



# DRPT RAIL GRANT FUNDING & PROCEDURES

MICHAEL TODD | JUNE 2021



A high-speed train is crossing a large, multi-arched stone bridge over a river. The sky is overcast and grey. The bridge has many arches, and the train is moving from left to right. The river below is turbulent with white water rapids. Bare tree branches are visible in the upper right corner.

# WHAT IS OUR PURPOSE TODAY?

Gather feedback and direction from CTB on the management of existing and future rail projects funded by the Commonwealth Rail Fund.

**01**

## **REF PROJECTS**

EXISTING PROJECTS, APPLIED FOR UNDER REF GUIDELINES, WILL BE MANAGED PER REF GUIDANCE.

**02**

## **NEW PROJECTS**

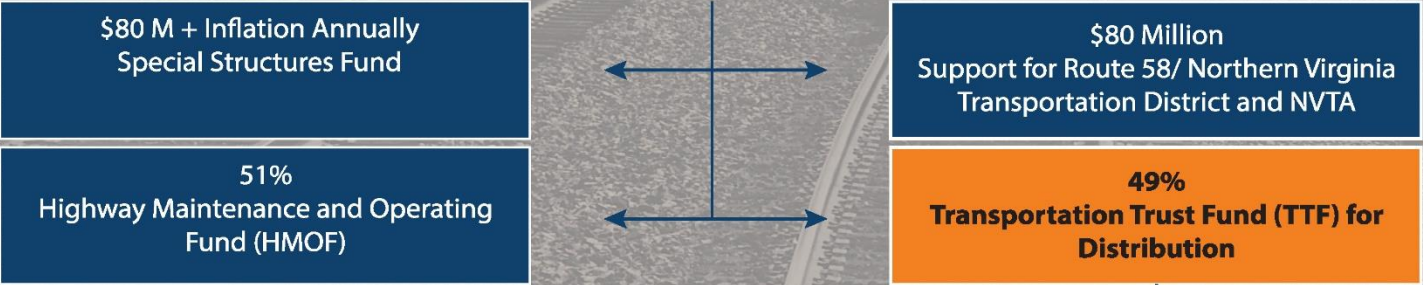
MOVING FORWARD WE HAVE OUTLINED THE STRUCTURE OF A NEW GRANT PROGRAM.



# MAJOR STATE REVENUES

International Registration Plan  \$15 per trip	Motor Vehicle License Fees  Base Car: \$20.75 CTF Share	Tax on Motor Fuels 26.2 cents/ gallon + CPI Gasoline 27 cents/ gallon + CPI Diesel	Highway Use Fee  Fuel Economy	Motor Vehicle Sales and Use Tax 4.15%	Retail Sales and Use Tax  0.5% + 0.3% 0.1% GF Transfer	Recordation Taxes  3 of the 25 cents per \$100	Motor Vehicle Rental Tax 75% CTF 25% WMATA Capital Fund	Insurance Premium Taxes  1/3
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## COMMONWEALTH TRANSPORTATION FUND



## TRANSPORTATION TRUST FUND



## COMMONWEALTH RAIL FUND (CRF)



## DRPT RAIL FUNDS



# CRF REVENUE PROJECTIONS

	FY22	FY23	FY24	FY25	FY26	FY27	Total
<b>VPRA (93%)</b>	136.6	122.2	137.6	141.6	145.7	146.3	830.0
<b>DRPT (7%)</b>	10.3	9.2	10.3	10.7	11.0	11.0	62.5

Represented in Millions



# DRPT F.R.E.I.G.H.T. FUND



## FREIGHT RAIL ENHANCEMENT TO INCREASE GOODS AND HIGHWAY THROUGHPUT

A funding program of the Virginia  
Department of Rail and Public  
Transportation.

**BENEFIT VIRGINIA HIGHWAY - CAPTURING TRUCK GROWTH**

**IMPROVE ECONOMY - CREATE COMPETITIVE MULTIMODAL NETWORK**

**INCREASE GOODS MOVEMENT - SERVING VIRGINIA AND BEYOND**

## § 33.2-1526.4. Commonwealth Rail Fund

“... The remaining seven percent shall remain in the Fund for the Department of Rail and Public Transportation for planning purposes and for grants for rail projects not administered by the Virginia Passenger Rail Authority.”



### **SUMMER:**

- ADOPT SYIP
- NOTIFY GRANTEEES
- REVIEW GUIDANCE

# RAIL GRANT CYCLE

### **SPRING:**

- RECOMMEND APPS
- DRAFT SYIP
- NOTIFY GRANTEEES

### **FALL:**

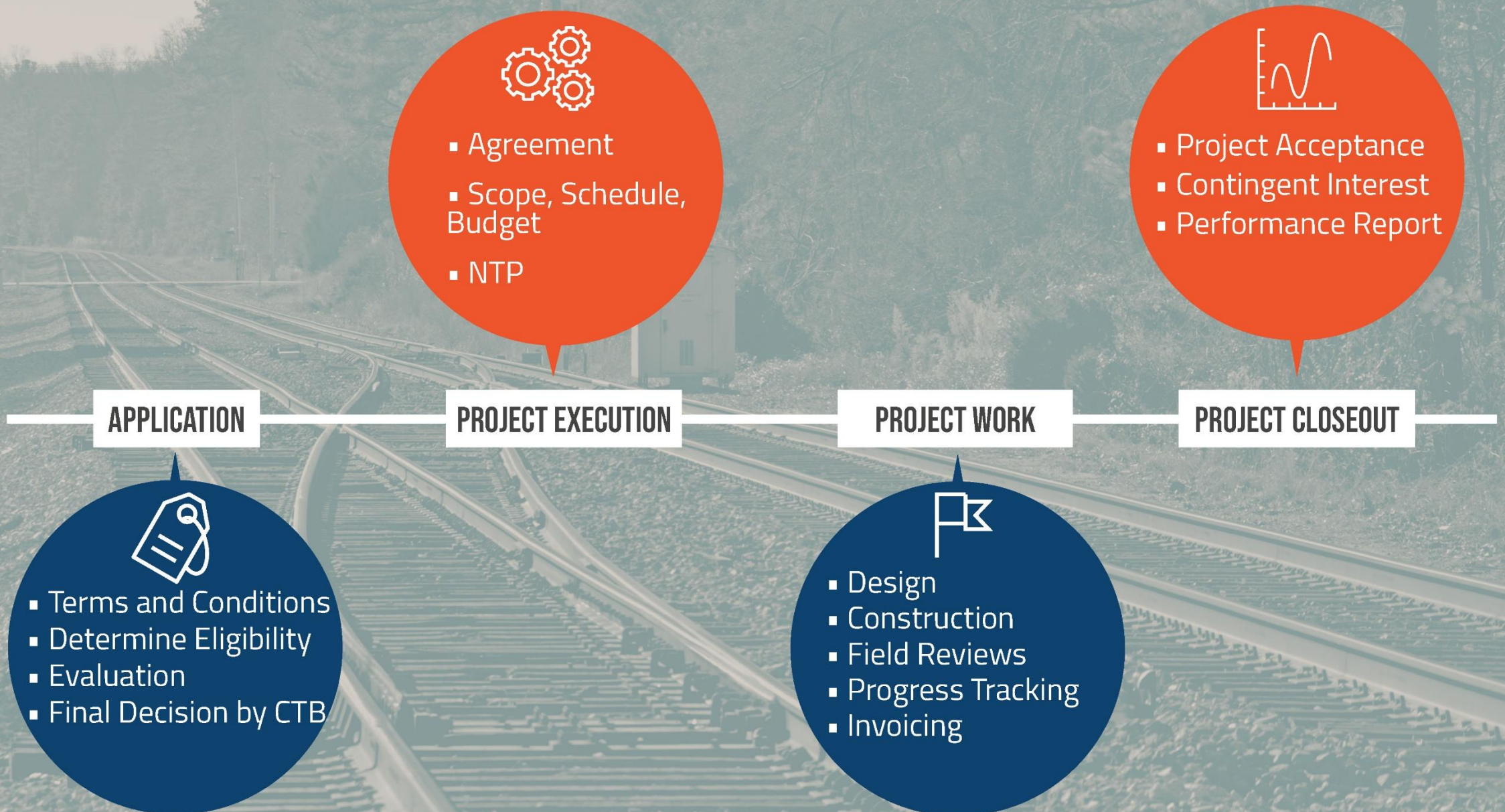
- UPDATE GUIDANCE
- NOTIFY GRANTEEES
- UPDATE ADMIN PROCESS

### **WINTER:**

- OPEN APP. PORTAL
- NOTIFY GRANTEEES
- REVIEW APPLICATIONS



# PROGRAM PROCESS





# ELIGIBILITY



**NETWORK CAPACITY EXPANSION**



**MINIMUM OF 30% DESIGN COMPLETE**

## Eligible Projects



Improvements to:

- Railways
- Railroad equipment
- Rolling stock
- Rights-of-way
- Rail facilities
- Engineering and design
- Environmental
- 30% Design Complete

## Eligible Recipients



- Freight rail operators
- Virginia Port Authority
- Local and Regional governments
- Non-profit organizations
- Private companies
- Any combination thereof

## Not Eligible



- Railroad operating expenses
- Passenger rail subsidies
- Passenger rail capacity expansion
- Other state funds used as match
- Equipment to handle, store, process, load or unload goods

**\*\*The Applicant must, at a minimum, provide Design and Construction in accordance with the American Railway Engineer and Maintenance of Way Association (AREMA). Design and construction criteria may go beyond AREMA standards to meet any agreed upon basis of design and Grantee established standards which are compliant with FRA Track Safety Standards. The applicant also must provide or have provided continuous maintenance of the completed project.**



# SCORING

APPLICATION

All grant applications must meet the minimum threshold of eligibility.

## POINT VALUES



### BENEFIT-COST ANALYSIS

- 3 points = BCA score below 50th percentile of applications
- 6 points = BCA score 50th percentile, or above
- 7 points = project with highest BCA score



### MATCHING FUNDS

- 2 points = 30% match
- 3 points = 40% match
- 6 points = 50% match



### PROJECT READINESS

- 2 points = 60% design complete
- 4 points = 90% design complete



### STATEWIDE GOAL ALIGNMENT

- 1 point awarded for each goal met in Statewide Rail Plan (up to 3 points).

BENEFIT-COST ANALYSIS

7

MATCHING FUNDS

6

PROJECT READINESS

4

STATEWIDE GOALS

3

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TOTAL

20



# GRANT MANAGEMENT



## AGREEMENTS

Once a project has been approved and funded, an agreement is executed, which allows the grantee to further develop a detailed scope, schedule, and budget.



## NOTICE TO PROCEED

The scope, schedule, and budget is used to request a notice to proceed for construction. DRPT must issue a notice to proceed before construction activities commence.



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PROJECT EXECUTION

PROJECT WORK



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## DRPT OVERSIGHT

DRPT will conduct routine site visits and gather progress reporting as the project moves forward. The grantee is responsible for project management duties.



## REIMBURSEMENT

The FREIGHT program is reimbursement based, meaning the grantee spends money up front and is reimbursed once an appropriately document invoice is submitted.



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PROJECT CLOSEOUT



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## CONTINGENT INTEREST

The Commonwealth will hold an interest in the improvements to ensure the infrastructure remains in service. Recommended length of interest is 6 years, or longer as determined by BCA.



## REPORTING

Grantee will be responsible for reporting annual carload information, to track the impact of investment over time; recommended length of reporting is 6 years, or longer as determined by BCA.





**SUMMER**

**CTB APPROVAL OF  
FREIGHT PROGRAM  
GUIDELINES**

**FALL**

**UPDATE ADMIN  
PROCESS TO  
INCORPORATE NEW  
GUIDANCE**

**WINTER**

**OPEN APPLICATION  
PORTAL  
DECEMBER 1, 2021**

**NEXT STEPS**





# THANK YOU

