



FISCAL YEAR
2020
VIRGINIA RAILWAY EXPRESS



VIRGINIA RAILWAY EXPRESS

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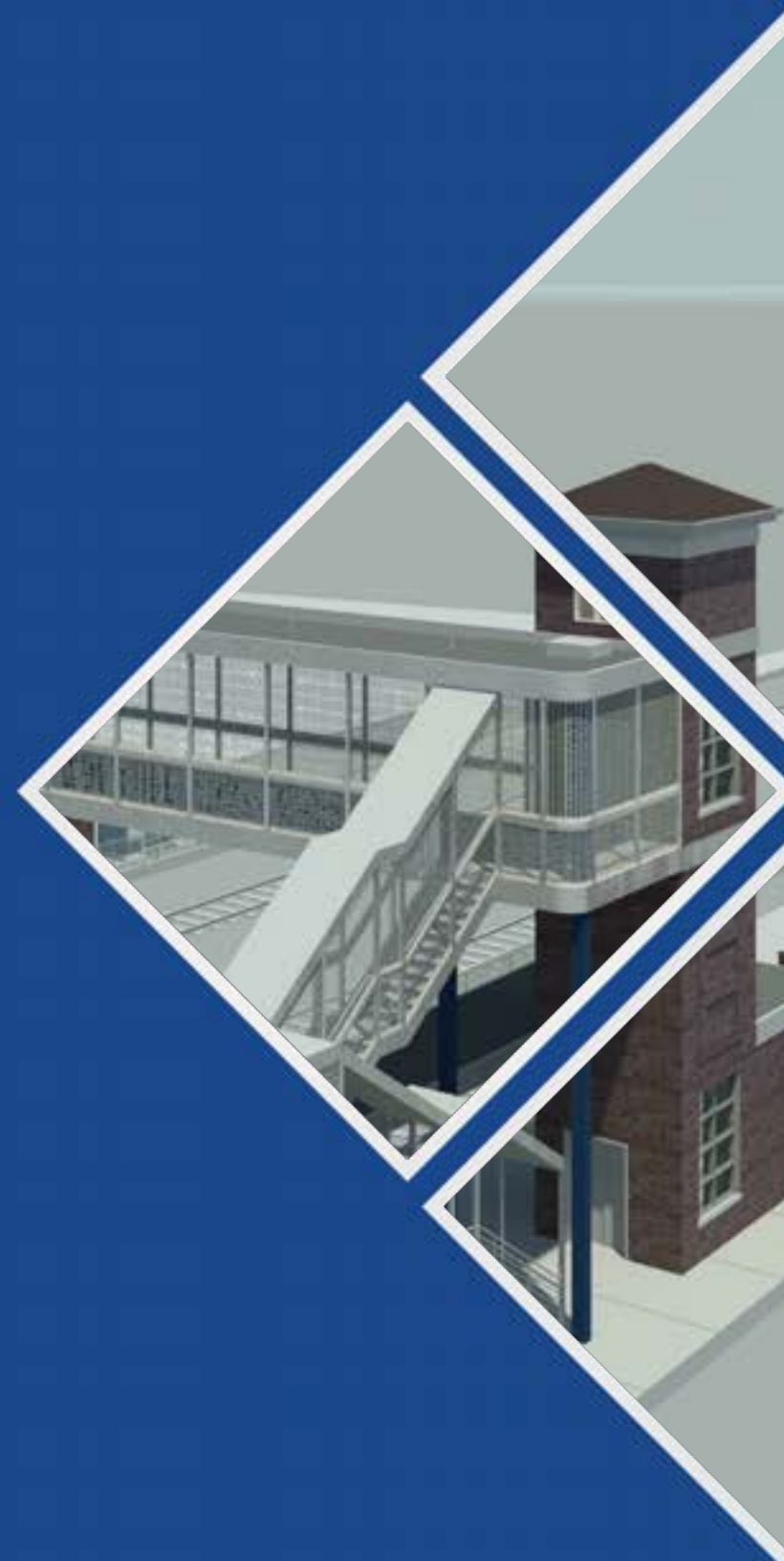


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Recommended FY 2020 Budget



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 2020 to FY 2025 period. The preliminary FY 2020 VRE Operating and Capital Budget was initially prepared for review at the September 2018 VRE Operations Board meeting. The proposed budget was reviewed and discussed at subsequent meetings of the VRE Operations Board, the Chief Administrative Officers (CAO) Taskforce, and the Capital Committee of the Operations Board, before its presentation to the Operations Board in December 2018 and the Commissions in January 2019.

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 2020 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 2020 Operating and Capital Budget totals \$154.2 million. The budget projects average daily ridership of 18,700 passengers which results in a total of \$43.8 million in fare revenue. The budget includes an average 3% fare increase, and no change in the cost to the rider of the Amtrak Step-Up ticket. The total jurisdictional subsidy of \$17,767,748 is unchanged from the prior fiscal year. 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 2020, 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 2020 operating budget.

In FY 2016, VRE completed a long-term Financial Plan that reviewed the revenues and costs associated with various service scenarios over a twenty-five year period. The conclusion of this forecast was that existing sources of revenue are inadequate to meet the system's needs over time, even for the operation of the existing level of service, with further funding needed for service expansion to meet the growth in the region. In FY 2019, VRE will complete an update of the Financial Plan that accounts for changes in operating expense and revenue trends, available capital funding, and project scopes and schedules.

Calendar year 2018 saw significant changes to state-level funding of transit in Virginia. In addition to the creation of the Commuter Rail Operating and Capital (C-ROC) Fund, which is described in more detail below, the Department of Rail and Public Transportation (DRPT) was charged with making significant changes to the allocation of both operating and capital funding support to transit agencies across the Commonwealth. These changes will go into effect in FY 2020, and this budget reflects the best information available at the time of adoption on the likely impacts to VRE. As further guidance is received from DRPT, amendments to the FY 2020 budget can be incorporated if needed as part of the FY 2021 budget process.

For the allocation of operating assistance, DRPT will now allocate all funding on the basis of transit service delivery factors. Currently, only a portion of the operating assistance is allocated using these factors, which determine each agency's funding level on the basis of size and certain performance metrics. Given VRE's status as the only commuter rail provider in the Commonwealth, the new allocation methodology is expected to put VRE into its own commuter rail funding pool, and significant changes to current funding levels are not expected. For transit capital, DRPT will now focus its funding allocation more heavily on state of good repair (SGR) investments and on reducing the backlog of assets statewide that are not meeting SGR requirements. A transit asset management (TAM) approach focused on asset age/mileage and impacts to service will be used to prioritize allocation of funds. However, the new allocation approach

will exclude VRE's existing debt service for railcars (VRE's 5307 and 5337 federal funds will continue to be matched with a 16% state contribution) and, more importantly, VRE's track access fees, which will continue to be reimbursed at a total rate of 84% (50% federal STP funds and 34% state transit capital match). This commitment to funding track access fees is critical to VRE's financial sustainability.

Given the funding changes described above, the outlook in the FY 2020 to FY 2025 CIP and Six-Year Plan is significantly more positive than in past years. However, funding challenges remain for VRE. On the capital side, certain key near-term projects are still partially unfunded, and while C-ROC funds may be available to fill some gaps, an ongoing VRE priority for FY 2020 will be to continue to work with local, state and other partners on securing additional funding for the commuter rail system. Beyond the six-year horizon, major investments such as Long Bridge and the various third track projects are unfunded and will require creative funding approaches that include a range of stakeholders. On the operating side, increasing contractual and other costs are projected to outpace revenue growth, which 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.

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 2020

- Achieve at least a 50 percent operating ratio (cost recovery)
- Operate trains on time greater than 90 percent of time
- Achieve at least 18,700 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.

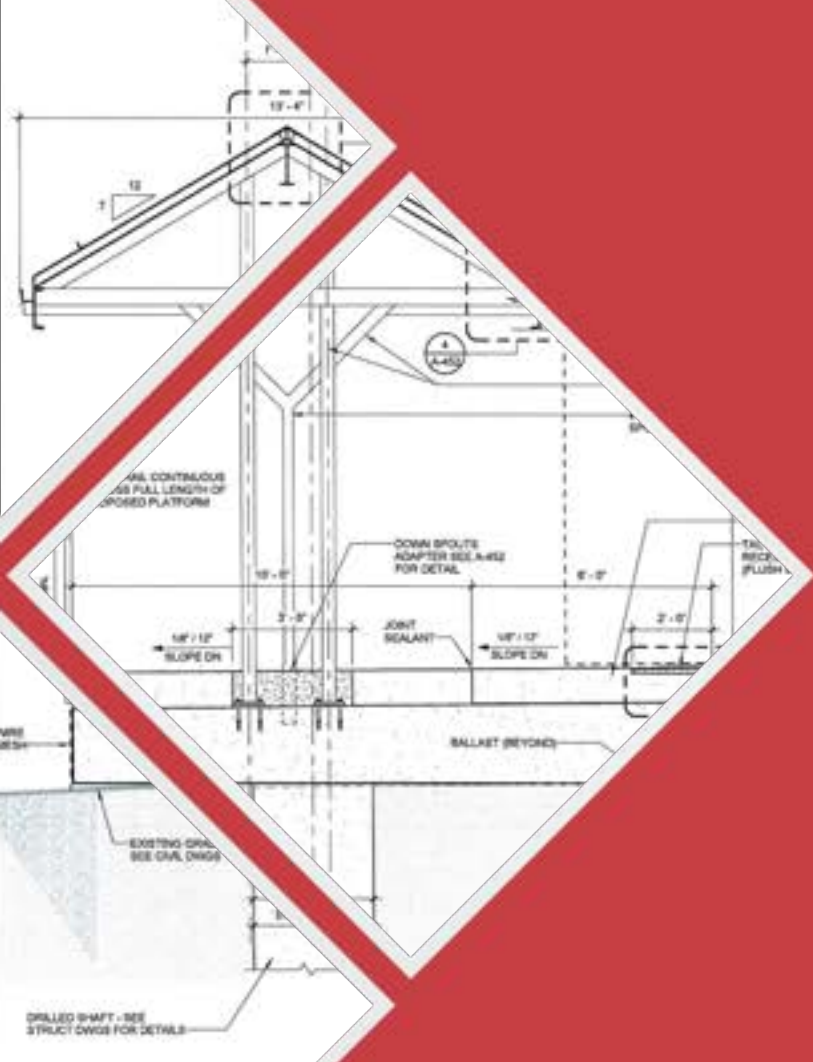
The C-ROC criteria and recommended project funding for the amended FY 2019 and FY 2020 budgets are described in more detail in the 'Capital Improvement Program FY 2020 – FY 2025' section of this document.

FY 2020 Budget Assumptions & Summary

The FY 2020 Budget totals \$154.2 million. FY 2020 operating budget expenses of \$89.2 million exceed the prior year amount by \$0.7 million, 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:

- Subsidy level of \$17,767,748, no increase from the FY 2019 subsidy.
- A 3% average fare increase. Fare revenue budgeted at \$43.8 million based on a projected average daily ridership of 18,700. This assumes operation of 32 revenue train schedule.
- State funding for operations is projected at \$9.5 million, a slight projected decrease of the amount received in FY 2019, and equal to the amount budgeted in the approved FY 2019 budget.
- Fuel cost projected at \$4.4 million, based on a cost per gallon of \$2.50 and projected usage of 1.77 million gallons.
- Track access costs at \$18.5 million, based on estimated or actual contractual amounts. Grant funding from all sources for track access costs at 84%, or \$15.6 million; equal to the percentage level provided in FY 2019.
- No staff additions proposed in FY 2020.
- Required contractual increases for train operations and maintenance of equipment budgeted at a net increase of \$0.4 million reflecting projected cost revisions and a CPI increase of 2.5%.
- Operating contingency at 2.0% of the operating budget, the same percentage as FY 2019, and an increase of \$12,000.
- Other notable operating expense increases include Repair & Maintenance for Positive Train Control (\$330,000), Repair & Maintenance: Station Non-Routine (\$220,000) and Safety & Security Consulting (\$125,000).
- Federal 5307 (Urbanized Area) and 5337 (State of Good Repair) funding of \$32.2 million, \$3.1 million more than in the approved FY 2019 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 \$0.2 million allocated from the Reserve balance for FY 2020 capital projects.





1 PLATFORM CANOPY
 Scale: 1/2" = 1'-0"

FY 2020 Subsidy by Jurisdiction

The FY 2020 budget assumes no change in the total jurisdictional subsidy amount. Each October a survey of VRE riders is done to calculate the subsidy allocation by jurisdiction. The projected FY 2020 jurisdictional subsidy, which reflects the most recent October 2018 ridership survey results, is as follows:

Jurisdiction	FY 2019		FY 2020		Change FY19 to FY20	
	Subsidy	Percent	Subsidy	Percent	Net +/-	% Change
Fairfax County	\$ 5,385,794	30.3%	\$ 6,253,022	35.2%	\$ 867,228	16.1%
Prince William County	6,183,745	34.8%	6,098,311	34.3%	(85,434)	-1.4%
Stafford County	2,475,127	13.9%	2,352,820	13.2%	(122,307)	-4.9%
Spotsylvania County	1,632,635	9.2%	1,285,670	7.2%	(346,965)	-21.3%
Manassas	785,898	4.4%	694,742	3.9%	(91,156)	-11.6%
Manassas Park	511,311	2.9%	405,485	2.3%	(105,826)	-20.7%
Fredericksburg	436,568	2.5%	321,028	1.8%	(115,540)	-26.5%
Arlington	211,863	1.2%	211,863	1.2%	-	0.0%
Alexandria	144,807	0.8%	144,807	0.8%	-	0.0%
	\$ 17,767,748	100%	\$ 17,767,748	100%	\$ -	0.0%

Jurisdiction	October 2017		October 2018		Change Oct. 17 to Oct. 18	
	Riders	Percent	Riders	Percent	Net +/-	% Change
Fairfax County	2,122	22.1%	2,512	25.2%	390	18.4%
Prince William County	2,995	31.2%	3,083	30.9%	88	2.9%
Stafford County	1,517	15.8%	1,610	16.2%	93	6.1%
Spotsylvania County	1,159	12.1%	1,080	10.8%	(79)	-6.8%
Manassas	416	4.3%	385	3.9%	(31)	-7.5%
Manassas Park	264	2.8%	221	2.2%	(43)	-16.3%
Fredericksburg	359	3.7%	285	2.9%	(74)	-20.6%
Other	759	7.9%	789	7.9%	30	4.0%
	9,591	100%	9,965	100%	374	3.9%



FY 2020 Summary Recommended Budget

Category	Approved FY 2019		Recommended FY 2020	
	FY 2019 Operating	FY 2019 Capital	FY 2020 Operating	FY 2020 Capital
Revenue:				
Fare Revenue	42,400,000	-	43,810,000	-
Miscellaneous Revenue	225,000	-	225,000	-
Jurisdictional Subsidy	13,336,628	4,431,120	13,230,397	4,537,351
Other Sources (Use of Prev. Surplus)	990,000	-	-	-
NVTA Grant Funding	-	-	-	4,000,000
State C-ROC Dedicated Funding	-	-	-	15,000,000
Federal/State Subsidy - Operating	31,371,051	-	31,462,978	-
Federal/State Subsidy - Capital	-	52,961,395	-	41,197,349
Operating/Capital Reserves	-	3,550,000	-	200,000
Interest Income	200,000	-	500,000	-
Total Revenue	88,522,679	60,942,515	89,228,375	64,934,700
Operating/Non-Operating Expenses:				
Non-Departmental Operating	5,588,236		5,365,598	
Executive Management	1,595,500		1,504,700	
Chief of Staff	707,500		675,100	
Marketing	456,500		425,550	
Finance and Human Resources	4,148,500		4,394,000	
Purchasing and Contract Administration	541,920		620,250	
Project Development	1,206,900		996,520	
Project Implementation	1,238,200		1,278,000	
Rail Operations	2,102,000		2,258,000	
Information Technology	2,175,803		2,140,500	
Facilities Maintenance	4,453,750		4,389,700	
Mechanical Operations	10,630,000		10,854,200	
System Safety & Security	1,489,500		1,294,500	
PRTC	104,000		104,000	
NVTC	90,000		90,000	
Train Operations	15,718,000		16,287,000	
Maintenance of Equipment	7,020,500		6,868,000	
Amtrak	4,621,000		4,881,000	
Amtrak Access Fees	6,690,000		6,630,000	
Norfolk Southern Access Fees	3,150,000		3,390,000	
CSX Access Fees	8,030,000		8,510,000	
Total Operating/Non-Operating Expenses	81,757,809	-	82,956,618	-
CIP Expenditures		60,942,515		64,934,700
Debt Service/Allowance for Doubtful Accts	6,764,870		6,271,757	
Total CIP and Other Expenditures	6,764,870	60,942,515	6,271,757	64,934,700
Grand Total Expenses	88,522,679	60,942,515	89,228,375	64,934,700



FY 2020 Sources and Uses

LEVEL OF SERVICE FOR FY 2020 32 Trains 18,700 Average Daily Riders

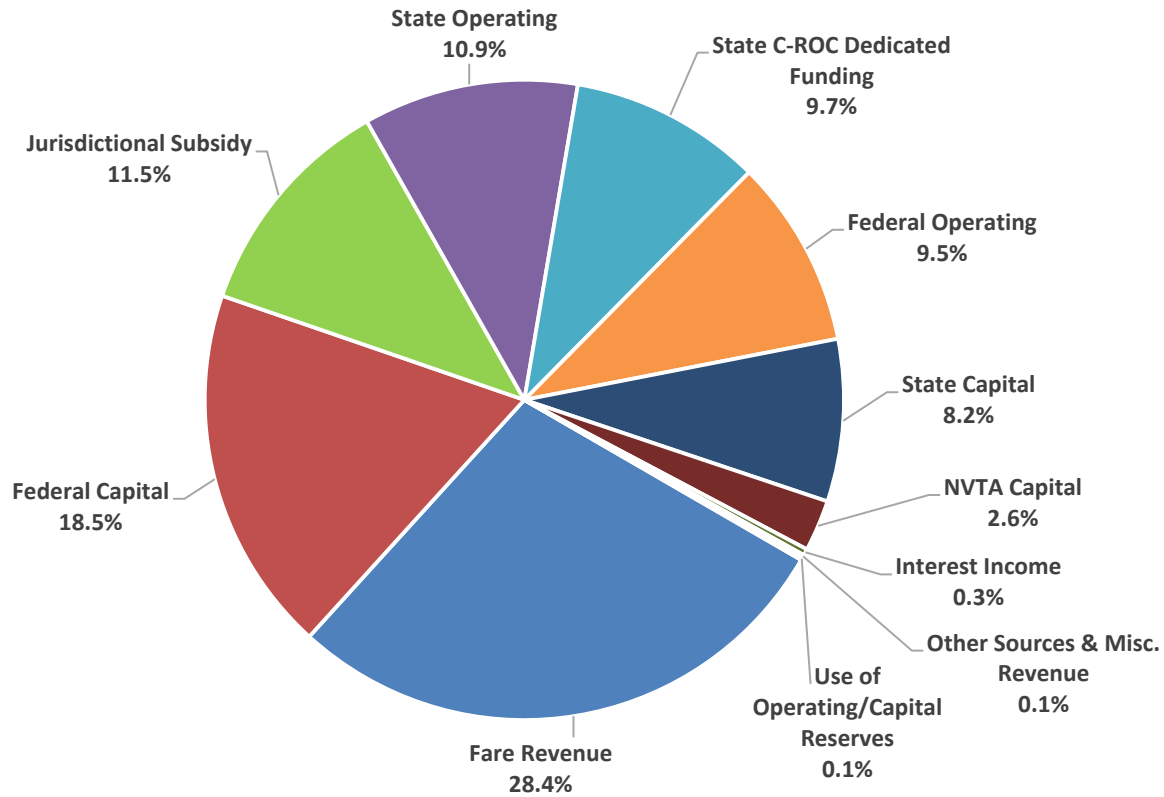
Access Fees	
Amtrak	6,630,000
NS	3,390,000
CSX	8,510,000
Total	18,530,000

	USES OF FUNDS	SOURCES OF FUNDS												TOTAL			
		FARE INCOME			LOCAL SUBSIDY			STATE C-ROC FUNDING			STATE OPERATING				STATE CAPITAL		
		INTEREST	MISC	OTHER SOURCES	NVTA FUNDING	STATE STP	5307/5337	OTHER									
Operating Expenses	82,991,618	43,810,000	500,000	225,000	12,871,418	-	-	-	9,500,000	6,300,200	9,265,000	520,000	-	82,991,618			
Non-Operating Expenses:																	
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			
Non-Operating Summary	6,236,757	-	-	-	358,979	-	-	-	-	979,630	-	4,898,148	-	6,236,757			
Total Expenses (Subtotal)	89,228,375	43,810,000	500,000	225,000	13,230,397	-	-	-	9,500,000	7,279,830	9,265,000	5,418,148	-	89,228,375			
Capital Projects:																	
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	105,000				4,200					16,800		84,000		105,000			
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000		5,000,000			
Unprogramed Federal Formula Funds	11,118,838				444,754					1,779,014		8,895,070		11,118,838			
ERP Implementation	200,000				-	200,000				-		-		200,000			
Crystal City Station Improvements (C-ROC)	15,000,000				-			15,000,000		-		-		15,000,000			
Capital Reserve	3,000,000				3,000,000									3,000,000			
Capital Project Summary	56,633,772	-	-	-	4,537,351	200,000	-	15,000,000	-	10,124,246	-	26,772,175	-	56,633,772			
CMAQ/REF/IPROC																	
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)	1,011,000				-					1,011,000		-	-	1,011,000			
Crystal City Station Improvements (NVTA)	4,000,000				-		4,000,000			-		-	-	4,000,000			
Summary	8,300,928	-	-	-	-	-	4,000,000	-	-	2,516,986	-	-	1,783,942	8,300,928			
TOTAL	154,163,075	43,810,000	500,000	225,000	17,767,748	200,000	4,000,000	15,000,000	9,500,000	19,921,061	9,265,000	32,190,323	1,783,942	154,163,075			

	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	Local	-	-
<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	64,934,700		28,556,118	12,641,232
Federal Cap Program	90,336,457		43,239,266	19,921,061



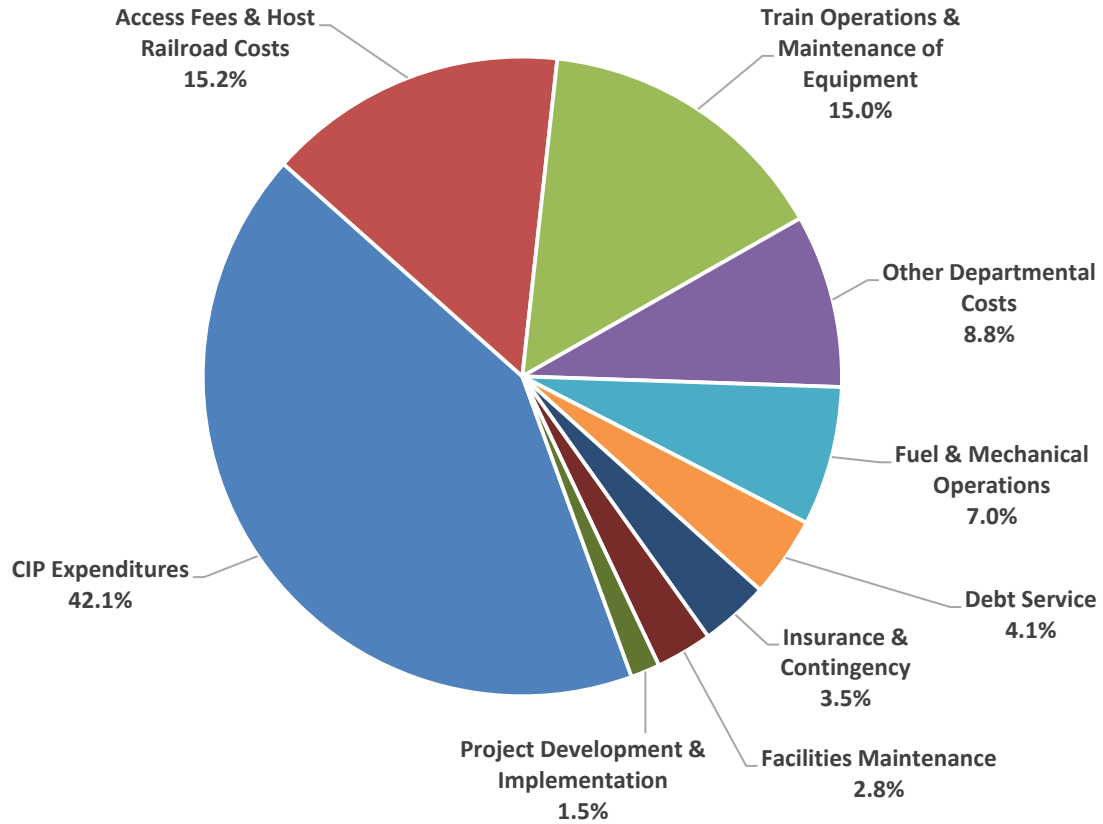
FY 2020 - Sources of Funds



Revenue Source	FY 2020 Amount	% of Total
Fare Revenue	\$ 43,810,000	28.4%
Federal Capital	\$ 28,556,118	18.5%
Jurisdictional Subsidy	\$ 17,767,748	11.5%
State Operating	\$ 16,779,830	10.9%
State C-ROC Dedicated Funding	\$ 15,000,000	9.7%
Federal Operating	\$ 14,683,148	9.5%
State Capital	\$ 12,641,232	8.2%
NVTA Capital	\$ 4,000,000	2.6%
Interest Income	\$ 500,000	0.3%
Other Sources & Misc. Revenue	\$ 225,000	0.1%
Use of Operating/Capital Reserves	\$ 200,000	0.1%
Total Sources of Funds	\$ 154,163,075	100.0%



FY 2020 - Uses of Funds



Type of Use	FY 2020 Amount	% of Total
CIP Expenditures	\$ 64,934,700	42.1%
Access Fees & Host Railroad Costs	\$ 23,411,000	15.2%
Train Operations & Maintenance of Equipment	\$ 23,155,000	15.0%
Other Departmental Costs	\$ 13,506,600	8.8%
Fuel & Mechanical Operations	\$ 10,854,200	7.0%
Debt Service	\$ 6,271,757	4.1%
Insurance & Contingency	\$ 5,365,598	3.5%
Facilities Maintenance	\$ 4,389,700	2.8%
Project Development & Implementation	\$ 2,274,520	1.5%
Total Uses of Funds	\$ 154,163,075	100.0%





Amended FY 2019 Budget



Amended Budget Assumptions for FY 2019

The FY 2019 budget has been revised to reflect current projections for revenue and expenses, as follows:

Revenue

- Increase in funding of \$15.0 million to reflect the FY 2019 allocation of the Commuter Rail Operating and Capital (C-ROC) funds. The General Assembly's actions to create and fund C-ROC occurred after the adoption of the FY 2019 budget.
- Increase in state operating funds in the amount of \$479,000 to reflect a higher funding amount than originally projected.
- Reduction of Virginia Smart Scale funding to reflect a shift to fiscal years 2021-2023 for Alexandria Station Improvements (-\$3.0 million), Fleet Expansion Coaches (Fredericksburg Line) (-\$2.0 million) and Quantico Station Improvements (-\$1.0 million).
- A net increase to federal and state grant revenue by a total of \$4.8 million related to additional federal and state grant funding for capital projects and a reduction in grant revenues required for Debt Service due to the refinancing through the Virginia Resources Authority of VRE's original Railroad Rehabilitation & Improvement Financing (RRIF) loan for railcars, which closed in May of 2018.
- Allocation of \$754,000 in capital reserve for various projects (see below).

Expenses

- FY 2019 operating contingency was reduced by a net \$57,000 for various additions and revisions of current year operating and capital costs and revenue. The notable expense changes were: revision to Facilities Maintenance – Office Lease related to extension of the 127 South Payton Street office space, an increase of \$81,000; an increase of \$63,000 related to a one-year extension of the maintenance service agreement for the Scheidt & Bachmann Fare Collection system; an increase of \$60,000 for the maintenance and service agreement for the PFM financial model.

Capital Program

- Capital project obligations were increased by \$15.3 million to reflect additional available capital funding:
 - Allocation of \$15.0 million of Commuter Rail Operating and Capital (C-ROC) funds to the L'Enfant Station Improvements project.
 - Reduction of obligations of Virginia Smart Scale funding to reflect a shift to fiscal years 2021-2023 for Alexandria Station Improvements (-\$3.0 million), Fleet Expansion Coaches for the Fredericksburg Line (-\$2.0 million) and Quantico Station Improvements (-\$1.0 million).



- A net increase to federal and state grant obligations of \$5.0 million related to additional federal and state grant funding for capital projects and a reduction in annual debt service associated with the VRA refinancing described above.
- Capital Reserve funds of \$754,000 allocated for the purchase of forklifts (\$290,000), renovation of the VRE Suite 201 office space (\$285,000) and Mobile Ticketing Phase II (\$179,000) projects.

□ Use of FY 2018 Surplus

- No one-time items in FY 2020 in need of funding from prior year surplus.
- Operating reserve (working capital) currently at three months of operating expense – no additional contribution required.
- \$6.4 million contribution to Capital Reserve.



FY 2019 Amended Sources and Uses

Access and Lease Fees	
Amtrak	6,690,000
NS	3,150,000
CSX	8,030,000
Total	17,870,000

LEVEL OF SERVICE FOR FY 2019 32 trains 19,000 Average Daily Riders

	USES OF FUNDS	SOURCES OF FUNDS											TOTAL
		STATE					FEDERAL			TOTAL			
		FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	STATE C-ROC FUNDING	STATE OPERATING	STATE CAPITAL		STATE STP	5307/5337	
Operating Expenses	82,050,714	42,400,000	200,000	225,000	12,726,035	990,000	-	9,978,879	6,075,800	8,935,000	520,000	-	82,050,714
Non-Operating Expenses:													
Operating Reserve	46,000				46,000								46,000
Debt Svc (Gallery IV) (11 Cabcars)	1,931,357				77,254				309,017		1,545,086		1,931,357
Debt Svc 60 Railcars (Local)	99,072				99,072								99,072
Debt Svc 60 Railcars (Fed/State/Local)	4,191,921				167,677				670,707		3,353,536		4,191,921
Non-Operating Summary	6,268,350	-	-	-	390,003	-	-	-	979,724	-	4,898,622	-	6,268,350
Total Expenses (Subtotal)	88,319,064	42,400,000	200,000	225,000	13,116,039	990,000	-	9,978,879	7,055,524	8,935,000	5,418,622	-	88,319,064
Capital Projects:													
Facilities Asset Management Program	2,495,000				99,800				399,200		1,996,000		2,495,000
Equipment Storage Projects	21,770,701				870,828				7,402,038		13,497,835		21,770,701
Life-Cycle Overhaul and Upgrade Facility	2,987,309				119,492				1,015,685		1,852,132		2,987,309
Equipment Asset Management Program	3,420,000				136,800				547,200		2,736,000		3,420,000
Security Enhancements	105,000				4,200				16,800		84,000		105,000
Washington Union Station Improvements	5,000,000				200,000				1,700,000		3,100,000		5,000,000
Unprogrammed Federal Formula Funds	5,514,722				220,589				1,788,398		3,505,735		5,514,722
ERP System Implementation	2,550,000				-	2,550,000			-		-		2,550,000
TRIP System/VMS Upgrade	1,000,000				-	1,000,000			-		-		1,000,000
Purchase of Forklifts	290,146				-	290,146			-		-		290,146
Office Renovation - Suite 201	285,000				-	285,000			-		-		285,000
Mobile Ticketing Phase II	179,000				-	179,000			-		-		179,000
L'Enfant Station Improvements (C-ROC)	15,000,000				-	-	15,000,000		-		-		15,000,000
Capital Reserve	3,000,000				3,000,000								3,000,000
Capital Project Summary	63,596,878	-	-	-	4,651,709	4,304,146	15,000,000	-	12,869,321	-	26,771,701	-	63,596,878
CMAQ/REF/IPROC													
Broad Run Expansion (CMAQ)	4,384,505				-	-			876,901		-	3,507,604	4,384,505
Quantico Station Improvements (Smartscale)	989,000				-	-			989,000		-	-	989,000
Alexandria Pedestrian Tunnel (Smartscale)	2,380,000				-	-			2,380,000		-	-	2,380,000
Fleet Expansion Coaches (Smartscale)	0				-	-			0		-	-	0
Brooke Platforms (REF)	2,450,000				-	-			2,450,000		-	-	2,450,000
Leeland Road Platforms (REF)	2,450,000				-	-			2,450,000		-	-	2,450,000
Summary	12,653,505	-	-	-	-	-	-	-	9,145,901	-	-	3,507,604	12,653,505
TOTAL	164,569,447	42,400,000	200,000	225,000	17,767,748	5,294,146	15,000,000	9,978,879	29,070,747	8,935,000	32,190,323	3,507,604	164,569,447

	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%)	17,870,000	SSTP/State	8,935,000	6,075,800
Local only Debt Service VRA Bond Payable	99,072		-	-
Fed/State/Local Debt Service VRA Bond Payable	2,445,287	5337	1,956,230	391,246
Fed/State/Local Debt Service VRA Bond Payable	1,746,634	5307	1,397,307	279,461
Grant & Project Management	650,000	5307	520,000	-
Subtotal	24,742,350			7,055,524
Capital Projects/Earmarks	76,250,383		30,279,305	22,015,222
Federal Cap Program	100,992,733		44,632,927	29,070,747



**Six Year Financial Forecast
FY 2020 – FY 2025**



Six-Year Financial Forecast

In accordance with the VRE Master Agreement, the FY 2020 budget includes a six-year financial plan, covering FY 2020 through FY 2025. The key assumptions in the forecast are outlined below:

- Operating ratio maintained at 50% or higher through FY 2024, projected at 49% in FY 2025
- Projected service level:
 - a. 32 daily revenue trains for FY 2020 – FY 2025
- Operating costs:
 - b. Increase in base costs varies by year, based on annual ridership changes
 - c. Operating cost projections of major capital projects included
 - d. Train operations and maintenance of equipment, midday services, fuel, track leases and debt service tracked separately
- Fare revenue:
 - e. 3% increase in FY 2020, FY 2022 and FY 2024 – no increase in FY 2021, FY 2023 and FY 2025
- Local subsidy:
 - f. 3% increase in FY 2021, FY 2023 and FY2025 – no increase in FY 2020, FY 2022 and FY 2024
- Grant revenue:
 - g. Access lease reimbursement funding equal to 84% of access costs through FY 2025.
 - h. State operating grant funding based on current funding amount, no increases or decreases projected
 - i. Federal capital program is shown as in six-year CIP, with level funding from FY 2020 to FY 2025
 - j. State capital grant matched at 16% in FY 2020, except for New York Avenue Midday Storage Facility and Washington Union Station Improvements projects, matched at 34% in FY 2020
 - k. State capital grant matching projected to be maintained at 16% in FY 2021 – FY 2025
- 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, such as reducing service, would be considered if funding issues are not resolved.



FY-2020 Six Year Financial Forecast

Description	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	Comments
Number of Trains	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	
Average Daily Ridership	19,000	18,700	18,887	19,076	19,267	19,459	19,654	
Average Fare Price	8.80	9.17	9.17	9.45	9.45	9.73	9.73	3% Increase in FY20; FY22; FY24
Potential Operating Ratio	52%	53%	51%	51%	50%	50%	49%	
Use of Funds for Operations								
Net Operating Expenses	28,282,309	28,217,118	29,063,631	29,935,540	30,833,606	31,758,615	32,711,373	
Operating Expense of Capital Projects	-	-	258,000	303,000	333,000	348,000	383,000	
Budgeted Operating Reserves	46,000	15,000	290,167	299,504	309,146	319,104	329,388	Maintain Minimum of 17% Operating Reserve
Insurance	4,000,000	3,796,000	3,907,000	4,008,000	4,133,000	4,258,000	4,389,000	
Amtrak	4,621,000	4,881,000	5,076,240	5,279,290	5,490,461	5,710,080	5,938,483	
Contracted Train Operations	15,718,000	16,287,000	16,775,610	17,278,878	17,797,245	18,331,162	18,881,097	
Maintenance of Equipment	7,020,500	6,868,000	7,074,040	7,286,261	7,504,849	7,729,995	7,961,894	
Fuel	4,250,000	4,412,500	4,589,000	4,772,560	4,963,462	5,162,001	5,368,481	
Track Lease Expense	17,870,000	18,530,000	19,271,200	19,901,024	20,843,730	21,677,479	22,544,578	
Debt Service	6,714,870	6,221,757	6,220,838	6,222,198	6,222,023	6,224,929	6,220,660	
Total Operating Costs	88,522,679	89,228,375	92,525,726	95,286,255	98,430,522	101,519,364	104,727,954	
Sources of Funds For Operations								
Fare Revenue	42,400,000	43,810,000	43,500,000	45,200,000	45,700,000	47,500,000	48,000,000	
Interest Income	200,000	500,000	500,000	500,000	500,000	500,000	500,000	
Other Income	225,000	225,000	225,000	225,000	225,000	225,000	225,000	
Other	990,000	-	-	-	-	-	-	One-Time Expenditures, Use of Prev. FY Surplus
State C-ROC Dedicated Funding (Operating)	-	-	-	-	-	-	-	New C-ROC - Operating Portion
State Operating Grant	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	
State Capital Grant	7,132,508	7,279,830	7,531,691	7,746,048	8,066,540	8,350,480	8,644,611	
Federal Grants:								
Track Access Lease Funding	8,935,000	9,265,000	9,635,600	9,950,512	10,421,865	10,838,740	11,272,289	
Federal Operating Funds (Debt service & loans)	5,283,542	4,898,148	4,897,413	4,898,501	4,898,361	4,900,686	4,897,271	
Other Federal Revenues	520,000	520,000	520,000	520,000	520,000	520,000	520,000	
Total Operating Revenues	75,186,050	75,997,978	76,309,704	78,540,061	79,831,766	82,334,905	83,559,170	
Surplus/(Deficit) for Operations	(13,336,629)	(13,230,397)	(16,216,023)	(16,746,194)	(18,598,757)	(19,184,459)	(21,168,784)	
Local Subsidy	17,767,748	17,767,748	18,300,780	18,300,780	18,849,804	18,849,804	19,415,298	3% Increase in FY21; FY23; FY25
Net subsidy available for capital match	4,431,120	4,537,351	2,084,758	1,554,587	251,047	(334,655)	(1,753,486)	
Use of Funds for Capital Program								
Capital Cost Base Program	60,942,515	64,934,700	63,922,543	103,275,829	82,874,119	53,714,954	53,714,954	
Total Capital Program Costs	60,942,515	64,934,700	63,922,543	103,275,829	82,874,119	53,714,954	53,714,954	
Sources of Funds for Capital Program								
Federal Grants:								
Federal funding (Includes CMAQ)	80%	80%	80%	80%	80%	80%	80%	
Federal funding (Includes CMAQ)	26,773,570	28,556,118	29,564,940	28,874,341	28,091,744	26,771,963	26,771,963	
Federal funding - Track Access	50%	50%	50%	50%	50%	50%	50%	
Matching Funds								
State Capital Grants - non-federal costs	26,187,824	12,641,232	14,820,303	54,972,843	35,353,777	7,514,393	7,514,393	
Local/Other Funds	3,550,000	200,000	-	-	-	-	-	
NVRTA Capital Grant Funding	-	4,000,000	-	-	-	-	-	
State C-ROC Dedicated Funding - Capital	-	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	New C-ROC - Capital Portion
Net local subsidy available for capital match	4,431,120	4,537,351	2,084,758	1,554,587	251,047	(334,655)	(1,753,486)	
Total Sources of Funding for Capital Program	60,942,515	64,934,700	61,470,001	100,401,770	78,696,568	48,951,701	47,532,870	
Add'l funds required to fund Operations and Capital:								
Additional required for operations/base program	-	-	(2,452,542)	(2,874,059)	(4,177,551)	(4,763,253)	(6,182,084)	
Potential Means to Address Future Gap As Needed:								
Reduction of Annual Capital Reserve Contribution	-	-	(2,452,542)	(2,874,059)	(3,000,000)	(3,000,000)	(3,000,000)	
Use of Federal Formula Funds for Preventive Maint.	-	-	-	-	(1,177,551)	(1,763,253)	(3,182,084)	80% Federal Money, Net Effect of Use
Use of C-ROC Funds for Operations	-	-	-	-	-	-	-	C-ROC Funding may be used for Capital or Operating
Use of Reserve Funds	-	-	-	-	-	-	-	
Remaining Shortfall After Potential Solutions Utilized	-	-	-	-	-	-	-	

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	FY 20	FY21	FY22	FY23	FY24	FY25
<i>Operating cost ratio (cost recovery) higher than 50%</i>						
<i>Projected</i>	<i>53%</i>	<i>51%</i>	<i>51%</i>	<i>50%</i>	<i>50%</i>	<i>49%</i>
<i>Debt service limited to 20% of annual operating costs:</i>						
Total operating costs	89,228,375	92,525,726	95,286,255	98,430,522	101,519,364	104,727,954
Existing annual debt service cost	6,221,757	6,220,838	6,222,198	6,222,023	6,224,929	6,220,660
<i>Existing debt service as a % of operating costs</i>	<i>7.0%</i>	<i>6.7%</i>	<i>6.5%</i>	<i>6.3%</i>	<i>6.1%</i>	<i>5.9%</i>
<i>Working capital reserves not less than 2 months and goal to maintain 3 months</i>						
<i>Number of months</i>	<i>3.1</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>
<i>PAYGO equal to a minimum of 20% of the funded portion of the CIP over the 6-year period:</i>						
Funded portion of CIP	64,934,700	63,922,543	103,275,829	82,874,119	53,714,954	53,714,954
<i>PAYGO %</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>



**Capital Improvement Program
FY 2020 – FY 2025**



Introduction

The FY 2020 – 2025 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 May 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 2019 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 2020 to FY 2025). 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 will complete an update of the financial analysis that accounts for changes in operating expense and revenue trends, available capital funding, and project scopes and schedules.

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.



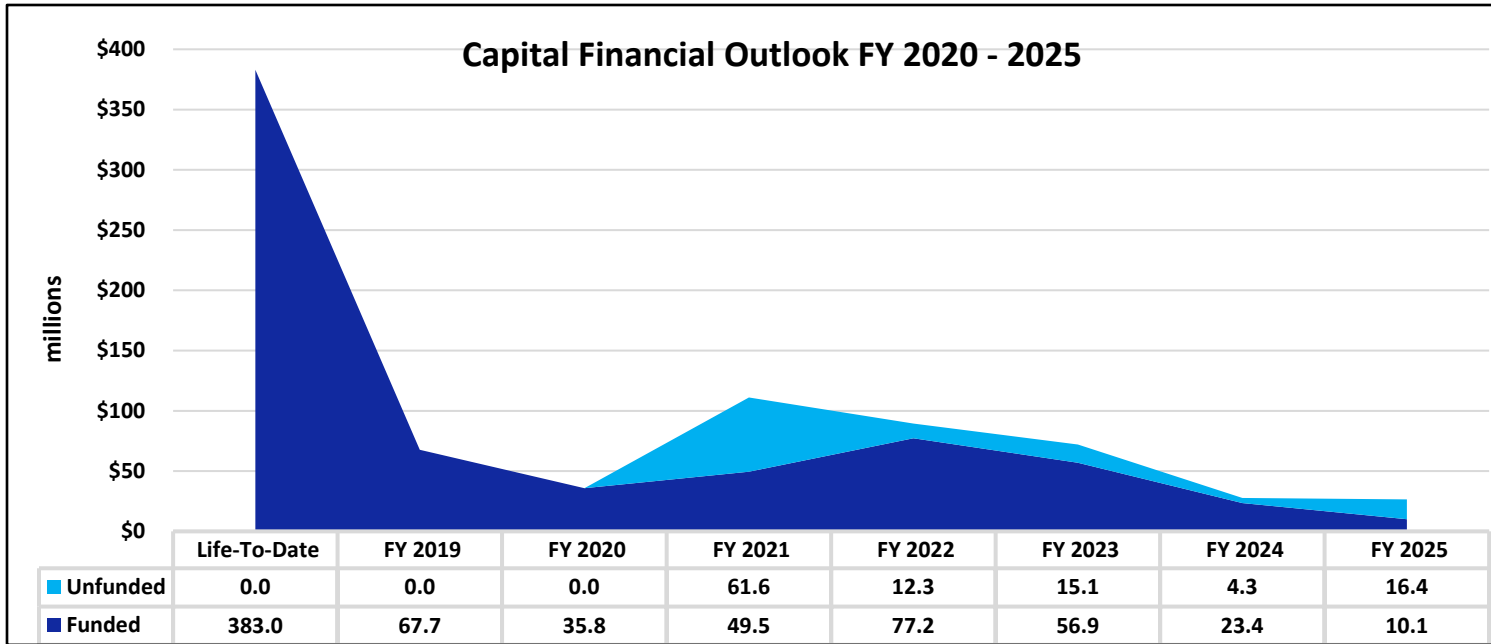
Capital Financial Outlook

As a result of the significant funding changes at the state level in 2018, the outlook in the FY 2020 to FY 2025 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 2020 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 Long Bridge and 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 2020-FY 2025 CIP (including all costs to complete) will require approximately \$813.5 million. Of this total, \$703.7 million (86.5%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2019). The graph below represents VRE's funded and unfunded project costs of \$813.5 million for projects included in the CIP.





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 2020 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 Mass Transit 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 – Criteria and Project Prioritization

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.

VRE staff engaged with the Operations Board members throughout the FY 2020 budget development process to develop a strategy for the use 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. Based on strategic guidance provided by the Operations Board, the first criterion is that, until the Operations Board agrees that the financial environment requires otherwise, C-ROC funds should be programmed only for PAYGO capital investments. A long-term commitment of C-ROC funds to a debt issuance would significantly limit VRE’s future flexibility, and a commitment to operating expenses for service expansion should not be undertaken until the sustainability of the new service can be assured.

Given that overarching guideline, the additional criteria developed in conjunction with the Operations Board are presented below.

- 1) C-ROC funds should be prioritized to projects that are not eligible for typical VRE discretionary capital funding sources, such as DRPT SmartScale or NVTA regional funding.
- 2) C-ROC funds should be prioritized to projects where a commitment of C-ROC 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.



In the development of the FY 2020 budget and six-year CIP, five major projects were identified as potential candidates for the use of C-ROC funding to fill current funding gaps. These projects are the L'Enfant Station Improvements (previously two separate projects encompassing the L'Enfant platform expansion and L'Enfant Fourth Track), Crystal City Station Improvements, Woodbridge Station Improvements, South Manassas Third Track, and Broad Run Expansion.

The L'Enfant Station Improvements have been identified since the outset of the budget process as a likely candidate for C-ROC funding. The improvements in and around L'Enfant Station – which is VRE's most heavily-used station – are critical to improving existing service reliability and flexibility and must be completed (in conjunction with the expansion of capacity across the Potomac River at Long Bridge) before any future expansion of service can be contemplated. However, the station's physical location in the District of Columbia, rather than in Virginia, presents a major barrier to the pursuit of state- or regional-level funding sources such as NVRTA, which require that the project be in Virginia. In addition, while the project does have replacement and rehabilitation aspects to it, it is primarily an expansion project, which limits the amount of federal 5337 (State of Good Repair) funding that can be applied. Therefore, the L'Enfant Station Improvements project clearly meets the first C-ROC criterion, as well as the third.

In November 2018, the online retailer and technology company Amazon announced that Northern Virginia had been selected along with New York City as the locations for the company's planned new corporate headquarters. This initiative has the potential to transform the 'National Landing' area of Arlington and Alexandria in and around Crystal City over the next decade, with the infusion of up to 25,000 new Amazon workers and additional job growth expected in supporting industries. Significant transportation investments are planned as part of the initiative, including new Metrorail station entrances, additional bus service, improvements to Route 1, and a pedestrian walkway connecting Crystal City to National Airport.

VRE's commuter rail service will also be critical to serving these expected new workers, and the planned relocation and expansion of VRE's Crystal City Station has thus taken on additional importance. Following the announcement, VRE staff consulted with DRPT staff about options for achieving full funding of the project and ensuring timely completion. As a result of those discussions, VRE will apply for an FY 2020 Rail Enhancement Fund (REF) grant to cover the cost of construction for the station improvements (engineering and design costs are already funded from other sources). The REF program requires at least a 30% local match, and this budget recommends that VRE use C-ROC funds as the source of that match. This would clearly meet the second C-ROC criterion above (i.e., leveraging significant state funds), as well as the third criterion regarding future capacity expansion.



The remaining projects (Woodbridge Station, Manassas Third Track, and BRX) will likely be considered for C-ROC funding in future budget cycles.

Based on these criteria and prioritized projects, the recommended allocations of C-ROC funding are as follows:

- FY2019 (Amended): \$15 million for L’Enfant Station Improvements
- FY 2020: \$15 million for Crystal City Station Improvements (match to potential REF grant)
- FY 2021: \$15 million for L’Enfant Station Improvements

The recommended C-ROC allocations for Amended FY 2019 and FY 2021 are shown in the L’Enfant Station project page later in this document. These allocations of C-ROC funding reduce the unfunded amount for this project (given current cost estimates) from \$38.2 million to \$8.2 million. However, given that the news regarding Amazon and the decision to pursue an REF grant for construction at Crystal City occurred very late in the budget process, as well as the uncertainty around exactly how much C-ROC funding may be needed, the CIP still shows the original funding plan and unfunded amount for Crystal City. VRE staff will work in close coordination with DRPT staff to refine the grant application and determine exactly how much C-ROC funding is needed if the application is successful. VRE staff expect to return to the Operations Board as part of the normal FY 2021 budget process and amend the FY 2020 C-ROC allocation to reflect (a) whether the REF grant application was successful and (b) if so, how much C-ROC match funding was needed.

Unfunded Projects and Unprogrammed Funding Sources

Approximately 13%, or \$110 million, of VRE’s \$813.5 million CIP is currently unfunded. This figure includes the Crystal City Station Improvements project (pending the application for REF funding with a C-ROC local match described above) as well as the other major projects noted above in the C-ROC prioritization section. 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 (i.e., future year C-ROC allocations and the Capital Reserve). Within the six-year window, \$60 million of C-ROC funding remains unprogrammed for FY 2022 through FY 2025.

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 \$82 million over the entire CIP period. (VRE’s total projected federal grant allocation plus match over the period, including FY 2019



Amended, is \$261 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 41 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.

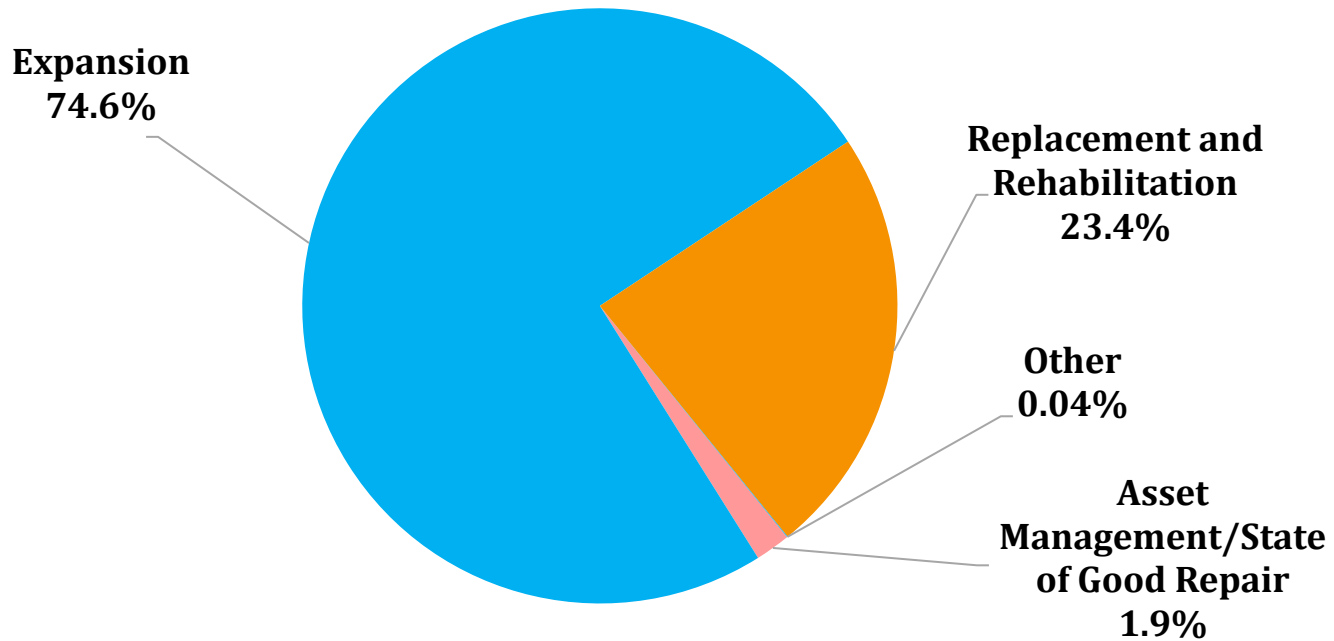
Other – Office building improvements and other miscellaneous non-transit projects.

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 2020 to FY 2025 CIP indicating the amount unfunded by year. No unfunded amounts are reflected through FY 2020 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 2020 - FY 2025 CIP BY PROJECT TYPE (\$813 million)



(amounts in millions)

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	\$15.6	\$15.6	
Expansion	607.0	528.1	78.9
Replacement and Rehabilitation	190.6	159.8	30.8
Other	0.3	0.3	
Total	\$813.5	\$703.7	\$109.8



Six-Year CIP Investment By Program Area (in thousands)

Program Name	Project Name	Project ID	Life-To-Date	FY 2019 Amended	FY 2020 Recommended	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Asset Management/State of Good Repair	Automatic Parking Counters	AM-1	140	610							750
	Automatic Passenger Counters	AM-2	25	2,085	790						2,900
	EMV Compliance - Fare Collection System	AM-3	300	1,418							1,718
	Enhancement Grant - Security	AM-4	626	105	105	105	105	105	105	105	1,361
	Equipment Asset Management Program	AM-5	3,298	4,132	4,749	6,615	5,840	3,290	1,133		29,057
	Facilities Asset Management Program	AM-6	3,089	5,630	3,335	1,150	1,000	1,030	1,280		16,514
	Positive Train Control	AM-7	10,231	3,961							14,192
	Realtime Multimodal Traveler Information	AM-9		3,481							3,481
	Security Cameras	AM-8	559	1,000	19	150	150		250	250	2,379
Asset Management/State of Good Repair Total			18,267	22,423	8,998	8,020	7,095	4,425	2,768	355	72,352
Information Technology	ERP Implementation	IT-2		2,550	200						2,750
	Mobile Ticketing Phase II	IT-4		179							179
	TRIP /VMS Upgrade	IT-3		1,000							1,000
Information Technology Total			3,729	200							3,929
Passenger Station Facilities	Alexandria Station Improvements	ST-1	2,183	1,383	9,344	7,690	5,923	5,752			32,275
	Backlick Road Station Improvements	ST-4				275	1,725	500			2,500
	Brooke Station Improvements	ST-5	256	191	1,543	7,677	6,862	6,862			23,391
	Crystal City Station Improvements	ST-8	365	1,045	2,000	2,000	14,844	14,843	14,843		49,940
	Franconia-Springfield Station Improvements	ST-9	327	1,233	5,720	5,720					13,000
	Leeland Road Station Improvements	ST-10	225	223	1,162	4,549	4,549	4,549			15,257
	L'Enfant Station Improvements	ST-11	50	1,957	1,220	3,000	15,144	24,640	24,640		70,650
	Lorton Station Second Platform	ST-13	389	1,110	7,325	7,325					16,150
	Manassas Station Improvements	ST-21			521	4,427	4,177				9,125
	Quantico Station Improvements	ST-14		7,173	10,327		873				18,373
	Rippon Station Improvements	ST-15	272	197	1,094	7,536	7,536				16,635
	Rolling Road Station Improvements	ST-17	362	1,638							2,000
	Washington Union Station Improvements	ST-18	5,000	5,000	5,000	10,000	10,000	10,000	10,000	10,000	65,000
	Woodbridge Station Improvements	ST-19					1,000	1,300	600	16,420	19,320
Passenger Station Facilities Total			9,429	21,149	45,256	60,200	72,634	68,446	50,083	26,420	353,616
Rolling Stock Equipment	Fleet Expansion Coaches - Manassas	RS-3			28,120						28,120
	Fleet Expansion Coaches - Fredericksburg	RS-5						34,294			34,294
Rolling Stock Equipment Total					28,120			34,294			62,414
Station Parking	Leeland Road Parking Improvements	PK-3					512	2,612	2,395		5,519
	Manassas Park Parking Improvements	PK-4	610	1,890	5,871	11,742	5,871				25,983
	Quantico Station Parking Improvements	PK-5				1,705					1,705
Station Parking Total			610	1,890	5,871	13,446	6,383	2,612	2,395		33,207
Track and Signal Infrastructure	Alexandria Station Track 1 Access (Slaters Lane)	TS-1	91	1,100	5,809						7,000
	South Manassas Third Track and Signal	TS-11		970	1,000	22,480	22,480	11,240			58,170
Track and Signal Infrastructure Total			91	2,070	6,809	22,480	22,480	11,240			65,170
Train Maintenance and Storage Facilities	Broad Run Expansion (BRX)	OT-2	4,227	3,485	9,911	24,545	24,545	12,347			79,060
	Crossroads MSF - Land Acquisition	MS-2	285	2,665							2,950
	Crossroads MSF - Storage Expansion, Short-term	MS-3					1,091	7,275			8,366
	L'Enfant Train Storage Track - South	MS-5	1,659	2,306							3,965
	Life-Cycle Overhaul and Upgrade Facility	MS-6	2,126	4,731	18,294	13,033					38,184
	New York Avenue Midday Storage Facility	MS-7	4,829	7,059	23,130	27,609	27,040				89,667
Train Maintenance and Storage Facilities Total			13,127	20,245	51,335	65,186	52,676	19,622			222,191
Misc. (Multiple Categories)	Forklifts purchase	OT-4		264	5	5	5	5	5		290
	Office Renovation - Suite 201	OT-3		285							285
Misc. (Multiple Categories) Total				549	5	5	5	5	5		575
CIP Six-Year Total			41,524	72,055	146,594	169,337	161,273	140,645	55,251	26,775	813,454

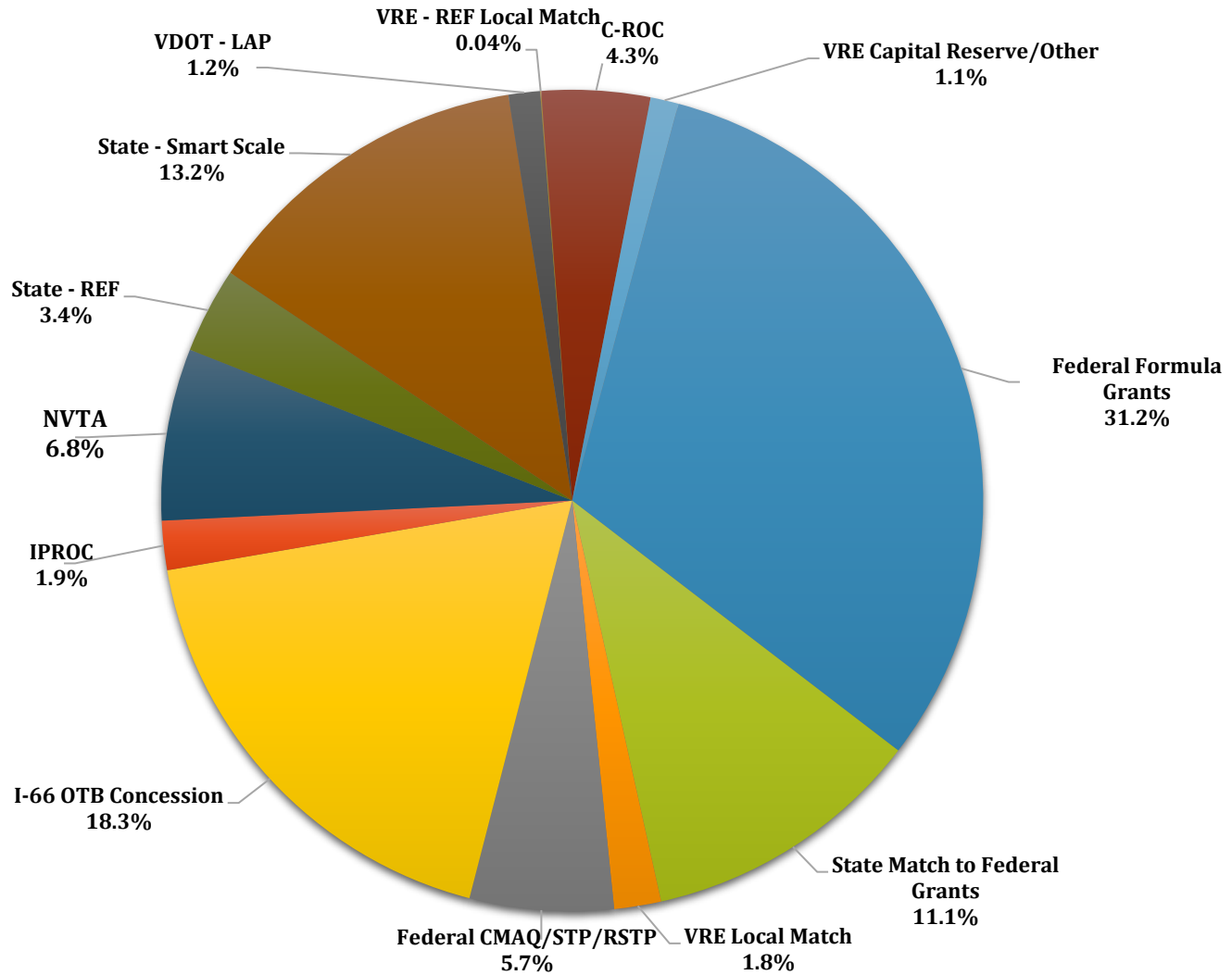


Capital Improvement Program by Funding Source (in millions)

Federal/Non-Federal	Funding Type	Life-To-Date	FY 2019 Amended	FY 2020 Recommended	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Federal Formula Grants	Federal Formula Grants	97.2	23.3	17.9	17.6	20.3	20.4	16.9	6.3	219.9
	State Match to Federal Grants	29.0	11.1	8.3	8.3	6.2	6.2	5.5	3.4	78.2
	VRE Local Match	5.8	1.4	1.1	1.1	1.1	1.1	0.9	0.4	13.0
Federal Formula Grants Total		132.0	35.8	27.3	27.0	27.7	27.8	23.4	10.1	311.0
Non-Federal	Federal CMAQ/STP/RSTP	25.4	4.4	2.2	3.5	2.6	1.6			39.8
	I-66 OTB Concession	128.5								128.5
	IPROC	13.6								13.6
	NVTA	43.6		4.0						47.6
	State - REF	18.8	4.9							23.7
	State - Smart Scale	8.8	3.4	2.1	4.0	46.9	27.5			92.6
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	0.3								0.3
	C-ROC		15.0		15.0					30.0
	VRE Capital Reserve/Other	3.3	4.3	0.2						7.8
Non-Federal Total		251.0	32.0	8.5	22.5	49.6	29.2			392.7
Grand Total		383.0	67.7	35.8	49.5	77.2	56.9	23.4	10.1	703.7



FY 2020 - FY 2025 CIP: Sources of \$704 million Committed Funding





Asset Management & State of Good Repair



Automatic Parking Counters

Program Name: Asset Management/State of Good Repair
Project Type: Asset Management
Project ID: AM-1
Location: N/A

Start Date FY 2016
End Date FY 2019

Currently, passenger vehicle counts are performed manually to determine parking lot utilization. This project will allow for automatic parking/traffic counters at selected stations which will allow staff to obtain more accurate, real-time information as well as gather additional information on parking movements for use in ridership and operations analysis.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	600,000									600,000
Federal State Match	120,000									120,000
VRE Local Match	30,000									30,000
Total Funding	750,000									750,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24		Future	Total
Automatic Parking Counter	139,590	610,410								750,000
Total Spending Plan	139,590	610,410								750,000

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

N/A

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 2020

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding Sources	2,900,000									2,900,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Purchase/Install on 8 Cars (Proof of Concept)	24,667	100,333								125,000
Purchase/Install on 92 Cars (Production)		1,310,000	790,000							2,100,000
Back End System Development/Support		500,000								500,000
Project Management/Oversight		175,000								175,000
Total Spending Plan	24,667	2,085,333	790,000							2,900,000

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

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



EMV Compliance - Fare Collection System

Program Name:	Asset Management/State of Good Repair	Start Date	FY 2017
Project Type:	Asset Management	End Date	FY 2019
Project ID:	AM-3		
Location:	System-wide		

This project is for the update of the Scheidt and Bachmann Fare Collections System to be EMV (Europay Mastercard Visa) compliant. This project will enable the system to accept EMV enabled cards which include chip and pin technology for greater data security. The project will also upgrade the touchscreens as the current screens are obsolete, and will add ADA required audio jacks for passenger use. Additional funding has been requested to include replacing the MKVs (magnetic reader/encoder/printer) in the fare collections equipment.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	960,000									960,000
Federal State Match	192,000									192,000
VRE Local Match	48,000									48,000
Proceeds - Sale of federally funded asset	518,000									518,000
Total Funding	1,718,000									1,718,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
EMV Compliance - Fare Collection System	299,715	1,418,285								1,718,000
Total Spending Plan	299,715	1,418,285								1,718,000

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

N/A

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	501,069	84,000	84,000	84,000	84,000	84,000	84,000	84,000		1,089,069
Federal State Match	48,972	16,800	16,800	16,800	16,800	16,800	16,800	16,800		166,572
VRE Local Match	76,295	4,200	4,200	4,200	4,200	4,200	4,200	4,200		105,695
Total Funding Sources	626,336	105,000	105,000	105,000	105,000	105,000	105,000	105,000		1,361,336

Spending Plan By Phase	LTD Actuals	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Enhancement grant - security	626,336	105,000	105,000	105,000	105,000	105,000	105,000	105,000		1,361,336
Total Spending Plan	626,336	105,000	105,000	105,000	105,000	105,000	105,000	105,000		1,361,336

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	9,360,000	2,736,000	3,460,000	3,076,000	1,672,000	1,584,294	1,357,492			23,245,786
Federal State Match	1,872,000	547,200	692,000	615,200	334,400	316,859	271,498			4,649,157
VRE Local Match	468,000	136,800	173,000	153,800	83,600	79,215	67,875			1,162,289
Total Funding Sources	11,700,000	3,420,000	4,325,000	3,845,000	2,090,000	1,980,368	1,696,865			29,057,233

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Equipment Asset Management Program	3,298,433	4,131,800	4,749,000	6,615,000	5,840,000	3,290,000	1,133,000			29,057,233
Total Spending Plan	3,298,433	4,131,800	4,749,000	6,615,000	5,840,000	3,290,000	1,133,000			29,057,233

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	10,572,900	1,996,000	641,981							13,210,881
Federal State Match	2,089,580	399,200	128,396							2,617,176
VRE Local Match	553,645	99,800	32,099							685,544
Total Funding	13,216,125	2,495,000	802,476							16,513,601

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Facilities Asset Management Program	2,588,601	5,630,000	3,335,000	1,150,000	1,000,000	1,030,000	1,280,000			16,013,601
VRE Office Renovations	500,000									500,000
Total Spending Plan	3,088,601	5,630,000	3,335,000	1,150,000	1,000,000	1,030,000	1,280,000			16,513,601

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 2019

The implementation of Positive Train Control (PTC) is mandated by the Rail Safety Improvement Act of 2008. The 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding	14,191,833									14,191,833

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Positive Train Control	10,230,773	3,961,060								14,191,833
Total Spending Plan	10,230,773	3,961,060								14,191,833

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 scheduled to be 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding	1,578,700			300,000			500,000			2,378,700

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Security Cameras	559,246	1,000,000	19,454	150,000	150,000		250,000	250,000		2,378,700
Total Spending Plan	559,246	1,000,000	19,454	150,000	150,000		250,000	250,000		2,378,700

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 2019

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. This project element will also be coordinated with the VDOT-led effort on the Northern Virginia East West Integrated Corridor Management project. Funding has been committed for implementing automatic passenger counters and automatic parking counters at existing VRE facilities.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
I-66 OTB Concession Payment	3,481,000									3,481,000
Total Funding Sources	3,481,000									3,481,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24		Future	Total
Real-Time Multimodal System		3,481,000								3,481,000
Total Spending Plan		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 2020

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 current manual processes with data automation in order for the VRE to continue to support the System Plan 2040. This project will greatly enhance the effectiveness of VRE operations by creating greater process efficiencies in the organization.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
VRE Capital Planning Fund (98)		140,000								140,000
VRE Capital Reserve		2,410,000	200,000							2,610,000
Total Funding		2,550,000	200,000							2,750,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Implementation, Hardware and Licensing		2,550,000	200,000							2,750,000
Total Spending Plan		2,550,000	200,000							2,750,000

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 2019

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 greatly 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
VRE Capital Reserve		1,000,000								1,000,000
Total Funding		1,000,000								1,000,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Implementation, HW, SW, Licensing		1,000,000								1,000,000
Total Spending Plan		1,000,000								1,000,000

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

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

Mobile Ticketing Phase II

Program Name: Information Technology
Project Type: New Installation
Project ID: IT-4
Location: N/A

Start Date FY 2019
End Date FY 2019

The project will develop a web based ticketing portal to more efficiently handle allocation and distribution of SmartBenefits and give passengers direct access to utilize VRE Mobile.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
VRE Capital Reserve		179,000								179,000
Total Funding		179,000								179,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Portal Impletmentaion		179,000								179,000
Total Spending Plan		179,000								179,000

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 2020

This project is the purchase of ten (10) expansion coaches and a spare to support 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
I-66 OTB Concession Payment	28,120,000									28,120,000
Total Funding Sources	28,120,000									28,120,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24		Future	Total
10 Expansion Coaches			28,120,000							28,120,000
Total Spending Plan			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	Start Date	FY2021
Project Type:	Expansion	End Date	FY2023
Project ID:	RS-5		
Location:	N/A		

This project is 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
State - Smart Scale				4,000,000	22,532,000	7,762,442				34,294,442
Total Funding Sources				4,000,000	22,532,000	7,762,442				34,294,442

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Expansion Coach/Trailer Car (11)						34,294,442				34,294,442
Total Spending Plan						34,294,442				34,294,442

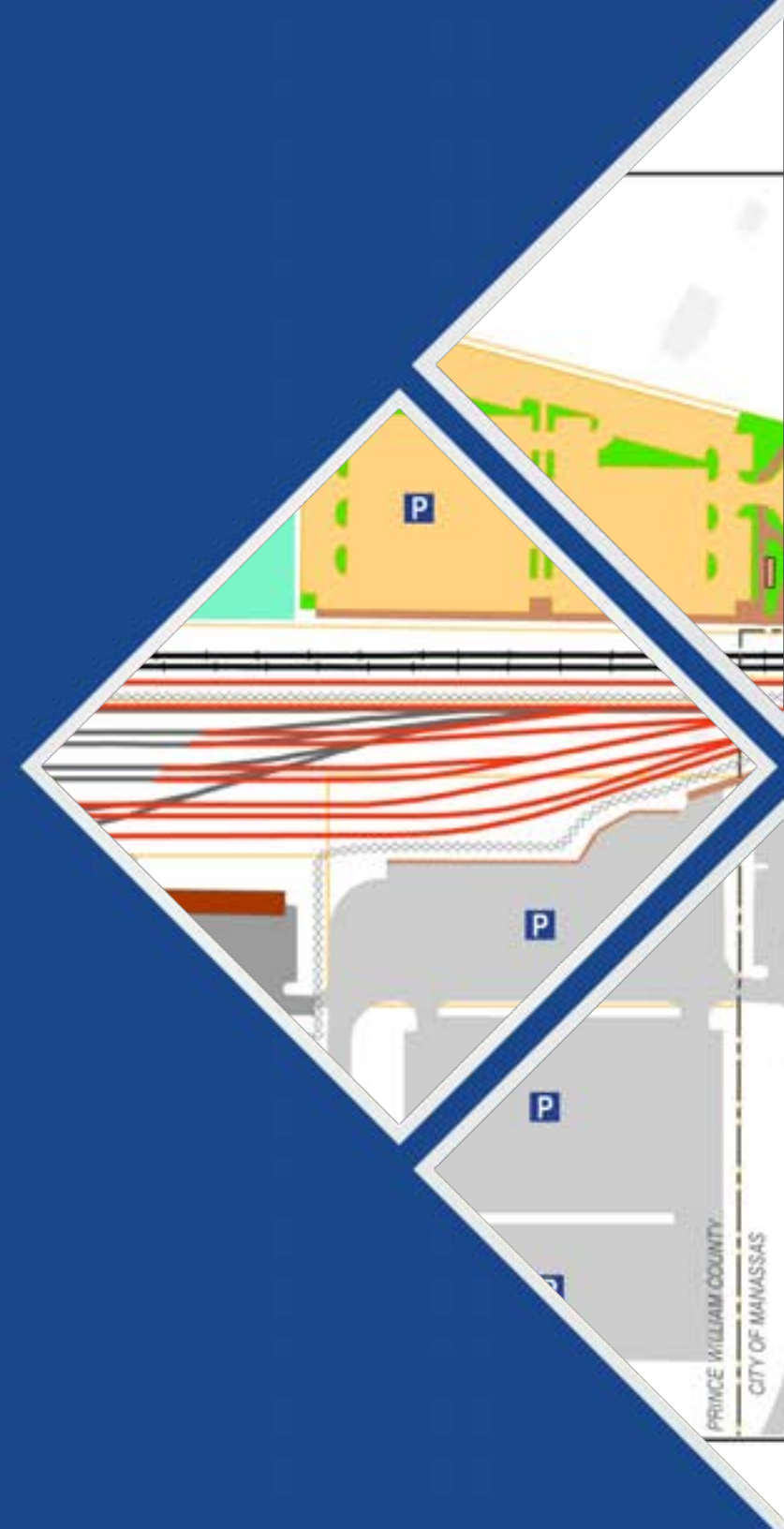
Operations & Maintenance (O & M) Costs (Savings)

N/A





Train Maintenance & Storage Facilities



Broad Run Expansion (BRX)

Program Name:	Train Maintenance and Storage Facilities	Start Date	FY 2016
Project Type:	Expansion	End Date	FY 2023
Project ID:	OT-2		
Location:	Prince William County		

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. The estimated cost also includes real estate acquisition to expand the station footprint. Other projects associated with the proposed service expansion include Fleet Expansion Coaches - Manassas Line (RS- 3) and South Manassas Third Track and Signals (RS-4 and TS-10).

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - CMAQ/STP/RSTP	6,934,626	3,507,604		800,000						11,242,230
State - CMAQ/RSTP Match	1,733,656	876,901		200,000						2,810,557
NVTA	1,500,000									1,500,000
State - REF	2,785,714									2,785,714
VRE - Capital Reserve	1,200,000									1,200,000
I-66 OTB Concession Payment	44,156,000									44,156,000
Unfunded (To Be Determined)				15,365,499						15,365,499
Total Funding	58,309,996	4,384,505		16,365,499						79,060,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	4,227,470	2,118,943								6,346,413
Property Acquisition			7,316,000							7,316,000
Final Design		1,365,665	2,594,956							3,960,621
Construction				24,544,786	24,544,786	12,347,394				61,436,966
Total Spending Plan	4,227,470	3,484,608	9,910,956	24,544,786	24,544,786	12,347,394				79,060,000

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

N/A



Crossroads MSF - Land Acquisition

Program Name: Train Maintenance and Storage Facilities
Project Type: Expansion
Project ID: MS-2
Location: Spotsylvania County

Start Date FY 2016
End Date FY 2019

This project provides for the acquisition of approximately 16.5 acres of land to the east of the current VRE Crossroads facility to increase the storage capacity at the yard and to accommodate the construction of the Life-Cycle Overhaul and Upgrade Facility, which requires relocation of two existing storage tracks. The property, net of the land needed for the two tracks, will be large enough to accommodate additional storage needed for System Plan 2040 expansion. This project is part of the Crossroads Maintenance and Storage Facility - Storage Expansion (MS-3).

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	2,360,000									2,360,000
Federal State Match	472,000									472,000
VRE Local Match	118,000									118,000
Total Funding	2,950,000									2,950,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	140,000									140,000
Property Acquisition	144,700	2,665,300								2,810,000
Final Design										
Construction										
Total Spending Plan	284,700	2,665,300								2,950,000

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

N/A



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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
State - Smart Scale					5,057,000	3,308,765				8,365,765
Total Funding					5,057,000	3,308,765				8,365,765

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development					275,000					275,000
Property Acquisition										
Final Design					816,187					816,187
Construction						7,274,578				7,274,578
Total Spending Plan					1,091,187	7,274,578				8,365,765

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 2019

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding	3,965,000									3,965,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development										
Project Management										
Final Design	206,048	111,052								317,100
Construction	1,453,270	2,194,630								3,647,900
Total Spending Plan	1,659,318	2,305,682								3,965,000

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 2021

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 adjacent property to accommodate the new facility and will be built in conjunction with Crossroads MSF - Land Acquisition (MS-2).

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	25,889,058	1,852,132								27,741,190
Federal State Match	7,899,412	1,015,685								8,915,097
VRE Local Match	1,407,853	119,492								1,527,345
Total Funding	35,196,323	2,987,309								38,183,632

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	644,400									644,400
Project Management										
Property Acquisition										
Final Design	1,481,999	685,139	263,185							2,430,323
Construction		4,045,400	18,030,800	13,032,709						35,108,909
Total Spending Plan	2,126,399	4,730,539	18,293,985	13,032,709						38,183,632

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: M5-7
Location: District of Columbia

Start Date FY 2015
End Date FY 2022

This project includes the design, permitting, property acquisition and construction for a midday storage facility to replace current storage at Amtrak's Ivy City Coach Yard. The Ivy City facility will not be available to VRE because it is needed by Amtrak for its own use. The new facility will replace the current coach yard and also add storage space for future expansion.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	25,786,578	13,497,835	10,591,124	7,485,102						57,360,638
Federal State Match	11,391,890	7,402,038	5,808,036	4,104,733						28,706,698
VRE Local Match	1,562,137	870,828	683,298	482,910						3,599,173
Total Funding	38,740,604	21,770,701	17,082,458	12,072,745						89,666,508

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	1,834,102	2,783,700	130,000	130,000						4,877,802
Property Acquisition	2,995,000	2,995,000	7,320,000							13,310,000
Final Design		1,280,000	1,920,000	278,706						3,478,706
Construction			13,760,000	27,200,000	27,040,000					68,000,000
Total Spending Plan	4,829,102	7,058,700	23,130,000	27,608,706	27,040,000					89,666,508

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

N/A



IN
NORTHERN VA.
AND RAPPAHANNOCK
ROLLING RIVER



DESCRIPTION
80% CONSTRUCTION
80% CONSTRUCTION
80% CONSTRUCTION
100% COM
100%

Passenger Station Facilities



Alexandria Station Improvements

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

Start Date FY 2012
End Date FY 2023

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. This project will be built in coordination with Alexandria Station Track 1 Access/Slaters Lane (TS-1).

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
NVTA	1,300,000									1,300,000
State - Smart Scale	6,854,149	2,380,000			6,284,000	6,335,000				21,853,149
Total Funding	17,276,014	2,380,000			6,284,000	6,335,000				32,275,014

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	1,260,000	400,000	50,000							1,710,000
Property Acquisition		100,000	100,000							200,000
Final Design	922,838	883,331	1,473,331							3,279,500
Construction			7,720,900	7,689,700	6,857,600	4,817,314				27,085,514
Total Spending Plan	2,182,838	1,383,331	9,344,231	7,689,700	6,857,600	4,817,314				32,275,014

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 2023

The Backlick Road VRE station currently has a platform which will accommodate a five-car train set for boarding and detraining. This project provides for an approximately 300 foot platform extension to accommodate an eight-car train set.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding				2,000,000		500,000				2,500,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development				62,000						62,000
Property Acquisition										
Final Design				213,000						213,000
Construction					1,725,000	500,000				2,225,000
Total Spending Plan				275,000	1,725,000	500,000				2,500,000

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 2023

This project will improve the existing platform to accommodate trains up to 8 cars long and construction of a second platform and pedestrian overpass. The project includes pedestrian and bicycle access improvements at the station.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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	6,551,800	2,450,000								9,001,800
State - Smart Scale			700,000		4,300,000	7,993,443				12,993,443
Total Funding	6,551,800	2,450,000	962,500	245,019	4,613,394	8,568,306				23,391,019

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	255,500	190,600								446,100
Property Acquisition				815,100						815,100
Final Design			1,543,000							1,543,000
Construction				6,862,259	6,862,259	6,862,301				20,586,819
Total Spending Plan	255,500	190,600	1,543,000	7,677,359	6,862,259	6,862,301				23,391,019

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 2024

This project includes the planning, design, permitting, and construction for an expanded and relocated Station / Platform for the VRE Crystal City Station and related track modifications in Arlington County, VA. The project constructs 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds				535,770	1,516,662		8,898,338			10,950,770
Federal State Match				107,154	303,332		1,779,668			2,190,154
VRE Local Match				26,789	75,833		444,917			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
Unfunded (To Be Determined)					12,278,460	14,843,000	3,720,077			30,841,537
Total Funding	1,410,000		4,000,000	669,713	14,174,287	14,843,000	14,843,000			49,940,000

Project will be a candidate for state Rail Enhancement Fund (REF) grant in FY 2020 with Board-authorized use of C-ROC funding as 30% local match.

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	365,000	1,045,000								1,410,000
Property Acquisition										
Final Design			2,000,000	2,000,000						4,000,000
Construction					14,844,000	14,843,000	14,843,000			44,530,000
Total Spending Plan	365,000	1,045,000	2,000,000	2,000,000	14,844,000	14,843,000	14,843,000			49,940,000

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 2021

This project includes design and construction to extend the existing north (Metro station side) platform at Franconia-Springfield to accommodate full-length trains. It also includes design and construction of modifications to the south platform at the station to allow it to service trains from either side of the platform once a future third main track is constructed at the station. The project is related to the Atlantic Gateway Segment A (Franconia to Occoquan) third track project.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
NVTA	13,000,000									13,000,000
Total Funding	13,000,000									13,000,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	327,400	44,600								372,000
Property Acquisition										
Final Design		1,188,000								1,188,000
Construction			5,720,000	5,720,000						11,440,000
Total Spending Plan	327,400	1,232,600	5,720,000	5,720,000						13,000,000

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 2023

This project will improve the existing platform to accommodate six car trains and construction of a second platform and pedestrian overpass at Leeland Road. The project includes pedestrian and bicycle access improvements at the station.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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	6,551,800	2,450,000								9,001,800
State - Smart Scale					2,749,725	2,109,789				4,859,514
Total Funding	6,551,800	2,450,000	262,500	245,019	3,063,119	2,684,652				15,257,090

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	224,500	223,300								447,800
Property Acquisition										
Final Design			1,162,000							1,162,000
Construction				4,549,097	4,549,097	4,549,096				13,647,290
Total Spending Plan	224,500	223,300	1,162,000	4,549,097	4,549,097	4,549,096				15,257,090

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 2024

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) Interlocking 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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds					10,849,305	12,542,472				23,391,777
Federal State Match					2,169,861	2,508,494				4,678,355
VRE Local Match					542,465	627,124				1,169,589
C-ROC		15,000,000		15,000,000						30,000,000
State - REF	2,226,000									2,226,000
VRE Capital Reserve	1,000,000									1,000,000
Unfunded (To Be Determined)				8,184,279						8,184,279
Total Funding	3,226,000	15,000,000		23,184,279	13,561,631	15,678,090				70,650,000

The initial development work is funded through the REF program, and the project is also a potential candidate for future funding through the Federal Core Capacity program.

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	50,000	1,956,500	1,219,500							3,226,000
Property Acquisition										
Final Design				3,000,000	2,837,000					5,837,000
Construction					12,307,000	24,640,000	24,640,000			61,587,000
Total Spending Plan	50,000	1,956,500	1,219,500	3,000,000	15,144,000	24,640,000	24,640,000			70,650,000

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 2021

Design and construction of a second platform and pedestrian overpass at Lorton Station to accommodate full-length trains. The project is related to the Atlantic Gateway Segment A (Franconia to Occoquan) third track project.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding	16,150,000									16,150,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	389,300	58,000								447,300
Property Acquisition										
Final Design		1,052,300								1,052,300
Construction			7,325,200	7,325,200						14,650,400
Total Spending Plan	389,300	1,110,300	7,325,200	7,325,200						16,150,000

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
State - IPROC	13,622,204									13,622,204
State - Smart Scale	1,899,745	989,000	1,011,000		851,000					4,750,745
Total Funding	15,521,949	989,000	1,011,000		851,000					18,372,949

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development		100,000								100,000
Property Acquisition		250,000								250,000
Final Design		675,000								675,000
Construction		6,148,000	10,326,745		873,204					17,347,949
Total Spending Plan		7,173,000	10,326,745		873,204					18,372,949

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 2022

This project is for the design and construction of a platform extension and second platform at Rippon Station with pedestrian overpass to accommodate full-length trains.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	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
Total Funding	16,634,793									16,634,793

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	272,000	196,500								468,500
Property Acquisition										
Final Design			1,094,000							1,094,000
Construction				7,536,147	7,536,147					15,072,293
Total Spending Plan	272,000	196,500	1,094,000	7,536,147	7,536,147					16,634,793

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 2019

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - CMAQ/STP/RSTP	1,600,000									1,600,000
State - CMAQ/STP/RSTP Match	400,000									400,000
Total Funding	2,000,000									2,000,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	40,700									40,700
Property Acquisition										
Final Design	321,500	80,000								401,500
Construction		1,557,800								1,557,800
Total Spending Plan	362,200	1,637,800								2,000,000

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 re-alignments 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 has not been determined. Some priority projects may be carried out under an interim agreement with Amtrak.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - Formula Funds	3,100,000	3,100,000	3,100,000	6,200,000	6,200,000	6,200,000	6,200,000	6,200,000		40,300,000
Federal State Match	1,700,000	1,700,000	1,700,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000		22,100,000
VRE Local Match	200,000	200,000	200,000	400,000	400,000	400,000	400,000	400,000		2,600,000
Total Funding	5,000,000	5,000,000	5,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000		65,000,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Amtrak Agreement	5,000,000	5,000,000	5,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000		65,000,000
Total Spending Plan	5,000,000	5,000,000	5,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000		65,000,000

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 2025

This project includes the planning, design, permitting, and construction for an expanded station / platform to accommodate the proposed third track through station. The work will create an island platform and allow for simultaneous boarding of two tracks initially and potentially three tracks in the future.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - CMAQ/STP/RSTP					1,600,000					1,600,000
State - CMAQ/STP/RSTP Match					400,000					400,000
Unfunded (To Be Determined)						300,000	600,000	16,420,000		17,320,000
Total Funding					2,000,000	300,000	600,000	16,420,000		19,320,000

The project is a candidate for future CMAQ funds for Final Design, NVTA and Rail Enhancement Fund (REF) for Construction.

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development					1,000,000	700,000				1,700,000
Property Acquisition										
Final Design						600,000	600,000			1,200,000
Construction								16,420,000		16,420,000
Total Spending Plan					1,000,000	1,300,000	600,000	16,420,000		19,320,000

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 2022

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
I-66 OTB Concession Payment	9,125,000									9,125,000
Total Funding	9,125,000									9,125,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development			221,000							221,000
Property Acquisition										
Final Design			300,000	250,000						550,000
Construction				4,177,000	4,177,000					8,354,000
Total Spending Plan			521,000	4,427,000	4,177,000					9,125,000

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
State - Smart Scale			360,000		5,159,178					5,519,178
Total Funding			360,000		5,159,178					5,519,178

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development					300,000					300,000
Property Acquisition										
Final Design					212,178	212,000				424,178
Construction						2,400,000	2,395,000			4,795,000
Total Spending Plan					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. Property acquisition, if needed, is not included in the cost estimate.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
NVTA	2,500,000									2,500,000
I-66 OTB Concession Payment	23,483,000									23,483,000
Total Funding	25,983,000									25,983,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development	610,000									610,000
Property Acquisition										
Final Design		1,890,000								1,890,000
Construction			5,870,750	11,741,500	5,870,750					23,483,000
Total Spending Plan	610,000	1,890,000	5,870,750	11,741,500	5,870,750					25,983,000

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 2020
End Date FY 2021

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 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Federal - CMAQ/STP/RSTP			1,363,942							1,363,942
State - CMAQ/STP/RSTP Match			340,986							340,986
Total Funding			1,704,928							1,704,928

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development				1,704,928						1,704,928
Property Acquisition										
Final Design										
Construction										
Total Spending Plan				1,704,928						1,704,928

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

N/A

Track & Signal Infrastructure



Alexandria Station Track 1 Access (Slaters Lane)

Program Name: Track and Signal Infrastructure
Project Type: Expansion
Project ID: TS-1
Location: City of Alexandria

Start Date FY 2015
End Date FY 2020

This project will modify the Slaters Lane railroad crossover to enhance capacity and improve operating flexibility to allow VRE trains to use Track 1 at Alexandria Station.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
NVTA	7,000,000									7,000,000
Total Funding	7,000,000									7,000,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development										
Property Acquisition										
Final Design	90,749									90,749
Construction		1,100,000	5,809,251							6,909,251
Total Spending Plan	90,749	1,100,000	5,809,251							7,000,000

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

N/A



South Manassas Third Track and Signals

Program Name: Track and Signal Infrastructure
Project Type: Expansion
Project ID: TS-11
Location: City of Manassas

Start Date FY 2019
End Date FY 2023

This project includes the final design, permitting and construction of third main track and signals on the Manassas Line, about 3 miles from the Broad Run MSF to the vicinity of the Manassas wye/Wellington Rd./Grant Ave. The new track will be connected to the existing Norfolk Southern (NS) main line at each end and is assumed to be located within the existing NS right-of-way. Project Development for this project is included in the Broad Run Expansion (BRX), Project OT-2.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
I-66 OTB Concession Payment	20,131,000									20,131,000
Unfunded (To Be Determined)				38,039,000						38,039,000
Total Funding	20,131,000			38,039,000						58,170,000

Project is a candidate for future REF grants.

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Development										
Property Acquisition										
Final Design		970,000	1,000,000							1,970,000
Construction				22,480,000	22,480,000	11,240,000				56,200,000
Total Spending Plan		970,000	1,000,000	22,480,000	22,480,000	11,240,000				58,170,000

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

N/A





Miscellaneous



Office Renovation - Suite 201

Program Name: Other
Project Type: Replacement and Rehabilitation
Project ID: OT-3
Location: VRE Headquarters

Start Date: FY 2019
End Date: FY 2019

This project is for the suite 201 office renovation. The work is necessary prior to utilizing the new office space, to maximize the efficiency of its use by Office of Development and executive personnel. Planned Improvements include the conversion of existing open areas to individual offices, modifying lobby access and creating direct access to the existing VRE offices, kitchen area modifications, door installation for added privacy in existing offices, carpet replacement and the repositioning of certain electrical, HVAC and fire protection system devices to accommodate these improvements.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
VRE - Capital Reserve		285,000								285,000
Total Funding		285,000								285,000

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Office Renovation - 201		285,000								285,000
Total Spending Plan										285,000

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

N/A



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 accommodate material movement needs.

Funding Source	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
VRE Capital Reserve		290,146								290,146
Total Funding		290,146								290,146

Spending Plan By Phase	Life to Date	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Future	Total
Purchase and Delivery of 5 forklifts		264,146								264,146
Maintenance Contract			5,200	5,200	5,200	5,200	5,200			26,000
Total Spending Plan		264,146	5,200	5,200	5,200	5,200	5,200			290,146

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

N/A



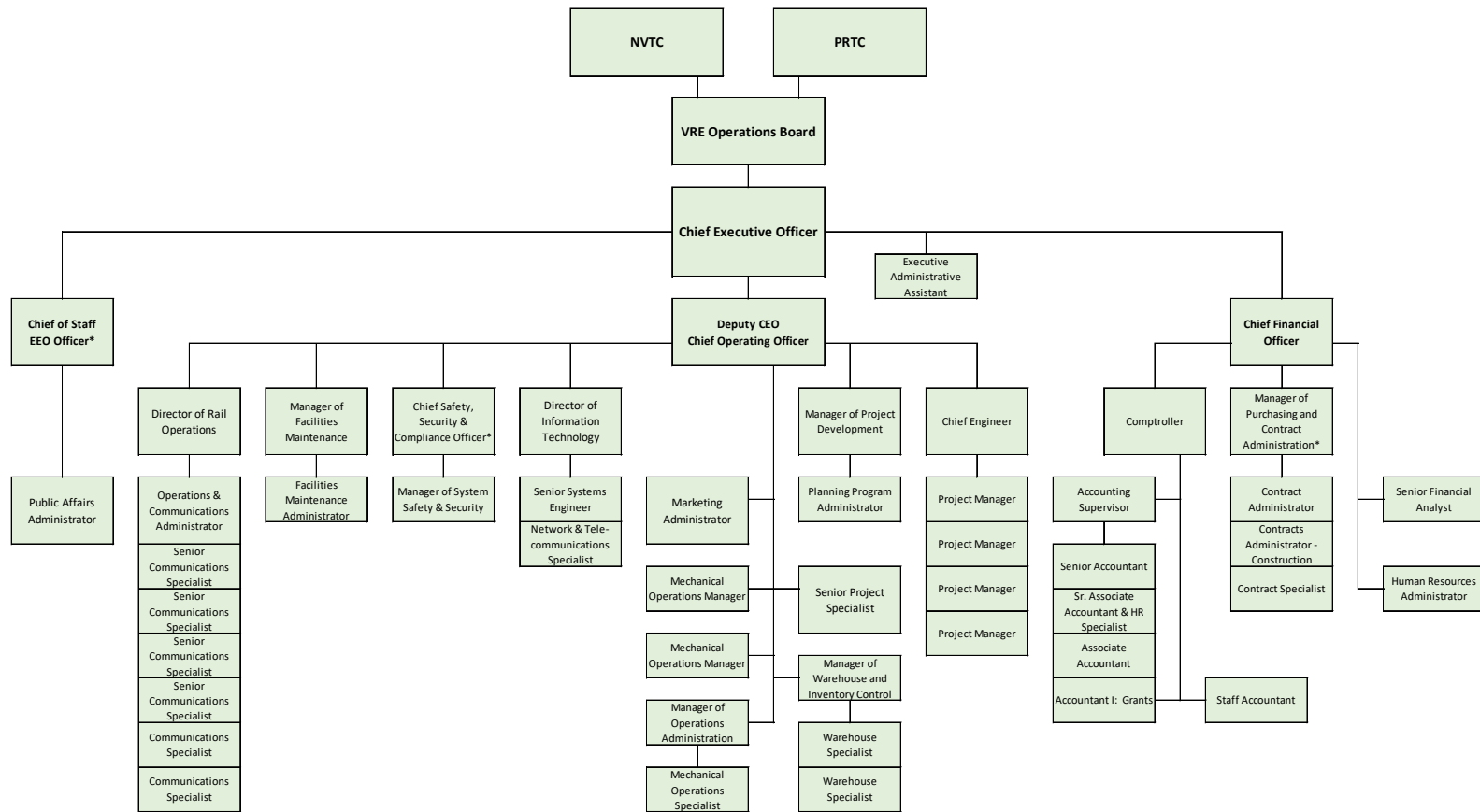


Appendices & Additional Information



VRE Staff Organizational Chart

December 14th, 2018



* 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



Local Subsidy Calculation from Oct. 2018 Survey

Virginia Railway Express Allocation Data
October 3, 2018 Survey - Proposed FY 2020 Budget

3% Fare Increase

From S&U 11 26 18

Final

<u>Jurisdictions</u>	[Col 1]	[Col 2]	[Col 3]	[Col 4]	[Col 5]	[Col 6]	[Col 6a]
	Population 2017 Update =====	Population % =====	Contributors' Potential Share of Net Costs % =====	Contributors' Potential Share of Net Costs \$ =====	Contributors' Maximum Share of Net Costs =====	=====	=====
Contributors:							
Alexandria	160,719	6.8043%	0.6804%	\$394,056		\$144,806.67	
Arlington	239,074	10.1215%	1.0122%	\$586,170		\$211,862.76	
Contributors' Total	399,793	16.9258%					
	[Col 7]	[Col 8]	[Col 9]	[Col 10]	[Col 11]	[Col 12]	
	Population 2017 Update =====	Population % =====	Participants' Normalized % Population =====	October Survey Participants' AM Ridership =====	100 Weight- Participants' Ridership % =====	Participants' Aggregate % of Costs =====	
Participants:							
Fairfax County	1,143,429	48.41%	58.27%	2,512	27.38%	27.38%	
Fredericksburg	27,645	1.17%	1.41%	285	3.11%	3.11%	
Manassas	41,783	1.77%	2.13%	385	4.20%	4.20%	
Manassas Park	16,142	0.68%	0.82%	221	2.40%	2.40%	
Prince William County	455,990	19.31%	23.24%	3,083	33.60%	33.60%	
Stafford County	145,699	6.17%	7.43%	1,610	17.55%	17.55%	
Spotsylvania	131,549	5.57%	6.70%	1,080	11.77%	11.77%	
Participants' Total	1,962,237	83.07%	100.00%	9,176	100.00%	100.00%	
Population Total	2,362,030	100.00%					
	[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						\$144,807	
Arlington						\$211,863	
Fairfax County	27.38%	\$42,208,806	\$25,349,235	\$1,003,365			\$15,758,552
Fredericksburg	3.11%	\$4,787,748	\$2,875,365	\$113,812			\$1,787,494
Manassas	4.20%	\$6,470,642	\$3,886,057	\$153,817			\$2,415,798
Manassas Park	2.40%	\$3,704,880	\$2,225,030	\$88,070			\$1,383,208
Prince William County	33.60%	\$51,795,688	\$31,106,805	\$1,231,259			\$19,337,790
Stafford County	17.55%	\$27,056,028	\$16,248,970	\$643,161			\$10,101,300
Spotsylvania	11.77%	\$18,139,284	\$10,893,864	\$431,197			\$6,772,256
Total	100.00%	\$154,163,075	\$92,585,326	\$3,664,681	\$57,913,068	\$356,670	\$57,556,398
	[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 \$ =====	Proposed FY 2020 Budget Based on 10/3/18 Survey \$ =====	Actual FY2019 Subsidy \$ =====	Net Change \$ =====	Net Change % =====
Alexandria				144,807	\$144,807	\$0	0.00%
Arlington				211,863	\$211,863	\$0	0.00%
Fairfax County	23.6778%	9,505,530	15,758,552	6,253,022	\$5,385,794	\$867,228	16.10%
Fredericksburg	3.6529%	1,466,466	1,787,494	321,028	\$436,568	(\$115,540)	-26.47%
Manassas	4.2871%	1,721,056	2,415,798	694,742	\$785,898	(\$91,155)	-11.60%
Manassas Park	2.4355%	977,722	1,383,208	405,485	\$511,311	(\$105,826)	-20.70%
Prince William County	32.9789%	13,239,478	19,337,790	6,098,311	\$6,183,745	(\$85,434)	-1.38%
Stafford County	19.3011%	7,748,480	10,101,300	2,352,820	\$2,475,127	(\$122,307)	-4.94%
Spotsylvania	13.6668%	5,486,586	6,772,256	1,285,670	\$1,632,635	(\$346,965)	-21.25%
Total	100.0000%	40,145,319	57,556,398	17,767,748	\$17,767,748	\$0	0.00%
	[Col 25]						
Participants Residents' "System-wide"	40,145,319 3,664,681						
2019 \$	43,810,000		\$154,163,074				



VRE Fiscal Year 2020 Recommended Departmental Budget

	<u>FY 2018 Amended</u>	<u>FY 2018 Actual</u>	<u>FY 2019 Budget</u>	<u>FY 2020 Recommended</u>
Revenue:				
VRE - Non-Departmental				
Fare Revenue	40,485,050	42,221,002	42,400,000	43,810,000
Miscellaneous Revenue	225,000	269,167	225,000	225,000
Appropriation from Operating Reserve	-	-	-	-
Appropriation from Capital Reserve	2,071,000	-	3,550,000	200,000
Jurisdictional Revenue	17,250,240	17,250,240	17,767,748	17,767,748
Other Revenue (Incl. Use of Prev. FY Surplus)	955,000	12,842	990,000	-
State C-ROC Dedicated Funding - Operations	-	-	-	-
State Operating Grant	9,616,202	9,616,202	9,500,000	9,500,000
Federal Grants - Operations and Debt	14,288,542	13,923,369	14,738,543	14,683,148
State Grants - Operations and Debt	6,826,508	6,741,018	7,132,508	7,279,830
State C-ROC Dedicated Funding - Capital Program	-	-	-	15,000,000
Regional Grants - Capital Program	-	1,381,776	-	4,000,000
Federal Grants - Capital Program	27,634,854	9,559,056	26,773,570	28,556,118
State Grants - Capital Program	30,594,391	13,227,848	26,187,824	12,641,232
Interest Income	75,000	749,062	200,000	500,000
Total Revenue	150,021,789	114,951,582	149,465,194	154,163,075
Expenditures:				
Non-Departmental Operating				
Liability Insurance	4,000,000	3,752,544	4,000,000	3,796,000
Operating Reserve/Contingency	708,220	-	1,588,236	1,569,598
Capital Reserve	-	-	-	-
Other	-	(22,647)	-	-
VRE-Financing-Administration Fees	-	-	-	-
Total VRE - Non-Departmental	4,708,220	3,729,897	5,588,236	5,365,598
Executive Management				
Salaries/Fringes	945,000	921,191	1,118,000	1,070,000
Travel/Training/Employee Expenses	31,500	18,320	29,000	25,000
Board Member Expenses	16,800	2,502	4,500	3,500
Office Administration Expenses	125,000	68,475	124,000	112,000
Legal/Audit	280,000	133,226	280,000	280,000
Consulting/Professional/Other	54,000	10,754	40,000	14,200
Total Executive Management	1,452,300	1,154,468	1,595,500	1,504,700
Chief of Staff				
Salaries/Fringes	373,200	270,331	391,000	360,000
Travel/Training/Employee Expenses	17,000	6,469	20,000	22,000
Marketing/PR/Special Events/Consulting	296,500	255,095	296,500	293,100
Total Chief of Staff/Public Affairs	686,700	531,895	707,500	675,100
Marketing				
Salaries/Fringes	124,800	112,939	104,000	115,500
Travel/Training/Employee Expenses	18,500	26,478	64,000	94,550
Production/Media/Promotion/Other	330,000	181,851	273,000	213,000
Special Events/Other	15,500	3,878	15,500	2,500
Total Marketing	488,800	325,146	456,500	425,550
Project Development				
Salaries/Fringes	626,000	593,803	656,000	650,500
Travel/Training/Employee Expenses	18,850	10,742	25,000	17,200
Professional Services/Consulting/Other	572,400	269,268	525,900	328,820
Total Office of Development	1,217,250	873,813	1,206,900	996,520
Rail Operations				
Salaries/Fringes	824,000	871,466	884,000	1,029,000
Travel/Training/Employee Expenses	35,500	6,840	34,000	17,000
Printing/Admin/Other	13,000	26,505	30,000	32,000
Leases/Events	23,500	17,957	23,000	24,500
Professional Services	110,000	223,415	186,000	210,500
Ticket Stock/R&M Fare Collection	930,000	872,661	945,000	945,000
Total Customer Communications	1,936,000	2,018,844	2,102,000	2,258,000
Finance and Human Resources				
Salaries/Fringes	1,232,000	1,233,834	1,354,000	1,398,000
Travel/Training/Employee Expenses	19,500	22,759	36,500	36,000
Audit/Maint Service Agreements/Consulting	222,500	257,645	286,500	442,500
Retail Sales/TLC Commissions	1,620,000	1,708,069	1,770,000	1,815,000
Bank Discounts/Other	578,500	617,383	701,500	702,500
Total Budget and Finance	3,672,500	3,839,690	4,148,500	4,394,000
Information Technology				
Salaries/Fringes	492,000	473,240	487,000	490,000
Travel/Training/Employee Expenses	16,000	10,086	27,100	21,000
Computer Equipment/Software	820,095	405,834	687,973	590,000
Consulting/Communications	1,175,238	1,056,061	973,730	1,039,500
Total Communication and Info Tech	2,503,333	1,945,221	2,175,803	2,140,500



VRE Fiscal Year 2020 Recommended Departmental Budget

	<u>FY 2018 Amended</u>	<u>FY 2018 Actual</u>	<u>FY 2019 Budget</u>	<u>FY 2020 Recommended</u>
Project Implementation				
Salaries/Fringes	891,000	903,867	943,000	979,000
Travel/Training/Employee Expenses	45,500	46,858	46,500	51,500
Other Professional Services/Other Expenses	174,700	255,879	248,700	247,500
Total Construction and Construction	<u>1,111,200</u>	<u>1,206,604</u>	<u>1,238,200</u>	<u>1,278,000</u>
Facilities Maintenance				
Salaries/Fringes	309,000	310,643	325,000	335,000
Travel/Training/Employee Expenses	112,700	11,754	53,400	16,700
Office/Other Professional Service	429,250	305,817	309,750	349,400
Station Electricity/Utilities/Taxes	850,000	766,364	885,600	828,600
Repairs and Maintenance	3,210,000	2,623,114	2,880,000	2,860,000
Total Facilities Maintenance	<u>4,910,950</u>	<u>4,017,692</u>	<u>4,453,750</u>	<u>4,389,700</u>
Purchasing and Contract Administration				
Salaries/Fringes	499,600	315,193	525,600	595,400
Travel/Training/Employee Expenses	16,320	2,960	16,320	24,850
Total Procurement and Contract Admin	<u>515,920</u>	<u>318,153</u>	<u>541,920</u>	<u>620,250</u>
Mechanical Operations				
Salaries/Fringes	837,000	852,138	880,000	932,000
Travel/Training/Employee Expenses	33,000	15,297	27,500	26,000
Consulting/Admin/Warehouse Management	40,000	48,337	192,500	42,700
Equipment/Warehouse Leases	-	-	-	-
Utilities	1,135,000	931,621	1,135,000	1,135,000
Diesel Fuel	4,759,500	3,783,119	4,250,000	4,412,500
Repairs and Maintenance	3,918,900	3,840,233	4,145,000	4,306,000
Total Equipment Operations	<u>10,723,400</u>	<u>9,470,745</u>	<u>10,630,000</u>	<u>10,854,200</u>
System Safety & Security				
Salaries/Fringes	294,000	329,312	309,000	354,000
Travel/Training/Employee Expenses	62,500	49,581	85,500	68,000
Office/Other Professional Services	195,000	145,711	295,000	267,500
Yard/Station Security	705,000	465,531	800,000	605,000
Total Safety and Security	<u>1,256,500</u>	<u>990,135</u>	<u>1,489,500</u>	<u>1,294,500</u>
PRTC				
Professional Services	104,000	110,833	104,000	104,000
Total PRTC	<u>104,000</u>	<u>110,833</u>	<u>104,000</u>	<u>104,000</u>
NVTC				
Professional Services	90,000	80,000	90,000	90,000
Total NVTC	<u>90,000</u>	<u>80,000</u>	<u>90,000</u>	<u>90,000</u>
Train Operations				
Contract Operations and Maintenance	15,416,000	15,082,199	15,718,000	16,287,000
Total Train Operations	<u>15,416,000</u>	<u>15,082,199</u>	<u>15,718,000</u>	<u>16,287,000</u>
Amtrak				
Contract Operations and Maintenance	4,458,000	4,680,616	4,621,000	4,881,000
Total Amtrak	<u>4,458,000</u>	<u>4,680,616</u>	<u>4,621,000</u>	<u>4,881,000</u>
Maintenance of Equipment				
Maintenance of Equipment	6,360,500	6,484,127	7,020,500	6,868,000
Total Maintenance of Equipment	<u>6,360,500</u>	<u>6,484,127</u>	<u>7,020,500</u>	<u>6,868,000</u>
Amtrak Access Fees				
Access Fees	6,600,000	6,627,920	6,690,000	6,630,000
Total Amtrak Access Fees	<u>6,600,000</u>	<u>6,627,920</u>	<u>6,690,000</u>	<u>6,630,000</u>
Norfolk Southern				
Access Fees	2,440,000	2,592,019	2,510,000	2,700,000
Contract Operations and Maintenance	630,000	607,848	640,000	690,000
Total Norfolk Southern	<u>3,070,000</u>	<u>3,199,867</u>	<u>3,150,000</u>	<u>3,390,000</u>
CSXT				
Access Fees	6,700,000	6,681,614	7,250,000	7,720,000
Contract Operations and Maintenance	600,000	577,944	780,000	790,000
Total CSXT	<u>7,300,000</u>	<u>7,259,558</u>	<u>8,030,000</u>	<u>8,510,000</u>
CIP Expenditures				
CIP Expenditures	64,675,346	-	60,942,515	64,934,700
Total CIP Expenditures	<u>64,675,346</u>	<u>-</u>	<u>60,942,515</u>	<u>64,934,700</u>
CIP VRE - Non-Departmental				
Allowance for Doubtful Accounts	50,000	-	50,000	50,000
Debt Service	6,714,870	5,988,938	6,714,870	6,221,757
Total CIP VRE - Non-Departmental	<u>6,764,870</u>	<u>5,988,938</u>	<u>6,764,870</u>	<u>6,271,757</u>
Total Expenditures	<u>150,021,789</u>	<u>79,936,361</u>	<u>149,465,194</u>	<u>154,163,075</u>



Future Projects and Projects Administered by Other Entities

In previous years, VRE chose to include 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 with the FY 2020 budget year, 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 simply 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 VRE is considering include:

- *Long Bridge Capacity Improvements:* The Long Bridge Project consists of potential 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 was presented at a public meeting in November 2018 and has an estimated construction cost (in 2018 dollars) of \$1.3 billion to \$1.6 billion. Significant decisions by the various stakeholders (including VRE) regarding project design, ownership, funding, and operation still 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 Improvements and Parking Structure:* VRE had previously contemplated station improvements 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