

# VIRGINIA RAILWAY EXPRESS

December 20, 2019

## FISCAL YEAR

# 2021



Recommended Budget for Fiscal Year 2021  
Amended Budget for Fiscal Year 2020  
Capital Improvement Program & Six-Year Financial Forecast





VIRGINIA RAILWAY EXPRESS

# TABLE OF CONTENTS

**Recommended FY 2021 Budget**..... 4

Introduction..... 5

Mission Statement..... 8

Goals for FY 2021..... 8

Financial and Debt Management Principles..... 9

Commuter Rail Operating and Capital (C-ROC) Funding..... 12

FY 2021 Budget Assumptions & Summary..... 14

FY 2021 Subsidy by Jurisdiction..... 16

FY 2021 Summary Proposed Budget..... 17

FY 2021 Sources and Uses of Funds..... 18

**Amended FY 2020 Budget**..... 22

FY 2020 Budget Amendments..... 23

FY 2020 Amended Budget Sources and Uses of Funds..... 25

**Six-Year Financial Forecast FY 2021 – FY 2026**..... 27

Six-Year Financial Forecast..... 28

Six-Year Financial Forecast Statement..... 28

Financial and Debt Management Ratios..... 29

<b>Capital Improvement Program FY 2021 – FY 2026</b> .....	30
Introduction.....	31
Description of the CIP Process.....	32
Capital Financial Outlook.....	34
CIP Project Sheets.....	39
Asset Management & State of Good Repair.....	46
Information Technology.....	56
Passenger Station Facilities.....	60
Rolling Stock.....	76
Station Parking.....	80
Track Maintenance & Storage.....	84
Miscellaneous.....	90
<b>Appendices &amp; Additional Information</b> .....	92
VRE Staff Organizational Chart.....	93
Local Subsidy Calculation from Oct. 2019 Survey.....	94
FY 2021 Departmental Budget.....	95
Future Projects and Projects Administered by Other Entities.....	97



**Recommended FY 2021 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 signed 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 Six-Year Financial Forecast, which is also required by the Master Agreement, combines the impact of future service plans and revenue and expense projections for all activities during the FY 2021 to FY 2026 period. The preliminary FY 2021 VRE Operating and Capital Budget was initially prepared for review at the September 2019 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 2019 and the Commissions in January 2020.

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 2021 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 2021 Operating and Capital Budget totals \$163.9 million. The budget projects average daily ridership of 18,900 passengers which results in a total of \$44.1 million in fare revenue. The budget contains a jurisdictional subsidy increase of 3%, with no increase to fares and no change in the cost to the rider of the Amtrak

Step-Up ticket. The total jurisdictional subsidy, including the 3% increase, is \$18,370,780 for FY 2021. 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 2021, and diesel fuel costs are projected to remain consistent with recent price trends. Contractual increases to the access agreements and train operations and maintenance contracts are the primary reasons for cost increases in the FY 2021 operating budget.

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% (50% federal STP funds and 34% state transit capital match). This commitment is critical to VRE's operating sustainability, and C-ROC funding is expected to be programmed toward capital projects over the next ten years.

Given the funding changes described above, the overall outlook in the FY 2021 to FY 2026 CIP and Six-Year Plan is generally positive. However, challenges and uncertainties remain for VRE, particularly on the capital side, where certain key near-term projects remain partially unfunded. In addition, VRE staff have engaged in preliminary discussions with DRPT about a funding package for the proposed Long Bridge expansion. These discussions have included parameters for a potential financial contribution from VRE, given the importance of Long Bridge to VRE's future. The Operations Board has clearly indicated that C-ROC should be used for transformative and capacity-enhancing projects, and given that Long Bridge is the single most transformative project in the VRE system, DRPT and VRE have identified C-ROC as a potential source for a contribution to Long Bridge. This FY 2021-2026 CIP does not include any specific commitment of funding, C-ROC or otherwise, to the Long Bridge expansion. If such a commitment is approved by the Operations Board and the Commissions in the future, it would be reflected in either an Amended FY 2021 Capital Budget or a future year CIP.

The projects included in the 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 our critical infrastructure, and providing a safe and effective transportation option for the region.

## 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 FY 2021

- Achieve at least a 50 percent operating ratio (cost recovery).
- Operate trains on time greater than 90 percent of time.
- Achieve at least 18,900 average daily ridership
- 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

As part of the passage of HB1539 in March 2018, the Virginia legislature approved the creation of a new 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.” VRE is the only commuter railroad currently operating in Virginia and the only eligible recipient of funding from the C-ROC Fund. C-ROC funding 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.

HB1539 also authorized changes to the regional gasoline taxes collected by the two Commissions that raise the gasoline price floor used to determine the total tax collected. From the total gasoline tax revenues that are generated, HB1539 dedicates \$15 million 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. The new price floor and the flow of funds into the C-ROC Fund went into effect on July 1, 2018. HB1539 is explicit that the C-ROC funding does not replace or supplant any existing revenues and that 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 states that:

- NVTC will serve on behalf of both Commissions as the recipient of all funds from the C-ROC Fund. This follows the existing practice of having PRTC receive and manage VRE’s federal funds and NVTC receive and manage VRE’s state and regional funds. NVTC will establish a depository for the C-ROC funds and invest the funds in accordance with Virginia statutory requirements.
- As part of each year’s VRE budget process, the VRE Operations Board will recommend to the Commissions a process and criteria to be used in determining what operating and/or capital projects are to be funded (in whole or in part) with C-ROC funds during the upcoming fiscal year. This process and criteria will then be used to develop a list of recommended C-ROC-funded projects for consideration and final action by the Commissions along with the approval of the recommended VRE budget.



- NVTC will provide quarterly reports to the Commissions regarding the receipt, investment, and expenditure of C-ROC funds, and the VRE CEO will provide an annual report to the Operations Board and the Commissions on the status of all C-ROC-funded projects.

The C-ROC criteria and recommended project funding for the amended FY 2020 and FY 2021 budgets are described in more detail in the 'Capital Improvement Program FY 2021 – FY 2026' section of this document.

## FY 2021 Budget Assumptions & Summary

The FY 2021 Budget totals \$163.9 million. FY 2021 operating budget expenses of \$91.3 million exceed the prior year amount by \$2.2 million, an increase of 2.4%, with projected revenue increases netting out against increased operating expenses, primarily contractual railroad access, train operations and maintenance cost increases. Major assumptions are as follows:

- Total jurisdictional subsidy of \$18,300,780, an increase of 3% from the FY 2020 subsidy level.
- No increase in passenger fares, including the Amtrak Step-Up fare. Fare revenue budgeted at \$44.1 million based on a projected average daily ridership of 18,900 and 32 daily revenue trains.
- State operating assistance is projected at \$9.7 million, a decrease of \$1.0 million from the actual amount received in FY 2020, but a slight increase over the amount originally projected in the approved FY 2020 budget.
- Fuel cost projected at \$3.9 million, based on an average cost per gallon of \$2.30 and projected usage of 1.70 million gallons.
- Track access fees across all three host railroads of \$18.8 million, based on estimated or actual contractual amounts. Grant funding from all sources for track access fees at 84%, or \$15.8 million, unchanged from the reimbursement percentage received in FY 2020.
- Addition of five (5) FTE employees with a net cost of \$565,000 including benefits:
  - Enterprise Resource Planning (ERP) Systems Administrator
  - Senior Grants Manager
  - Contracts Administrator
  - Mechanical Operations Specialist
  - Communication Specialist
- Required contractual increases for train operations and maintenance of equipment budgeted at a net increase of \$1.3 million reflecting projected cost revisions, increased services and a CPI increase of 1.8%.
- Operating contingency at 2.0% of the operating budget, the same percentage as FY 2020, and an increase of \$30,000.
- Insurance premium costs increased by 10.3%, or \$391,000, due to ongoing changes in the insurance marketplace.
- Net Departmental operating expenses decreased by 0.3%, or a reduction of \$101,000 compared to FY 2020.



- Federal 5307 (Urbanized Area) and 5337 (State of Good Repair) funding of \$32.0 million, \$0.2 million less than in the approved FY 2020 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 2021 capital projects.

## Subsidy by Jurisdiction

The FY 2021 budget includes a 3% increase in the total jurisdictional subsidy. Each October, 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. The FY 2021 jurisdictional subsidy, which reflects the October 2019 ridership survey results, is as follows:

Jurisdiction	FY 2019		FY 2020		FY 2021		Change FY20 to FY21		Change FY19 to FY21	
	Subsidy	Percent	Subsidy	Percent	Subsidy	Percent	Net +/-	% Change	Net +/-	% Change
Fairfax County	\$ 5,385,794	30.3%	\$ 6,253,022	35.2%	\$ 6,379,017	34.9%	\$ 125,995	2.0%	\$ 993,223	18.4%
Prince William County	6,183,745	34.8%	6,098,311	34.3%	5,930,777	32.4%	(167,534)	-2.7%	(252,968)	-4.1%
Stafford County	2,475,127	13.9%	2,352,820	13.2%	2,477,175	13.5%	124,355	5.3%	2,048	0.1%
Spotsylvania County	1,632,635	9.2%	1,285,670	7.2%	1,503,754	8.2%	218,084	17.0%	(128,881)	-7.9%
Manassas	785,898	4.4%	694,742	3.9%	807,234	4.4%	112,492	16.2%	21,336	2.7%
Manassas Park	511,311	2.9%	405,485	2.3%	468,364	2.6%	62,879	15.5%	(42,947)	-8.4%
Fredericksburg	436,568	2.5%	321,028	1.8%	367,089	2.0%	46,061	14.3%	(69,479)	-15.9%
Arlington	211,863	1.2%	211,863	1.2%	218,219	1.2%	6,356	3.0%	6,356	3.0%
Alexandria	144,807	0.8%	144,807	0.8%	149,151	0.8%	4,344	3.0%	4,344	3.0%
	\$ 17,767,748	100%	\$ 17,767,748	100%	\$ 18,300,780	100%	\$ 533,032	3.0%	\$ 533,032	3.0%

Jurisdiction	October 2017		October 2018		October 2019		Change Oct. 18 to Oct. 19		Change Oct. 17 to Oct. 19	
	Riders	Percent	Riders	Percent	Riders	Percent	Net +/-	% Change	Net +/-	% Change
Fairfax County	2,122	22.1%	2,512	25.2%	2,449	25.9%	(63)	-2.5%	327	15.4%
Prince William County	2,995	31.2%	3,083	30.9%	2,752	29.1%	(331)	-10.7%	(243)	-8.1%
Stafford County	1,517	15.8%	1,610	16.2%	1,520	16.1%	(90)	-5.6%	3	0.2%
Spotsylvania County	1,159	12.1%	1,080	10.8%	1,079	11.4%	(1)	-0.1%	(80)	-6.9%
Manassas	416	4.3%	385	3.9%	399	4.2%	14	3.6%	(17)	-4.1%
Manassas Park	264	2.8%	221	2.2%	229	2.4%	8	3.6%	(35)	-13.3%
Fredericksburg	359	3.7%	285	2.9%	287	3.0%	2	0.7%	(72)	-20.1%
Other	759	7.9%	789	7.9%	734	7.8%	(55)	-7.0%	(25)	-3.3%
	9,591	100%	9,965	100%	9,449	100%	(516)	-5.2%	(142)	-1.5%



**FY 2021 Summary Recommended Budget**

Category	Approved FY 2020		Recommended FY 2021	
	FY 2020 Operating	FY 2020 Capital	FY 2021 Operating	FY 2021 Capital
<b>Revenue:</b>				
Fare Revenue	43,810,000		44,090,000	
Miscellaneous Revenue	225,000		300,000	
Jurisdictional Subsidy	13,230,397	4,537,351	13,817,632	4,483,148
Other Sources (Use of Prev. Surplus)	-	-	-	-
NVTA Grant Funding	-	4,000,000	-	-
State CROC Dedicated Funding	-	15,000,000	-	15,000,000
Federal/State Subsidy - Operating	31,462,978		31,879,656	
Federal/State Subsidy - Capital		41,197,349		53,024,602
Operating/Capital Reserves	-	200,000	-	-
Interest Income	500,000		1,300,000	
<b>Total Revenue</b>	<b>89,228,375</b>	<b>64,934,700</b>	<b>91,387,287</b>	<b>72,507,750</b>
<b>Operating/Non-Operating Expenses:</b>				
Non-Departmental Operating	5,365,598		5,800,514	
Executive Management	1,504,700		1,263,000	
Chief of Staff	675,100		683,600	
Marketing	425,550		409,300	
Finance and Human Resources	4,394,000		4,507,800	
Purchasing and Contract Administration	620,250		745,850	
Project Development	996,520		956,900	
Project Implementation	1,278,000		1,117,500	
Rail Operations	2,258,000		2,386,500	
Information Technology	2,140,500		2,078,500	
Facilities Maintenance	4,389,700		4,527,300	
Mechanical Operations	10,854,200		10,565,700	
System Safety & Security	1,294,500		1,488,200	
PRTC	104,000		102,000	
NVTC	90,000		90,000	
Train Operations	16,287,000		16,591,500	
Maintenance of Equipment	6,868,000		7,832,285	
Amtrak	4,881,000		5,181,000	
Amtrak Access Fees	6,630,000		6,879,000	
Norfolk Southern Access Fees	3,390,000		3,442,000	
CSX Access Fees	8,510,000		8,468,000	
<b>Total Operating/Non-Operating Expenses</b>	<b>82,956,618</b>	<b>-</b>	<b>85,116,449</b>	<b>-</b>
CIP Expenditures		64,934,700		72,507,750
Debt Service/Allowance for Doubtful Accts	6,271,757		6,270,838	
<b>Total CIP and Other Expenditures</b>	<b>6,271,757</b>	<b>64,934,700</b>	<b>6,270,838</b>	<b>72,507,750</b>
<b>Grand Total Expenses</b>	<b>89,228,375</b>	<b>64,934,700</b>	<b>91,387,287</b>	<b>72,507,750</b>



## FY 2021 Sources and Uses

LEVEL OF SERVICE FOR FY 2021      32 Trains      18,900 Average Daily Riders

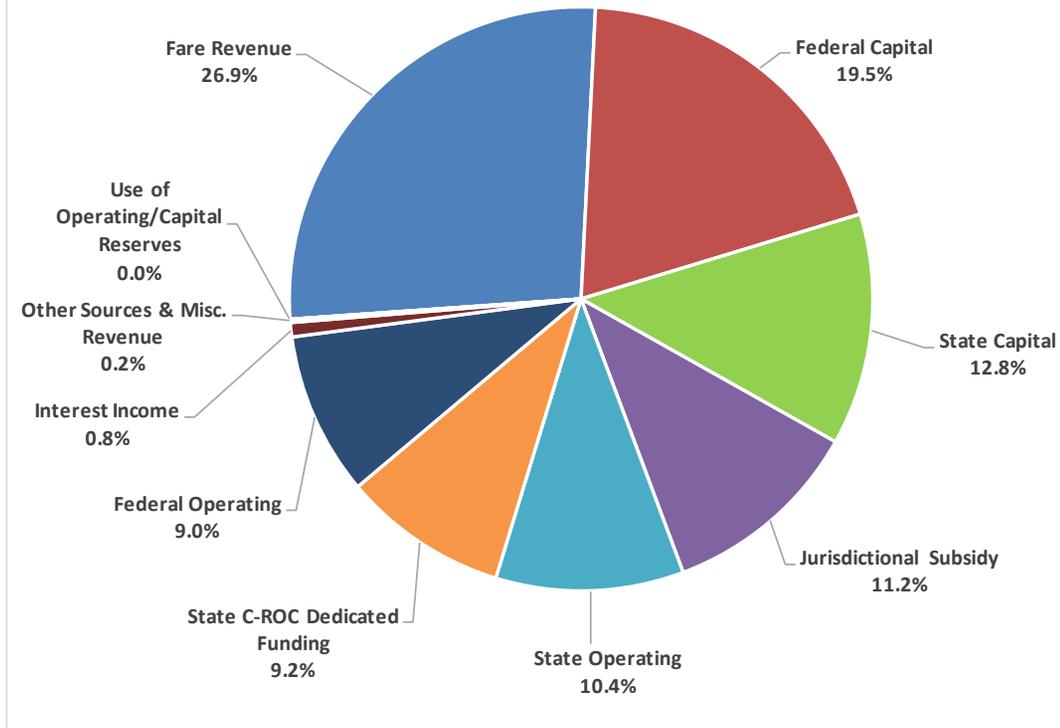
Access Fees	
Amtrak	6,879,000
NS	3,442,000
CSX	8,468,000
<b>Total</b>	<b>18,789,000</b>

	USES OF FUNDS	SOURCES OF FUNDS												TOTAL	
		FARE INCOME			LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING			STATE OPERATING				STATE CAPITAL
		INTEREST	MISC	STATE STP				STATE 5307/5337	STATE OTHER						
<b>Operating Expenses</b>	<b>85,137,449</b>	<b>44,090,000</b>	<b>1,300,000</b>	<b>300,000</b>	<b>13,444,689</b>	-	-	-	<b>9,700,000</b>	<b>6,388,260</b>	<b>9,394,500</b>	<b>520,000</b>	-	<b>85,137,449</b>	
<b>Non-Operating Expenses:</b>															
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	
<b>Non-Operating Summary</b>	<b>6,249,838</b>	-	-	-	<b>372,943</b>	-	-	-	-	<b>979,483</b>	-	<b>4,897,413</b>	-	<b>6,249,838</b>	
<b>Total Expenses (Subtotal)</b>	<b>91,387,287</b>	<b>44,090,000</b>	<b>1,300,000</b>	<b>300,000</b>	<b>13,817,632</b>	-	-	-	<b>9,700,000</b>	<b>7,367,743</b>	<b>9,394,500</b>	<b>5,417,413</b>	-	<b>91,387,287</b>	
<b>Capital Projects:</b>															
Facilities Asset Management Program	2,290,000				91,600							366,400	1,832,000	2,290,000	
New York Avenue Midday Storage Facility	12,072,745				482,910							4,104,733	7,485,102	12,072,745	
Equipment Asset Management Program	3,845,000				153,800							615,200	3,076,000	3,845,000	
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	
Unprogramed Federal Formula Funds	12,796,254				511,850							2,047,401	10,237,003	12,796,254	
L'Enfant Station Improvements (CROC)	15,000,000				-			15,000,000				-	-	15,000,000	
Capital Reserve Contribution	3,000,000				3,000,000									3,000,000	
<b>Capital Project Summary</b>	<b>55,078,712</b>	-	-	-	<b>4,483,148</b>	-	-	<b>15,000,000</b>	-	<b>9,005,688</b>	-	<b>26,589,876</b>	-	<b>55,078,712</b>	
<b>CMAQ/REF/IPROC</b>															
Broad Run Expansion (CMAQ)	4,262,000				-							852,400	-	3,409,600	
Backlick Road Station Improvements (CMAQ)	2,000,000				-							400,000	-	1,600,000	
Brooke Station Improvements (CMAQ)	245,019				-							49,004	-	196,015	
Leeland Road Station Improvements (CMAQ)	245,019				-							49,004	-	196,015	
Fleet Expansion Coaches (Smartscale)	10,677,000				-							10,677,000	-	10,677,000	
<b>Summary</b>	<b>17,429,038</b>	-	-	-	-	-	-	-	-	<b>12,027,408</b>	-	-	<b>5,401,630</b>	<b>17,429,038</b>	
<b>TOTAL</b>	<b>163,895,037</b>	<b>44,090,000</b>	<b>1,300,000</b>	<b>300,000</b>	<b>18,300,780</b>	-	-	<b>15,000,000</b>	<b>9,700,000</b>	<b>28,400,838</b>	<b>9,394,500</b>	<b>32,007,289</b>	<b>5,401,630</b>	<b>163,895,037</b>	

	Program	Funding	Federal Amt	State Amt
<b>Soft Capital Projects</b>				
Debt Service 11 Cabcars	1,931,357	5337	1,545,086	309,017
Access lease funding (50%/34%)	18,789,000	SSTP/State	9,394,500	6,388,260
<i>Local only</i> Debt Service VRA - 60 Railcars	99,072	Local	-	-
<i>Fed/State/Local</i> Debt Service VRA - 60 Railcars	2,444,405	5337	1,955,524	391,105
<i>Fed/State/Local</i> Debt Service VRA - 60 Railcars	1,746,004	5307	1,396,803	279,361
Grant & Project Management	650,000	5307	520,000	-
Subtotal	25,659,838			7,367,743
Capital Projects/Earmarks	72,507,750		31,991,506	21,033,096
Federal Cap Program	98,167,588		46,803,419	28,400,838

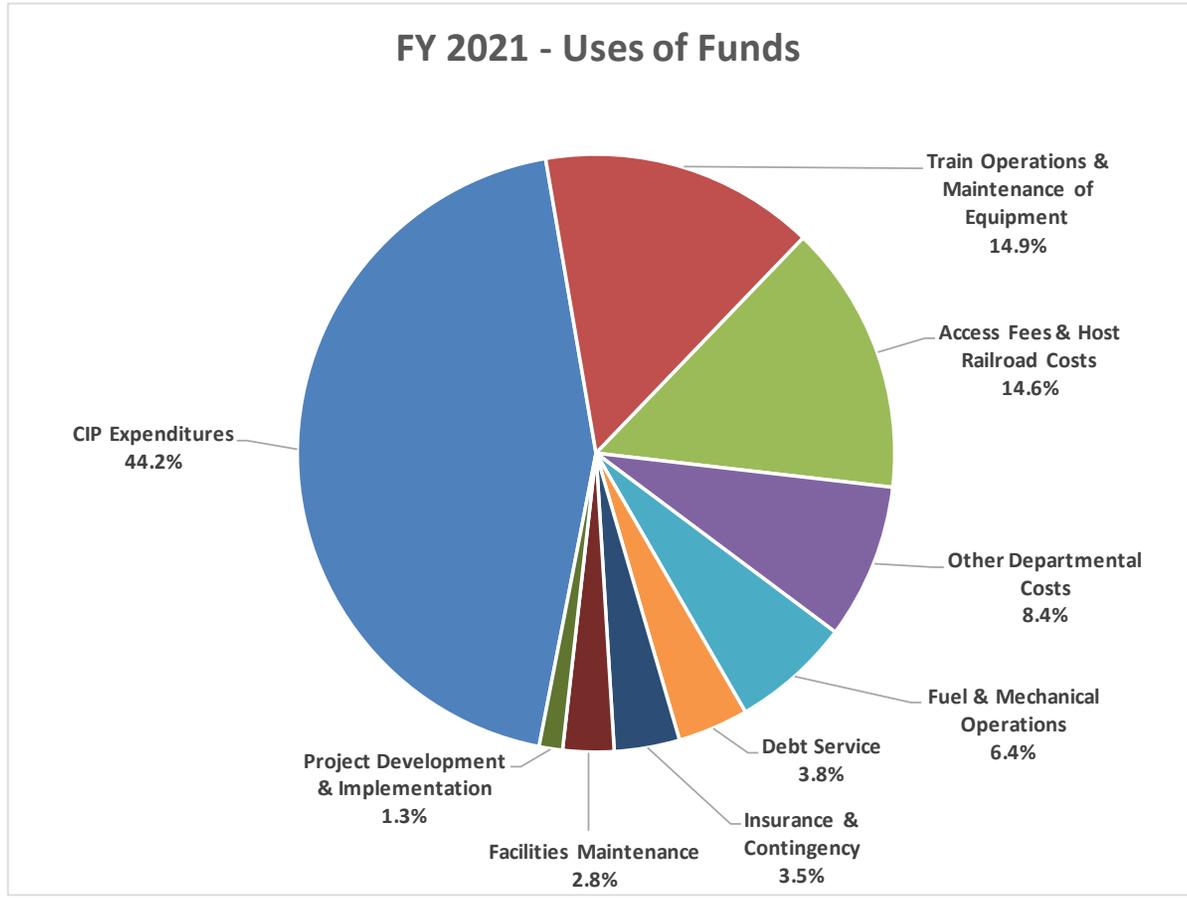


### FY 2021 - Sources of Funds



Revenue Source	FY 2021 Amount	% of Total
Fare Revenue	\$ 44,090,000	26.9%
Federal Capital	\$ 31,991,506	19.5%
State Capital	\$ 21,033,096	12.8%
Jurisdictional Subsidy	\$ 18,300,780	11.2%
State Operating	\$ 17,067,743	10.4%
State C-ROC Dedicated Funding	\$ 15,000,000	9.2%
Federal Operating	\$ 14,811,913	9.0%
Interest Income	\$ 1,300,000	0.8%
Other Sources & Misc. Revenue	\$ 300,000	0.2%
Use of Operating/Capital Reserves	\$ -	0.0%
<b>Total Sources of Funds</b>	<b>\$ 163,895,037</b>	<b>100.0%</b>

## FY 2021 - Uses of Funds



Type of Use	FY 2021 Amount	% of Total
CIP Expenditures	\$ 72,507,750	44.2%
Train Operations & Maintenance of Equipment	\$ 24,423,785	14.9%
Access Fees & Host Railroad Costs	\$ 23,970,000	14.6%
Other Departmental Costs	\$ 13,754,750	8.4%
Fuel & Mechanical Operations	\$ 10,565,700	6.4%
Debt Service	\$ 6,270,838	3.8%
Insurance & Contingency	\$ 5,800,514	3.5%
Facilities Maintenance	\$ 4,527,300	2.8%
Project Development & Implementation	\$ 2,074,400	1.3%
<b>Total Uses of Funds</b>	<b>\$ 163,895,037</b>	<b>100.0%</b>





## Amended FY 2020 Budget

## FY 2020 Budget Amendments

The FY 2020 budget has been revised to reflect current projections for revenue and expenses, as follows:

### Revenue

- Increase in state operating assistance in the amount of \$1.2 million to reflect a higher funding amount than originally projected, of which \$1.0 million is ‘transition assistance’ that is not expected to recur in FY 2021.
- A net decrease to federal and state grant revenue by a total of \$219,000 related to a slight reduction of Federal formula funds awarded to VRE.
- Allocation of \$2.9 million in capital reserve for various projects (see below).

### Expenses

- FY 2020 operating contingency was reduced by a net \$413,000 for various additions and revisions of current year operating and capital costs and revenue. The notable expense changes were: revision to Keolis Maintenance of Equipment related to additional service related to L’Enfant storage and costs related to operating longer train consists, an increase of \$561,000; an increase of \$465,000 related to the purchase of door control switches for VRE Railcars; a \$150,000 carryover from FY 2019 for furniture and fixtures for the LOU Facility; an additional \$114,000 for increased liability insurance costs; \$110,000 in funding for expanded electronic communications and \$100,000 for VRE Website Communications management costs; and \$95,000 for bridge and parking structure inspections.

### Capital Program

- Capital project obligations were increased by \$2.7 million to reflect additional available capital funding:
  - A net decrease to federal and state grant obligations of \$228,000 related to a slight reduction of Federal formula funds awarded to VRE.
  - Allocation of an additional \$3.0 million of unallocated Federal and state grant funding to the Rolling Road Station Improvement Project.
  - Capital Reserve funds of \$2.9 million allocated for the Crossroads Land Acquisition (\$2.4 million); the S&B Fare Collection system FareGo Upgrade (\$345,000); additional funding for preliminary engineering and environmental clearance activities for the Crystal City Station Improvements project (\$175,000); and design services for the VRE Office Renovation Phase II (\$96,000) project.



❑ Use of FY 2019 Surplus

- No one-time items in FY 2021 in need of funding from prior year surplus.
- Operating reserve (working capital) currently at slightly more than three months of operating expense – no additional contribution required.
- \$6.5 million contribution to Capital Reserve.

**FY 2020 Amended Sources and Uses**

LEVEL OF SERVICE FOR FY 2020

32 Trains 18,700 Average Daily Riders

Access Fees	
Amtrak	6,630,000
NS	3,390,000
CSX	8,510,000
<b>Total</b>	<b>18,530,000</b>

	USES OF FUNDS	SOURCES OF FUNDS												TOTAL
		STATE						FEDERAL						
		FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE OPERATING	STATE CAPITAL	STATE STP	5307/5337	OTHER	
<b>Operating Expenses</b>	<b>84,203,149</b>	<b>43,810,000</b>	<b>500,000</b>	<b>225,000</b>	<b>12,880,576</b>	-	-	-	<b>10,702,373</b>	<b>6,300,200</b>	<b>9,265,000</b>	<b>520,000</b>	-	<b>84,203,149</b>
<b>Non-Operating Expenses:</b>														
Operating Reserve	15,000				15,000									15,000
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)	4,191,328				167,653						670,612	3,353,062		4,191,328
<b>Non-Operating Summary</b>	<b>6,236,757</b>	-	-	-	<b>358,979</b>	-	-	-	-	<b>979,630</b>	-	<b>4,898,148</b>	-	<b>6,236,757</b>
<b>Total Expenses (Subtotal)</b>	<b>90,439,906</b>	<b>43,810,000</b>	<b>500,000</b>	<b>225,000</b>	<b>13,239,555</b>	-	-	-	<b>10,702,373</b>	<b>7,279,830</b>	<b>9,265,000</b>	<b>5,418,148</b>	-	<b>90,439,906</b>
<b>Capital Projects:</b>														
Facilities Asset Management Program	802,476				32,099					128,396		641,981		802,476
Equipment Storage Projects	17,082,458				683,298					5,808,036		10,591,124		17,082,458
Equipment Asset Management Program	4,325,000				173,000					692,000		3,460,000		4,325,000
Security Enhancements	117,794				4,712					18,847		94,235		117,794
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000		5,000,000
Rolling Road Station Improvements	3,000,000				120,000					480,000		2,400,000		3,000,000
Unprogrammed Federal Formula Funds	7,877,088				315,084					1,260,334		6,301,670		7,877,088
ERP Implementation	200,000				-	200,000				-		-		200,000
Crystal City Station Improvements (CROC)	15,174,619				-	174,619		15,000,000		-		-		15,174,619
Crossroads Land Acquisition	2,359,631				-	2,359,631				-		-		2,359,631
VRE Office Renovation, Phase Two	96,222				-	96,222				-		-		96,222
S&B Fare Collections FareGo Upgrade	345,410				-	345,410				-		-		345,410
Capital Reserve	3,000,000				3,000,000									3,000,000
<b>Capital Project Summary</b>	<b>59,380,698</b>	-	-	-	<b>4,528,193</b>	<b>3,175,882</b>	-	<b>15,000,000</b>	-	<b>10,087,613</b>	-	<b>26,589,010</b>	-	<b>59,380,698</b>
<b>CMAQ/REF/IPROC</b>														
Brooke Station Improvements (CMAQ)	262,500				-					52,500		210,000		262,500
Leeland Road Station Improvements (CMAQ)	262,500				-					52,500		210,000		262,500
Quantico Station Parking Improvements (CMAQ)	1,704,928				-					340,986		1,363,942		1,704,928
Brooke Station Improvements (Smartscale)	700,000				-					700,000		-		700,000
Leeland Road Parking Improvements (Smartscale)	360,000				-					360,000		-		360,000
Quantico Station Improvements (Smartscale)	1,011,125				-					1,011,125		-		1,011,125
Crystal City Station Improvements (NVTA)	4,000,000				-		4,000,000			-		-		4,000,000
<b>Summary</b>	<b>8,301,053</b>	-	-	-	-	-	<b>4,000,000</b>	-	-	<b>2,517,111</b>	-	<b>1,783,942</b>	-	<b>8,301,053</b>
<b>TOTAL</b>	<b>158,121,657</b>	<b>43,810,000</b>	<b>500,000</b>	<b>225,000</b>	<b>17,767,748</b>	<b>3,175,882</b>	<b>4,000,000</b>	<b>15,000,000</b>	<b>10,702,373</b>	<b>19,884,553</b>	<b>9,265,000</b>	<b>32,007,158</b>	<b>1,783,942</b>	<b>158,121,657</b>

	Program	Funding	Federal Amt	State Amt
Soft Capital Projects				
Debt Service 11 Cabcars	1,931,357	5337	1,545,086	309,017
Access lease funding (50%/34%)	18,530,000	SSTP/State	9,265,000	6,300,200
<i>Local only</i> Debt Service VRA - 60 Railcars	99,072		-	-
<i>Fed/State/Local</i> Debt Service VRA - 60 Railcars	2,444,941	5337	1,955,953	391,191
<i>Fed/State/Local</i> Debt Service VRA - 60 Railcars	1,746,387	5307	1,397,109	279,422
Grant & Project Management	650,000	5307	520,000	-
Subtotal	25,401,757			7,279,830
Capital Projects/Earmarks	67,681,751		28,372,953	12,604,724
Federal Cap Program	93,083,508		43,056,101	19,884,553





## Six-Year Financial Forecast FY 2021 – FY 2026

## Six-Year Financial Forecast

In accordance with the VRE Master Agreement, the FY 2021 budget includes a six-year financial plan, covering FY 2021 thru FY 2026. The key assumptions in the forecast are outlined below:

- Operating ratio maintained at 50% or higher through FY 2026
- Projected service level:
  - 32 daily revenue trains for FY 2021 – FY 2026
- Operating costs:
  - Increase in base costs varies by year, based on annual ridership changes
  - Operating cost projections of major capital projects included
  - Train operations and maintenance of equipment, midday services, fuel, track leases and debt service tracked separately
- Fare revenue:
  - 3% increase in FY 2022, FY 2024 and FY 2026 – no increase in FY 2021, FY 2023 and FY 2025
- Local subsidy:
  - 3% increase in FY 2021, FY 2023 and FY2025 – no increase in FY 2022, FY 2024 and FY 2026
- Grant revenue:
  - Access lease reimbursement funding equal to 84% of access costs through FY 2026.
  - State operating grant funding based on current funding amount, no increases or decreases projected
  - Federal capital program is shown as in six-year CIP, with level funding from FY 2021 to FY 2026
  - State capital grant matched at 16% in FY 2021, except for New York Avenue Midday Storage Facility and Washington Union Station Improvements projects, matched at 34% in FY 2021
  - State capital grant matching projected to be maintained at 16% in FY 2022 – FY 2026
- Tools for addressing potential funding gaps in future years are listed at the bottom of the forecast: reduction or deletion of annual contribution to capital reserve; use of federal funds for preventive maintenance in operating budget; use of C-ROC dedicated funding for operating expenses; and use of capital or operating reserve funds, as applicable. Some combination of these and other options would be considered if funding issues are not resolved.
- Tools for addressing potential funding gaps in future years are listed at the bottom of the forecast: reduction or deletion of annual contribution to capital reserve; use of federal funds for preventive maintenance in operating budget; use of C-ROC dedicated funding for operating expenses; and use of capital or operating reserve funds, as applicable. Some combination of these and other options would be considered if funding issues are not resolved.



FY-2021 Six Year Financial Forecast

Description	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	Comments
<b>Number of Trains</b>	32	32	32	32	32	32	32	
Manassas Line	16	16	16	16	16	16	16	
Fredericksburg Line	16	16	16	16	16	16	16	
<b>Average Daily Ridership</b>	18,700	18,900	19,100	19,300	19,500	19,700	19,900	
<b>Average Fare Price</b>	9.17	9.25	9.53	9.53	9.81	9.81	10.11	3% Increase in FY20; FY22; FY24; FY26
<b>Potential Operating Ratio</b>	53%	52%	52%	51%	51%	50%	50%	
<b>Use of Funds for Operations</b>								
<b>Net Operating Expenses</b>	28,217,118	28,646,664	29,506,064	30,391,246	31,302,983	32,242,073	33,209,335	
<b>Operating Expense of Capital Projects</b>	-	-	258,000	303,000	333,000	348,000	383,000	
<b>Budgeted Operating Reserves</b>	15,000	29,000	292,533	301,928	311,628	321,646	331,991	Maintain Minimum of 17% Operating Reserve
<b>Insurance</b>	3,796,000	4,187,000	4,187,000	4,385,000	4,615,000	4,852,000	5,104,000	
<b>Amtrak</b>	4,881,000	5,181,000	5,388,240	5,603,770	5,827,920	6,061,037	6,303,479	
<b>Contracted Train Operations</b>	16,287,000	16,591,500	17,089,245	17,601,922	18,129,980	18,673,879	19,234,096	
<b>Maintenance of Equipment</b>	6,868,000	7,832,285	8,067,254	8,309,271	8,558,549	8,815,306	9,079,765	
<b>Fuel</b>	4,412,500	3,910,000	4,066,400	4,229,056	4,398,218	4,574,147	4,757,113	
<b>Track Lease Expense</b>	18,530,000	18,789,000	19,540,560	20,178,995	21,135,070	21,980,472	22,859,691	
<b>Debt Service</b>	6,221,757	6,220,838	6,222,198	6,222,023	6,224,929	6,220,660	5,258,154	
<b>Total Operating Costs</b>	<b>89,228,375</b>	<b>91,387,287</b>	<b>94,617,493</b>	<b>97,526,210</b>	<b>100,837,278</b>	<b>104,089,220</b>	<b>106,520,623</b>	
<b>Sources of Funds For Operations</b>								
<b>Fare Revenue</b>	43,810,000	44,090,000	45,700,000	46,200,000	48,000,000	48,500,000	50,500,000	
<b>Interest Income</b>	500,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	
<b>Other Income</b>	225,000	300,000	300,000	300,000	300,000	300,000	300,000	
<b>Other</b>	-	-	-	-	-	-	-	One-Time Expenditures, Use of Prev. FY Surplus
<b>State CROC Dedicated Funding (Operating)</b>	-	-	-	-	-	-	-	CROC - Operating Portion
<b>State Operating Grant</b>	9,500,000	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000	
<b>State Capital Grant</b>	7,279,830	7,367,743	7,623,273	7,840,558	8,165,596	8,453,498	8,751,749	
<b>Federal Grants:</b>								
Track Access Lease Funding	9,265,000	9,394,500	9,770,280	10,089,498	10,567,535	10,990,236	11,429,846	
Federal Operating Funds (Debt service & loans)	4,898,148	4,897,413	4,898,501	4,898,361	4,900,686	4,897,271	4,127,265	
Other Federal Revenues	520,000	520,000	520,000	520,000	520,000	520,000	520,000	
<b>Total Operating Revenues</b>	<b>75,997,978</b>	<b>77,569,656</b>	<b>79,812,054</b>	<b>80,848,417</b>	<b>83,453,816</b>	<b>84,661,005</b>	<b>86,628,860</b>	
<b>Surplus/(Deficit) for Operations</b>	<b>(13,230,397)</b>	<b>(13,817,632)</b>	<b>(14,805,440)</b>	<b>(16,677,794)</b>	<b>(17,383,462)</b>	<b>(19,428,216)</b>	<b>(19,891,762)</b>	
<b>Local Subsidy</b>	17,767,748	18,300,780	18,300,780	18,849,803	18,849,803	19,415,298	19,415,298	3% Increase in FY21; FY23; FY25
<b>Net subsidy available for capital match</b>	<b>4,537,351</b>	<b>4,483,148</b>	<b>3,495,340</b>	<b>2,172,010</b>	<b>1,466,342</b>	<b>(12,918)</b>	<b>(476,465)</b>	
<b>Use of Funds for Capital Program</b>								
<b>Capital Cost Base Program</b>	64,934,700	72,507,750	99,875,207	87,424,861	53,483,253	54,687,522	51,234,350	
<b>Total Capital Program Costs</b>	<b>64,934,700</b>	<b>72,507,750</b>	<b>99,875,207</b>	<b>87,424,861</b>	<b>53,483,253</b>	<b>54,687,522</b>	<b>51,234,350</b>	
<b>Sources of Funds for Capital Program</b>								
<b>Federal Grants:</b>	80%	80%	80%	80%	80%	80%	80%	
Federal funding (Includes CMAQ)	28,556,118	31,991,506	30,290,218	31,699,108	26,586,602	27,550,018	26,587,480	
Federal funding - Track Access	50%	50%	50%	50%	50%	50%	50%	
<b>Matching Funds</b>								
State Capital Grants - non-federal costs	12,641,232	21,033,096	50,105,276	36,264,770	7,477,320	7,718,004	5,317,496	
Local/Other Funds	200,000	-	-	-	-	-	-	
NVTA Capital Grant Funding	4,000,000	-	-	-	-	-	-	
State CROC Dedicated Funding - Capital	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	CROC - Capital Portion
Net local subsidy available for capital match	4,537,351	4,483,148	3,495,340	2,172,010	1,466,342	(12,918)	(476,465)	
<b>Total Sources of Funding for Capital Program</b>	<b>64,934,700</b>	<b>72,507,750</b>	<b>98,890,834</b>	<b>85,135,887</b>	<b>50,530,264</b>	<b>50,255,103</b>	<b>46,428,511</b>	
<b>Add'l funds required to fund Operations and Capital:</b>								
<b>Additional required for operations/base program</b>	-	-	(984,373)	(2,288,974)	(2,952,989)	(4,432,419)	(4,805,839)	
<b>Potential Means to Address Future Gap As Needed:</b>								
Reduction of Annual Capital Reserve Contribution	-	-	(984,373)	(2,288,974)	(2,952,989)	(3,000,000)	(3,000,000)	
Use of Federal Formula Funds for Preventive Maint.	-	-	-	-	-	(1,432,419)	(1,805,839)	80% Federal Money, Net Effect of Use
Use of CROC Funds for Operations	-	-	-	-	-	-	-	CROC Funding may be used for Capital or Operating
Use of Reserve Funds	-	-	-	-	-	-	-	
<b>Remaining Shortfall After Potential Solutions Utilized</b>	-	-	-	-	-	-	-	

Note: Capital Program excludes debt service



## Financial and Debt Ratios

VRE’s Financial and Debt Management Principles are detailed earlier in this document. The development and implementation of such principles is a best practice for financial management, provides a framework for evaluating the long-term impact of current decisions, and supports high quality credit ratings.

Each year as part of the budget process, VRE measures and reports on whether the six-year financial forecast and CIP have been developed in accordance with, and meet the criteria of, the Financial and Debt Management Principles.

Description	FY21	FY22	FY23	FY24	FY25	FY26
<b>Operating cost ratio (cost recovery) higher than 50%</b>						
<i>Projected</i>	52%	52%	51%	51%	50%	50%
<b>Debt service limited to 20% of annual operating costs:</b>						
Total operating costs	91,387,287	94,617,493	97,526,210	100,837,278	104,089,220	106,520,623
Existing annual debt service cost	6,220,838	6,222,198	6,222,023	6,224,929	6,220,660	5,258,154
<b>Existing debt service as a % of operating costs</b>	<b>6.8%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>6.2%</b>	<b>6.0%</b>	<b>4.9%</b>
<b>Working capital reserves not less than 2 months and goal to maintain 3 months</b>						
<i>Number of months</i>	3.9	3.8	3.7	3.6	3.5	3.5
<b>PAYGO equal to a minimum of 20% of the funded portion of the CIP over the 6-year period:</b>						
Funded portion of CIP	72,507,750	99,875,207	87,424,861	53,483,253	54,687,522	51,234,350
<b>PAYGO %</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



**Capital Improvement Program  
FY 2021 – FY 2026**

## Introduction

The FY 2021 – 2026 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 annual process of identifying investment criteria for the C-ROC and prioritizing the projects that will receive C-ROC funding is incorporated into the overall VRE budget process.
- 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, generally 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 \$1.58M. A replenishment of \$2M 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 2020 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 2021 to FY 2026). 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 compares 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.

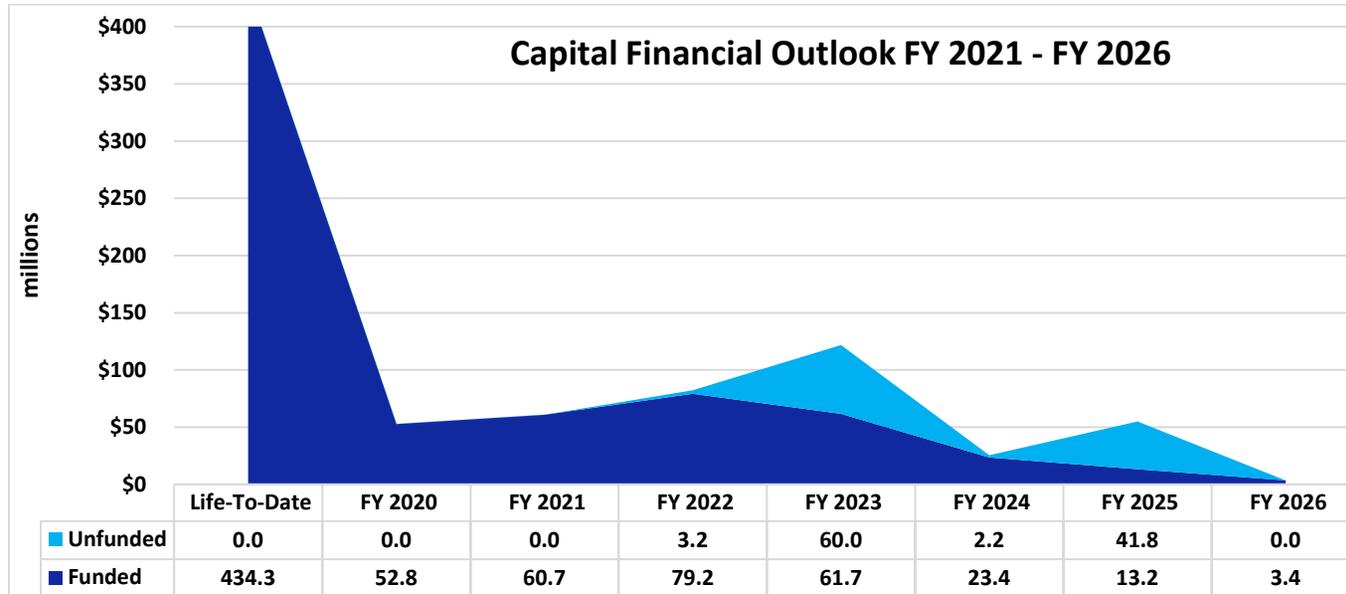
The capital improvement projects are designed to maintain and enhance VRE’s service by renovating and strengthening the core system; improving the system’s security and reliability; and modernizing and expanding the system to accommodate increasing ridership demand. This CIP is a snapshot of the current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

## Capital Financial Outlook

As a result of the significant funding changes at the state level in 2018, the outlook in the FY 2021 to FY 2026 CIP is more positive than in past years. These changes include the creation of the C-ROC Fund and the dedication of \$15 million per year for VRE's operating and capital needs, as well as a commitment by the state to continue current levels of reimbursement for track access fees. However, funding challenges remain for VRE, 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 2021 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, major investments such as the various third track projects are unfunded and will require creative funding approaches that include a range of stakeholders. On the operating side, relatively flat ridership projections 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 achieved before future service expansions can be contemplated.

Given current cost estimates, full funding of the projects in the FY 2021-FY 2026 CIP (including all costs to complete) will require approximately \$836 million. Of this total, \$729 million (87%) 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 \$836 million for projects included in the FY 2021 – 2026 Six Year Plan.



### Capital Sources and Uses

Capital projects frequently rely on funds obligated in prior years, unlike operating budget 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 2021 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 recommending evaluation criteria and a project list for the programming of C-ROC funds.



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. During the FY 2020 budget process, the following criteria were developed by the Operations Board:

- 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 as part of the FY 2020 budget:

- FY2019 (Amended): \$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

VRE staff have been engaged in preliminary discussions with DRPT about a funding package for the proposed Long Bridge expansion. These discussions have included parameters for a potential financial contribution from VRE, given the importance of Long Bridge to VRE's future plans. The Operations Board has clearly indicated that C-ROC should be used for transformative and capacity-enhancing projects, and given that Long Bridge is the single most transformative project in the VRE system, DRPT and VRE have tentatively identified C-ROC as the source for a contribution to Long Bridge.

The preliminary discussions are currently contemplating a combination of an upfront contribution to Long Bridge of more than \$100 million from a C-ROC backed debt issuance, plus additional pay-as-you-go (PAYGO) contributions during the period of design and capital construction. If the Operations Board directs VRE staff to continue pursuing this proposed funding approach, it is expected that staff would return to the Operations Board for formal approval and

commitment of future (i.e., FY 2022 and later) C-ROC funding to the Long Bridge project as part of the Recommended FY 2022 Budget.

### **Unfunded Projects and Unprogrammed Funding Sources**

Approximately 13%, or \$107 million, of VRE’s \$836 million CIP is currently unfunded. This figure includes the Crystal City Station Improvements project (pending an application for NVRTA funding) 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). Within the six-year window, \$75 million of C-ROC funding remains currently unprogrammed for FY 2022 through FY 2026, though these funds (in whole or in part) may end up being committed to the Long Bridge project as described above.

In addition to these unfunded projects, the six-year forecast 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 \$102 million over the entire CIP period. (VRE’s total projected federal grant allocation plus match over the period, including FY 2020 Amended, is \$280 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 recent economic changes (e.g., steel tariffs) or other uncertainties lead to significant cost increases for existing SGR projects.

## CIP Project Sheets

The CIP includes 38 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.

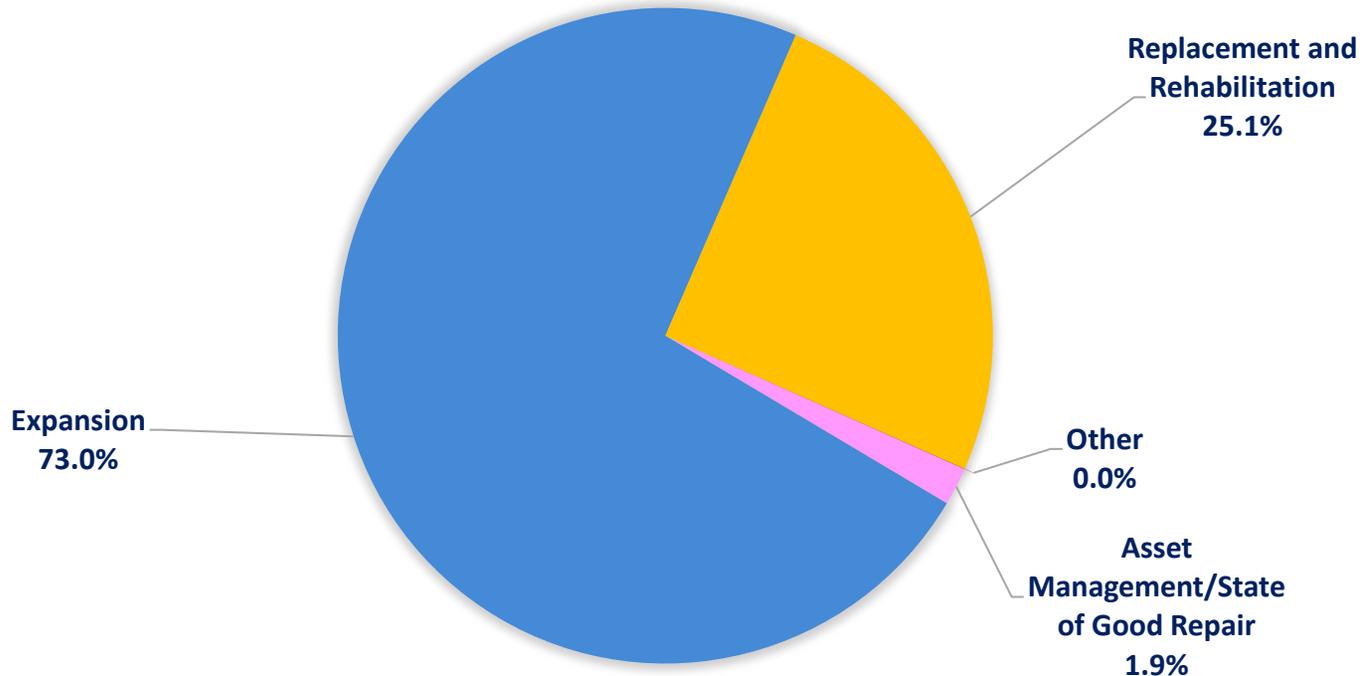
*Expansion* – improvements implemented primarily for the purpose of increasing capacity.

*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 2021 to FY 2026 CIP indicating the amount unfunded by year. No unfunded amounts are reflected through FY 2021 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.

### FY 2021 - FY 2026 CIP BY PROJECT TYPE (\$836 MILLION)



*(amounts in millions)*

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	\$15.7	\$15.7	
Expansion	\$610.1	\$521.9	\$88.2
Replacement and Rehabilitation	\$210.1	\$191.2	\$19.0
Other	\$0.1	\$0.1	
<b>Total</b>	<b>\$836.0</b>	<b>\$728.8</b>	<b>\$107.2</b>



**Capital Improvement Program By Program Area (in millions)**

Program Name	Project ID	Project Name	Life-To-Date	2020 Amended	2021 Proposed	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Asset Management/State of Good Repair	AM-2	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.7	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.5
	AM-5	Equipment Asset Management Program	15.1	4.3	3.8	2.1	2.0	1.7	1.9	3.3	34.3
	AM-6	Facilities Asset Management Program	13.9	0.8	2.3						17.0
	AM-6A	Fredericksburg Station Rehabilitation	1.9			3.2					5.0
	AM-7	Positive Train Control	14.2								14.2
	AM-8	Security Cameras	1.6		0.3			0.5			2.4
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
<b>Asset Management/State of Good Repair Total</b>			<b>53.7</b>	<b>5.2</b>	<b>6.5</b>	<b>5.4</b>	<b>2.1</b>	<b>2.3</b>	<b>2.0</b>	<b>3.4</b>	<b>80.7</b>
Information Technology	IT-2	ERP Implementation	2.6	0.2							2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
	IT-4	FareGo data upgrade to backend system		0.3							0.3
<b>Asset Management/State of Good Repair Total</b>			<b>3.6</b>	<b>0.5</b>							<b>4.1</b>
Passenger Station Facilities	ST-1	Alexandria Station Improvements	18.4			6.3	6.3				31.0
	ST-4	Backlick Road Station Improvements			2.0		1.0				3.0
	ST-5	Brooke Station Improvements	9.0	1.0	0.2	4.6	8.6				23.4
	ST-8	Crystal City Station Improvements	1.4	15.2	4.7	13.0	15.8				50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	9.0	0.3	0.2	3.1	2.7				15.3
	ST-11	L'Enfant Station Improvements	18.2		15.0	2.4	15.7	11.1	17.5		80.0
	ST-13	Lorton Station Second Platform	16.2								16.2
	ST-14	Quantico Station Improvements	16.5	1.0		0.9					18.4
	ST-15	Rippon Station Improvements	16.6								16.6
	ST-17	Rolling Road Station Improvements	2.0	3.0							5.0
	ST-18	Washington Union Station Improvements	10.0	5.0	5.0	5.0	10.0	10.0	10.0		55.0
ST-19	Woodbridge Station Improvements				2.0		2.2	25.5		29.7	
ST-21	Manassas Station Improvements	9.1								9.1	
<b>Asset Management/State of Good Repair Total</b>			<b>139.4</b>	<b>25.4</b>	<b>27.2</b>	<b>37.3</b>	<b>60.1</b>	<b>23.3</b>	<b>53.0</b>		<b>365.7</b>
Rolling Stock Equipment	RS-3	Fleet Expansion Coaches - Manassas Line - Short Term	28.1								28.1
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)			10.7	15.9	7.8				34.3
<b>Asset Management/State of Good Repair Total</b>			<b>28.1</b>		<b>10.7</b>	<b>15.9</b>	<b>7.8</b>				<b>62.4</b>
Station Parking	PK-3	Leeland Road Parking Improvements		0.4		5.2					5.5
	PK-4	Manassas Park Parking Improvements	26.0								26.0
	PK-5	Quantico Station Parking Improvements		1.7							1.7
<b>Asset Management/State of Good Repair Total</b>			<b>26.0</b>	<b>2.1</b>		<b>5.2</b>					<b>33.2</b>
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	38.2								38.2
	MS-7	New York Avenue Midday Storage Facility	58.5	17.1	12.1	11.7					99.4
	MS-8	Crossroads MSF - Land Acquisition		2.4							2.4
	OT-2	Broad Run Expansion (BRX)	82.5		4.3	2.0	48.4				137.2
<b>Asset Management/State of Good Repair Total</b>			<b>183.2</b>	<b>19.4</b>	<b>16.3</b>	<b>18.8</b>	<b>51.8</b>				<b>289.5</b>
Misc. (Multiple Categories)	OT-3	Office Renovation - Suite 202		0.1							0.1
	OT-4	Forklifts purchase	0.3								0.3
<b>Asset Management/State of Good Repair Total</b>			<b>0.3</b>	<b>0.1</b>							<b>0.4</b>
<b>Grand Total</b>			<b>434.3</b>	<b>52.8</b>	<b>60.7</b>	<b>82.4</b>	<b>121.7</b>	<b>25.6</b>	<b>55.0</b>	<b>3.4</b>	<b>836.0</b>

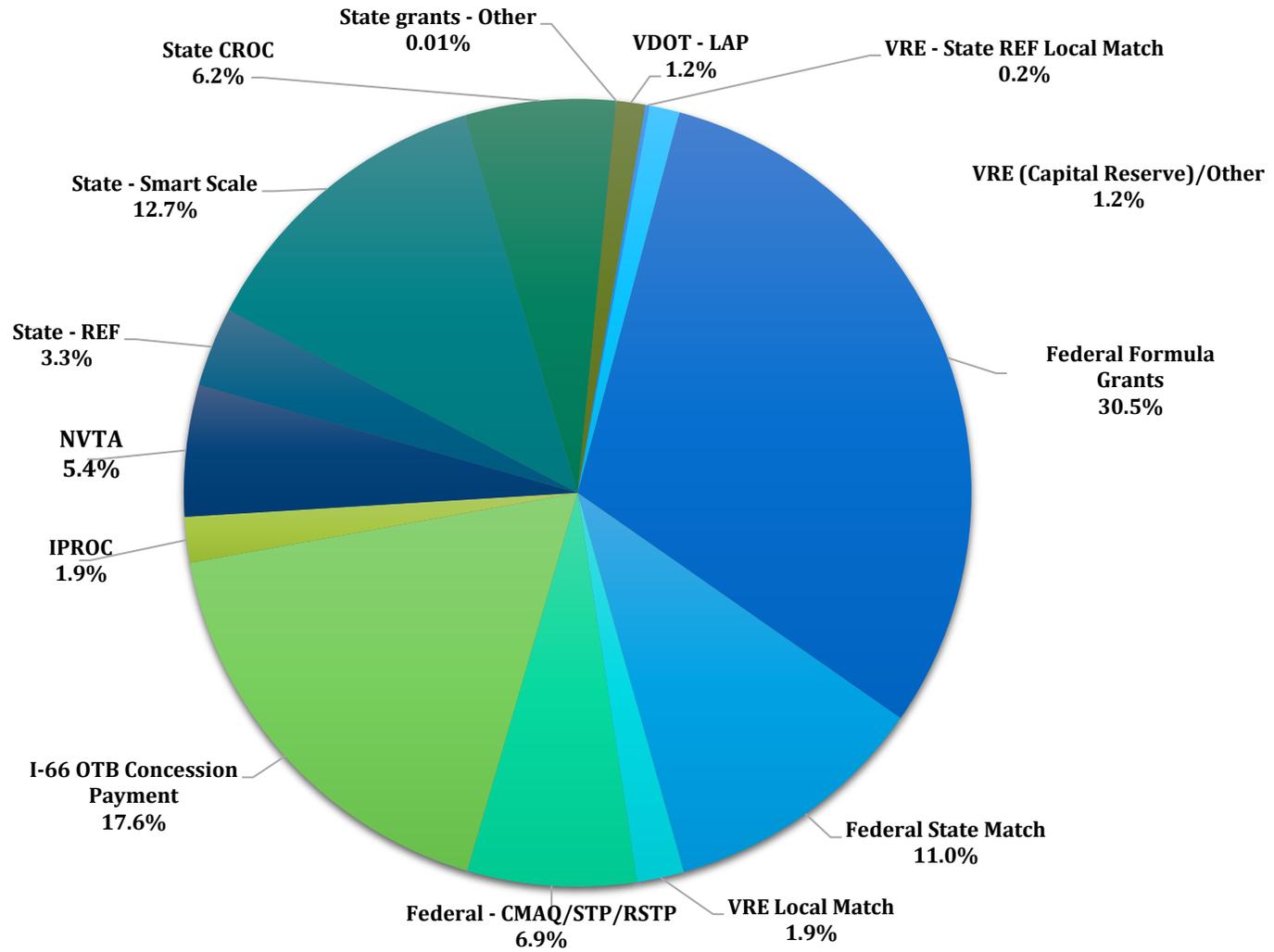


**Capital Improvement Program by Funding Source (in millions)**

Funding Source Type	Funding Source	Life-To-Date	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
<b>Federal Formula Grants</b>	Federal Formula Grants	113.5	20.3	16.4	24.5	20.4	16.9	7.8	2.7	222.5
	Federal State Match	40.4	8.8	7.0	8.5	6.2	4.7	3.7	0.5	79.8
	VRE Local Match	7.0	1.2	1.0	1.4	1.1	1.8	0.5	0.1	14.1
<b>Federal Formula Grants Total</b>		<b>160.8</b>	<b>30.3</b>	<b>24.3</b>	<b>34.3</b>	<b>27.8</b>	<b>23.4</b>	<b>12.0</b>	<b>3.4</b>	<b>316.4</b>
<b>Non-Federal Formula Funded</b>	Federal - CMAQ/STP/RSTP	29.4	2.2	6.8	4.6	6.4		1.2		50.6
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	35.3		4.0						39.3
	State - REF	23.7								23.7
	State - Smart Scale	12.1	2.1	10.7	40.3	27.5				92.6
	State CROC	15.0	15.0	15.0						45.0
	State grants - Other	0.1								0.1
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	5.7	3.2			0.0				8.9
<b>Non-Federal Formula Funded Total</b>		<b>273.5</b>	<b>22.5</b>	<b>36.4</b>	<b>44.9</b>	<b>33.9</b>		<b>1.2</b>		<b>412.4</b>
<b>Grand Total</b>		<b>434.3</b>	<b>52.8</b>	<b>60.7</b>	<b>79.2</b>	<b>61.7</b>	<b>23.4</b>	<b>13.2</b>	<b>3.4</b>	<b>728.8</b>



## FY 2021 - FY 2026 CIP: Sources of \$728.8 million Committed Funding







## Asset Management & State of Good Repair

### Automatic Passenger Counters

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

**Start Date** FY 2016  
**End Date** FY 2021

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. Current assumption is that a portion of the new rail cars will have the equipment installed during the construction process.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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
<b>Total Funding Sources</b>	<b>2,900,000</b>									<b>2,900,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>160,541</b>	<b>1,949,459</b>	<b>790,000</b>							<b>2,900,000</b>

### Operations & Maintenance (O & M) Costs (Savings)

Software license and maintenance costs estimated at \$1,500 per rail car or \$150,000 annually.

**Enhancement Grant - Security**

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

**Start Date** Ongoing  
**End Date** Ongoing

Security Enhancements – grantees receiving federal 5307 funds must certify that at least 1% of funding received each fiscal year is being used for transit security projects. Projects include improvements to station lighting and security, systems safety consulting, and security drills with first responders. **Annual allocation is \$105,000.**

Funding Source	LTD Actuals	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	546,179	94,359	84,000	84,000	84,000	84,000	84,000	84,000		1,144,538
Federal State Match	104,762	18,847	16,800	16,800	16,800	16,800	16,800	16,800		224,409
VRE Local Match	76,405	4,588	4,200	4,200	4,200	4,200	4,200	4,200		106,193
<b>Total Funding Sources</b>	<b>727,346</b>	<b>117,794</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>		<b>1,475,140</b>

Spending Plan By Phase	LTD Actuals	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>727,346</b>	<b>117,794</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>		<b>1,475,140</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Equipment Asset Management Program**

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

**Start Date** FY 2016  
**End Date** Ongoing

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

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	12,096,000	3,460,000	3,076,000	1,672,000	1,584,294	1,357,492	1,520,000	2,663,200		27,428,986
Federal State Match	2,419,200	692,000	615,200	334,400	316,859	271,498	304,000	532,640		5,485,797
VRE Local Match	604,800	173,000	153,800	83,600	79,215	67,875	76,000	133,160		1,371,449
<b>Total Funding Sources</b>	<b>15,120,000</b>	<b>4,325,000</b>	<b>3,845,000</b>	<b>2,090,000</b>	<b>1,980,368</b>	<b>1,696,865</b>	<b>1,900,000</b>	<b>3,329,000</b>		<b>34,286,233</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>3,298,433</b>	<b>9,135,000</b>	<b>8,925,000</b>	<b>4,015,000</b>	<b>3,245,000</b>	<b>1,497,800</b>	<b>1,900,000</b>	<b>2,270,000</b>		<b>34,286,233</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Facilities Asset Management Program**

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

**Start Date** FY 2015  
**End Date** Ongoing

As the 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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	11,088,900	641,981	1,832,000							13,562,881
Federal State Match	2,192,780	128,396	366,400							2,687,576
VRE Local Match	579,445	32,099	91,600							703,144
<b>Total Funding</b>	<b>13,861,125</b>	<b>802,476</b>	<b>2,290,000</b>							<b>16,953,601</b>

\$1.8M transferred to Fredericksbu

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>3,088,601</b>	<b>7,115,000</b>	<b>1,450,000</b>	<b>1,000,000</b>	<b>1,030,000</b>	<b>1,280,000</b>	<b>1,030,000</b>	<b>960,000</b>		<b>16,953,601</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Fredericksburg Station Rehabilitation**

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

**Start Date** FY 2018  
**End Date** FY 2022

The project is for 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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	1,480,000									1,480,000
Federal State Match	296,000									296,000
VRE Local Match	74,000									74,000
Unfunded (To Be Determined)				3,158,000						3,158,000
<b>Total Funding</b>	<b>1,850,000</b>			<b>3,158,000</b>						<b>5,008,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>208,000</b>	<b>395,000</b>	<b>1,247,000</b>	<b>3,158,000</b>						<b>5,008,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Positive Train Control**

**Program Name:** Asset Management/State of Good Repair  
**Project Type:** Asset Management  
**Project ID:** AM-7  
**Location:** N/A

**Start Date** FY 2014  
**End Date** FY 2020

The implementation of Positive Train Control (PTC) is mandated by the Rail Safety Improvement Act of 2008. This regulation mandates installation of a collision avoidance system which will overlay existing safety systems to monitor and control train movements to provide increased safety for passenger rail. VRE's project was developed in conjunction with the implementation plans of the host railroads.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	11,353,466									11,353,466
Federal State Match	1,819,063									1,819,063
VRE Local Match	1,019,303									1,019,303
<b>Total Funding</b>	<b>14,191,833</b>									<b>14,191,833</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>11,592,624</b>	<b>2,599,209</b>								<b>14,191,833</b>

**Operations & Maintenance (O & M) Costs (Savings)**

Annual amount for software license fees and operating costs estimated at \$850,000.

### Security Cameras

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

**Start Date** FY 2016  
**End Date** Ongoing

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	862,960		240,000			400,000				1,502,960
Federal State Match	172,592		48,000			80,000				300,592
VRE Local Match	43,148		12,000			20,000				75,148
VRE Capital Reserve	500,000									500,000
<b>Total Funding</b>	<b>1,578,700</b>		<b>300,000</b>			<b>500,000</b>				<b>2,378,700</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>997,171</b>	<b>310,219</b>	<b>421,311</b>	<b>150,000</b>		<b>250,000</b>	<b>250,000</b>			<b>2,378,700</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Real-Time Multimodal Traveler Information**

**Program Name:** Asset Management/State of Good Repair  
**Project Type:** Asset Management  
**Project ID:** AM-9  
**Location:** System-wide

**Start Date** FY 2018  
**End Date** FY 2021

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
I-66 OTB Concession Payment	3,481,000									3,481,000
<b>Total Funding Sources</b>	<b>3,481,000</b>									<b>3,481,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>			3,481,000							3,481,000

**Operations & Maintenance (O & M) Costs (Savings)**

N/A





**Information Technology**

### ERP Implementation

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

**Start Date** FY 2019  
**End Date** FY 2021

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
VRE Capital Planning Fund (98)	140,000									140,000
VRE Capital Reserve	2,410,000	200,000								2,610,000
<b>Total Funding</b>	<b>2,550,000</b>	<b>200,000</b>								<b>2,750,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>86,233</b>	<b>2,463,767</b>	<b>200,000</b>							<b>2,750,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

Physical onsite Maintenance will be about \$22,000 starting in FY20.

**TRIP/VMS Upgrade**

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

**Start Date** FY 2019  
**End Date** FY 2021

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
VRE Capital Reserve	1,000,000									1,000,000
<b>Total Funding</b>	<b>1,000,000</b>									<b>1,000,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>45,222</b>	<b>104,778</b>	<b>850,000</b>							<b>1,000,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

Annual cost will be about \$33,000 starting in FY19





## Passenger Station Facilities

### Alexandria Station Improvements

<b>Program Name:</b>	Passenger Station Facilities		<b>Start Date</b>	FY 2012
<b>Project Type:</b>	Replacement and Rehabilitation		<b>End Date</b>	FY 2023
<b>Project ID:</b>	ST-1			
<b>Location:</b>	City of Alexandria			

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 sources include state SmartScale and Federal funds (through VDOT) to eliminate railroad grade crossings. Currently the project schedule is slightly ahead of the final year of funding allocation, which must be addressed with VRE's funding partners through either reprogramming of funds or short-term borrowing.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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
<b>Total Funding</b>	<b>18,356,014</b>			<b>6,284,000</b>	<b>6,335,000</b>					<b>30,975,014</b>

**NVTA \$1.3m funding removed**

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>2,616,000</b>	<b>2,000,000</b>	<b>15,770,000</b>	<b>10,589,014</b>						<b>30,975,014</b>

NOTES: Based on the state's current six-year funding plan and the current project timeline, a portion of the anticipated Smart Scale funding is forecasted to be received after project completion. As the project progresses, VRE will work with state and other funding partners on options to mitigate this anticipated timing mismatch, including short-term financing if necessary. The project timeline needs to be maintained in order to fully expend certain other grant funding sources before their expiration. Federal funds for this project come through a VDOT Locally Administered Project (LAP) agreement and a State SMART SCALE funding for ROW and Construction. Project is also a candidate for IPROC funds. Updated 7/24/18

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Backlick Road Station Improvements**

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

**Start Date** FY 2021  
**End Date** FY 2024

The platform at the Backlick Road station currently can accommodate a five-car train set for boarding and detraining. This project will provide for an approximately 300-foot platform extension to accommodate an eight-car train set.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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)					500,000					500,000
<b>Total Funding</b>			<b>2,000,000</b>		<b>1,000,000</b>					<b>3,000,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>				250,000	750,000	2,000,000				3,000,000

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Brooke Station Improvements**

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

**Start Date** FY 2017  
**End Date** FY 2024

This project is for the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Brooke Station. These capacity enhancements will improve operational efficiency and accommodate eight-car trains. The project is within the limits of the broader DRPT DC2RVA study.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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	9,001,800									9,001,800
State - Smart Scale		700,000		4,300,000	7,993,443					12,993,443
<b>Total Funding</b>	<b>9,001,800</b>	<b>962,500</b>	<b>245,019</b>	<b>4,613,394</b>	<b>8,568,306</b>					<b>23,391,019</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25		Future	Total
<b>Total Spending Plan</b>	<b>364,192</b>	<b>853,408</b>	<b>1,586,600</b>	<b>5,146,705</b>	<b>10,293,409</b>	<b>5,146,705</b>				<b>23,391,019</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### Crystal City Station Improvements

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

**Start Date** FY 2016  
**End Date** FY 2025

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 in Arlington County, VA. The project will construct an island platform to enable simultaneous boarding of two trains and accommodate full-length trains and the planned fourth track at 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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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							4,400,000
State - REF	707,000									707,000
VRE - State REF Local Match	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)					15,800,000					15,800,000
<b>Total Funding</b>	<b>1,410,000</b>	<b>15,174,619</b>	<b>4,669,713</b>	<b>13,018,750</b>	<b>15,841,537</b>					<b>50,114,619</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>393,642</b>	<b>1,690,977</b>	<b>2,000,000</b>	<b>1,500,000</b>	<b>14,844,000</b>	<b>14,843,000</b>	<b>14,843,000</b>			<b>50,114,619</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### Franconia-Springfield Station Improvements

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

**Start Date** FY 2015  
**End Date** FY 2022

This project is for 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 Franconia-Springfield Station. These capacity expansions will improve operational efficiency and accommodate full-length trains. The project is within the limits of the broader DRPT Atlantic Gateway third track project.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
NVTA	13,000,000									13,000,000
<b>Total Funding</b>	<b>13,000,000</b>									<b>13,000,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>509,815</b>	<b>2,480,185</b>	<b>5,720,000</b>	<b>4,290,000</b>						<b>13,000,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Leeland Road Station Improvements**

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

**Start Date** FY 2017  
**End Date** FY 2024

This project is for the design and construction of an existing side platform extension, new island platform, and new pedestrian overpass at Leeland Road Station needed to improve operational efficiency and accommodate full-length trains. The project is within the limits of the broader DRPT DC2RVA study.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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	9,001,800									9,001,800
State - Smart Scale				2,749,725	2,109,789					4,859,514
<b>Total Funding</b>	<b>9,001,800</b>	<b>262,500</b>	<b>245,019</b>	<b>3,063,119</b>	<b>2,684,652</b>					<b>15,257,090</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>326,037</b>	<b>702,762</b>	<b>581,001</b>	<b>3,411,823</b>	<b>6,823,644</b>	<b>3,411,823</b>				<b>15,257,090</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### L'Enfant Station Improvements

**Program Name:** Passenger Station Facilities  
**Project Type:** Expansion  
**Project ID:** ST-11  
**Location:** District of Columbia

**Start Date** FY 2018  
**End Date** FY 2027

This project includes the planning, design, permitting, and construction for an expanded and relocated station/platform for the VRE L'Enfant Station and for an additional main track between the Virginia (VA) and L'Enfant (LE) Interlockings in Washington, DC. The project will construct an island platform to enable simultaneous boarding of two trains and accommodate full-length trains and the planned fourth track at L'Enfant, VRE's busiest station. The current platform is only six cars long and serviced by one track, resulting in an operational bottleneck that reduces service reliability. The project must be coordinated with the L'Enfant Train Storage Track - South (MS-5) and Long Bridge Capacity Improvements projects.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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
State - REF	2,226,000									2,226,000
VRE - State REF Local Match	954,000									954,000
VRE Capital Reserve	46,000									46,000
Unfunded (To Be Determined)							17,514,279			17,514,279
<b>Total Funding</b>	<b>18,226,000</b>		<b>15,000,000</b>	<b>2,438,708</b>	<b>15,678,090</b>	<b>11,122,923</b>	<b>17,514,279</b>			<b>79,980,000</b>

The project is a potential candidate for the Federal BUILD program.

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>82,500</b>	<b>643,500</b>	<b>2,167,000</b>	<b>2,500,000</b>	<b>3,000,000</b>	<b>2,837,000</b>	<b>24,750,000</b>	<b>22,000,000</b>	<b>22,000,000</b>	<b>79,980,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Lorton Station Second Platform**

**Program Name:** Passenger Station Facilities  
**Project Type:** Expansion  
**Project ID:** ST-13  
**Location:** Fairfax County

**Start Date** FY 2015  
**End Date** FY 2022

This project is for the design and construction of a new second platform and new pedestrian overpass at Lorton Station needed to improve operational efficiency and accommodate full-length trains. The project is within the limits of the broader DRPT Atlantic Gateway third track project.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - CMAQ/STP/RSTP	6,490,800									6,490,800
State - CMAQ/STP/RSTP Match	1,620,200									1,620,200
State - Mass Transit	97,300									97,300
NVTA	7,900,000									7,900,000
Fairfax County	41,700									41,700
<b>Total Funding</b>	<b>16,150,000</b>									<b>16,150,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>895,007</b>	<b>2,435,893</b>	<b>7,325,200</b>	<b>5,493,900</b>						<b>16,150,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### Quantico Station Improvements

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

**Start Date** FY 2019  
**End Date** FY 2022

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 track modification. Improvements will be coordinated with the Arkendale to Powell's Creek third track project being implemented by the Commonwealth and CSX.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
State - IPROC	13,622,204									13,622,204
State - Smart Scale	2,888,920	1,011,125		850,700						4,750,745
<b>Total Funding</b>	<b>16,511,124</b>	<b>1,011,125</b>		<b>850,700</b>						<b>18,372,949</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>389,434</b>	<b>4,580,637</b>	<b>8,402,133</b>	<b>5,000,745</b>						<b>18,372,949</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### Rippon Station Improvements

**Program Name:** Passenger Station Facilities  
**Project Type:** Expansion  
**Project ID:** ST-15  
**Location:** Prince William County

**Start Date** FY 2017  
**End Date** FY 2023

This project is for the design and construction of two new platforms and a new pedestrian overpass in the vicinity of the existing Rippon Station needed to improve operational efficiency and accommodate full-length trains. The project is within the limits of the broader DRPT DC2RVA study.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - CMAQ/STP/RSTP	5,307,834									5,307,834
State - CMAQ/STP/RSTP Match	1,326,959									1,326,959
NVTA	10,000,000									10,000,000
<b>Total Funding</b>	<b>16,634,793</b>									<b>16,634,793</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>386,591</b>	<b>628,909</b>	<b>4,315,074</b>	<b>7,536,145</b>	<b>3,768,074</b>					<b>16,634,793</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Rolling Road Station Improvements**

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

**Start Date** FY 2016  
**End Date** FY 2021

The Rolling Road station currently has a platform which will accommodate a six-car train set for boarding and detraining. This project provides for a 250-foot platform extension to accommodate an eight-car train set. Project includes funds for equipment and cameras related to the extension.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds		2,400,000								2,400,000
Federal State Match		480,000								480,000
VRE Local Match		120,000								120,000
Federal - CMAQ/STP/RSTP	1,600,000									1,600,000
State - CMAQ/STP/RSTP Match	400,000									400,000
<b>Total Funding</b>	<b>2,000,000</b>	<b>3,000,000</b>								<b>5,000,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>425,177</b>	<b>73,200</b>	<b>4,501,623</b>							<b>5,000,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### Washington Union Station Improvements

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

**Start Date** FY 2018  
**End Date** Ongoing

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	6,200,000	3,100,000	3,100,000	3,100,000	6,200,000	6,200,000	6,200,000			34,100,000
Federal State Match	3,400,000	1,700,000	1,700,000	1,700,000	3,400,000	3,400,000	3,400,000			18,700,000
VRE Local Match	400,000	200,000	200,000	200,000	400,000	400,000	400,000			2,200,000
<b>Total Funding</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>			<b>55,000,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>			<b>55,000,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

### Woodbridge Station Improvements

**Program Name:** Passenger Station Facilities  
**Project Type:** Expansion  
**Project ID:** ST-19  
**Location:** Prince William

**Start Date** FY 2022  
**End Date** FY 2027

This project includes the planning, design, permitting, and construction for one island and one side platform sized to serve full-length trains from three tracks. Both platforms will be provided grade-separated pedestrian access. The design and construction of the third track in the station area will be coordinated with the Commonwealth of Virginia's DC2RVA project.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - CMAQ/STP/RSTP				1,600,000			960,000			2,560,000
State - CMAQ/STP/RSTP Match				400,000			240,000			640,000
Unfunded (To Be Determined)						2,210,000	24,300,000			26,510,000
<b>Total Funding</b>				<b>2,000,000</b>		<b>2,210,000</b>	<b>25,500,000</b>			<b>29,710,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>				<b>1,000,000</b>	<b>1,000,000</b>	<b>1,105,000</b>	<b>1,105,000</b>	<b>12,750,000</b>	<b>12,750,000</b>	<b>29,710,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Manassas Station Improvements**

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

**Start Date** FY 2020  
**End Date** FY 2023

This project includes the development, design, permitting and construction of an extension to the south side (railroad east) platform at the Manassas Station. The platform will be extended approximately 400 feet to the east (railroad north) and will include a pedestrian connection to the Prince William St. parking lot. Extension of the track will require relocation of an existing switch (Moore) on the Norfolk Southern main line.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
I-66 OTB Concession Payment	9,125,000									9,125,000
<b>Total Funding</b>	<b>9,125,000</b>									<b>9,125,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>		<b>100,000</b>	<b>400,000</b>	<b>400,000</b>	<b>8,225,000</b>					<b>9,125,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A





## Rolling Stock

**Fleet Expansion Coaches - Manassas Line**

**Program Name:** Rolling Stock  
**Project Type:** Expansion  
**Project ID:** RS-3  
**Location:** N/A

**Start Date** FY 2018  
**End Date** FY 2025

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
I-66 OTB Concession Payment	28,120,000									28,120,000
<b>Total Funding Sources</b>	<b>28,120,000</b>									<b>28,120,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>							28,120,000			28,120,000

**Operations & Maintenance (O & M) Costs (Savings)**

Average maintenance cost per rail car is currently \$53,000 per year. Major repair and overhaul costs begin in year ten and would be reflected in the Equipment Asset Management Program (RS-6).

**Fleet Expansion Coaches - Fredericksburg Line**

**Program Name:** Rolling Stock  
**Project Type:** Expansion  
**Project ID:** RS-5  
**Location:** N/A

**Start Date** FY2021  
**End Date** FY2024

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).

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
State - Smart Scale			10,677,000	15,855,000	7,762,442					34,294,442
<b>Total Funding Sources</b>			<b>10,677,000</b>	<b>15,855,000</b>	<b>7,762,442</b>					<b>34,294,442</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>						<b>34,294,442</b>				<b>34,294,442</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A





**Station Parking**

**Leeland Road Parking Improvements**

**Program Name:** Station Parking  
**Project Type:** Expansion  
**Project ID:** PK-3  
**Location:** Stafford County

**Start Date** FY 2020  
**End Date** FY 2024

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

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 25	Future	Total
State - Smart Scale		360,000		5,159,178						5,519,178
<b>Total Funding</b>		<b>360,000</b>		<b>5,159,178</b>						<b>5,519,178</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 25	Future	Total
<b>Total Spending Plan</b>				512,178	2,612,000	2,395,000				5,519,178

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Manassas Park Parking Improvements**

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

**Start Date** FY 2017  
**End Date** FY 2022

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
NVTA	2,500,000									2,500,000
I-66 OTB Concession Payment	23,483,000									23,483,000
<b>Total Funding</b>	<b>25,983,000</b>									<b>25,983,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>813,415</b>	<b>4,300,000</b>	<b>15,000,000</b>	<b>5,869,585</b>						<b>25,983,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Quantico Station Parking Improvements**

**Program Name:** Station Parking  
**Project Type:** Expansion  
**Project ID:** PK-5  
**Location:** Prince William County

**Start Date** FY 2021  
**End Date** FY 2022

This project will examine opportunities for parking improvements at Quantico station and is dependent on confirmation of parking demand in the travel model results.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - CMAQ/STP/RSTP		1,363,942								1,363,942
State - CMAQ/STP/RSTP Match		340,986								340,986
<b>Total Funding</b>		<b>1,704,928</b>								<b>1,704,928</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>			<b>852,464</b>	<b>852,464</b>						<b>1,704,928</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A



## Track Maintenance & Storage

**Crossroads MSF - Storage Expansion - Short-term**

**Program Name:** Train Maintenance and Storage Facilities  
**Project Type:** Expansion  
**Project ID:** MS-3  
**Location:** Spotsylvania

**Start Date** FY 2022  
**End Date** FY 2023

This project constructs storage track(s) for overnight train storage at the Crossroads Maintenance and Storage Facility (MSF) needed to store the 11 expansion coaches funded through the Smart Scale Fredericksburg Line Capacity Expansion Project. The property acquisition supporting this expansion is included in the Crossroads MSF Land Acquisition project, MS-2.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
State - Smart Scale				5,057,000	3,308,765					8,365,765
<b>Total Funding</b>				<b>5,057,000</b>	<b>3,308,765</b>					<b>8,365,765</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>				<b>1,091,187</b>	<b>7,274,578</b>					<b>8,365,765</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**L'Enfant Train Storage Track - South**

**Program Name:** Train Maintenance and Storage Facilities  
**Project Type:** Replacement and Rehabilitation  
**Project ID:** MS-5  
**Location:** District of Columbia

**Start Date** FY 2016  
**End Date** FY 2021

This project is to design and construct the conversion of an existing temporary track near L'Enfant Station to a mid-day storage track with wayside power appliances. The construction includes one track connection and associated train control.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	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
<b>Total Funding</b>	<b>3,965,000</b>									<b>3,965,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Development										
Project Management										
Final Design	71,709		11,832							83,541
Construction	1,639,536		2,241,923							3,881,459
<b>Total Spending Plan</b>	<b>1,711,245</b>		<b>2,253,755</b>							<b>3,965,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Life-Cycle Overhaul and Upgrade Facility**

**Program Name:** Train Maintenance and Storage Facilities  
**Project Type:** Expansion  
**Project ID:** MS-6  
**Location:** Spotsylvania County

**Start Date** FY 2014  
**End Date** FY 2022

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	28,461,190									28,461,190
Federal State Match	8,179,685									8,179,685
VRE Local Match	1,542,757									1,542,757
<b>Total Funding</b>	<b>38,183,632</b>									<b>38,183,632</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>2,234,208</b>	<b>5,366,909</b>	<b>20,250,000</b>	<b>10,332,515</b>						<b>38,183,632</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**New York Avenue Midday Storage Facility**

**Program Name:** Train Maintenance and Storage Facilities  
**Project Type:** Replacement and Rehabilitation  
**Project ID:** MS-7  
**Location:** District of Columbia

**Start Date** FY 2015  
**End Date** FY 2023

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.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - Formula Funds	36,278,851	10,591,124	7,485,102	7,252,158						61,607,235
Federal State Match	19,894,854	5,808,036	4,104,733	3,976,990						33,784,613
VRE Local Match	2,340,571	683,298	482,910	467,881						3,974,660
<b>Total Funding</b>	<b>58,514,276</b>	<b>17,082,458</b>	<b>12,072,745</b>	<b>11,697,029</b>						<b>99,366,508</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>2,297,902</b>	<b>20,684,900</b>	<b>8,383,706</b>	<b>13,760,000</b>	<b>54,240,000</b>					<b>99,366,508</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A

**Broad Run Expansion (BRX)**

**Program Name:** Train Maintenance and Storage Facilities  
**Project Type:** Expansion  
**Project ID:** OT-2  
**Location:** Prince William County

**Start Date** FY 2016  
**End Date** FY 2025

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 additional parking spaces to accommodate short-term (2030) demand, and platform modifications to provide access to expanded parking, and construction of about 2.75 miles of third track within the NSR right-of-way. The estimated cost also includes real estate acquisition to expand the station footprint and accommodate the third track. Other projects associated with the proposed service expansion include Fleet Expansion Coaches - Manassas Line (RS- 3).

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
Federal - CMAQ/STP/RSTP	9,844,498		3,409,600	1,600,000	3,790,400					18,644,498
State - CMAQ/RSTP Match	2,814,824		852,400	400,000	947,600					5,014,824
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)					43,703,602					43,703,602
<b>Total Funding</b>	<b>82,526,398</b>		<b>4,262,000</b>	<b>2,000,000</b>	<b>48,441,602</b>					<b>137,230,000</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>	<b>5,001,969</b>	<b>7,289,590</b>	<b>23,798,441</b>	<b>25,000,000</b>	<b>25,000,000</b>	<b>25,000,000</b>	<b>26,140,000</b>			<b>137,230,000</b>

**Operations & Maintenance (O & M) Costs (Savings)**

N/A



**Miscellaneous**

**Forklifts purchase**

**Program Name:** Other  
**Project Type:** New Installation  
**Project ID:** OT-4  
**Location:** Fredericksburg, VA and Bristow, VA

**Start Date** 2019  
**End Date** 2024

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 accomodate material movement needs.

Funding Source	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
VRE Capital Reserve	290,146									290,146
<b>Total Funding</b>	<b>290,146</b>									<b>290,146</b>

Spending Plan By Phase	Life to Date	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Future	Total
<b>Total Spending Plan</b>		<b>269,346</b>	<b>5,200</b>	<b>5,200</b>	<b>5,200</b>	<b>5,200</b>				<b>290,146</b>

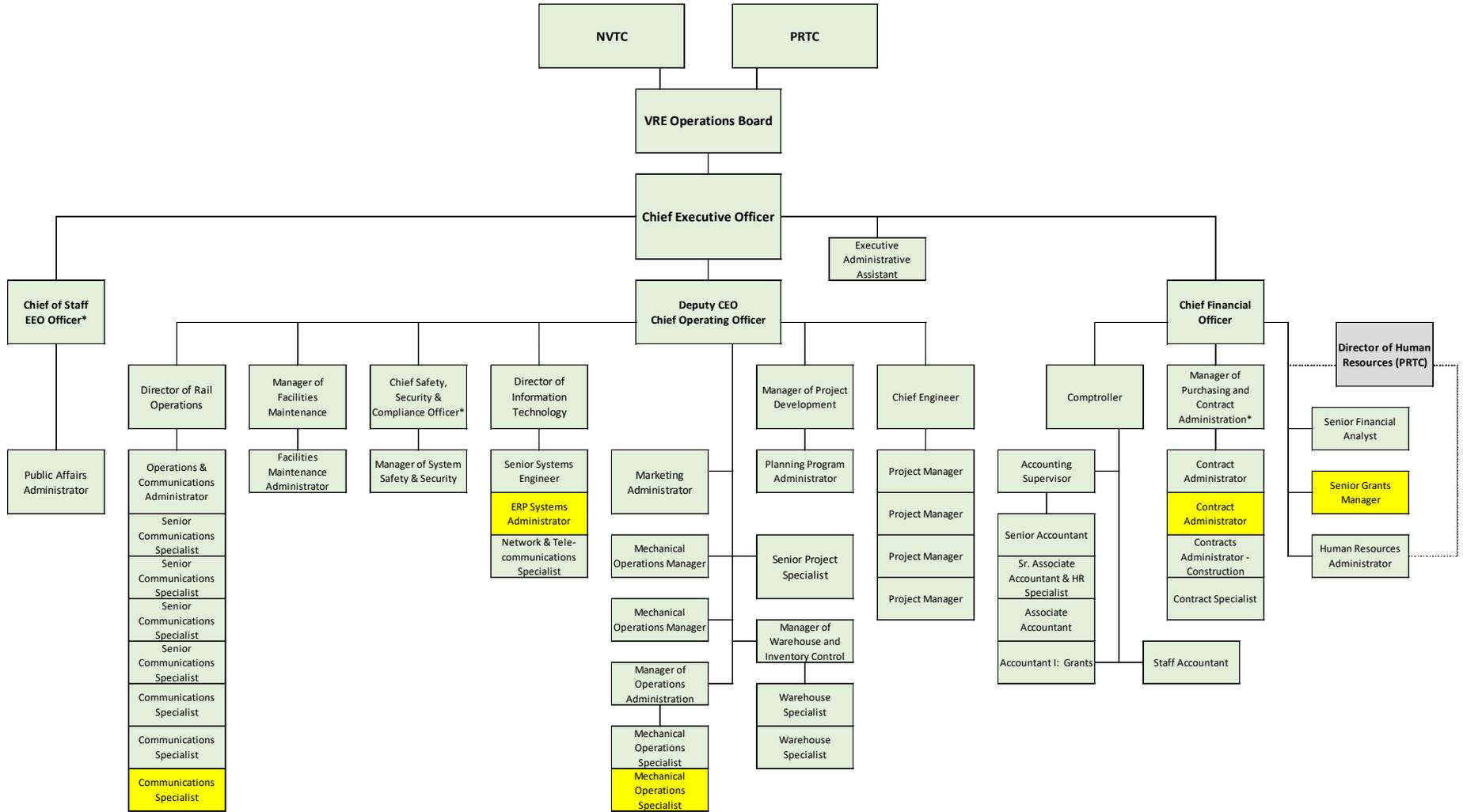
**Operations & Maintenance (O & M) Costs (Savings)**

N/A



## Appendices & Additional Information

**Virginia Railway Express  
Organizational Chart  
As of July 1, 2019 (with Recommended New FY 2021 FTE's)**



\* 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 liaison  
 Chief of Staff reports to the CEO in matters related to EEO

FY21 Recommended  
New FTE Positions

# Local Subsidy Calculation from Oct. 2019 Survey

Virginia Railway Express Allocation Data		3% Subsidy Increase		S&U 2019-12-10			
October 2, 2019 Survey - Recommended FY 2021 Budget							
<b>Final</b>							
<u>Jurisdictions</u>	[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%					
<u>Costs</u>	[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
<u>Subsidy Calculation</u>	[Col 19]	[Col 20]	[Col 18] (repeated)	[Col 21]	[Col 22]	[Col 23]	[Col 24]
	Oct Survey Participants' Fare Revenue %	Participants' Fare Revenue \$	Participants' Net Costs \$	Recommended 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%
<u>Fares</u>	[Col 25]						
Participants Residents' "System-wide"	40,513,177.86						
	3,576,822.14						
2021	44,090,000.00		\$163,895,037				

**VRE Fiscal Year 2021 Recommended Departmental Budget**

	<u>FY 2019 Amended</u>	<u>FY 2019 Actual</u>	<u>FY 2020 Budget</u>	<u>FY 2021 Recommended</u>
<b>Revenue:</b>				
<b>VRE - Non-Departmental</b>				
Fare Revenue	42,400,000	41,990,599	43,810,000	44,090,000
Miscellaneous Revenue	225,000	314,237	225,000	300,000
Appropriation from Operating Reserve	990,000	-	-	-
Appropriation from Capital Reserve	4,304,146	-	200,000	-
Jurisdictional Revenue	17,767,748	17,767,748	17,767,748	18,300,780
Other Revenue (Incl. Use of Prev. FY Surplus)	-	-	-	-
State CROC Dedicated Funding - Operations	-	-	-	-
State Operating Grant	9,978,879	9,978,879	9,500,000	9,700,000
Federal Grants - Operations and Debt	14,353,622	14,190,705	14,683,148	14,811,913
State Grants - Operations and Debt	7,055,524	6,797,267	7,279,830	7,367,743
State CROC Dedicated Funding - Capital Program	15,000,000	15,000,000	15,000,000	15,000,000
Regional Grants - Capital Program	-	2,498,712	4,000,000	-
Federal Grants - Capital Program	30,279,305	3,541,398	28,556,118	31,991,506
State Grants - Capital Program	22,015,222	1,417,527	12,641,232	21,033,096
Interest Income	200,000	1,728,691	500,000	1,300,000
<b>Total Revenue</b>	<b>164,569,447</b>	<b>115,225,762</b>	<b>154,163,075</b>	<b>163,895,037</b>
<b>Expenditures:</b>				
<b>Non-Departmental Operating</b>				
Liability Insurance	4,000,000	3,723,758	3,796,000	4,187,000
Operating Reserve/Contingency	1,646,141	-	1,569,598	1,613,514
Capital Reserve	-	-	-	-
Other	-	139,785	-	-
VRE-Financing-Administration Fees	-	-	-	-
<b>Total VRE - Non-Departmental</b>	<b>5,646,141</b>	<b>3,863,543</b>	<b>5,365,598</b>	<b>5,800,514</b>
<b>Executive Management</b>				
Salaries/Fringes	1,118,000	978,848	1,070,000	1,000,000
Travel/Training/Employee Expenses	29,000	45,611	25,000	17,000
Board Member Expenses	4,500	2,000	3,500	2,500
Office Administration Expenses	124,000	68,871	112,000	57,500
Legal/Audit	280,000	129,675	280,000	175,000
Consulting/Professional/Other	40,000	14,209	14,200	11,000
<b>Total Executive Management</b>	<b>1,595,500</b>	<b>1,239,213</b>	<b>1,504,700</b>	<b>1,263,000</b>
<b>Chief of Staff</b>				
Salaries/Fringes	391,000	306,863	360,000	373,000
Travel/Training/Employee Expenses	20,000	6,103	22,000	12,500
Marketing/PR/Special Events/Consulting	296,500	232,539	293,100	298,100
<b>Total Chief of Staff/Public Affairs</b>	<b>707,500</b>	<b>545,505</b>	<b>675,100</b>	<b>683,600</b>
<b>Marketing</b>				
Salaries/Fringes	111,000	124,863	115,500	117,200
Travel/Training/Employee Expenses	64,000	28,047	94,550	73,900
Production/Media/Promotion/Other	273,000	235,642	213,000	218,000
Special Events/Other	15,500	1,871	2,500	200
<b>Total Marketing</b>	<b>463,500</b>	<b>390,422</b>	<b>425,550</b>	<b>409,300</b>
<b>Project Development</b>				
Salaries/Fringes	656,000	529,803	650,500	674,500
Travel/Training/Employee Expenses	25,000	8,345	17,200	24,900
Professional Services/Consulting/Other	525,900	292,713	328,820	257,500
<b>Total Office of Development</b>	<b>1,206,900</b>	<b>830,861</b>	<b>996,520</b>	<b>956,900</b>
<b>Rail Operations</b>				
Salaries/Fringes	884,000	1,019,361	1,029,000	1,027,000
Travel/Training/Employee Expenses	34,000	12,211	17,000	17,000
Printing/Admin/Other	30,000	31,772	32,000	30,000
Leases/Events	23,000	19,782	24,500	23,500
Professional Services	206,000	110,264	210,500	354,000
Ticket Stock/R&M Fare Collection	1,008,000	955,635	945,000	935,000
<b>Total Customer Communications</b>	<b>2,185,000</b>	<b>2,149,024</b>	<b>2,258,000</b>	<b>2,386,500</b>
<b>Finance and Human Resources</b>				
Salaries/Fringes	1,354,000	1,402,983	1,398,000	1,592,000
Travel/Training/Employee Expenses	36,500	17,529	36,000	30,000
Audit/Maint Service Agreements/Consulting	346,500	198,122	442,500	423,300
Retail Sales/TLC Commissions	1,770,000	1,689,710	1,815,000	1,815,000
Bank Discounts/Other	701,500	630,492	702,500	647,500
<b>Total Budget and Finance</b>	<b>4,208,500</b>	<b>3,938,836</b>	<b>4,394,000</b>	<b>4,507,800</b>
<b>Information Technology</b>				
Salaries/Fringes	487,000	499,796	490,000	666,000
Travel/Training/Employee Expenses	27,100	7,161	21,000	13,000
Computer Equipment/Software	687,973	537,633	590,000	747,000
Consulting/Communications	973,730	869,873	1,039,500	652,500
<b>Total Communication and Info Tech</b>	<b>2,175,803</b>	<b>1,914,463</b>	<b>2,140,500</b>	<b>2,078,500</b>

<b>Project Implementation</b>				
Salaries/Fringes	943,000	921,092	979,000	1,013,000
Travel/Training/Employee Expenses	46,500	29,189	51,500	33,000
Other Professional Services/Other Expenses	248,700	66,944	247,500	71,500
<b>Total Construction and Construction</b>	<b>1,238,200</b>	<b>1,017,225</b>	<b>1,278,000</b>	<b>1,117,500</b>
<b>Facilities Maintenance</b>				
Salaries/Fringes	325,000	315,683	335,000	357,000
Travel/Training/Employee Expenses	53,400	7,837	16,700	11,300
Office/Other Professional Service	390,750	417,098	349,400	344,400
Station Electricity/Utilities/Taxes	885,600	827,137	828,600	824,600
Repairs and Maintenance	2,880,000	3,238,562	2,860,000	2,990,000
<b>Total Facilities Maintenance</b>	<b>4,534,750</b>	<b>4,806,317</b>	<b>4,389,700</b>	<b>4,527,300</b>
<b>Purchasing and Contract Administration</b>				
Salaries/Fringes	525,600	411,297	595,400	710,000
Travel/Training/Employee Expenses	16,320	22,488	24,850	35,850
<b>Total Procurement and Contract Admin</b>	<b>541,920</b>	<b>433,785</b>	<b>620,250</b>	<b>745,850</b>
<b>Mechanical Operations</b>				
Salaries/Fringes	880,000	892,908	932,000	1,012,000
Travel/Training/Employee Expenses	27,500	6,063	26,000	11,000
Consulting/Admin/Warehouse Management	192,500	36,673	42,700	192,700
Equipment/Warehouse Leases	-	-	-	-
Utilities	1,135,000	983,563	1,135,000	1,085,000
Diesel Fuel	4,250,000	3,727,737	4,412,500	3,910,000
Repairs and Maintenance	4,145,000	4,010,011	4,306,000	4,355,000
<b>Total Equipment Operations</b>	<b>10,630,000</b>	<b>9,656,954</b>	<b>10,854,200</b>	<b>10,565,700</b>
<b>System Safety &amp; Security</b>				
Salaries/Fringes	309,000	239,762	354,000	304,000
Travel/Training/Employee Expenses	85,500	53,859	68,000	69,000
Office/Other Professional Services	295,000	6,000	267,500	510,200
Yard/Station Security	800,000	485,738	605,000	605,000
<b>Total Safety and Security</b>	<b>1,489,500</b>	<b>785,358</b>	<b>1,294,500</b>	<b>1,488,200</b>
<b>PRTC</b>				
Professional Services	104,000	119,881	104,000	102,000
<b>Total PRTC</b>	<b>104,000</b>	<b>119,881</b>	<b>104,000</b>	<b>102,000</b>
<b>NVTC</b>				
Professional Services	90,000	80,000	90,000	90,000
<b>Total NVTC</b>	<b>90,000</b>	<b>80,000</b>	<b>90,000</b>	<b>90,000</b>
<b>Train Operations</b>				
Contract Operations and Maintenance	15,718,000	15,126,492	16,287,000	16,591,500
<b>Total Train Operations</b>	<b>15,718,000</b>	<b>15,126,492</b>	<b>16,287,000</b>	<b>16,591,500</b>
<b>Amtrak</b>				
Contract Operations and Maintenance	4,621,000	4,416,824	4,881,000	5,181,000
<b>Total Amtrak</b>	<b>4,621,000</b>	<b>4,416,824</b>	<b>4,881,000</b>	<b>5,181,000</b>
<b>Maintenance of Equipment</b>				
Maintenance of Equipment	7,020,500	6,748,037	6,868,000	7,832,285
<b>Total Maintenance of Equipment</b>	<b>7,020,500</b>	<b>6,748,037</b>	<b>6,868,000</b>	<b>7,832,285</b>
<b>Amtrak Access Fees</b>				
Access Fees	6,690,000	6,596,502	6,630,000	6,879,000
<b>Total Amtrak Access Fees</b>	<b>6,690,000</b>	<b>6,596,502</b>	<b>6,630,000</b>	<b>6,879,000</b>
<b>Norfolk Southern</b>				
Access Fees	2,510,000	2,362,714	2,700,000	2,745,000
Contract Operations and Maintenance	640,000	621,156	690,000	697,000
<b>Total Norfolk Southern</b>	<b>3,150,000</b>	<b>2,983,870</b>	<b>3,390,000</b>	<b>3,442,000</b>
<b>CSXT</b>				
Access Fees	7,250,000	6,880,400	7,720,000	7,657,000
Contract Operations and Maintenance	780,000	649,646	790,000	811,000
<b>Total CSXT</b>	<b>8,030,000</b>	<b>7,530,046</b>	<b>8,510,000</b>	<b>8,468,000</b>
<b>CIP Expenditures</b>				
CIP Expenditures	76,250,383	-	64,934,700	72,507,750
<b>Total CIP Expenditures</b>	<b>76,250,383</b>	<b>-</b>	<b>64,934,700</b>	<b>72,507,750</b>
<b>CIP VRE - Non-Departmental</b>				
Allowance for Doubtful Accounts	50,000	-	50,000	50,000
Debt Service	6,222,350	6,222,350	6,221,757	6,220,838
<b>Total CIP VRE - Non-Departmental</b>	<b>6,272,350</b>	<b>6,222,350</b>	<b>6,271,757</b>	<b>6,270,838</b>
<b>Total Expenditures</b>	<b>164,569,447</b>	<b>81,395,510</b>	<b>154,163,075</b>	<b>163,895,037</b>

## 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 has chosen 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.

The District Department of Transportation (DDOT), in coordination with the Federal Railroad Administration (FRA), is completing an Environmental Impact Study on the Long Bridge. The preferred alternative for the Long Bridge Project has an estimated construction cost of \$1.9 billion. Significant decisions by the various stakeholders (including DRPT and VRE) regarding project design, ownership, funding, and operation remain.

- *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 with DRPT as part of the Atlantic Gateway Project (for Franconia to Occoquan) and the Washington DC to Richmond Segment (DC2RVA) of the FRA Southeast High-Speed Rail Corridor project.

- *Fourth Track between RO (Rosslyn) and AF (Alexandria):* As with the third track projects, this work will be coordinated by DRPT as part of the Atlantic Gateway and DC2RVA projects.
- *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.





# A Transportation Partnership

