To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: June 16, 2017

Re: Recommend Authorization to Submit a VRE Project to the Northern Virginia Transportation Authority for Funding Using the Outside the Beltway Concessionaire Payment

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize the VRE Chief Executive Officer to submit, on behalf of the Commissions, the VRE Manassas Line Capacity Expansion and Real-Time Traveler Information Project to the Northern Virginia Transportation Authority (NVTA) for consideration to recommend to the Commonwealth Transportation Board (CTB) regarding the use of the projected $500 million I-66 Outside the Beltway Concessionaire Payment, make any necessary corrections to the project amounts or descriptions in the application, and execute all project funding agreements that may result from consideration of the projects.

Background:

The Commonwealth of Virginia’s Transform I-66 Outside the Beltway (OTB) project is a multimodal public private partnership between the Virginia Department of Transportation (VDOT), the Department of Rail and Public Transportation (DRPT) and a private partner, Express Mobility Partners, which when finalized, will bring a $2.3 billion investment in the I-66 corridor, to move more people while providing reliable trips and new multimodal travel options. The Commonwealth anticipates finalizing the I-66 OTB concession agreement with Express Mobility Partners in July 2017. The final agreement is anticipated to include a $500 million concessionaire payment for multimodal projects within the I-66 OTB corridor. The NVTA has been requested, by Secretary Layne, to coordinate with DRPT and VDOT to solicit eligible projects and make project recommendations to the CTB. The CTB will make a final decision on which projects to fund.
Projects recommended for consideration should have been included in a document that has undergone a public process. Projects must be in the I-66 OTB Corridor or demonstrate a clear and compelling nexus to the I-66 OTB Corridor. Projects must demonstrate the ability to start utilizing the requested funding by Toll Day 1 (expected to be mid-2022). Projects must demonstrate commitment of any required operation and/or maintenance funds. Projects must show benefit to users within the corridor.

The NVTA issued a call for projects on June 8, 2017. Candidate projects must be submitted by June 28, 2017. VRE has identified the **VRE Manassas Line Capacity Expansion and Real-Time Traveler Information Project.** The project expands capacity by increasing the number of seats and parking spaces that will be available to travelers who may otherwise drive on I-66, and it provides real-time information at key decision points to allow travelers to make the most appropriate choice of mode for their trip.

The project combines several currently unfunded or underfunded projects in the VRE CIP and will include necessary station, parking, and storage yard expansions at Broad Run, Manassas, and Manassas Park as well as rolling stock and track work to extend all Manassas Line trains to a minimum of eight cars (see attached map). The project includes provision of real-time VRE parking availability and train arrival information by installation of parking counters at the VRE parking facilities at the three stations, software upgrades to VRE Mobile, TRIP, and VMS, and coordination with the I-66 Integrated Corridor Management project to display at key decision points along I-66 and adjacent roads.

**Inflated to FY 2022 dollars,** the estimated total cost of the project in year-of-expenditure dollars is **$210,458,015** and the grant request is estimated to be **$187,508,015. The actual grant request will be adjusted to year-of-expenditure dollars, which should be slightly less.** The estimated costs of the project elements:

<table>
<thead>
<tr>
<th>Project Element</th>
<th>Estimated Total Cost (FY 2017$)</th>
<th>Estimated Total Cost (FY 2022$)</th>
<th>Committed Funding (FY 2017$)</th>
<th>Funding Requested (FY 2022$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad Run Storage Track Expansion</td>
<td>63,200,000</td>
<td>75,061,775</td>
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<td>75,061,775</td>
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<tr>
<td>Broad Run Station Parking &amp; Platform</td>
<td>26,400,000</td>
<td>31,354,919</td>
<td>12,100,000</td>
<td>19,254,919</td>
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<tr>
<td>South Manassas Third Track</td>
<td>17,100,000</td>
<td>20,309,436</td>
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<td>20,309,436</td>
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<tr>
<td>Manassas Station Platform Extension</td>
<td>8,000,000</td>
<td>9,501,491</td>
<td>–</td>
<td>9,501,491</td>
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<tr>
<td>Manassas Park Parking Garage</td>
<td>23,700,000</td>
<td>28,148,166</td>
<td>2,500,000</td>
<td>25,648,166</td>
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<tr>
<td>Additional Railcars for Manassas Line Trains</td>
<td>31,500,000</td>
<td>37,412,119</td>
<td>5,250,000</td>
<td>32,162,119</td>
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<tr>
<td>Real-Time Traveler Information</td>
<td>7,300,000</td>
<td>8,670,110</td>
<td>3,100,000</td>
<td>5,570,110</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td><strong>177,200,000</strong></td>
<td><strong>210,458,015</strong></td>
<td><strong>22,950,000</strong></td>
<td><strong>187,508,015</strong></td>
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</tbody>
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**Fiscal Impact:**

The submission of a project application has no fiscal impact. If selected for funding, the funds would allow the VRE Projects to be completed on an accelerated schedule. Elements of this project are included in VRE’s Capital Improvement Program.

The proposed project follows the adopted Natural Growth scenario in System Plan 2040. As such, the incremental operating cost is minimal and could result in net additional revenue from passenger fares.
Virginia Railway Express
Operations Board

Resolution
8H-06-2017

Authorization to Submit a VRE Project to the
Northern Virginia Transportation Authority for Funding
Using the Outside the Beltway Concessionaire Payment

WHEREAS, the Northern Virginia Transportation Authority has been requested by Secretary Layne to coordinate with the Department of Rail and Public Transportation and Virginia Department of Transportation to solicit eligible projects and make project recommendations to the Commonwealth Transportation Board; and,

WHEREAS, the Northern Virginia Transportation Authority issued a call for projects on June 8, 2017 and candidate projects must be submitted by June 28, 2017; and,

WHEREAS, candidate projects must be in the I-66 Outside the Beltway Corridor or demonstrate a clear and compelling nexus to the I-66 Outside the Beltway Corridor;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the VRE Chief Executive Officer to submit, on behalf of the Commissions, the VRE Manassas Line Capacity Expansion and Real-Time Traveler Information Project to the Northern Virginia Transportation Authority for consideration to recommend to the Commonwealth Transportation Board regarding the use of the projected $500 million I-66 Outside the Beltway Concessionaire Payment, make any necessary corrections to the project amounts or descriptions in the application, and execute all project funding agreements that may result from consideration of the projects.

Approved this 16th day of June 2017

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Paul Smedberg
Chairman

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Katie Cristol
Secretary