

June 28, 2021

Executive Director Report

www.drpt.virginia.gov/vpra/board-meeting/



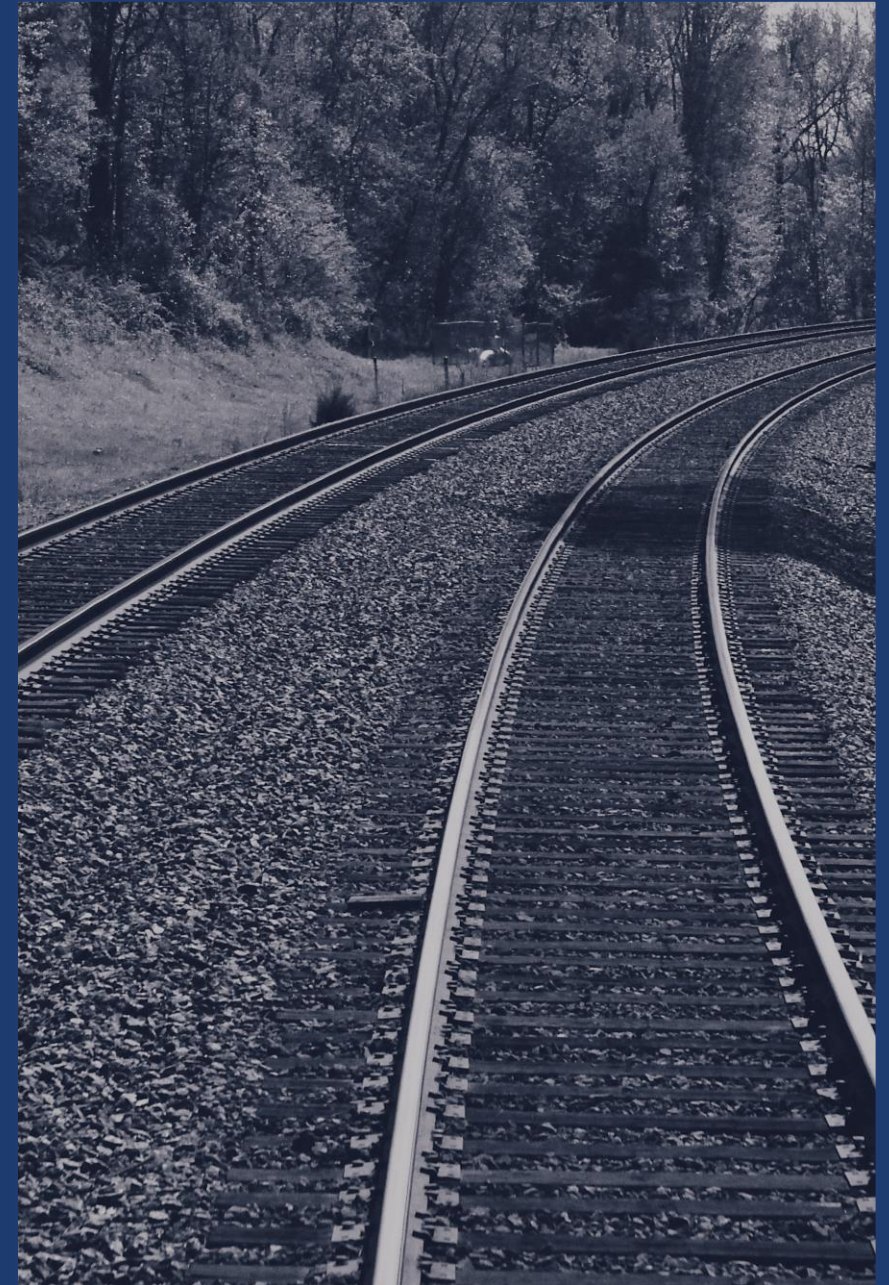
Executive Director Update

DJ Stadtler, Executive Director, VPRA

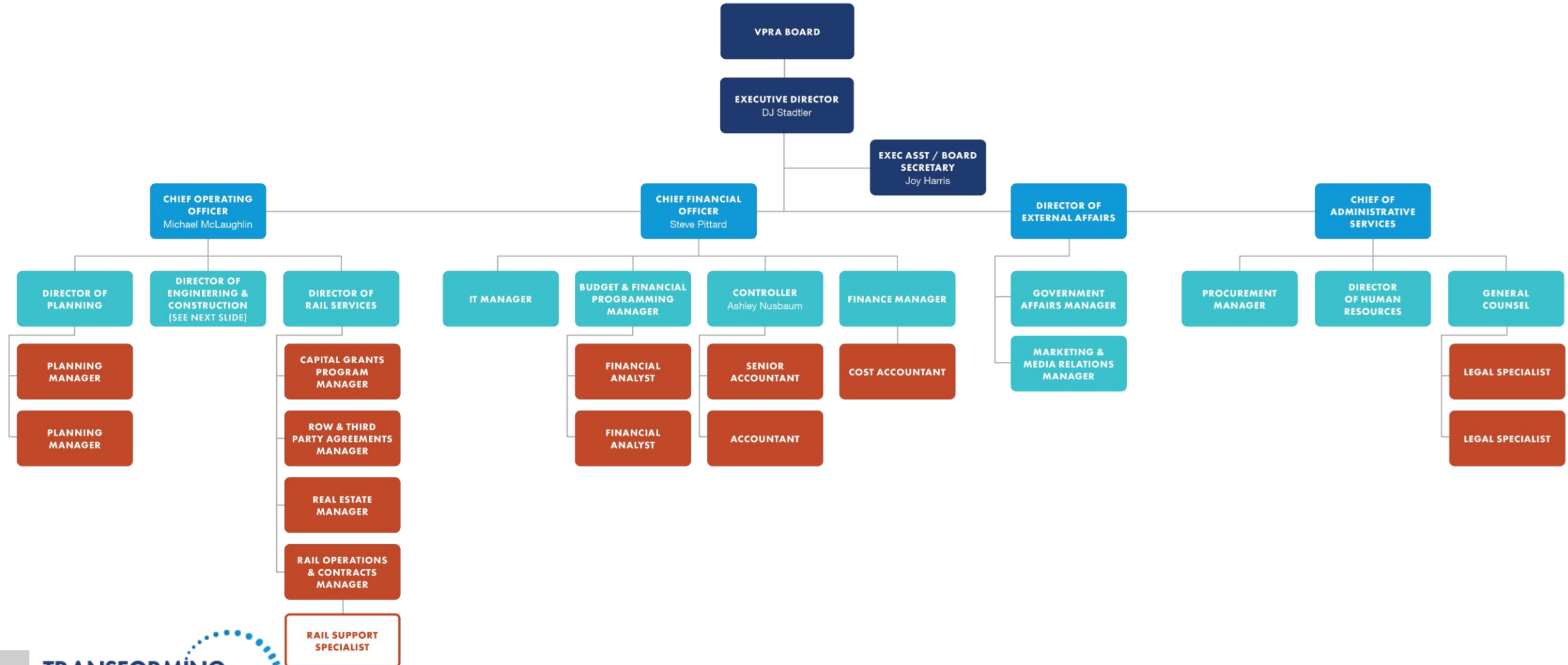


VPRA Updates

- VPRA continues negotiations with Norfolk Southern on the Western Rail Initiative.
- As of June 7, Amtrak Long Distance service is back to pre-COVID frequencies. Last of the four routes (Silver Star, Silver Meteor, Crescent, and Palmetto) are back to daily service.
- Amtrak is continuing COVID protocols, including a short pre-trip COVID-19 check effective May 23, for riders to confirm that they do not have COVID symptoms.
- Virginia will participate in an Amtrak nationwide 35% off sale. Sale dates are 6/22 – 6/24, for travel between 7/6 – 9/30.
- RFP for Franconia Bypass Preliminary Engineering went out June 6th, a month ahead of the scheduled July 2021 date.
- Ashley Nusbaum joined VPRA as the Controller on May 25th.
- VPRA is in final interview stages for the selection of our Chief Administrative Officer.



VPRA Organization



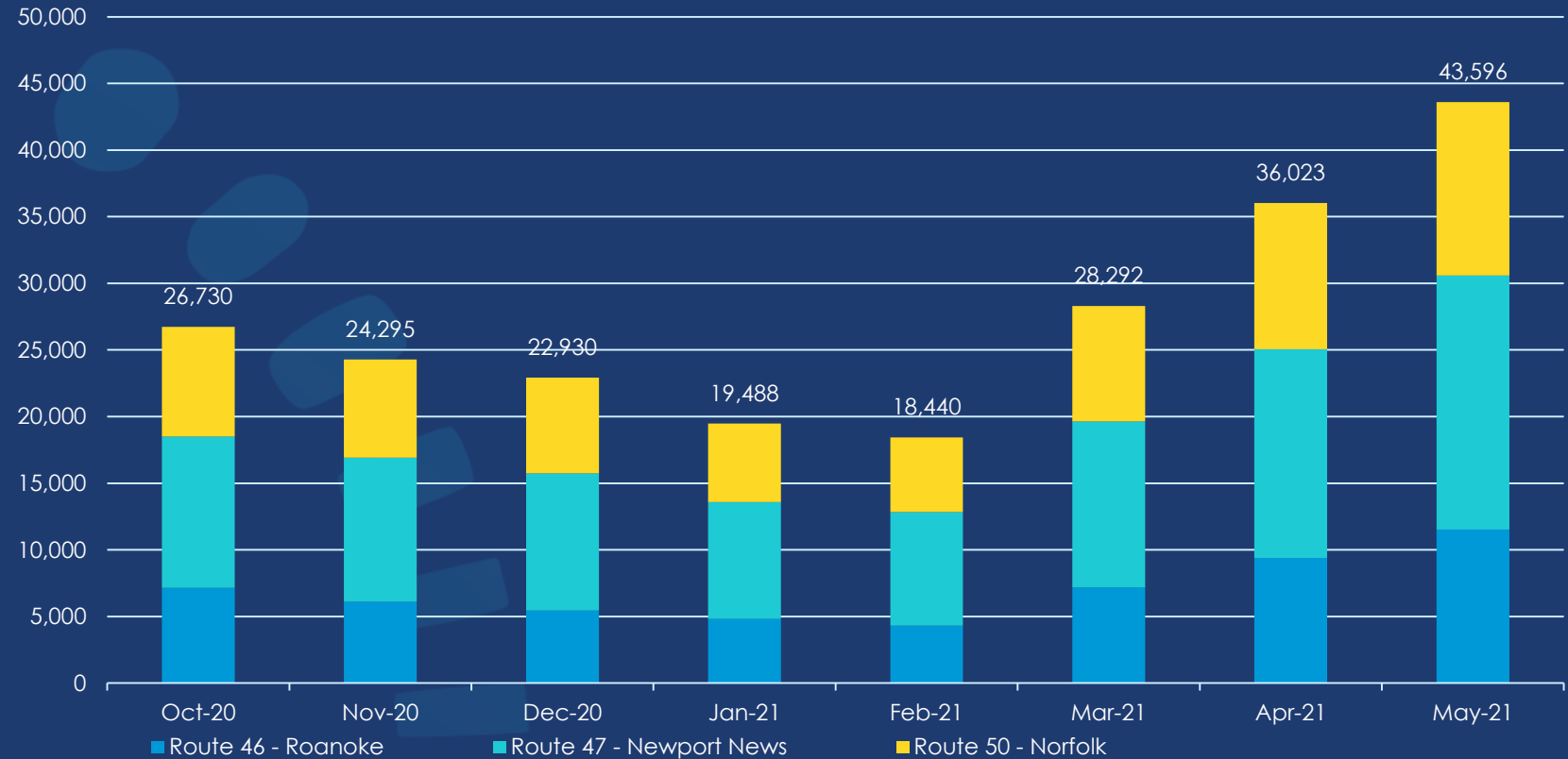
Engineering and Construction Division



FY-21 Monthly Ridership

- Month of May had the highest ridership of FY21. The upward trend in ridership is encouraging as travel picks up.
- Washington to Richmond route remains suspended. We are working with Amtrak for restoration of Richmond route before the end of 2021.

FY21 Monthly Ridership

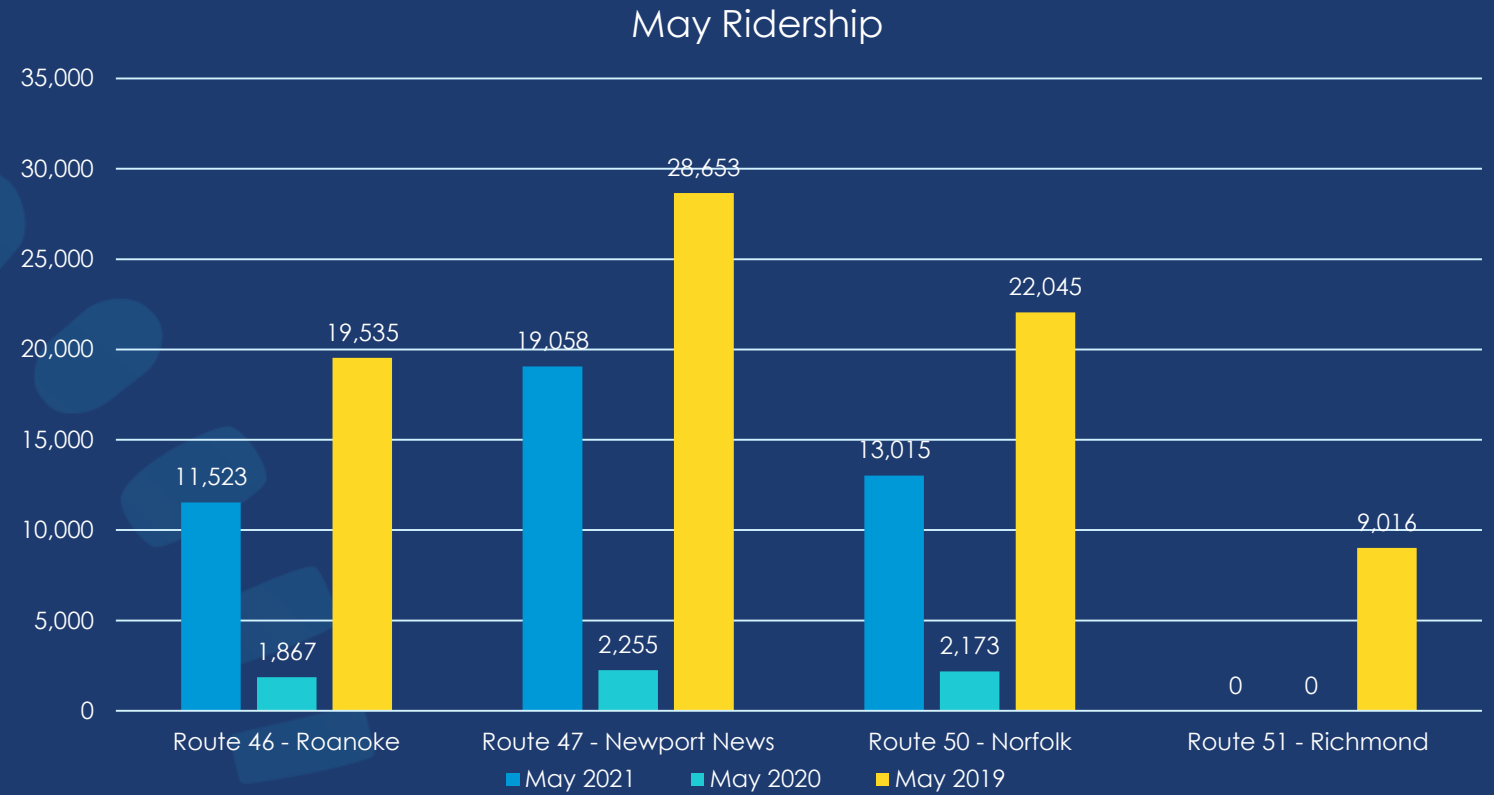


Monthly Ridership, FY2021

Route	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Route 46 - Roanoke	7,156	6,099	5,446	4,818	4,303	7,160	9,385	11,523
Route 47 - Newport News	11,347	10,816	10,296	8,763	8,536	12,486	15,661	19,058
Route 50 - Norfolk	8,227	7,380	7,188	5,907	5,601	8,646	10,977	13,015
Route 51 - Richmond	0	0	0	0	0	0	0	0
Total	26,730	24,295	22,930	19,488	18,440	28,292	36,023	43,596

May Ridership Comparison: Year-over-Year

- May was the highest ridership month since the pandemic began.
- Ridership in May 2021 was 45% lower than May 2019 (pre-pandemic)
- 2021 Memorial Day weekend (Friday- Tuesday) ridership was at 65% of the 2019 Memorial Day weekend



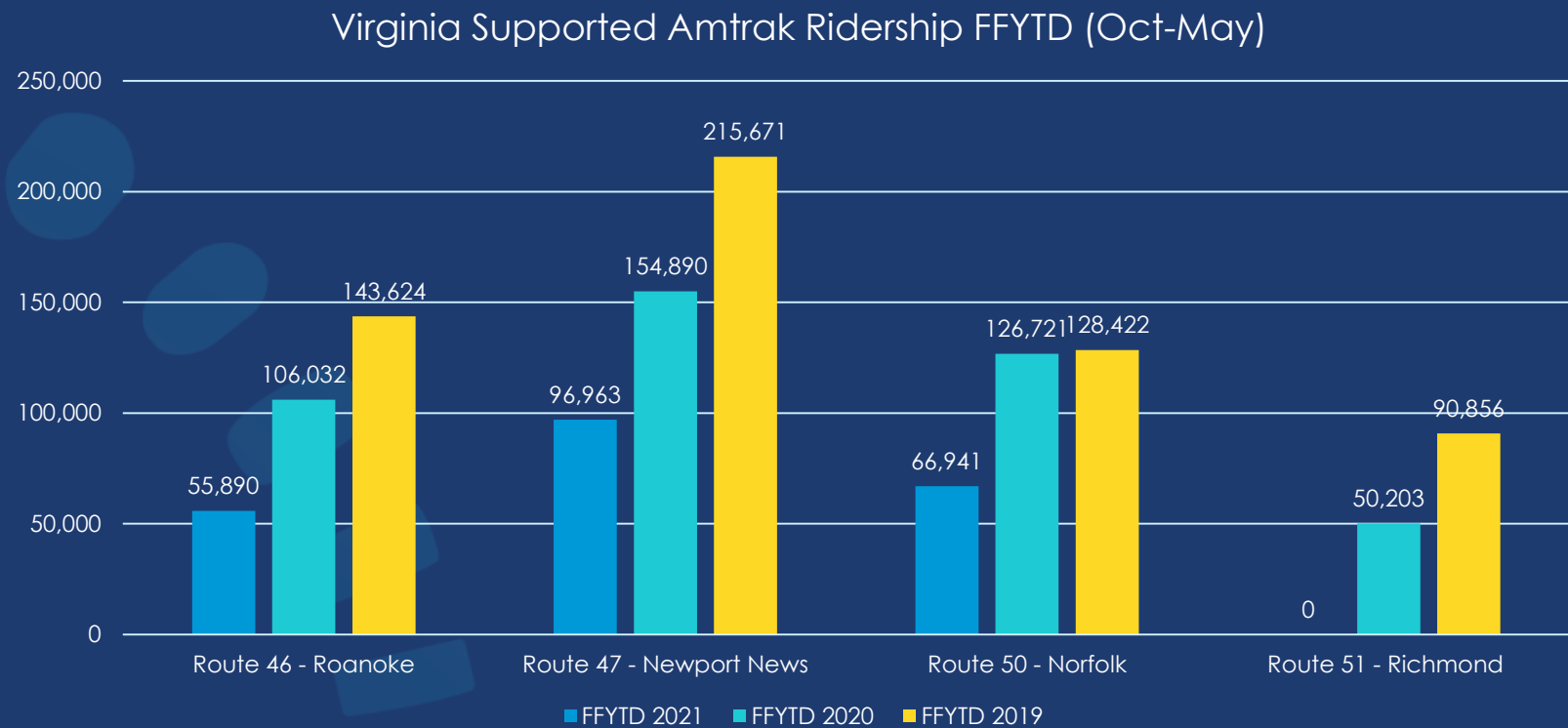
May Ridership: Percentage Change

Route	May 2021	May 2020	May 2019	% Change: 2021 vs 2020	% Change: 2021 vs 2019
Route 46 - Roanoke	11,523	1,867	19,535	+517.2%	-41.0%
Route 47 - Newport News	19,058	2,255	28,653	+745.1%	-33.5%
Route 50 - Norfolk	13,015	2,173	22,045	+498.9%	-41.0%
Route 51 - Richmond	0	0	9,016	-	-100.0%
Total	43,596	6,295	79,249	+592.5%	-45.0%

Note: In May 2020, Virginia supported service was operational at 50% level (3 out of 6 roundtrips operational). Whereas, in May 2021 service was at 80% level (5 out of 6 roundtrips operational).

Federal Fiscal Year-to-Date (FFYTD) Ridership: (Oct-May)

- FFYTD ridership in May 2021 was 62% lower compared to the same time period in FY2019 (pre-pandemic).



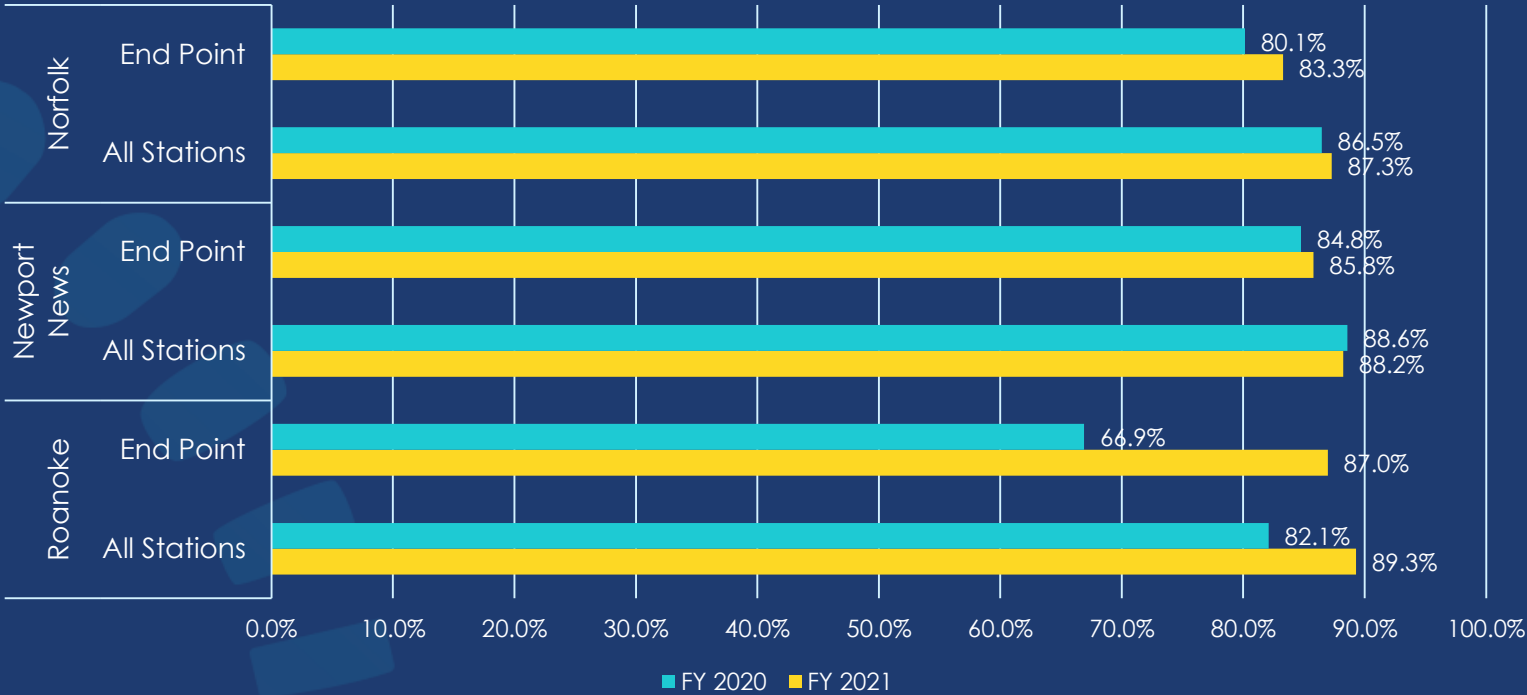
Federal Fiscal Year-to-Date (Oct-May) Ridership: Percentage Change					
Route	FFYTD 2021	FFYTD 2020*	FFYTD 2019	% Change: 2021 vs 2020*	% Change: 2021 vs 2019
Route 46 - Roanoke	55,890	106,032	143,624	-47.3%	-61.1%
Route 47 - Newport News	96,963	154,890	215,671	-37.4%	-55.0%
Route 50 - Norfolk	66,941	126,721	128,422	-47.2%	-47.9%
Route 51 - Richmond	0	50,203	90,856	-100.0%	-100.0%
Total	219,794	437,846	578,573	-49.8%	-62.0%

* Half of FY20, months from October 2019 to March 2020, were pre-pandemic.

Federal Fiscal Year-to-Date (FFYTD) (October to April) On-Time Performance

- FFYTD on-time performance in FY21 is higher on all routes compared to the same time period in FY20.
- FFYTD average OTP for all routes is ~85% in FY21
- FFYTD21 OTP has been trending higher compared to an average of ~78% in the last five years.
- Speed restriction due to defects or slow orders on host railroads was the biggest factor affecting on-time performance in April 2021

Year-to-Date (October to April) On Time Performance



		Route On-Time Performance			
		April 2021	April 2020	FY 2021	FY 2020
Roanoke	All Stations	91.5%	91.6%	89.3%	82.1%
	End Point	85.0%	91.7%	87.0%	66.9%
Newport News	All Stations	84.7%	96.6%	88.2%	88.6%
	End Point	78.7%	97.1%	85.8%	84.8%
Norfolk	All Stations	81.7%	96.5%	87.3%	86.5%
	End Point	73.8%	95.3%	83.3%	80.1%
Richmond	All Stations	-	-	-	-
	End Point	-	-	-	-

Capital Project Updates

Michael McLaughlin, Chief Operating Officer, VPRA



Capital Projects Update: RF&P Corridor

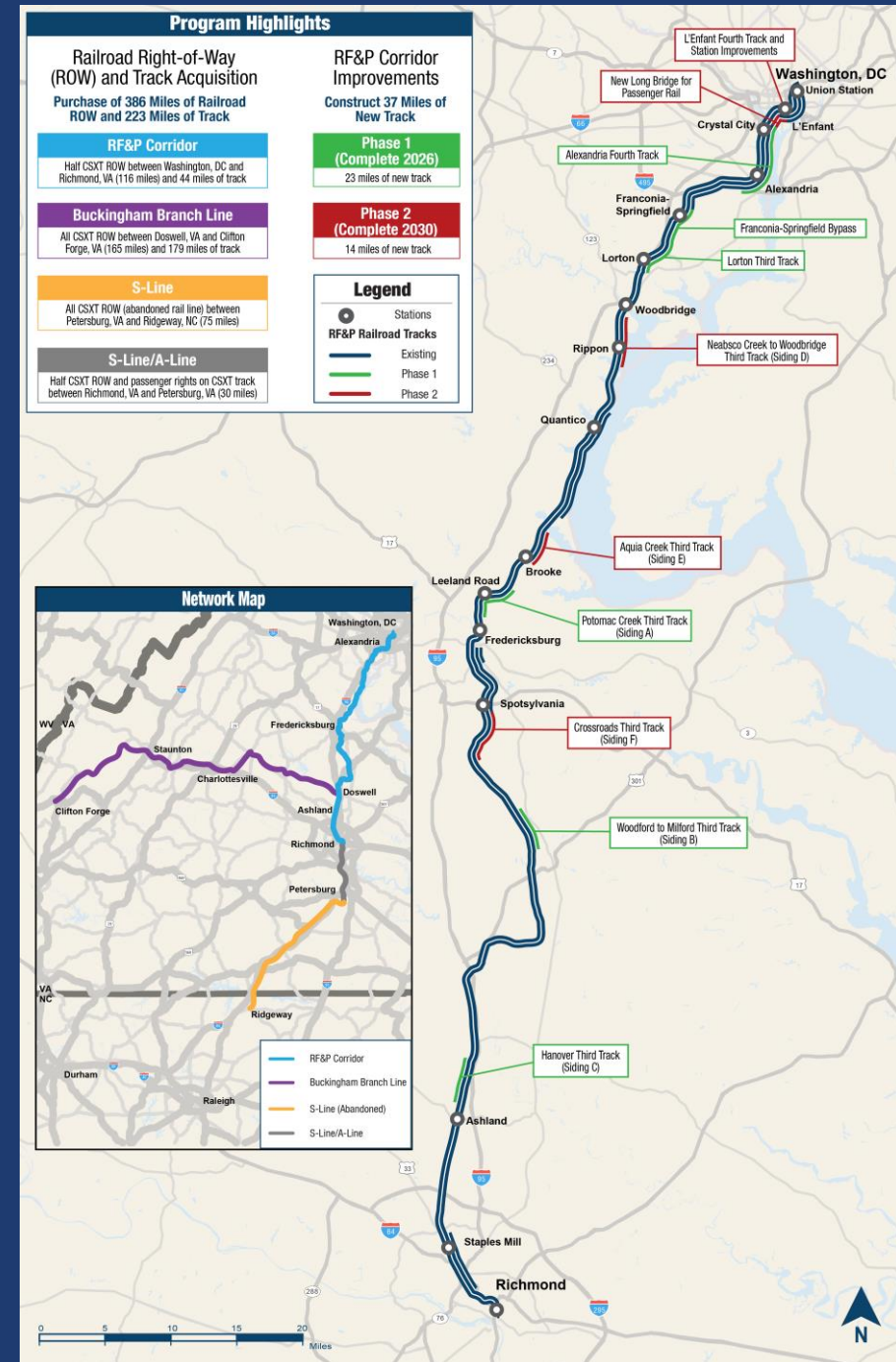
Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
New Long Bridge for Passenger Rail	\$2 B	2030	VPRA	■	●	■			Technical advisory committee meetings with DDOT, CSX, VRE, Amtrak and the FRA are ongoing. VHB (PE contractor) project survey & geotechnical work in process.
Alexandria Fourth Track	\$164	2025	CSX	■	■	■	●		Working with Amtrak and others to incorporate Amtrak Crystal City Station. Early works crash-wall project NTP issued early February 2021.
Franconia to Lorton Third Mainline	\$208	2025	CSX	●		■			Working on the Project Authorization Notice with CSXT
Franconia-Springfield Bypass	\$298	2026	VPRA	●		■			RFP for preliminary engineering (30% design) released on June 6, 2021. Proposals due by July 14, 2021.
Railroad Bridge over Newington Road	\$38	2025	CSX	●		■			Draft interagency funding agreement between FCDOT, VDOT & DRPT will be routed to VDOT shortly for review
Railroad Bridge over Route 1	\$49	2025	CSX	●		■			Working with FCDOT & VDOT to finalize the interagency funding agreement

Capital Projects Update: RF&P Corridor (Continued)

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
Potomac Creek Third Track (Siding A)	\$108	2025	CSX	●		■			Draft Project Authorization Notices with CSXT targeted Fall 2021
Woodford to Milford Third Track (Siding B)	\$67	2025	CSX	●		■			Draft Project Authorization Notices with CSXT targeted Fall 2022
Hanover Third Track (Siding C)	\$59	2025	CSX	●		■			Draft Project Authorization Notices with CSXT targeted Fall 2023
Neabsco Creek to Woodbridge Third Track (Siding D)	\$91	2030	CSX	●		■			No Update - Phase 2 Project
Aquia Creek Third Track South (Siding E)	\$53	2028	CSX	●		■			No Update - Phase 2 Project
Crossroads Third Track (Siding F)	\$93	2030	CSX	●		■			No Update - Phase 2 Project

RF&P Corridor Projects

- Corridor wide agreements such as flagging agreement, access agreement, CSX design agreement and other agreements are currently being developed.
- Corridor survey for the Washington to Petersburg segment is ongoing, and the survey for the Buckingham Branch Line is soon to be awarded to a survey firm.
- Program management team meetings with CSX, VRE and Amtrak have begun.



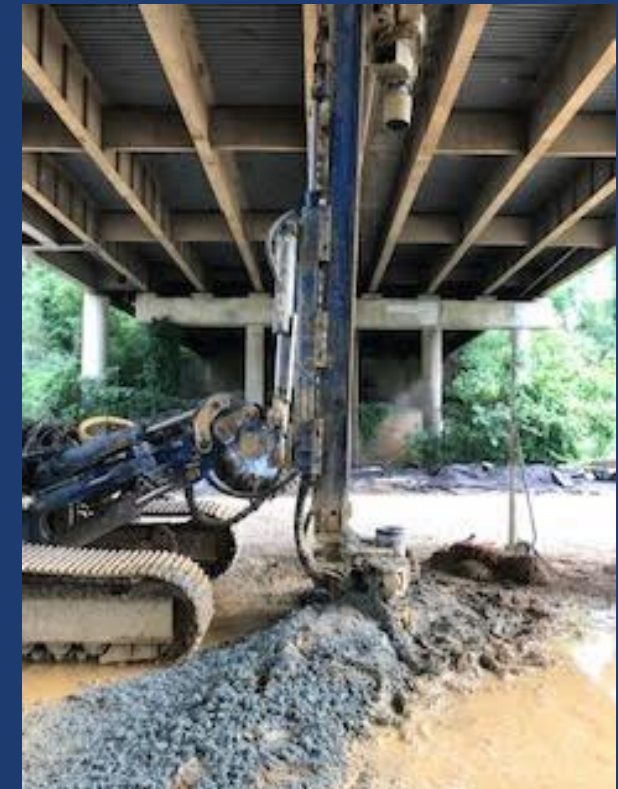
New Long Bridge

- Project survey & geotechnical work currently underway for preliminary engineering design



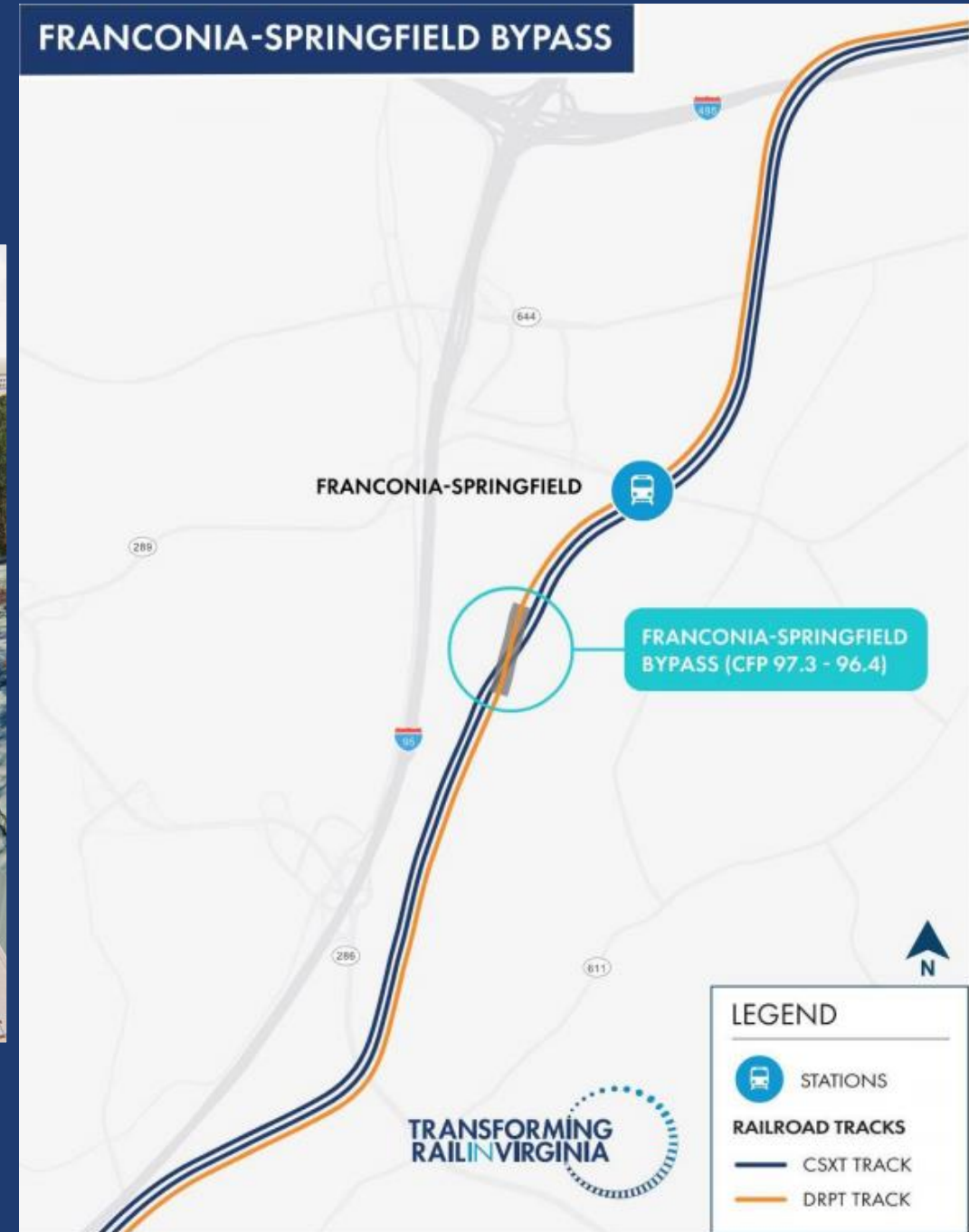
Alexandria 4th Track – Early Works

- Early Works Project consists of building a crash wall at Airport Access road.
- Pre-construction activities are ongoing.
- Design is being revised to account for existing storm sewer that is in a location that was unanticipated.



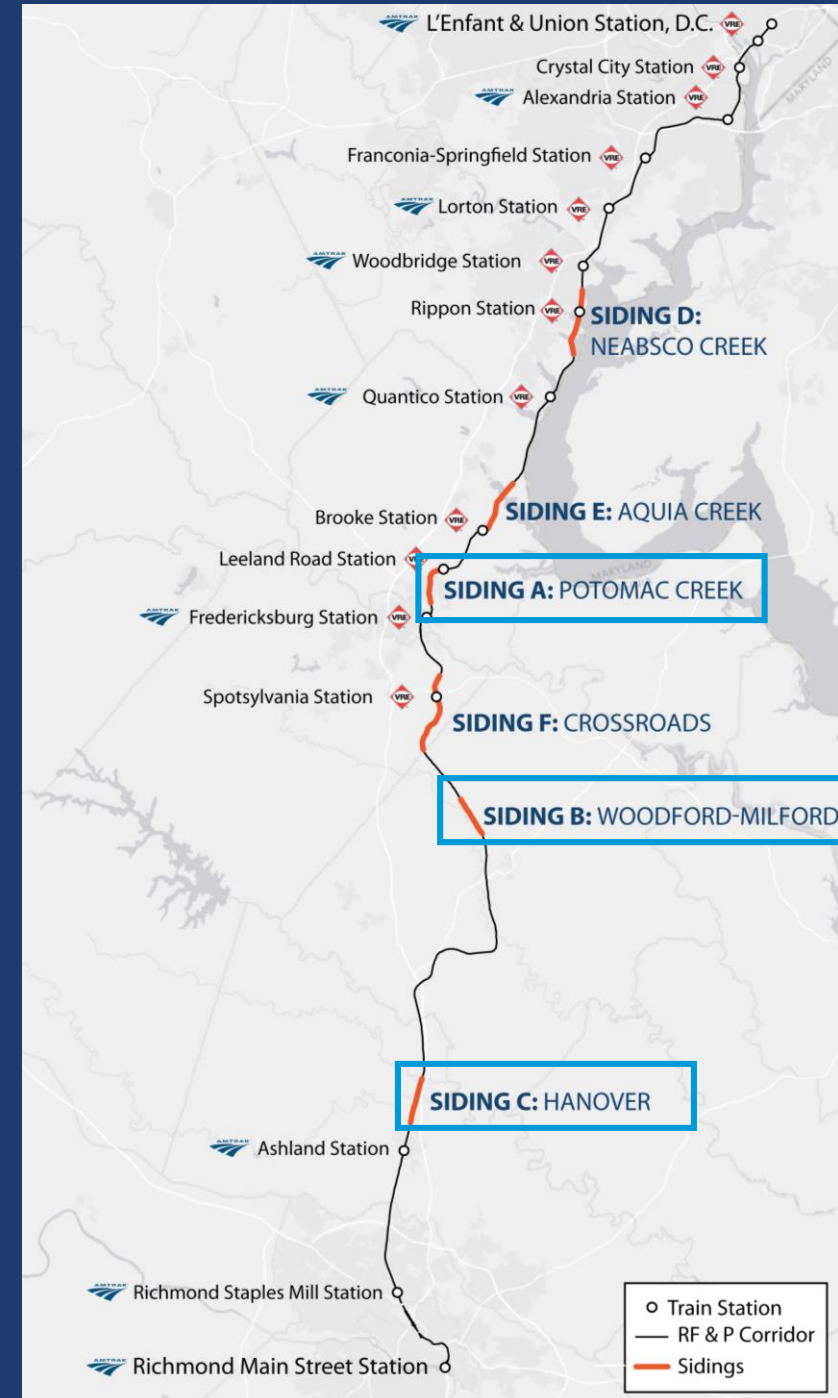
Franconia-Springfield Bypass

- RFP for preliminary engineering design published 6/6/2021.
- Proposals due 7/14/2021.
- The project consists of 0.9-mile-long (approximately) dedicated passenger rail bridge.
- The Project will allow passenger trains heading north on the east side of the corridor, to cross over the two (2) CSXT mainline freight tracks to get to the west side of the corridor.



Sidings A, B & C

- CSX led design procurement for Sidings A, B, & C is anticipated by the end of the year.



Capital Projects Update: Western Rail Initiative

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
Nokesville to Calverton	\$50M	2025	NS	●					7 miles of double track. LONP signed.
Roanoke West Yard	\$35M	2025	NS	●					Bypass Track. LONP signed.
Salem to Christiansburg	\$50M	2025	VPRA	●					Task order to consultants underway for planning. PTC, Track Upgrades, Station Construction.

Note: Project costs will be added to VPRA budget once definitive agreements between VPRA and Norfolk Southern are finalized; LONP = Letter of No Prejudice

Capital Grant Update: Other Major Construction Projects

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
L'Enfant Fourth Track	\$80*	2028	VRE	■	●	●			*VRE led project, \$22M from VPRA financial plan. VRE is working on survey.
Arkendale to Powell's Creek	\$101*	2022	CSX	■	■	■	■	●	Arkendale to Powell's Creek 3 rd track construction. \$74.8M Federal ARRA Grant expended in 2017. *\$26.6M State Commonwealth Rail Funds.
Quantico Station	\$24	2023	VRE	■	■	■	●	■	Quantico Station improvements are part of the federally funded Arkendale 3 rd Track Project. VRE is constructing the passenger elements, while CSX will construct the track through the station. Amtrak service will benefit. \$24M State SmartScale and Commonwealth Rail Funds.
Newport News Station	\$44*	2022	City of NPN	■	■	■	■	●	Relocation and construction of a new multimodal transportation center on Bland Boulevard. *\$20.5M from VPRA financial plan.

Financial Updates

Steve Pittard, Chief Financial Officer, VPRA



VPRA Financial Report – May 2021

- Year to date (YTD) actual expenses lag the budget for FY2021 by 32% as compared expected remaining share of 8%.
- Operations variance results from federal stimulus funds subsidizing passenger rail service during FY2021.
- Capital projects budget reflects a delay in project implementation due to the lengthy negotiation required of the complex multi-party transaction for the TRV I-95 Corridor Initiative.
- The impact of these items is more evident when the \$200M payment to CSX is removed from the analysis. VPRA has expended 24% of the FY2021 budget YTD without the large CSX payment (\$34.9M of \$143.0M).

Budget Component (\$ in millions)	FY21 Budget	FY21 YTD Actual - May	Variance	
			Amount	%
Operations	\$21.7	\$7.6	\$14.1	65%
Capital Projects	289.8	217.2	72.6	25%
Capital Grants	31.5	10.1	21.4	68%
Total	\$343.0	\$234.9	\$108.1	32%



Operations Budget – FY2021

- Operating expenses through May 31st are approximately 35% of the annual budget.
- The positive variance is due to the receipt of billing credits on the VPRA passenger rail service bills as a result of the federal stimulus relief bills.

Project Description	FY21 Budget	Expenditures – May 2021			Variance
		Cash Basis	Accruals	Total	
Administration	\$2.3	\$0.1	\$1.7	\$1.8	\$0.5
Passenger Service					
Operations	14.0	0.5	-	0.5	13.5
Capital Equipment	4.5	4.7	-	4.7	(0.2)
Subtotal	18.5	5.2	-	5.2	13.3
Marketing	0.9	0.5	0.1	0.6	0.3
Total Operating	\$21.7	\$5.8	\$1.8	\$7.6	\$14.1

Administrative Budget – FY2021

- Overall, the administrative budget is currently on target to end the year on budget.
- The Department of Rail and Public Transportation (DRPT) provided the employees that performed the work for the VPRA during the past year. This payroll accrual amount is based on the quarterly percentage of work split between VPRA and DRPT as described in the executed Memorandum of Agreement.
- Office Building and Related line item is over budget due to renovations to the office space, purchase and installation of furniture/cubicles, and rent beginning in December.

Category	FY21 Budget	Expenditures – May 2021			Variance
		Cash Basis	Accrual	Total	
Payroll	\$1,950,000	\$59,472	\$1,560,000	\$1,619,472	\$330,528
Training / Travel	18,000	-	400	400	17,600
Office Functions	5,000	561	-	561	4,439
Professional Services	146,500	14,600	35,900	50,500	96,000
Information Technology	98,000	7,854	55,300	63,154	34,846
Office Building & Related	45,000	94,479	83,700	178,179	(133,179)
Total	\$2,262,500	\$176,966	\$1,735,300	\$1,912,266	\$350,234

Capital Project Expenditures – FY2021

- The TRV I-95 Corridor agreements were not executed until the end of March 2021. This caused a delay to the Alexandria 4th Track and Long Bridge projects.
- Right of way acquisition did not include transactional costs such as lawyer fees, recordation taxes, and titling expenses (survey work and insurance).
- The TRV Other Infrastructure line is impacted by a shift of new service to begin in FY2023 instead of FY2021 and expected construction of the Fairfax County Bridges in FY2024-FY2025. This is reflected in the table as a \$32.6M variance.

Project Description	FY21 Budget	FY21 Prorata Budget	May FY21 Actual	Variance
New Long Bridge for Passenger Rail	\$15.8	\$14.5	\$4.2	\$10.3
Alexandria 4th Track	22.2	20.4	0.2	20.2
Franconia to Lorton 3rd Mainline	2.2	2.0	1.9	0.1
Franconia-Springfield Bypass	5.6	5.1	0.2	4.9
Richmond to DC Sidings - Phase 1	8.4	7.7	0.1	7.6
Richmond to DC Sidings - Phase 2	-	-	0.1	(0.1)
TRV Right of Way Acquisition	200.0	200.0	210.3	(10.3)
TRV Other Infrastructure	35.6	32.6	-	32.6
Total TRV	\$289.8	\$282.3	\$217.0	\$65.3
Purchase of St. Julian's Yard: Amtrak Train Service Facility	-	-	-	-
Total	\$289.8	\$282.3	\$217.0	\$65.3

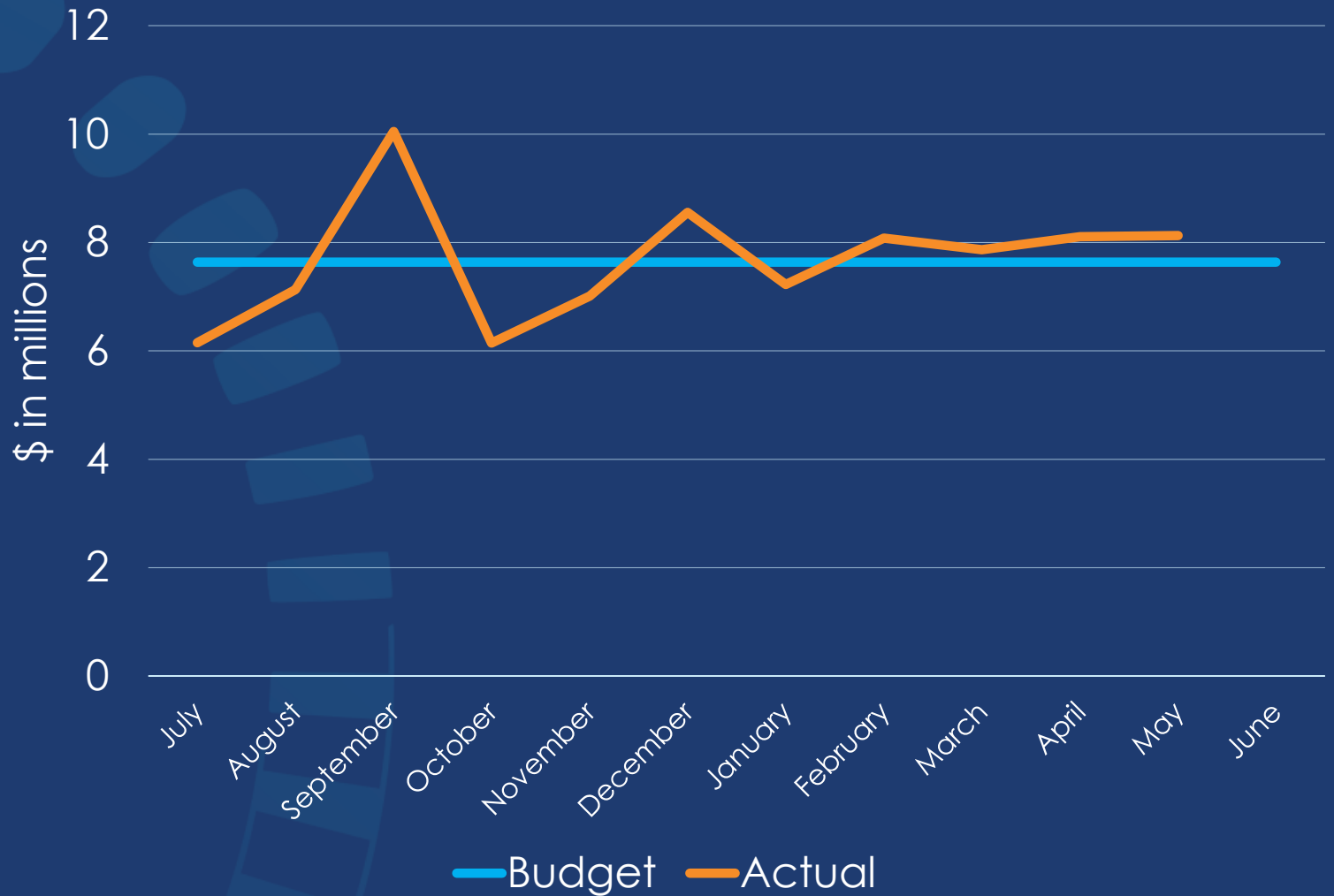
Capital Grant Expenditures – FY2021

- VPRA funded capital grants are on target to the budget.
- Majority of the variance (\$14.4M) results from the track lease grants funded with federal allocations which VRE receives directly from the federal government.
- No expenditures will be recorded in VPRA's financial records for these track lease grants in FY2021.

Project Description (\$ in millions)	Grantee	FY21 Budget	FY21 Prorata Budget	YTD FY21 Actual	Variance
Broad Run Station & 3rd Track Improvements	VRE	\$0.5	\$0.5	\$0.6	\$(0.1)
Quantico Station Improvements	VRE	1.8	1.7	0.7	1.0
Rolling Road Platform Extensions	VRE	0.3	0.3	-	0.3
Track Lease - Amtrak	VRE	5.8	5.3	-	5.3
Track Lease - CSX	VRE	7.1	6.5	-	6.5
Track Lease - Norfolk Southern	VRE	2.8	2.6	-	2.6
Newport News Station, Platform, and Service Facility	Newport News	5.1	4.7	3.8	0.9
Amtrak Passenger Information Display System: Ashland and Richmond Main Street Stations	Amtrak/ DRPT	0.4	0.4	-	0.4
Arkendale to Powell's Creek Third Track Construction and Island Platforms	CSX	5.7	5.2	4.0	1.2
Improvements Lynchburg to Roanoke	Norfolk Southern	2.0	1.8	1.0	0.8
Total		\$31.5	\$29.0	\$10.1	\$18.9

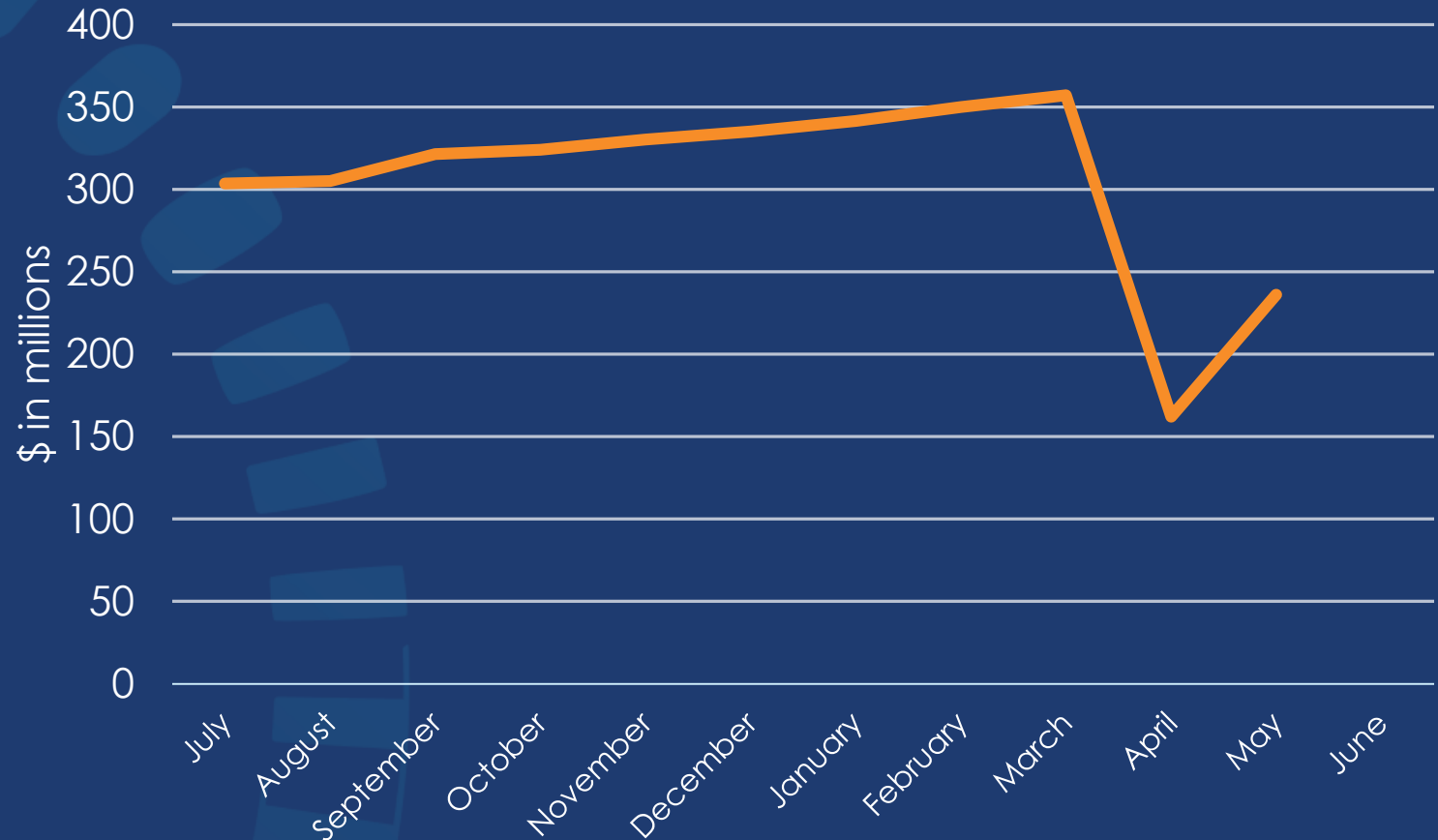
VPRA Monthly Revenues – FY2021

- Year to date revenues are tracking to budget through May 2021.
- In future years, budgeted revenues will have trend data based on the underlying seasonality of the Transportation Trust Fund revenues.



VPRA Cash Balance – FY2021

- Steady growth beginning in July from the startup balance of \$303M to a peak of \$357M at March 31, 2021.
- On April 14th, the first payment of \$200M was made to CSX for the purchase of the I-95 Corridor right-of-way.
- In May, a large collection of Priority Transportation Funds was made.
- In the coming months, this analysis will include the investments balance as a balance is achieved between operating / capital expenditure needs and investment policy goals.



VPRA Investment Earnings

- During FY2021, VPRA did not budget for any return on its assets due to the uncertainty of the startup process.
- It was not known if Department of Accounts (DOA) would allow VPRA to participate in the earnings of the general account of the Commonwealth. Ultimately, DOA agreed to provide the dedicated VPRA fund a share of earnings retroactive to July of 2020.
- The underlying cash balance steadily increased through March of 2021, however interest rates have declined during that timeframe as evidenced in the quarterly returns in the table.
- These returns do not yet reflect the significant outflow of assets in April of 2021.

Quarter	Amount
July - September	\$836,387
October - December	569,531
January - March	521,520
Total	\$1,927,438

THANK YOU

Questions?

