15,000,000**	**2,438,708**	**15,678,090**	**11,122,923**	**24,350,279**				**84,590,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**82,500**	**147,971**	**1,500,000**	**2,000,000**	**2,500,000**	**2,206,529**	**25,384,333**	**25,384,333**	**25,384,333**	**84,590,000**

Project Name:
Quantico Station Improvements
Project ID:
ST-14
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Prince William County

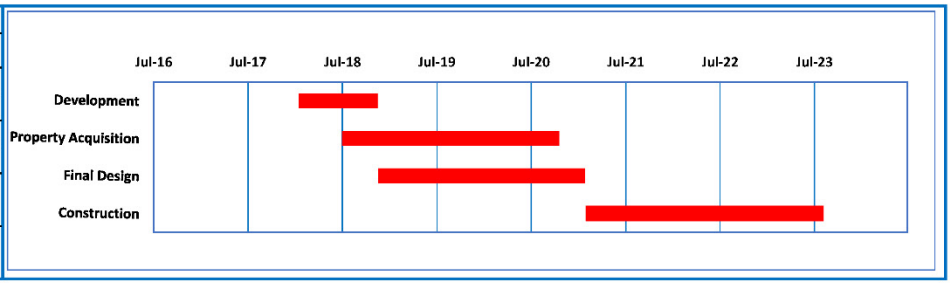
Project Description

This project provides for improvements at the Quantico Station, including design and construction of an island platform and pedestrian bridges; extension of the existing platform; and site/civil, track bed and drainage improvements (including Retaining Wall) in conjunction with Track and Signal Work provided by CSXT under scope of separate but concurrent contract/project with DRPT. Improvements are being coordinated with the Arkendale to Powell's Creek third track project being implemented by the DRPT and CSXT, of which Quantico Station Improvements is a sub-project.

Project Funding

This project is funded through a combination of Intercity Passenger Rail Operating and Capital (IPROC) and SMART SCALE grants through the Commonwealth of Virginia.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	1/15/2018	11/16/2018
Property Acquisition	7/2/2018	10/20/2020
Final Design	11/19/2018	1/29/2021
Construction	2/1/2021	8/11/2023

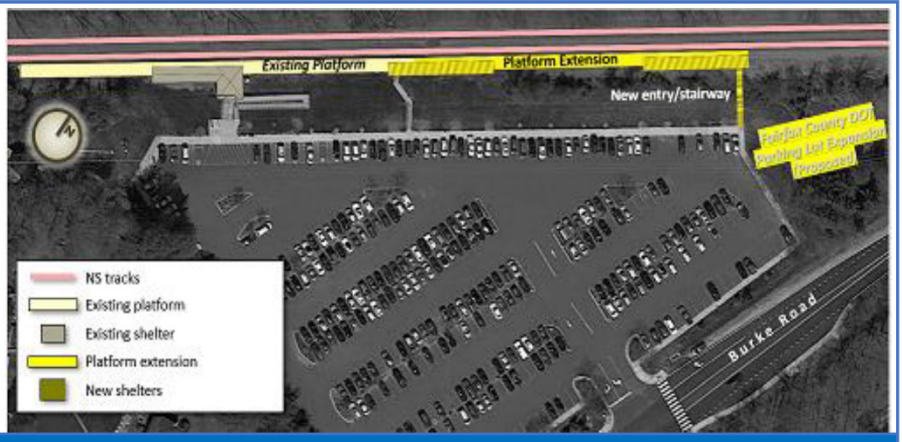


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - IPROC	13,622,204									13,622,204
State - Smart Scale	4,600,045		5,150,700	600,112						10,350,857
Unfunded (To Be Determined)										
Total Funding	**18,222,249**		**5,150,700**	**600,112**						**23,973,061**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**389,434**	**6,500,000**	**10,050,000**	**7,033,627**						**23,973,061**

Project Name:
Rolling Road Station Improvements
Project ID:
ST-17
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
Fairfax County



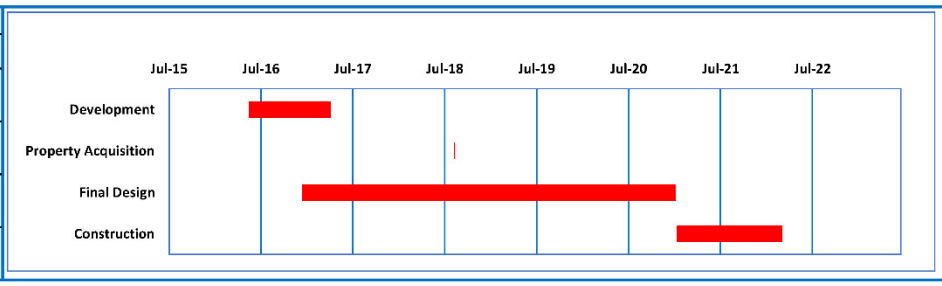
Project Description

The Rolling Road Station currently has a platform which accommodates a five-car train set for boarding and detraining. This project provides for a 290-foot platform extension to accommodate an eight-car train set.

Project Funding

This project is funded with Federal CMAQ grants.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	5/13/2016	4/4/2017
Property Acquisition	8/10/2018	8/13/2018
Final Design	12/12/2016	1/8/2021
Construction	1/11/2021	3/7/2022

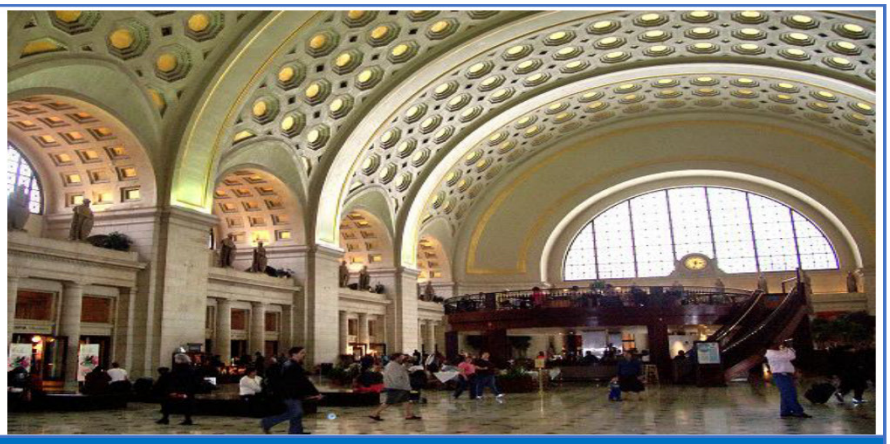


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	4,000,000									4,000,000
State - CMAQ/STP/RSTP Match	1,000,000									1,000,000
Unfunded (To Be Determined)										
Total Funding	**5,000,000**									**5,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**425,177**	**3,574,823**	**1,000,000**							**5,000,000**

Project Name:
Washington Union Station Improvements
Project ID:
ST-18
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
District of Columbia



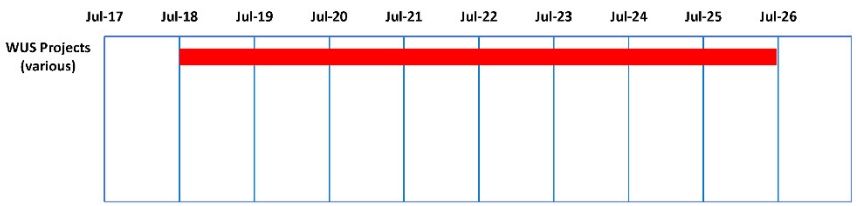
Project Description

This project will fund track, signal, platform and passenger facility upgrades and realignments at Amtrak's Washington Union Terminal, in accordance with the Northeast Corridor Capital Investment Plan. Costs for the project will be allocated to the users of the terminal in accordance with the Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy, which is still under discussion for capital improvements. VRE's allocated share of the project(s) has not been determined. Some priority projects may be carried out under an interim agreement with Amtrak.

Project Funding

This project is funded with federal formula grants (5307 and/or 5337) requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
WUS Projects (various)	7/1/2018	7/1/2026



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	9,300,000	3,100,000	3,100,000	6,200,000	6,200,000	6,200,000				34,100,000
Federal State Match	5,100,000	1,700,000	1,700,000	3,400,000	3,400,000	3,400,000				18,700,000
VRE Local Match	600,000	200,000	200,000	400,000	400,000	400,000				2,200,000
Unfunded (To Be Determined)										
Total Funding	**15,000,000**	**5,000,000**	**5,000,000**	**10,000,000**	**10,000,000**	**10,000,000**				**55,000,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**15,000,000**	**5,000,000**	**5,000,000**	**10,000,000**	**10,000,000**	**10,000,000**				**55,000,000**

Project Name:
Manassas Station Improvements
Project ID:
ST-21
Program Name:
Passenger Station Facilities
Project Type:
Expansion
Location:
City of Manassas

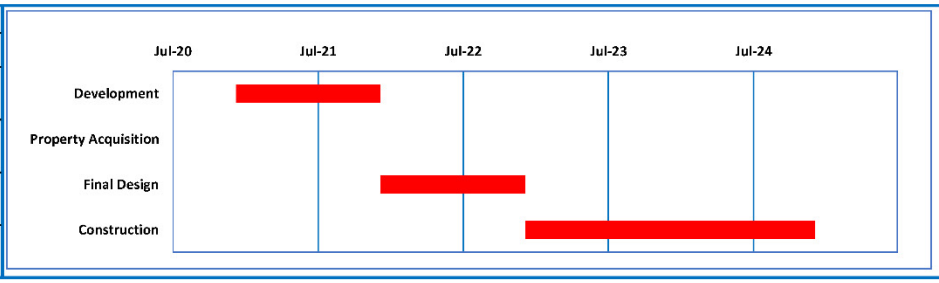
Project Description

This project includes the development, design, permitting and construction of an expansion to the south side (railroad east) platform at the VRE Manassas Station to serve full length trains and enhance pedestrian access.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	12/7/2020	12/6/2021
Property Acquisition	12/7/2021	12/7/2021
Final Design	12/7/2021	12/6/2022
Construction	12/7/2022	12/6/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	9,125,000									9,125,000
Unfunded (To Be Determined)										
Total Funding	**9,125,000**									**9,125,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**121,000**	**350,000**	**4,477,000**	**4,177,000**					**9,125,000**

Rolling Stock Equipment

Project Name:
Fleet Expansion Coaches - Manassas Line
Project ID:
RS-3
Program Name:
Rolling Stock
Project Type:
Expansion
Location:
N/A

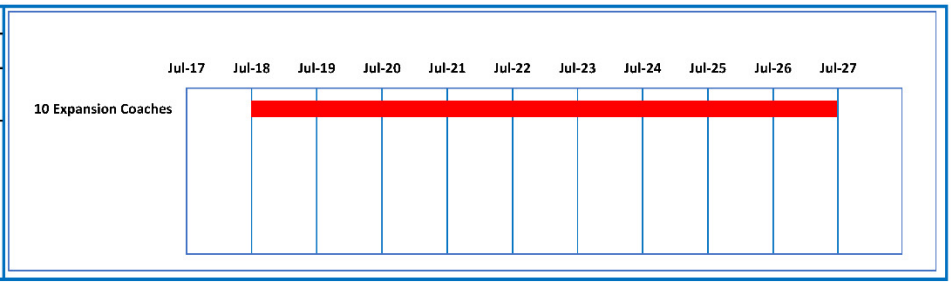
Project Description

This project supports the purchase of ten (10) expansion coaches and a spare to facilitate near-term Manassas Line capacity expansion. Train lengths will be extended up to ten (10) cars in length, sized based on estimated demand. This project is contingent on the expansion of storage capacity at the Broad Run Maintenance and Storage Facility (MSF) and expansion of the Broad Run Station facilities.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
10 Expansion Coaches	7/1/2018	7/1/2027



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	28,120,000									28,120,000
Unfunded (To Be Determined)				9,910,744						9,910,744
Total Funding	**28,120,000**			**9,910,744**						**38,030,744**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**3,803,074**	**2,662,152**	**12,169,838**	**15,212,298**	**3,232,613**	**190,154**	**760,615**		**38,030,744**

Project Name:
Fleet Expansion Coaches - Fredericksburg Line
Project ID:
RS-5
Program Name:
Rolling Stock
Project Type:
Expansion
Location:
N/A

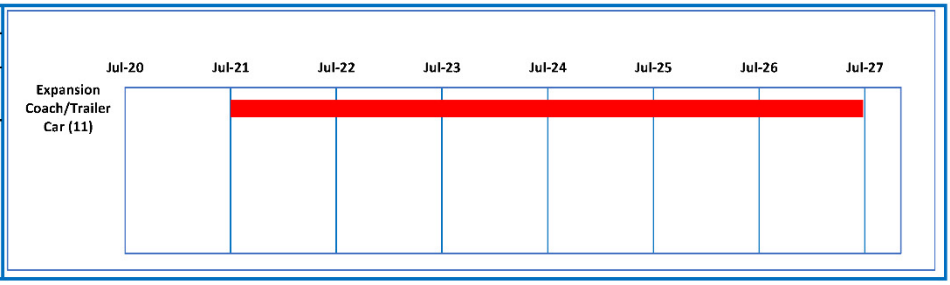
Project Description

This project supports the purchase of eleven (11) expansion coaches and a spare to enable extending all Fredericksburg Line trains to eight (8) cars in length. This project is contingent on the Crossroads Storage Expansion (Short-term) project at the Crossroads Maintenance and Storage Facility (MSF).

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Expansion Coach/Trailer Car (11)	7/1/2021	7/1/2027



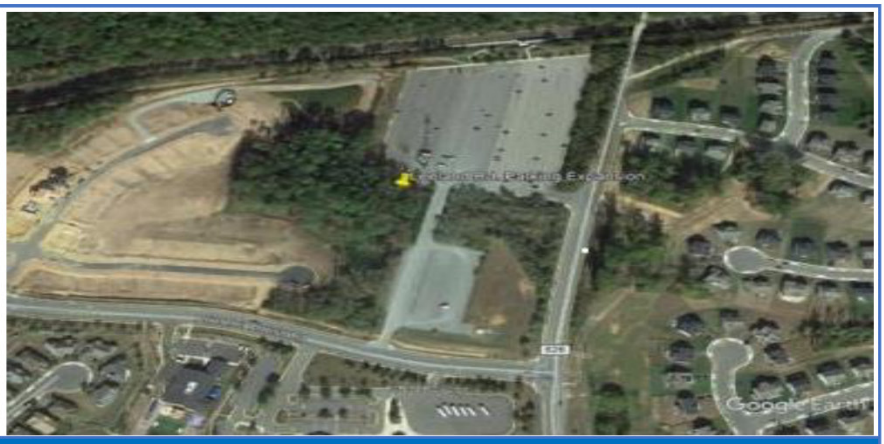
Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale		10,677,000	15,855,000	7,762,442						34,294,442
Unfunded (To Be Determined)					7,539,376					7,539,376
Total Funding		**10,677,000**	**15,855,000**	**7,762,442**	**7,539,376**					**41,833,818**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**4,183,382**	**2,928,367**	**13,386,822**	**16,733,527**	**3,555,875**	**209,169**	**836,676**		**41,833,818**

Station Parking

Project Name:
Leeland Road Parking Improvements
Project ID:
PK-3
Program Name:
Station Parking
Project Type:
Expansion
Location:
Stafford County



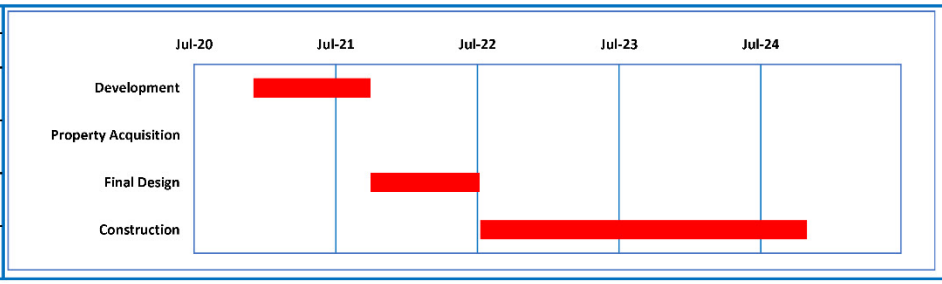
Project Description

This project will expand the surface parking lot at the Leeland Road station by approximately 225 spaces to accommodate future demand.

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	12/1/2020	9/30/2021
Property Acquisition	12/1/2020	12/1/2020
Final Design	10/1/2021	7/8/2022
Construction	7/11/2022	11/1/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale	360,000		5,159,178							5,519,178
Unfunded (To Be Determined)										
Total Funding	**360,000**		**5,159,178**							**5,519,178**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**100,000**	**450,000**	**2,609,589**	**2,359,589**					**5,519,178**

Project Name:
Manassas Park Parking Expansion
Project ID:
PK-4
Program Name:
Station Parking
Project Type:
Expansion
Location:
City of Manassas Park

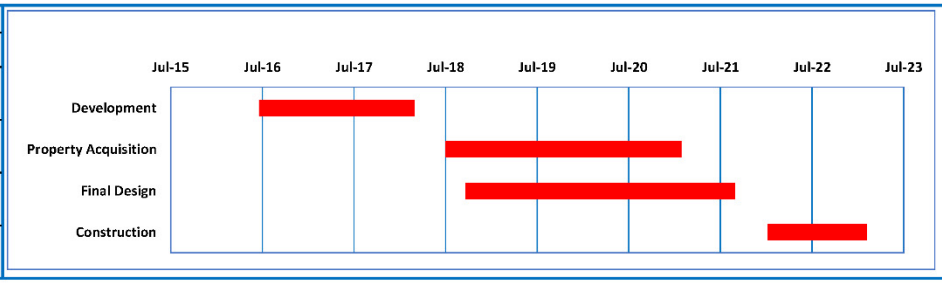
Project Description

This project will add a parking facility (approximately 560 spaces) at the Manassas Park station to increase station parking capacity for VRE riders to 1,100 spaces. The facility has the potential to be shared with other private or public uses in the vicinity.

Project Funding

Project funding sources include NVTA and I-66 Concession grants as well as City of Manassas Park funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	6/17/2016	2/28/2018
Property Acquisition	7/2/2018	1/29/2021
Final Design	9/21/2018	8/31/2021
Construction	1/10/2022	2/10/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
NVTA	2,500,000									2,500,000
I-66 OTB Concession Payment	23,483,000									23,483,000
City of Manassas Park		678,764								678,764
Unfunded (To Be Determined)				3,771,739						3,771,739
Total Funding	**25,983,000**	**678,764**		**3,771,739**						**30,433,503**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**813,415**	**10,917,059**	**16,703,029**	**2,000,000**						**30,433,503**

Train Maintenance & Storage Facilities

Project Name:
Crossroads MSF - Storage Expansion - Short-term
Project ID:
MS-3
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
Spotsylvania

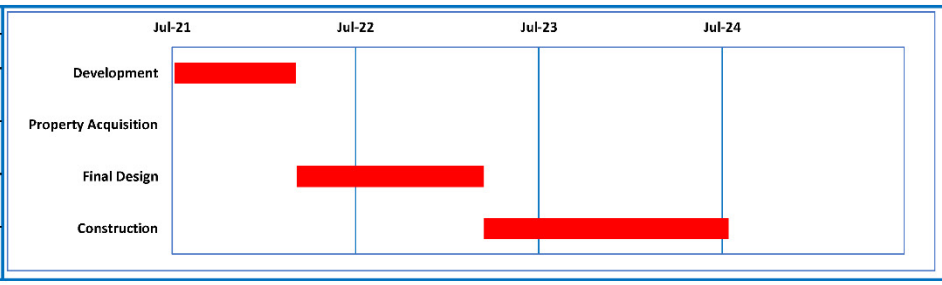
Project Description

This project will construct storage tracks for overnight train storage at the Crossroads Maintenance and Storage Facility (MSF) needed to store the 11 expansion coaches being purchased for the Fredericksburg Line Capacity Expansion.

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	7/6/2021	3/4/2022
Property Acquisition	7/6/2021	7/6/2021
Final Design	3/7/2022	3/15/2023
Construction	3/16/2023	7/15/2024



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale			5,057,000	3,308,765						8,365,765
Unfunded (To Be Determined)										
Total Funding			**5,057,000**	**3,308,765**						**8,365,765**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan			**683,094**	**4,045,383**	**3,637,289**					**8,365,765**

Project Name:
L'Enfant Train Storage Track - South
Project ID:
MS-5
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
District of Columbia

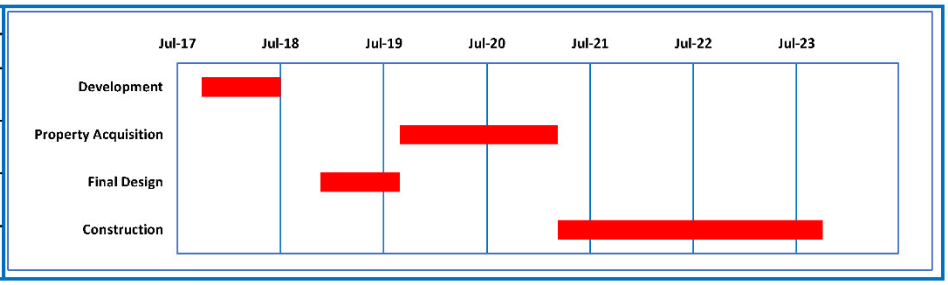
Project Description

This project includes the construction of wayside power units to provide standby power for two consists for midday storage on the existing stub-end siding.

Project Funding

This project is funded with federal 5307 formula grants requiring a 20% local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	9/26/2017	7/2/2018
Property Acquisition	8/29/2019	3/10/2021
Final Design	11/20/2018	8/28/2019
Construction	3/11/2021	10/6/2023



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	3,172,000									3,172,000
Federal State Match	634,400									634,400
VRE Local Match	158,600									158,600
Unfunded (To Be Determined)										
Total Funding	**3,965,000**									**3,965,000**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**1,711,245**	**3,140**		**2,250,615**						**3,965,000**

Project Name:
Lifecycle Overhaul & Upgrade (LOU) Facility
Project ID:
MS-6
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
Spotsylvania County

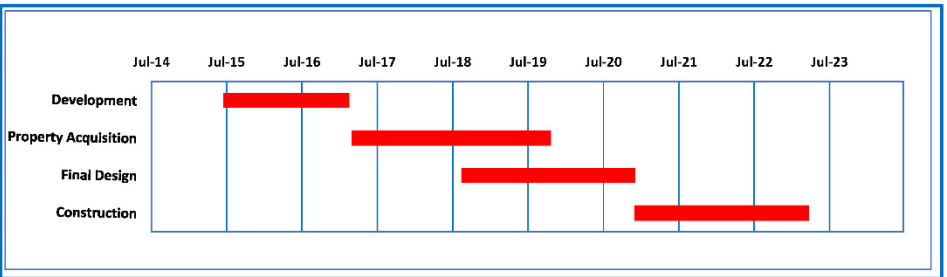
Project Description

This project funds the design and construction of a rolling stock equipment maintenance facility in order to carry out those components of a life-cycle maintenance program that can be most efficiently accomplished at the VRE yards. New shop facilities will include overhead cranes, a wheel and axle drop table and wheel truing machine. The project will build two tracks on recently acquired adjacent property to accommodate the new facility.

Project Funding

Project is funded with federal formula grants and associated state and local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	6/15/2015	2/17/2017
Property Acquisition	3/1/2017	10/24/2019
Final Design	8/16/2018	12/7/2020
Construction	12/1/2020	3/29/2023

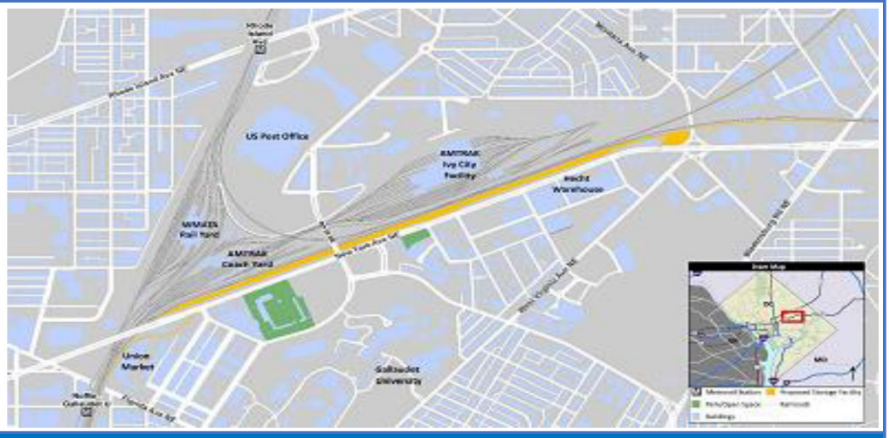


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	36,461,190	2,480,000								38,941,190
Federal State Match	10,179,685	1,360,000								11,539,685
VRE Local Match	1,542,757	160,000								1,702,757
Unfunded (To Be Determined)										
Total Funding	**48,183,632**	**4,000,000**								**52,183,632**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**2,234,208**	**7,728,932**	**26,291,560**	**15,928,932**						**52,183,632**

Project Name:
New York Avenue Midday Storage Facility
Project ID:
MS-7
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Replacement and Rehabilitation
Location:
District of Columbia



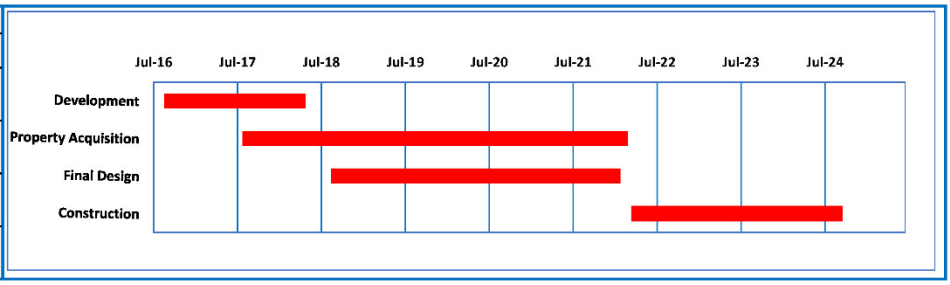
Project Description

This project includes the design, permitting, property acquisition and construction for a midday storage facility parallel to New York Avenue in the District of Columbia to replace VRE's current storage at Amtrak's Ivy City Coach Yard. The new facility will replace the current coach yard and also add storage space for future expansion.

Project Funding

This project is funded with Federal formula grants and associated state and local match.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Development	8/16/2016	4/23/2018
Property Acquisition	7/24/2017	3/1/2022
Final Design	8/14/2018	1/26/2022
Construction	3/15/2022	9/23/2024

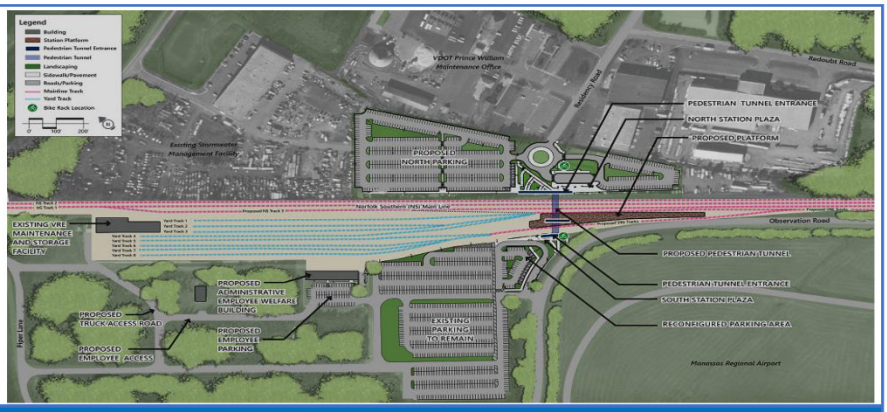


Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	40,669,975	11,045,465	7,851,725	2,040,070						61,607,235
Federal State Match	22,302,890	6,057,190	4,305,785	1,118,748						33,784,613
VRE Local Match	2,623,869	712,611	506,563	131,617						3,974,660
Unfunded (To Be Determined)										
Total Funding	**65,596,734**	**17,815,266**	**12,664,073**	**3,290,435**						**99,366,508**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**2,589,997**	**28,776,511**	**13,760,000**	**54,240,000**						**99,366,508**

Project Name:
Broad Run Expansion (BRX)
Project ID:
OT-2
Program Name:
Train Maintenance and Storage Facilities
Project Type:
Expansion
Location:
Prince William County



Project Description

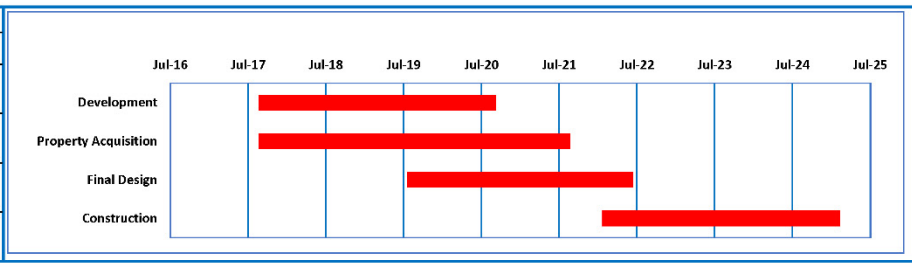
This project includes expansion of the Broad Run Maintenance and Storage Facility (MSF) and Station to support expanded Manassas Line service. Improvements include: expansion of the MSF site and construction of storage tracks for additional trains and equipment, construction of 300 additional station parking to accommodate short-term (2030) demand, and platform modifications to provide access to expanded parking, and construction of about 1.8 miles of third track within the NSR right-of-way. The estimated cost also includes real estate acquisition to expand the station and MSF footprint and accommodate the third track. Other projects associated with the proposed service expansion include Fleet Expansion Coaches - Manassas Line.

Project Funding

This project is currently funded through a combination of Federal CMAQ/RSTP Funds, state Rail Enhancement funds, and the I-66 OTB Concessionaire payment. Additional funding to complete the project is yet to be determined.

Schedule Information

Phase	Start Date	Finish Date
Development	8/21/2017	9/11/2020
Property Acquisition	8/21/2017	8/27/2021
Final Design	7/19/2019	6/20/2022
Construction	1/24/2022	2/17/2025



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	14,876,427	3,409,600	1,600,000	3,790,400						23,676,427
State - CMAQ/RSTP Match	4,072,825	852,400	400,000	947,600						6,272,825
NVTA	1,500,000									1,500,000
State - REF	2,785,714									2,785,714
VRE - Capital Reserve	1,294,362									1,294,362
I-66 OTB Concession Payment	64,287,000									64,287,000
Unfunded (To Be Determined)				64,602,737						64,602,737
Total Funding	**88,816,328**	**4,262,000**	**2,000,000**	**69,340,737**						**164,419,065**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	**5,684,908**	**27,539,229**	**39,845,482**	**30,500,000**	**30,500,000**	**30,349,446**				**164,419,065**

Miscellaneous

Project Name:
Forklifts purchase
Project ID:
OT-4
Program Name:
Train Maintenance and Storage Facilities
Project Type:
New Installation
Location:
Prince William County

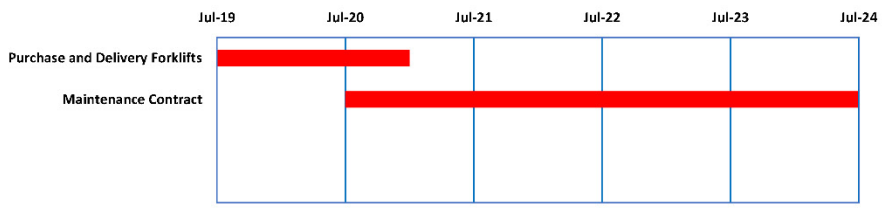
Project Description

The project provides funding for the purchase and delivery of 5 forklifts to VRE's Maintenance and Storage Facilities. The scope of work for this purchase includes delivery of one (1) large capacity forklift at each yard (Fredericksburg/Manassas, VA) to lift locomotive traction motor/wheel/axle combinations; one (1) medium capacity forklift at each yard to lift and move materials, tooling, and shop equipment; and one (1) at the Crossroads Warehouse to accommodate material movement needs.

Project Funding

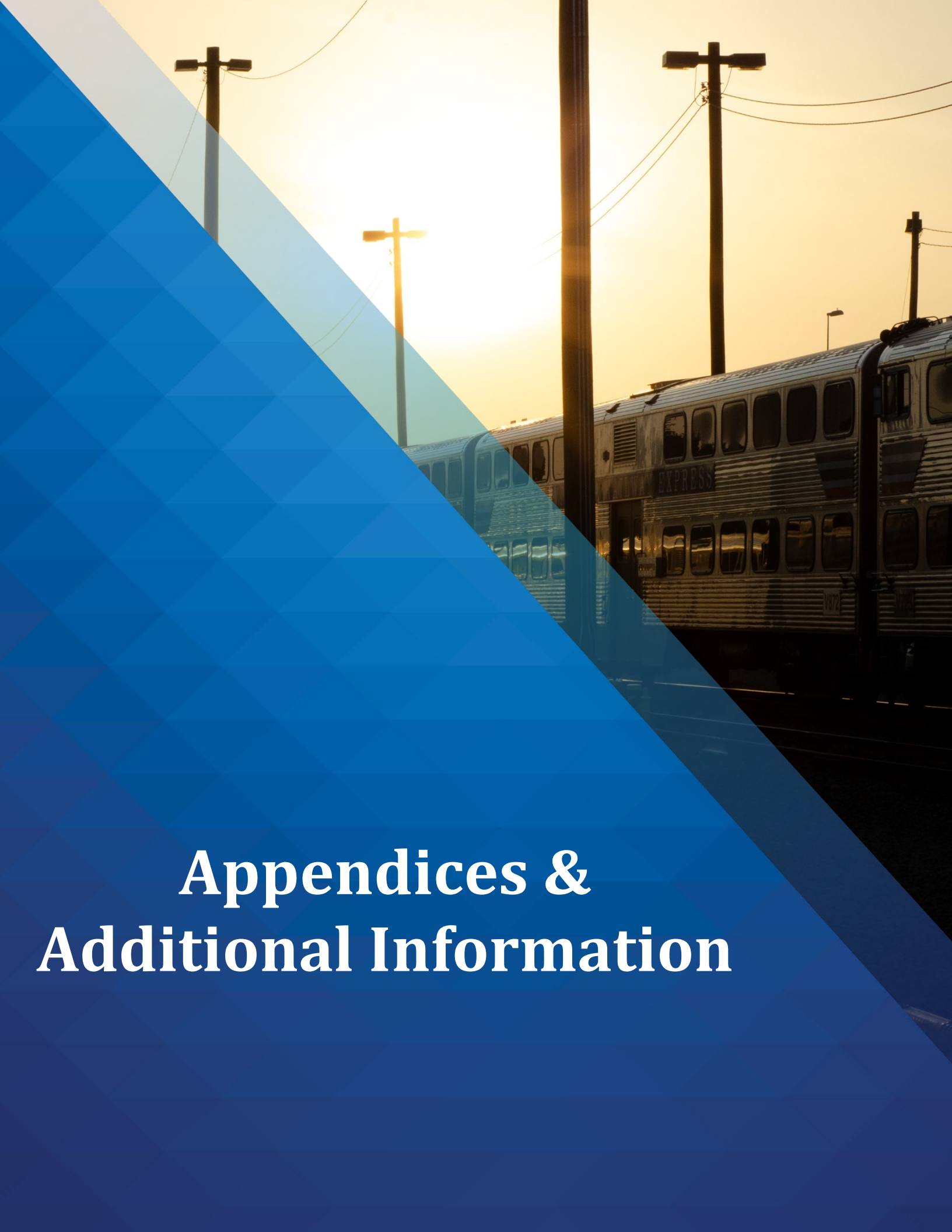
This project is funded with VRE Capital Reserve funds.

Schedule Information		
Phase	**Start Date**	**Finish Date**
Purchase and Delivery Forklifts	7/1/2019	12/31/2020
Maintenance Contract	7/1/2020	7/1/2024



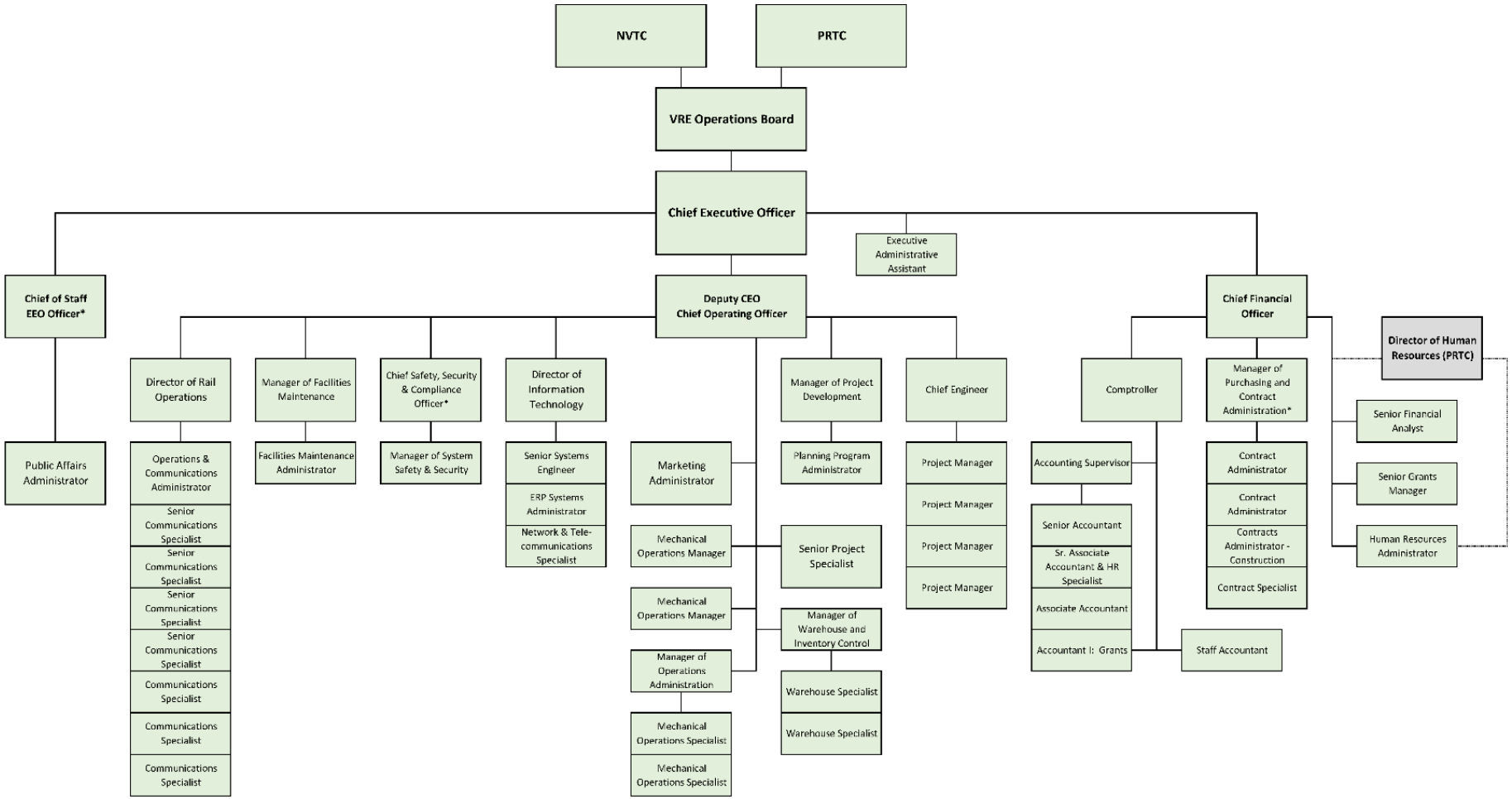
Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Reserve	290,146									290,146
Unfunded (To Be Determined)										
Total Funding	**290,146**									**290,146**

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		**269,346**	**5,200**	**5,200**	**5,200**	**5,200**				**290,146**



Appendices & Additional Information

VRE Staff Organizational Chart



** Note: Chief Safety, Security and Compliance Officer reports to the CEO in matters related to safety and security*

Manager of Purchasing and Contract Administration reports to the CEO in matters related to their duties as DBE liason

Chief of Staff reports to the CEO in matters related to EEO

Local Subsidy Calculation from Oct. 2019 Survey

NOTE: Due to the COVID-19 pandemic and the challenges associated with conducting a safe and reliable survey, the October 2020 passenger survey was not perfomed.
The VRE Operations Board directed that the FY 2022 Jurisdictional Subsidy be allocated in the same amounts as they were for the FY 2021 VRE Budget.
The information below from the October 2019 survey was the basis for the FY 2021 jurisdictional subsidy allocation, and hence is repeated for FY 2022.

Virginia Railway Express Allocation Data S&U 2019-12-10
October 2, 2019 Survey - Proposed FY 2021 Budget

Final

Jurisdictions	[Col 1]	[Col 2]	[Col 3]	[Col 4]	[Col 5]	[Col 6]	[Col 6a]
	Population June 2019 Update	Population %	Contributors' Potential Share of Net Costs %	Contributors' Potential Share of Net Costs $	Contributors' Maximum Share of Net Costs		
Contributors:	========	========	========	========	========	========	========
Alexandria	166,261	6.8250%	0.6825%	$401,403		$149,151	
Arlington	249,298	10.2336%	1.0234%	$601,879		$218,219	
Contributors' Total	415,559	17.0586%					

	[Col 7]	[Col 8]	[Col 9]	[Col 10]	[Col 11]	[Col 12]
Participants:	Population June 2019 Update	Population %	Participants' Normalized % Population	October Survey Participants' AM Ridership	100 Weight-Participants' Ridership %	Participants' Aggregate % of Costs
	========	========	========	========	========	========
Fairfax County	1,162,504	47.72%	57.54%	2,449	28.10%	28.1032%
Fredericksburg	29,403	1.21%	1.46%	287	3.29%	3.2939%
Manassas	43,099	1.77%	2.13%	399	4.58%	4.5806%
Manassas Park	17,086	0.70%	0.85%	229	2.63%	2.6274%
Prince William County	478,134	19.63%	23.66%	2,752	31.58%	31.5768%
Stafford County	154,093	6.33%	7.63%	1,520	17.44%	17.4421%
Spotsylvania	136,192	5.59%	6.74%	1,079	12.38%	12.3760%
Participants' Total	2,020,511	82.94%	100.00%	8,716	100.00%	100.00%
Population Total	2,436,070	100.00%				

Costs	[Col 12] *(repeated)*	[Col 13]	[Col 14]	[Col 15]	[Col 16]	[Col 17]	[Col 18]
	Participants' Aggregate %	Gross Costs $	State Aid Interest & Misc Income $	"System" Fare Revenue $	Net Costs $	Contributors' Payments Lesser of Col 6 or 4	Participants' Net Costs $
	========	========	========	========	========	========	========
Alexandria						$149,151	
Arlington						$218,219	
Fairfax County	28.10%	$46,059,769.17	$28,525,956.20	$1,005,201.90			$16,425,368.30
Fredericksburg	3.29%	$5,398,496.10	$3,343,422.39	$117,816.02			$1,925,156.99
Manassas	4.58%	$7,507,444.00	$4,649,546.07	$163,841.40			$2,677,228.63
Manassas Park	2.63%	$4,306,119.64	$2,666,886.58	$93,976.15			$1,535,604.76
Prince William County	31.58%	$51,752,841.44	$32,051,816.91	$1,129,446.70			$18,455,574.06
Stafford County	17.44%	$28,586,701.29	$17,704,452.36	$623,872.13			$10,194,299.83
Spotsylvania	12.38%	$20,283,665.35	$12,562,176.49	$442,667.85			$7,233,355.26
Total	100.00%	$163,895,037.00	$101,504,257.00	$3,576,822.14	$58,813,957.86	$367,370.00	$58,446,587.86

Subsidy Calculation	[Col 19]	[Col 20]	[Col 18] *(repeated)*	[Col 21]	[Col 22]	[Col 23]	[Col 24]
	Oct Survey Particpants' Fare Revenue %	Participants' Fare Revenue $	Participants' Net Costs $	Proposed FY 2021 Budget Based on 10/2/19 Survey	Actual FY2020 Subsidy	Net Change $	Net Change %
	========	========	========	========	========	========	========
Alexandria				149,151	$144,807	$4,344	3.00%
Arlington				218,219	$211,863	$6,356	3.00%
Fairfax County	24.7977%	10,046,351	16,425,368	6,379,017	$6,253,022	$125,995	2.01%
Fredericksburg	3.8458%	1,558,068	1,925,157	367,089	$321,028	$46,062	14.35%
Manassas	4.6158%	1,869,995	2,677,229	807,234	$694,743	$112,491	16.19%
Manassas Park	2.6343%	1,067,241	1,535,605	468,364	$405,485	$62,878	15.51%
Prince William County	30.9154%	12,524,797	18,455,574	5,930,777	$6,098,311	($167,533)	-2.75%
Stafford County	19.0484%	7,717,125	10,194,300	2,477,175	$2,352,820	$124,355	5.29%
Spotsylvania	14.1426%	5,729,602	7,233,355	1,503,754	$1,285,670	$218,084	16.96%
Total	100.0000%	40,513,178	58,446,588	18,300,780	$17,767,748	$533,032	3.00%

Fares	[Col 25]	
Participants Residents'	40,513,177.86	
"System-wide"	3,576,822.14	
2021	44,090,000.00	$163,895,037

VRE Fiscal Year 2022 Recommended Departmental Budget

	FY 2020 Amended	FY 2021 Budget	FY 2022 Recommended
Revenue:			
VRE - Non-Departmental			
Fare Revenue	43,810,000	44,090,000	18,236,000
Miscellaneous Revenue	225,000	300,000	300,000
Appropriation from Operating Reserve	-	-	-
Appropriation from Capital Reserve	3,175,882	-	-
Jurisdictional Revenue	17,767,748	18,300,780	18,300,780
Other Revenue (Incld. Use of Prev. FY Surplus)	-	-	-
State CROC Dedicated Funding - Operations	-	-	-
State Operating Grant	10,702,373	9,700,000	10,000,000
Federal CARES Act	-	-	24,852,362
Federal Grants - Operations and Debt	14,683,148	14,811,913	5,418,501
State Grants - Operations and Debt	7,279,830	7,367,743	16,618,820
State CROC Dedicated Funding - Capital Program	15,000,000	15,000,000	15,000,000
Regional Grants - Capital Program	4,000,000	-	-
Federal Grants - Capital Program	28,372,953	31,991,506	27,175,122
State Grants - Capital Program	12,604,724	21,033,096	49,611,139
Interest Income	500,000	1,300,000	350,000
Total Revenue	158,121,657	163,895,037	185,862,724
Expenditures:			
Non-Departmental Operating			
Liability Insurance	3,910,000	4,187,000	7,167,000
Operating Reserve/Contingency	1,156,517	1,613,514	754,699
Capital Reserve	-	-	-
Other	-	-	-
VRE-Financing-Administration Fees	-	-	-
Total VRE - Non-Departmental	5,066,517	5,800,514	7,921,699
Executive Management			
Salaries/Fringes	1,070,000	1,000,000	1,238,500
Travel/Training/Employee Expenses	45,000	17,000	2,500
Board Member Expenses	3,500	2,500	1,500
Office Administration Expenses	80,000	57,500	75,000
Legal/Audit	280,000	175,000	225,000
Consulting/Professional/Other	14,200	11,000	2,200
Total Executive Management	1,492,700	1,263,000	1,544,700
Chief of Staff			
Salaries/Fringes	360,000	373,000	375,000
Travel/Training/Employee Expenses	22,000	12,500	8,500
Marketing/PR/Special Events/Consulting	293,100	298,100	307,500
Total Chief of Staff/Public Affairs	675,100	683,600	691,000
Marketing			
Salaries/Fringes	115,500	117,200	110,000
Travel/Training/Employee Expenses	94,550	73,900	45,500
Production/Media/Promotion/Other	213,000	218,000	220,000
Special Events/Other	2,500	200	-
Total Marketing	425,550	409,300	375,500
Project Development			
Salaries/Fringes	650,500	674,500	389,000
Travel/Training/Employee Expenses	17,200	24,900	22,105
Professional Services/Consulting/Other	328,820	257,500	321,700
Total Office of Development	996,520	956,900	732,805
Rail Operations			
Salaries/Fringes	1,029,000	1,027,000	995,000
Travel/Training/Employee Expenses	17,000	17,000	6,000
Printing/Admin/Other	32,000	30,000	30,000
Leases/Events	24,500	23,500	22,000
Professional Services	420,500	354,000	354,000
Ticket Stock/R&M Fare Collection	945,000	935,000	925,000
Total Customer Communications	2,468,000	2,386,500	2,332,000
Finance and Human Resources			
Salaries/Fringes	1,398,000	1,592,000	1,530,000
Travel/Training/Employee Expenses	36,000	30,000	28,000
Audit/Maint Service Agreements/Consulting	442,500	423,300	377,000
Retail Sales/TLC Commissions	1,815,000	1,815,000	814,000
Bank Discounts/Other	702,500	647,500	302,500
Total Budget and Finance	4,394,000	4,507,800	3,051,500
Information Technology			
Salaries/Fringes	490,000	666,000	671,000
Travel/Training/Employee Expenses	21,000	13,000	9,850
Computer Equipment/Software	622,000	747,000	778,000
Consulting/Communications	1,039,500	652,500	712,500
Total Communication and Info Tech	2,172,500	2,078,500	2,171,350

VRE Fiscal Year 2022 Recommended Departmental Budget

	FY 2020 Amended	FY 2021 Budget	FY 2022 Recommended
Project Implementation			
Salaries/Fringes	979,000	1,013,000	986,000
Travel/Training/Employee Expenses	51,500	33,000	14,000
Other Professional Services/Other Expenses	247,500	71,500	27,500
Total Construction and Construction	1,278,000	1,117,500	1,027,500
Facilities Maintenance			
Salaries/Fringes	335,000	357,000	342,000
Travel/Training/Employee Expenses	16,700	11,300	11,300
Office/Other Professional Service	349,400	344,400	309,400
Station Electricity/Utilities/Taxes	828,600	824,600	836,100
Repairs and Maintenance	2,955,000	2,990,000	2,515,000
Total Facilities Maintenance	4,484,700	4,527,300	4,013,800
Purchasing and Contract Administration			
Salaries/Fringes	595,400	710,000	717,000
Travel/Training/Employee Expenses	24,850	35,850	47,850
Total Procurement and Contract Admin	620,250	745,850	764,850
Mechanical Operations			
Salaries/Fringes	932,000	1,012,000	1,025,000
Travel/Training/Employee Expenses	26,000	11,000	7,000
Consulting/Admin/Warehouse Management	192,700	192,700	182,700
Equipment/Warehouse Leases	-	-	-
Utilities	1,135,000	1,085,000	1,085,000
Diesel Fuel	4,412,500	3,910,000	2,975,000
Repairs and Maintenance	4,781,000	4,355,000	4,365,000
Total Equipment Operations	11,479,200	10,565,700	9,639,700
System Safety & Security			
Salaries/Fringes	354,000	304,000	117,000
Travel/Training/Employee Expenses	68,000	69,000	33,000
Office/Other Professional Services	267,500	510,200	309,200
Yard/Station Security	605,000	605,000	720,000
Total Safety and Security	1,294,500	1,488,200	1,179,200
PRTC			
Professional Services	104,000	102,000	102,000
Total PRTC	104,000	102,000	102,000
NVTC			
Professional Services	90,000	90,000	90,000
Total NVTC	90,000	90,000	90,000
Train Operations			
Contract Operations and Maintenance	16,287,000	16,591,500	16,787,500
Total Train Operations	16,287,000	16,591,500	16,787,500
Amtrak			
Contract Operations and Maintenance	4,881,000	5,181,000	4,450,000
Total Amtrak	4,881,000	5,181,000	4,450,000
Maintenance of Equipment			
Maintenance of Equipment	7,428,612	7,832,285	7,898,500
Total Maintenance of Equipment	7,428,612	7,832,285	7,898,500
Amtrak Access Fees			
Access Fees	6,630,000	6,879,000	6,830,000
Total Amtrak Access Fees	6,630,000	6,879,000	6,830,000
Norfolk Southern			
Access Fees	2,700,000	2,745,000	2,556,000
Contract Operations and Maintenance	690,000	697,000	688,000
Total Norfolk Southern	3,390,000	3,442,000	3,244,000
CSXT			
Access Fees	7,720,000	7,657,000	7,904,000
Contract Operations and Maintenance	790,000	811,000	640,000
Total CSXT	8,510,000	8,468,000	8,544,000
CIP Expenditures			
CIP Expenditures	67,681,751	72,507,750	96,198,922
Total CIP Expenditures	67,681,751	72,507,750	96,198,922
CIP VRE - Non-Departmental			
Allowance for Doubtful Accounts	50,000	50,000	50,000
Debt Service	6,221,757	6,220,838	6,222,198
Total CIP VRE - Non-Departmental	6,271,757	6,270,838	6,272,198
Total Expenditures	158,121,657	163,895,037	185,862,724

Future Projects and Projects Administered by Other Entities

In previous years, VRE included several major projects in the Capital Improvement Program (CIP) that were largely or entirely unfunded. These 'future projects' had been identified as important to VRE's long-term service planning but generally were still in the conceptual stages of project design; did not have identified funding commitments or plans to apply for such funding; and in some cases were unlikely to be administered by VRE.

Beginning in FY 2020, VRE chose to remove these future projects from the formal six-year CIP and instead describe them separately. The decision to present these future projects separately does not mean the projects are not important; instead, it reflects that the projects are relatively undeveloped and are unlikely to be completed (or even substantially underway) during the six-year CIP period. As the projects move forward and as more reliable cost estimates are developed, they may be candidates to move into the formal six-year CIP in future budget years if VRE is identified as the lead entity responsible for project implementation.

The future projects that are important to VRE but not identified in the six-year CIP include:

- Long Bridge Capacity Improvements: The Long Bridge Project consists of improvements to the bridge corridor and related railroad infrastructure located between the RO Interlocking near Long Bridge Park in Arlington and the L'Enfant Interlocking near 10th Street SW in Washington, DC. The Long Bridge Corridor is owned and operated by CSX Transportation, but VRE and Amtrak passenger trains currently use the bridge in addition to CSXT freight. The purpose of the project is to provide additional long-term railroad capacity to improve the reliability of railroad service through the Long Bridge Corridor. Currently, there is insufficient capacity, resiliency, and redundancy to accommodate the projected demand in future rail services.

- In September 2020, DRPT and the District Department of Transportation announced the completion of the combined Final Environmental Impact Statement (EIS) and Record of Decision for Long Bridge. The preferred alternative for the Long Bridge Project has an estimated construction cost of $1.9 billion. DRPT will take the lead on the design and construction of the project as part of the broader Transforming Rail in Virginia program, to which VRE is making a significant financial contribution using C-ROC funds.

- Third Track Projects: Previous VRE CIPs included various third track and bridge projects that would expand capacity along the CSX right-of-way south of Franconia-Springfield. These projects were identified by the waterways crossed by each section of third track (Aquia Creek, Potomac Creek, Powells Creek, Rappahannock River, Neabsco Creek, and Occoquan River). Going forward, this work will be

coordinated by DRPT as part of the Atlantic Gateway Project (for Franconia to Occoquan), the Washington DC to Richmond Segment (DC2RVA) of the FRA Southeast High-Speed Rail Corridor project, and the Transforming Rail in Virginia program.

- Fourth Track between RO (Rosslyn) and AF (Alexandria): As with the third track projects, this work will be coordinated by DRPT as part of other efforts in the corridor.

- Fredericksburg Station Expansion and Parking Structure: VRE had previously contemplated station expansion and a parking structure at Fredericksburg to accommodate future increased demand. However, this work will now be coordinated with the DRPT DC2RVA project.

- Long-term expansion investments: Following the completion of the Long Bridge expansion, the RO-to-AF fourth track project, and certain other capacity enhancement projects, VRE will need to consider additional investments to support additional service capacity, including increased peak-hour service frequency and the potential for reverse-commute, midday, and other expanded services. These investments would likely include expansion coaches and locomotives; expansion of the Crossroads and Broad Run storage yards; and track and signal improvements on the Manassas Line.

In addition to the future projects described above, the projects listed below are important to the VRE commuter rail service but are not listed in the CIP because they are funded and administered by other stakeholders.

- Potomac Shores Station: The Potomac Shores VRE station will be constructed by the Potomac Shores developer as part of an agreement with Prince William County. Station costs will be used as an in-kind match to a state REF grant for the construction of second platforms at the Brooke and Leeland Road stations.

- Rolling Road Parking Garage: Fairfax County is reviewing the potential construction of a 300-space parking garage at the Rolling Road VRE station.

VRE

A TRANSPORTATION PARTNERSHIP

NVTC
NORTHERN VIRGINIA TRANSPORTATION COMMISSION

POTOMAC & RAPPAHANNOCK TRANSPORTATION COMMISSION

FY 2022 BUDGET HIGHLIGHTS

- Budget is balanced – all expenses supported by reasonably expected revenues
- No changes to passenger fares or total jurisdictional subsidy from FY 2021
- Total operating expenses of $89.7 million:
  - Down 1.9% from FY 2021 due to fuel prices, sales commissions, discretionary expenses
  - Fully budgeted for return to 32 daily trains
  - CSX/VPRA track access still evolving
- CARES Act critical to continuity of service

PANDEMIC IMPACT ON FY 2022 BUDGET

1. Rider survey not conducted in October 2020 – Board direction to use FY 2021 subsidy allocation percentages

2. Budget does not achieve 50 percent recovery from passenger fares – using CARES Act to maintain continuity of operations and service quality

3. Does not include six-year forecast of expenses and revenues – will wait until more clarity on commuter behavior post-pandemic

VIRGINIA RAILWAY EXPRESS

JURISDICTIONAL SUBSIDY

Jurisdiction	FY 2021 Subsidy	FY 2021 Percent	FY 2022 Subsidy	FY 2022 Percent	Change FY21 to FY22 Net +/-	Change FY21 to FY22 % Change
Fairfax County	$ 6,379,017	34.9%	$ 6,379,017	34.9%	$ -	0.0%
Prince William County	5,930,777	32.4%	5,930,777	32.4%	-	0.0%
Stafford County	2,477,175	13.5%	2,477,175	13.5%	-	0.0%
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%	-	0.0%
Manassas	807,234	4.4%	807,234	4.4%	-	0.0%
Manassas Park	468,364	2.6%	468,364	2.6%	-	0.0%
Fredericksburg	367,089	2.0%	367,089	2.0%	-	0.0%
Arlington	218,219	1.2%	218,219	1.2%	-	0.0%
Alexandria	149,151	0.8%	149,151	0.8%	-	0.0%
	$ 18,300,780	100%	$ 18,300,780	100%	$ -	0.0%

VIRGINIA RAILWAY EXPRESS

RIDERSHIP/REVENUE OUTLOOK

- Expect to maintain current ridership levels through FY 2021-Q3
- Ridership to grow as vaccines distributed, employees return
- Projected fare revenue:
  - FY 2021: $10 million
  - FY 2022: $18 million
- Many uncertainties over timing, rider behavior, average fare

CARES ACT FUNDS

Fiscal Year	Projected Use of CARES Act Funds
FY 2020 (Q4 only)	$2.7 million
FY 2021	$32.0 million
FY 2022	$24.9 million
Beyond FY 2022	$25.6 million
Required 1% Set-Aside for Safety/Security	$0.9 million
TOTAL	**$86.1 million**

FY 2022 – 2027 CAPITAL IMPROVEMENT PROGRAM (CIP)

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	$77.6	$77.6	
Expansion	$606.6	$492.9	($113.7)
Replacement and Rehabilitation	$134.1	$134.1	
Other	$0.3	$0.3	
Total	**$818.6**	**$704.9**	**($113.7)**

figures in millions

VIRGINIA RAILWAY EXPRESS