









MONTHLY COMMISSION MATERIALS

January 2021 – Electronic Meeting

MEETING OVERVIEW – January 7, 2021

NVTC's January 7, 2021 meeting will be an electronic meeting, which is possible since Governor Northam signed into law a legislative amendment to provide authority for public bodies, such as NVTC, to conduct electronic meetings during a declared state of emergency when it is impracticable or unsafe to assemble a quorum in a single location. The public will be able to access the audio live stream through YouTube and Facebook Live.

Action Items:

- Resolution "Finding Need to Conduct the January 7 NVTC Meeting Electronically"
- Slate of Officers for 2021
- Board and Committee Appointments
- NVTC Signatories and Pension Trustees
- 2021 Northern Virginia Regional Fare Collection Strategic Plan
- VRE's Revised FY 2021 and Recommended FY 2022 Budgets

Other Meeting Highlights:

- Public Comment Received during Declared Emergency
- Reports from the Virginia WMATA Board Members
- 2020 Year and Review/2021 Transit Outlook
- Commuter Choice Update
- Closed Session

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NVTC COMMISSION MEETING THURSDAY, JANUARY 7, 2021 Via Electronic Participation Public Streaming via YouTube 7:00 P.M.

AGENDA

NVTC is receiving public comment during the declared state of emergency. Persons wishing to provide written public comment should submit comments by 3:00 p.m. on January 7 2021 via NVTC's website. Comments will be provided to Commissioners prior to the January 7 meeting.

NVTC Executive Committee will meet at 5:30 p.m. via electronic participation.

- 1. Opening Remarks
- 2. **ACTION ITEM: Approve the CONSENT AGENDA** (subject to approval of the chair)
 - A. Approve Resolution #2432: Finding Need to Conduct the January 7, 2021 NVTC Meeting Electronically
 - Includes Public Comments Received During Declared Emergency
- 3. ACTION ITEM: Approve the Minutes and Meeting Summary
 - A. Approve the Minutes of the December 3, 2020 NVTC Meeting
 - B. Approve the Meeting Summary of the December 7, 2020 Joint NVTC-PRTC Legislative Briefing
- 4. ACTION ITEM: Annual Leadership and Governance
 - A. Approve the Recommended Slate of Officers for 2021
 - B. Approve Resolution #2433: Selection of NVTC Representatives to Various Boards
 - C. Approve the Recommended NVTC Committee Membership
 - D. Approve Resolution #2434: Designation of NVTC Signatories and Pension Trustees
- 5. Year in Review and 2021 Transit Outlook
 - A. NVTC 2020 Year in Review
 - B. 2021 Outlook: Guest Speaker, Beth Osborne, Transportation for America

6. Washington Metropolitan Area Transit Authority (WMATA)

- A. WMATA COVID-19 Response
- B. Report from the Virginia WMATA Board Members
- C. Other WMATA News
- D. Report from the Chair of the NVTC WMATA Committee
- 7. Transit Technology Program
 - A. ACTION ITEM: Approve Resolution #2435: Accept the 2021 Northern Virginia Regional Fare Collection Strategic Plan
- 8. Commuter Choice Program
 - A. Commuter Choice on the I-66 Corridor Round Four Update
 - B. Commuter Choice on the I-395/95 Corridor Round Two Update
- 9. Virginia Railway Express (VRE)
 - A. VRE COVID-19 Response
 - B. VRE CEO Report and Minutes
 - C. ACTION ITEM: Approve Resolution #2436: Adopt and Refer VRE's FY 2021 Revised and FY 2022 Recommended Budgets to the Jurisdictions
 - D. 2021 VRE Operations Board Officers
- 10. Department of Rail and Public Transportation (DRPT)
- 11. Executive Director Report
 - A. Executive Director Newsletter
 - B. NVTC Financial Report
- 12. Closed Session

Agenda Item #2: Consent Agenda



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Consent Agenda (subject to approval by the chair)

ACTION ITEM: Approve the CONSENT AGENDA

A. Approve Resolution #2432: Finding Need to Conduct the January 7, 2021 NVTC Meeting Electronically

The Commission is asked to approve Resolution #2432, which allows NVTC to confirm that the current declared COVID-19 public health emergency makes it both impracticable and unsafe for the Commission to assemble in a single location on January 7, 2021, to discuss and transact the business of the Commission. Furthermore, the resolution states that the items on this meeting's agenda are statutorily required or necessary to continue operations of the Commission and the discharge of the Commission's lawful purposes, duties, and responsibilities. This is possible since Governor Northam signed legislation in response to the COVID-19 public health emergency to provide authority for public bodies, such as NVTC, to conduct electronic meetings during a declared state of emergency when it is impracticable or unsafe to assemble a quorum in a single location.

Public Comments Received During Declared Emergency

According to the legislation signed by Governor Northam in response to the COVID-19 public health emergency (<u>budget amendment 137: Allow policy-making boards to meet virtually during emergency declarations, Item 4-0.01</u>), a public body or governing board convening a meeting in accordance with this subdivision shall make arrangements, if the means of communication allows, to provide the public with an opportunity to comment.

In advance of the January 7 meeting, NVTC solicited written comments from the public via <u>Google Forms through NVTC's website</u>. Comments received by 3:00 p.m. on January 7 will be provided to Commissioners ahead of the meeting and Commissioners will have an opportunity to respond to the comments at the January 7 meeting.



RESOLUTION #2432

SUBJECT: Finding Need to Conduct the January 7, 2021 Meeting Electronically

WHEREAS: On March 12, 2020, the Governor of Virginia declared a state of emergency in Virginia in response to the spread of novel coronavirus, or COVID-19, a communicable disease of public health threat as so declared by the State Health Commissioner on February 7, 2020 ("COVID-19");

WHEREAS: In subsequent Executive Orders, particularly Executive Order Nos. 53 and 55, as amended, the Governor of Virginia, among other measures designed to ensure safe physical distancing between individuals, prohibited public and private in person gatherings of 10 or more individuals and ordered all individuals in Virginia to remain at their place of residence, with limited exceptions, to mitigate the impacts of COVID-19 and prevent its spread;

WHEREAS: The Northern Virginia Transportation Commission finds that it has a responsibility to demonstrate to the public, through the Commission's conduct, the importance of maintaining proper physical distance from others and to avoid gathering in public where the risks of infection are highest, and to take measures that promote physical distancing in order to protect the public health and mitigate the impacts and spread of COVID-19, including, among others, conducting meetings electronically whenever possible;

WHEREAS: On April 22, 2020, the Virginia General Assembly adopted, and the Governor signed, budget bill amendments to HB 29 that expressly authorize "any public body, including any state, local, [or] regional body" to "meet by electronic means without a quorum of the public body . . . physically assembled at one location when the Governor has declared a state of emergency . . ., provided that (i) the nature of the declared emergency makes it impracticable or unsafe for the public body . . . to assemble in a single location; (ii) the purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the public body . . . and the discharge of its lawful purposes, duties, and responsibilities" among other provisions; and

WHEREAS: Several member jurisdictions of the Northern Virginia Transportation Commission have adopted continuity of government ordinances pursuant to Va. Code Ann. § 15.2-1413 which ordinances, among other provisions, authorize regional bodies of which the locality is a member may meet electronically to transact business essential to the continuity of government.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby finds that meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Commission to assemble in a single location on January 7, 2021, to discuss and transact the business of the Commission listed on the January 7, 2021 Commission Meeting Agenda.

NOW, THEREFORE, BE IT FURTHER RESOLVED that NVTC that hereby finds that meeting by electronic means is authorized because the items on the January 7, 2021 Commission Meeting Agenda are statutorily required or necessary to continue operations of the Commission and the discharge of the Commission's lawful purposes, duties, and responsibilities.

NOW, THEREFORE, BE IT FURTHER RESOLVED that NVTC hereby finds that the items on the January 7, 2021 Commission Meeting Agenda are encompassed within the continuity of operations ordinances adopted by several member localities of the Northern Virginia Transportation Commission as essential to the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19.

Approved this 7 th day of January 2021.		
	Chair	
Secretary-Treasurer		

Agenda Item #3: Minutes and Meeting Summary



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Minutes and Meeting Summary

At the January meeting the Commission will be asked to approve the minutes of the December 3, 2020 NVTC meeting and the meeting summary of the December 7, 2020 Legislative and Policy Briefing.

A. ACTION ITEM: Approve the Minutes of the December 5, 2020 NVTC Meeting

At the January meeting the Commission will be asked to approve the <u>Minutes of the December</u> 3, 2020 NVTC Meeting.

B. ACTION ITEM: Approve the Meeting Summary of the December 7, 2020 Joint NVTC-PRTC Legislative Briefing

At the January meeting the Commission will be asked to approve the <u>Meeting Summary of the December 7, 2020 Joint NVTC-PRTC Legislative Briefing</u>.

The annual Joint NVTC-PRTC Legislative Briefing was held virtually on Monday, December 7, 2020. Approximately 160 people participated, representing local and state elected officials, both current and newly elected, as well as staff from U.S. congressional members, jurisdictions and other transit agencies, and the public. Senators Warner and Kaine participated in the event. Secretary of Transportation Shannon Valentine was the keynote speaker, followed by a transit leader panel discussion with WMATA General Manager/CEO Paul Wiedefeld, VRE Chief Executive Officer Rich Dalton, NVTC Executive Director Kate Mattice, PRTC Executive Director Bob Schneider and NVTA Executive Director Monica Backmon.

Attachment #3A: Minutes of the December 3 Meeting



MINUTES NVTC COMMISSION MEETING – DECEMBER 3, 2020 Via Electronic Participation Public Streaming via YouTube

The meeting of the Northern Virginia Transportation Commission was called to order by Chair Cristol at 7:00 P.M.

Members Present via Electronic Participation

Canek Aguirre

Walter Alcorn

John J. Bell

Elizabeth Bennett-Parker

Katie Cristol

Adam Ebbin

Matt de Ferranti

Eileen Filler-Corn

John Foust

Libby Garvey

Paul Krizek

Matt Letourneau

Jeff McKay

David Meyer

Jennifer Mitchell (Alternate, Commonwealth of Virginia)

Dalia Palchik

David Reid

David Snyder

Richard Sullivan

Michael Turner

James Walkinshaw

Members Not Present

Paul Smedberg

Staff Present via Electronic Participation

Kate Mattice, Executive Director

Matt Cheng

Andrew D'huyvetter

Allan Fye Steve MacIsaac
Patricia Happ Rich Dalton (VRE)
Rhonda Gilchrest Mark Schofield (VRE)
Scott Kalkwarf Joe Swartz (VRE)
Zachary Smith Greg Potts (WMATA)
Melissa Walker Jennifer DeBruhl (DRPT)
Aimee Perron Seibert Dwight Buracker (PBMares)

Opening Remarks

Chair Cristol welcomed everyone to the December 3 NVTC meeting. She stated that given the ongoing COVID-19 public health emergency, the meeting is being conducted electronically. This is possible because the governor signed into law on April 22, 2020 a legislative amendment to the budget bill to allow public bodies to meet electronically without a physical quorum present to discuss or transact the business statutorily required or necessary to continue operations of that public body. NVTC staff followed the procedures and guidelines in the legislation to give notice to the Commission, staff and the public.

Chair Cristol reviewed the procedures and instructions for the electronic meeting, including that all votes will be conducted by roll call vote. The only visual component of the meeting is the presentation slides which are being shown on Webex for Commissioners and on YouTube livestream for the public.

Commission Secretary Rhonda Gilchrest then called the roll and confirmed a quorum was present.

Chair Cristol reviewed the agenda and action items and suggested that the five VRE actions be done as a block vote. She also noted that each January, NVTC approves a slate of officers, committee memberships and board appointments. She encouraged Commissioners to reach out to her or Ms. Mattice if they wish to change their committee participation or wish to be considered for an officer or board appointment role. A proposed slate of officers and appointments will be included in the January meeting materials which will be distributed prior to the meeting.

Chair Cristol also congratulated Mr. Letourneau who was recognized last night with an award from the George Mason Schar School for excellence in regional leadership.

Consent Agenda

Chair Cristol stated that there are two items on the Consent Agenda:

- A. Approve Resolution #2426: Finding Need to Conduct the December 3, 2020 NVTC Meeting Electronically (copy attached)
- B. Approve the 2021 NVTC Meeting Schedule

Before the vote, Ms. Mattice reported that one public comment was received expressing concerns about the gravity of the proposed FY 2022 WMATA budget cuts. The comment was provided to the commissioners in advance of this meeting.

Ms. Bennett-Parker moved, with a second by Mr. Sullivan, to approve the Consent Agenda. The vote was conducted by a roll call vote and the motion passed. The vote in favor was cast by Commissioners Aguirre, Alcorn, Bell, Bennett-Parker, Cristol, de Ferranti, Ebbin, Filler-Corn, Foust, Garvey, Krizek, Letourneau, McKay, Meyer, Mitchell, Palchik, Reid, Snyder, Sullivan, Turner and Walkinshaw.

Minutes of the November 5, 2020 NVTC Commission Meeting

Mr. Bell moved, with a second by Ms. Garvey, to approve the minutes of the November 5, 2020 meeting. The vote was conducted by a roll call vote and the motion passed. The vote in favor was cast by Commissioners Aguirre, Alcorn, Bell, Bennett-Parker, Cristol, Ebbin, Filler-Corn, Foust, Garvey, Krizek, McKay, Meyer, Mitchell, Palchik, Reid, Snyder, Sullivan, Turner and Walkinshaw. Commissioners de Ferranti and Letourneau abstained.

NVTC's FY 2020 Audited Financial Statements and Compliance Reports

Chair Cristol stated that the Commission is being asked to accept and authorize distribution of NVTC's FY 2020 Audited Financial Statements and Compliance Reports. Mr. Kalkwarf introduced Dwight Buracker, who represents NVTC's audit firm PBMares. Mr. Buracker is a partner at PBMares and the partner in charge of the NVTC audit as well as VRE's audit.

Mr. Buracker stated that he met with the Executive Committee, serving as the Audit Committee, prior to this meeting to give a more thorough presentation of the audit. He thanked NVTC staff for their cooperation, especially in light of it needing to be a remote audit due to the COVID-19 pandemic. The remote audit went very smoothly with multiple virtual meetings and screen sharing with NVTC accounting staff to allow PBMares to test the controls in place at NVTC. He stated that the financial audit includes three opinions on the financial statements, internal controls and federal compliance. All three received clean or unmodified opinions, which are the highest that can be issued.

Mr. Buracker also noted that the financial statement includes a section regarding the I-395/95 Commuter Choice funding activity, which is the first year it is being reported. It includes a breakdown of the funds between NVTC and PRTC, since both Commissions determine how the funding is used. He concluded by stating that PBMares issued a management letter that contains only upcoming Governmental Accounting Standards Board (GASB) pronouncements, which may impact the Commission in the future. Commissioners had no questions.

Mr. Reid moved, with a second by Mr. de Ferranti, to accept and authorize the distribution of NVTC's FY 2020 Audited Financial Statements and Compliance Reports. The vote was conducted by a roll call vote and the motion passed. The vote in favor was cast by Commissioners Aguirre, Alcorn, Bell, Bennett-Parker, Cristol, de Ferranti, Ebbin, Filler-Corn, Foust, Garvey, Krizek, Letourneau, McKay, Meyer, Mitchell, Palchik, Reid, Snyder, Sullivan and Walkinshaw. (Mr. Turner did not participate in the vote since he had to leave the meeting for a short period between 7:12 and 7:29 p.m.)

Washington Metropolitan Area Transit Authority

Chair Cristol stated that she, probably along with the rest of the Commission, is stunned by the severity of the proposed cuts to the WMATA FY 2022 budget. In light of that, she expressed how grateful NVTC is to have Mr. Smedberg and Mr. Letourneau on the WMATA Board advocating for Virginia. She stated that the only solution to this budget crisis is for the federal government to

provide federal assistance. She stated that Mr. Smedberg was unable to attend this meeting, so she asked Mr. Letourneau to give the WMATA Board Member Report.

Report from Virginia WMATA Board Members. Mr. Letourneau reported that WMATA is currently running its marketing campaign emphasizing the safety of the Metro system and encouraging the public to return to transit. He also reported that there was another train separation incident, which is concerning as it is the second such incident in recent months. Both incidents are under investigation. WMATA continues to make progress on the Rail Operations Control Center (ROCC).

Mr. Letourneau then spoke to the proposed FY 2022 budget cuts. He reported that the WMATA Board approved the changes to the FY 2021 budget and now the focus is on the FY 2022 budget, which will require drastic cuts. He clarified that the general manager's proposed FY 2022 budget is not considered a "worst case scenario" from a ridership standpoint. It assumes some growth in ridership. Given the news about vaccinations, there is reason to hope ridership will increase.

Mr. Letourneau stated that the FY 2022 budget anticipates revenues generating \$265 million against expenses of \$1.9 billion. Subsidies would be about \$1.1 billion and assumes a 3% increase, with exceptions of new service including Silver Line Phase 2, Cinder Bed bus facility, and increased safety support to maintain compliance with the Metrorail Safety Commission. This leaves a funding gap of about \$495 million for FY 2022. WMATA management is proposing about \$56 million in actions (reducing contractors, reducing performance increases for non-union employees, employee wage deferments, etc.). There is also a proposal for a one-time transfer of \$250 million in preventive maintenance costs from capital to operating. This funding would be backfilled by dedicated capital funding debt to keep the capital program whole. Mr. Letourneau stated that in his personal view this is not good policy and WMATA staff would agree, but it seems necessary.

Mr. Letourneau stated that Metrorail takes the biggest hit with service reductions (5:00 a.m. to 9:00 p.m. with no weekend service; average headways of 30 minutes; Yellow Line service only to Mt. Vernon Square; Red Line turnbacks; and 19 station closings). Changes to the Silver Line would include operating only from Ashburn to Ballston, which would mean riders would have to change trains to go into the District. WMATA would also need to lay off 1,500 rail employees. These proposed changes total about \$200 million in savings.

Regarding Metrobus cuts, Mr. Letourneau explained that there is a policy preference to preserve more bus service because current ridership is higher on bus and so many essential workers rely on the bus service. The budget proposal calls for service reductions on 41 bus lines. Virginia would end up with only eight remain bus routes. There would need to be another 900 bus employees laid off. These savings would total another \$105 million.

Mr. Letourneau stated that budget deliberations are anticipated in December through February with anticipated adoption of the FY 2022 budget in March 2021. He noted that the WMATA Board has not yet seen a line by line budget and hopefully it will be available soon.

Mr. Letourneau noted that WMATA needs the federal government to step up and pass a financial stimulus package with aid for transit. Chair Cristol stated that these proposed budget cuts will

have a huge impact on Virginia, with the changes to the Silver Line service, station closures, fewer bus routes in Virginia, as well as Arlington County's vision for a premium bus network on Columbia Pike is now dashed. She asked about the process for calibrating the budget and if the budget can be adjusted after the fiscal year starts if ridership comes back, so that service is there to match ridership. Mr. Letourneau stated that this is a key point and WMATA is working on this issue, but he reminded Commissioners that service cannot switch "on a dime" and there is a 3 to 6-month lag to increase or decrease service. WMATA has already anticipated as part of the budget ridership gains on a quarterly basis of 6%, 17% and 22% each quarter. Two big factors are the federal workforce and the D.C. public schools as to when their timing is to bring people back to the office and schools.

Commissioners discussed the potential bus route cuts in Virginia and the significant impacts to Northern Virginia. Multiple Commissioners expressed their concerns about these cuts. Mr. Letourneau stated that his understanding of the justification for the bus cuts and consolidated route plans is based on ridership demand, equity issues and redundancy. For Virginia, the redundancy issue is a factor because Virginia has done a good job with its bus networks and many jurisdictions offer their own bus service. He understands the equity issue from the perspective of providing service to the people who need it the most, but there is another equity component from the standpoint of Virginia putting money into the Metro system and getting value back.

Ms. Garvey observed that there are costs associated with rehiring people and increasing service when the demand for service returns and she hopes WMATA factors these costs into the budget equation. Mr. Letourneau stated that the key will be WMATA's negotiations with the unions and considering options other than layoffs. Ms. Garvey stated that she hopes WMATA will look at the assumptions and talk with the jurisdictions. Mr. Sullivan asked that assuming the vaccines go well, does WMATA have a timeline for bringing back service. Mr. Letourneau explained that the budget will not get approved until March 2021 and the WMATA Board can revisit the budget if circumstances change.

Mr. Walkinshaw expressed his concern that these budget cuts due to the COVID-19 pandemic will turn into permanent eliminations of bus routes. He requested that when service can be restored that WMATA will look at the bus route ridership at pre-pandemic levels. Mr. Letourneau stated that NVTC has been instrumental is assisting with the dialogue between the jurisdictions and WMATA and he anticipates the same collaboration in the future as ridership increases.

Mr. Foust asked for more information about the Silver Line Phase 2 and the timeline for start of operations and if the Silver Line is being treated the same way as the other Metro lines. Mr. Letourneau stated that the budget assumes the Silver Line Phase 2 will be operational at the beginning of FY 2022, subject to change due to constructions issues outside of WMATA's control. The Yellow Line will also see service end at Mt. Vernon Square, but other lines are not seeing the same level of interruption. He agrees that this is a concern.

Ms. Palchik observed that there seems to be deep budget cuts for Virginia and would like to know how it compares with cuts in the District and Maryland. She also asked if WMATA is looking at ways to incentivize those first waves of people getting the vaccine to get them back on transit. Mr. Letourneau stated that there will need to be hard discussions at the WMATA Board, where

the board members are representing their own jurisdictions. Currently there has been no discussion by the Board of incentives.

Mr. Snyder stated that he understands WMATA has to start with a budget proposal, but he believes that there will need to be major fine tuning within the budget and that there are more opportunities for more give and take within the budget. He hopes that the jurisdictions will have an opportunity to provide input as he believes shutting down 19 stations and 30-minute headways are bad ideas. Mr. Letourneau stated that seeing the line by line budget will be helpful.

Mr. Meyer spoke to the proposed transfer of capital funds and he conveyed his long-term concerns for future budgets as it will be very hard to put the "genie back in the bottle" and that there may be a false sense of savings and could create a systemic long-term scenario impacting refurbishing the system for the future and the system's safety. Mr. Letourneau reminded Commissioners that this is a WMATA staff proposal and not what the WMATA Board has approved. He also has concerns, but the shifting of the funds would avoid another \$160 million in service cuts and keep state of good repair projects funded. He agrees that it is not a sustainable approach for future years.

In response to a question from Mr. Krizek, Mr. Letourneau gave more information on potential layoffs. Mr. Krizek expressed his concern of WMATA losing the experience and expertise of trained employees. Mr. Letourneau stated that the total number of proposed layoffs for FY 2022 is 2,400. Mr. Potts added that the total WMATA workforce is about 12,000. There were 1,000 positions eliminated in FY 2021. Mr. Letourneau stated that about 40% of those 1,000 positions were vacant, but that would not be the case for FY 2022 layoffs.

Commissioners thanked Mr. Letourneau and Mr. Smedberg for all their hard work as members of the WMATA Board and for their guarding Virginia's interest as these budget discussions continue.

Report from the Chair of the NVTC WMATA Committee. NVTC WMATA Committee Chair Mr. Aguirre reported that the WMATA Committee was previously scheduled to meet virtually in December, but the meeting is being moved to January 21 at 6:00 p.m. The meeting will focus on reviewing the WMATA General Manager's proposed FY 2022 budget and formulating NVTC's comments, which will be relayed to the Commission for approval at its February Commission meeting.

Mr. Aguirre stated that the final version of the 2020 Report on the Performance and Condition of WMATA, which is due to the governor and the General Assembly by December 15, is being presented for Commission action. The Commission received a presentation on the report last month and there was general support for the recommended strategies which include:

- Communicate and encourage a safe return to transit
- Adapt rail service to meet changing demands
- Leverage regional expertise to improve Northern Virginia's bus network
- Continue focus on ongoing initiatives to reduce the growth in operating costs and improve operational efficiencies

Mr. Aguirre moved, with a second by Mr. McKay, to authorize the executive director to send NVTC's FY 2020 Report on the Performance and Condition of WMATA to the governor and the General Assembly. The vote in favor was cast by Commissioners Aguirre, Alcorn, Bell, Bennett-Parker, Cristol, de Ferranti, Ebbin, Filler-Corn, Foust, Garvey, Krizek, Letourneau, McKay, Meyer, Mitchell, Palchik, Reid, Snyder, Sullivan, Turner and Walkinshaw.

<u>Transit Technology Program</u>

Ms. Mattice stated that the proposed 2021 Northern Virginia Regional Fare Collection Strategic Plan articulates NVTC's vision for an enhanced regionally integrated fare collection system and identifies NVTC's role in supporting and coordinating implementation of fare collection initiatives in the region. Considerable progress and innovation have been realized since the adoption and implementation of the 2018 strategic plan. Moving forward, the 2021 plan will address new challenges and maintain a state of good repair while modernizing the regional fare collection system. Staff plans to incorporate the feedback from this meeting and then present the Strategic Plan for action at the January meeting.

Ms. Mattice introduced Patricia Happ, who is the lead on this effort and has worked with NVTC's regional partner transit agencies to update the Strategic Plan. Ms. Happ provided the highlights of the draft 2021 Northern Virginia Regional Fare Collection Strategic Plan. She gave an overview of the planning process, history of fare collection, plan overview, proposed NVTC support actions, challenges and opportunities, and accomplishments since the 2018 strategic plan. She stated that one of the main takeaways of the work that has been done is that continued levels of NVTC support are needed to coordinate the enhancements of regional fare collections systems. She reviewed some of the challenges due to the COVID-19 pandemic including paused fare collection, reduced fare revenue, on-board customer interactions, and shared payment equipment.

Ms. Happ stated that some of the new opportunities through fare payments improvements include growing demand for mobile and contactless payments, modernization of back office software, multimodal trip planning and payment, and touchless technology. The plan is to bring the 2021 Northern Virginia Regional Fare Collection Strategic Plan back at the January 2021 meeting for action. Staff will then continue to make sure the plan is serving the region and the actions continue to be relevant. Staff plans to update the Commission on a regular basis.

Mr. de Ferranti thanked staff for the presentation especially in light of the challenges of fare collection due to the COVID-19 pandemic and he appreciates staff continuing this work as it will gain importance over the next few years.

Legislative Update

Mr. Meyer reminded Commissioners that last month the Commission was presented with NVTC's proposed 2021 Legislative and Policy Agenda, which is being presented for approval at this meeting. Based upon the feedback from the Commission last month, the final document includes talking points on the importance of sustained investment in public transit, as well as revised language regarding electronic participation that provides some flexibility to support a range of

approaches that would increase the use of electronic meetings. As a reminder, he reviewed the NVTC's state legislative priorities:

- Protect Existing Transit Programs and Funding
- Connect Riders to Opportunity through Transit
- Continue Support for the Transforming Rail in Virginia Program
- Restore Funding for NVTA
- Preserve NVTC Stewardship of NVTC Programs
- Update Remote Public Meeting Requirements

Mr. Meyer also reviewed NVTC's federal legislative priorities:

- Reauthorize Dedicated Federal Funding for WMATA
- Continue Support for COVID-19 Relief for Transit Agencies
- Reauthorize the FAST Act and Fix the Highway Trust Fund
- Identify Federal Funding and Financing for Long Bridge
- Continue Support for Commuter Tax Benefits

He then asked Ms. Perron Seibert and Ms. Mattice for their comments. Ms. Perron Seibert gave a brief General Assembly update. The General Assembly Session starts on January 13, 2021 and it is a short session year. The 2021 General Assembly Session will be virtual with the House of Delegates meeting completely virtual and the Senate live streaming and meeting in person with social distancing and other safeguards. There will be strict bill limits with senators allowed 12 bills and delegates allowed seven bills. The governor's proposed budget will be released on December 16, 2020.

Ms. Mattice stated that in the federal space there are a lot of moving targets and staff continues to track the various bills being considered. A bipartisan group, including Senator Warner, introduced a \$908 billion COVID-19 relief package that includes \$45 billion for airlines, rail and transit. Those participating in the virtual Joint NVTC-PRTC Legislative Briefing on December 7 will have an opportunity to hear about this from Senator Warner and Senator Kaine. Secretary of Transportation Shannon Valentine is also participating as the keynote speaker and there will be a panel consisting of WMATA General Manager/CEO Paul Wiedefeld, VRE CEO Rich Dalton, NVTA Executive Director Monica Backmon, PRTC Executive Director Bob Schneider and NVTC Executive Director Kate Mattice.

Mr. Meyer moved, with a second by Mr. McKay, to adopt the final 2021 NVTC Legislative and Policy Agenda.

Mr. Snyder asked if NVTC has sufficiently addressed the financial situation at WMATA that was discussed earlier in the agenda in the Legislative and Policy Agenda. Mr. Meyer stated that on the state level, this is NVTC's first priority, which includes doing no harm regarding the revenue streams in the Commonwealth. The concept of seeking funding assistance is imbedded in both the state and federal legislative priorities.

Mr. McKay stated that he would support NVTC drafting a letter to the federal congressional delegation with specifics on the current crisis at WMATA and reinforce the magnitude of the crisis. Mr. Meyer agreed and stated that it is also important to convey the economic benefits from transit. Mr. McKay noted that NVTC has previously done studies on the benefits of transit, especially Metro, to the Commonwealth's statewide economy. The letter could emphasize the importance of Metro service to the state and the nation. Chair Cristol stated that this is an excellent idea. Mr. Meyer stated he accepts Mr. McKay's comments as an amendment to his motion. Multiple Commissioners agreed that it is important to convey the value of transit to the region, state and nation. Ms. Filler-Corn stated that it is all about educating the legislators. NVTC's past study on the benefit of transit was very helpful in the General Assembly.

Mr. Letourneau stated that this region is appreciative of all the Commonwealth and DRPT have done for transit in this region during the pandemic. He asked if it is possible to assume there could be legislation to address WMATA's financial crisis. Ms. Filler-Corn stated that it is worthwhile to pursue this, and her office can work with NVTC staff. Mr. Letourneau suggested the cover letter for the NVTC Legislative and Policy Agenda reference that NVTC is seeking legislative help, both on the state and federal level. Mr. Meyer stated that he supports this as part of his motion. Mr. McKay agreed as seconder of the motion.

The Commission then voted on the amended motion and it passed. The vote in favor was cast by Commissioners Aguirre, Alcorn, Bell, Bennett-Parker, Cristol, de Ferranti, Ebbin, Filler-Corn, Foust, Garvey, Krizek, Letourneau, McKay, Meyer, Mitchell, Palchik, Reid, Snyder, Sullivan, Turner and Walkinshaw.

Virginia Railway Express

Chair Cristol remarked that Mr. Dalton will provide his regular VRE CEO report as well as a VRE Orientation, which is done on an annual basis as a result of a recommendation from the VRE Management Audit. This will be followed by VRE Operations Board Vice-Chair Elizabeth Bennett-Parker presenting the action and information items. At the conclusion, Chair Cristol stated that she will propose voting on the five VRE actions items as a block vote, unless there are objections.

<u>VRE Orientation</u>. Mr. Dalton stated that VRE is jointly owned by NVTC and PRTC, but the Commissions have delegated many actions to the VRE Operations Board. He reviewed the approval authority the Commissions retain. VRE is known for safe and healthy operations, high customer satisfaction, quality service, reliable service, and strong partnerships. He reviewed VRE operations (pre-pandemic) including an overview of service, stations, staff and crews, and equipment.

Mr. Dalton stated that for post-pandemic, VRE's visionary \$3.7 billion infrastructure improvement program will separate freight and passenger rail, enhancing VRE service reliability and allow for longer and more frequent trains. When the 10-year plan is fully implemented, VRE can explore adding bi-directional service.

Mr. Dalton also invited Commissioners and staff to take a VRE tour to see operations in real-time.

VRE CEO Report and VRE COVID-19 Response. Mr. Dalton reported that VRE continues to operate at reduced service levels. He reviewed the measures VRE is taking to address the COVID-19 public health emergency, which include enhanced measures to be ready to welcome back riders. He stated that riders can view capacity of each train using VRE's train utilization webpage. Mr. Dalton reported that VRE saw ridership drop off slightly in November compared to October. For November, there were approximately 1,350 daily trips. On-time performance for the month of November was 93% systemwide.

VRE FY 2022 Budget Update. Ms. Bennett-Parker stated that this item is just an update and no action is being requested. The Commission will be asked to approve the revised FY 2021 VRE budget and the proposed FY 2022 budget at its January 2021 meeting. She reported that the key VRE budget assumptions and projections initially presented as part of the preliminary FY 2022 budget have not changed, and daily ridership and passenger revenue have remained steady at reduced levels throughout the fall. Federal CARES Act funding remains available to backstop lost passenger revenue and support VRE operations through FY 2022. The ongoing pandemic will require deviations from normal budget adoption processes, including the allocation of jurisdictional subsidy based on the previous year's budget rather than the results of the Master Agreement survey.

VRE's FY 2020 Comprehensive Annual Financial Report (CAFR). Ms. Bennett-Parker stated that the Commission is being asked to approve Resolution #2427, which will accept and authorize distribution of VRE's FY 2020 Comprehensive Annual Financial Report (CAFR). The FY 2020 VRE audit was conducted by the firm of PBMares, LLP, the auditor for VRE, PRTC and NVTC. PBMares reviewed the statements and presented their opinion to the VRE Audit Committee prior to the November 20 Operations Board meeting, followed by a presentation to the full Operations Board. The audit opinion letter states that the VRE statements, in all material respects, fairly and accurately present the financial position of the organization. This opinion is the best outcome of a financial audit.

<u>2021 VRE Legislative Agenda</u>. Ms. Bennett-Parker stated that the Commission is being asked to approve Resolution #2428, which will approve the 2021 VRE Legislative Agenda. At its November 20 meeting, the VRE Operations Board amended the 2021 VRE Legislative Agenda to add language under the *Meetings Held Through Electronic Communication Means* section of the state legislative agenda to support removing the state limit on how often members may participate electronically when there is a physical quorum present, while retaining VRE's authority to govern such participation with additional guidelines or restrictions.

Agreement with the City of Manassas Park for the Design, Construction, Operation and Maintenance of a Parking Garage at the VRE Manassas Park Station. Ms. Bennett-Parker stated that the Commission is being asked to approve Resolution #2429, which will authorize the VRE CEO to execute an agreement with the City of Manassas Park for the design, construction, operation and maintenance of a parking garage at the VRE Manassas Park Station, as well as authorize the VRE CEO to execute all deeds and other documents required to accept the conveyance of real property by the city to the Commissions. This item was deferred from last month and since then VRE and City of Manassas Park staff have worked through final contract language to collaboratively address the city's request to have the ability to reacquire the garage parcel used for the construction of the parking garage in the event VRE service at the Manassas

Park Station is discontinued. VRE and city staff are proposing a ground lease of the garage parcel, and other requirements of the city in the event VRE service is discontinued. Prior to soliciting for construction of the parking garage, staff will bring to the VRE Operations Board a recommendation to the Commissions for authorization of a ground lease with the City of Manassas Park.

Virginia Passenger Rail Authority (VPRA) Agreements. Ms. Bennett-Parker stated that the Commission is being asked to approve two resolutions related to two separate VPRA agreements. Resolution #2430 will authorize the VRE CEO to execute an agreement with the Virginia Passenger Rail Authority (VPRA), or alternatively DRPT for later assignment to the VPRA, for Passenger Rail Operations and Access. The Passenger Rail Operations and Access Agreement includes provisions to enable VRE trains to operate on right-of-way acquired by the Commonwealth of Virginia from CSX Transportation (CSXT); to provide the right for VRE to manage VRE station facilities located in the right-of-way; and to increase VRE service once planned improvements within the railroad corridor are completed. It is anticipated the Agreement will be executed with DRPT and later assigned to the VPRA when practical.

Ms. Bennett-Parker stated that Resolution #2431 will authorize the VRE CEO to execute an agreement with the Virginia Passenger Rail Authority (VPRA), or alternatively DRPT for later assignment to the VPRA, for Passenger Rail Improvements and Funding. The Passenger Rail Improvements and Funding Agreement includes provisions for the two Commissions (NVTC and PRTC) to fund a portion of the planned improvements and the purchase of real property for right-of-way acquired by the Commonwealth from CSXT. The Commissions will utilize Commuter Rail Operating and Capital (CROC) funds for both a debt issuance and on a pay-as-you-go (PAYGO) basis as the source of the funding commitment. Once complete, the planned improvements will allow a significant increase in VRE service in accordance with the term of a separate Operating and Access Agreement with the Virginia Passenger Rail Authority. Finally, it is anticipated the agreement will be executed with DRPT and later assigned to the VPRA when practical.

Ms. Bennett-Parker then asked Mr. Dalton to speak to the agreements. Mr. Dalton reviewed key points of the agreements. Regarding indemnity and liability default provisions, he highlighted that they are very similar to provisions in other VRE access agreements.

Mr. Schofield gave highlights of the proposed passenger rail improvements and funding agreement. VRE and the Commonwealth have been working on the agreement for the past year. The agreement allows as much flexibility as possible to structure the debt issuance in an advantageous way given the market conditions at the time of the debt issuance. He gave a quick overview of the CROC-backed debt, CROC PAYGO contribution, supported program elements and future agreements. The goal is to issue debt in about 12 months. Staff anticipates returning to the Operations Board and Commissions at least two more times with actions related to an updated debt management policy and formal approval of a detailed debt issuance plan.

Mr. Snyder asked Mr. McIsaac, NVTC and VRE legal counsel, what is the ultimate liability for any debt issued. Mr. MacIsaac responded that there is no liability and no recourse on any member jurisdictions of NVTC or PRTC for the debt backed by CROC debt. There will be a debt service reserve to protect any shortfall of debt service payments, but in no instance is the full faith and

credit of any jurisdiction pledged to support any of the debt. Mr. Snyder requested that this question and answer be reflected in the minutes.

Chair Cristol asked if Commissioners had any objections to voting the five VRE action items as a block vote. There were no objections.

Mr. De Ferranti moved, with a second by Ms. Bennett-Parker, to approve the following block vote:

- Resolution #2427: Accept and Authorize Distribution of VRE's FY 2020 Comprehensive Annual Financial Report (CAFR)
- Resolution #2428: Approve the 2021 VRE Legislative Agenda
- Resolution #2429: Authorize the VRE CEO to Execute an Agreement with the City of Manassas Park for the Design, Construction, Operation and Maintenance of a Parking Garage at the VRE Manassas Park Station
- Resolution #2430: Authorize the VRE CEO to Execute an Agreement with the Virginia Passenger Rail Authority (VPRA), or Alternatively the Department of Rail and Public Transportation for Later Assignment to the VPRA, for Passenger Rail Operations and Access
- Resolution #2431: Authorize the VRE CEO to Execute an Agreement with the Virginia Passenger Rail Authority (VPRA), or Alternatively the Department of Rail and Public Transportation for Later Assignment to the VPRA, for Passenger Rail Improvements and Funding

The Commission voted on the block of five actions and they passed. The vote in favor was cast by Commissioners Aguirre, Alcorn, Bell, Bennett-Parker, Cristol, de Ferranti, Ebbin, Filler-Corn, Foust, Garvey, Krizek, Letourneau, McKay, Meyer, Palchik, Reid, Sullivan, Turner and Walkinshaw. Mr. Snyder abstained, and Ms. Mitchell explained that since she will be a counter signatory on the two VPRA agreements, she will also abstain. (Copies of the resolutions are attached.)

DRPT Report

DRPT Director Mitchell encouraged Commissioners to read the written monthly DRPT Report. Director Mitchell reported that the Commonwealth Transportation Board is scheduled to meet on December 9. Action will be requested on the FY 2021 Six-Year Plan amendments and the Commuter Choice on the I-66 Corridor Round Four Program of Projects. She thanked VRE staff for all their hard work on the VPRA agreements and the Commission for voting for the VPRA agreements. She observed that it has been a great partnership between DRPT and VRE and she is looking forward to moving ahead to the next chapter of transforming rail in Virginia.

DRPT Chief of Public Transportation Jennifer DeBruhl gave a presentation on the I-495 American Legion Bridge Transit/TDM Study. Ms. DeBruhl stated that in fall of 2019 Virginia Governor Northam and Maryland Governor Hogan announced the Capital Beltway Accord to Rebuild American Legion Bridge and Connect Interstate Highway System. This complements Virginia's I-495 NEXT project and Maryland's Managed Lane Study. The I-495 American Legion Bridge Transit/TDM Study is funded and managed jointly by DRPT and the Maryland Department of

Transportation/Maryland Transit Administration (MDOT/MTA) and is separate from other improvement projects in the corridor. The focus of the study is to develop and prioritize transit options and travel demand management for bistate travel across the bridge.

Ms. DeBruhl reviewed the study and stakeholder groups, the study process and the engagement process. She reviewed existing transit and rail in the corridor but noted that there is currently no transit service operating over the bridge, which is a real gap in the transportation network. Data shows significant travel demand to key Virginia destinations (Tysons, Dunn Loring and VA 7 corridor, with moderate travel demand to Fairfax and Arlington). There is significantly more demand coming from Maryland into Virginia compared to the reverse from Virginia into Maryland. The study has looked at a number of potential transit connections and has narrowed it down to eight connections. She reviewed the prioritization methodology used which is based on three categories (productivity, equity, and connectivity). Next steps include development the investment packages for consideration and public outreach and engagement. The draft report is expected in January 2021, which will launch the public comment period.

Ms. DeBruhl announced that last week Secretary Valentine committed dedicated ongoing funding support for transit services along the corridor as part of the I-495 NEXT project. This will lead into potential future transit expansion along the corridor.

Chair Cristol stated that it is good to see transit alternatives for this congested corridor. She asked if there has been any discussion of a dedicated transit payment from the I-495 NEXT expansion project, like there is for I-66 and I-395/95. Ms. DeBruhl stated that Secretary Valentine is committed to this type of investment as part of the I-495 NEXT project. Chair Cristol stated that the I-495 NEXT project has huge environmental impacts and that there needs to be an acknowledgement that with adding all that asphalt, congestion will still continue unless transit is a key component.

Mr. Foust stated that the I-495 NEXT project is within his district and he has been following it closely. He stated that it will be important to focus on a transit component. The commitment of \$700,000 a year will not do a lot and more funding is needed.

Mr. McKay observed that the DRPT presentation was well received, but he is concerned with when this study became public and when localities will ultimately need to take positions on the I-495 NEXT project. He is happy to see transit funding added and that the Commonwealth is looking at different stages and layers, especially in light of how important the managed lane project is in Maryland to the success of what happens in Virginia. Fairfax County has submitted comments on the I-495 NEXT project to VDOT but he wants to make certain DRPT also reviews these comments as some of them relate to transit. He stated that doing nothing in this corridor is not a solution. There will be huge environmental issues with the I-495 NEXT project but there is still time for the project team to address some of those issues. It is important to keep the dialogue going and decide if the region wants transit added to this corridor. For the future, he hopes the public involvement piece is earlier in the process.

Mr. Snyder expressed his interest in the juxtaposition of building a road project which may significantly reduce the number of people seeking to use transit. He sees an emergence of a network which is less reliant on trips from Virginia to the District and looking at new destinations

with different sets of demands. He stated that the study may want to focus on providing better transportation within Northern Virginia and linking systems more to recognize different emerging travel and utilization patterns and then creating the linkage to Maryland. He likes the direction the study is going. He stated that the big question is finding a way to finance it but suggested it may be helpful to continue this type of transit planning even if there are delays on the Maryland side. For planning purposes, he suggested continuing the work on this to reduce congestion and increase transit service. Ms. DeBruhl stated that working on a bistate study has been a good experience for Virginia, with the partnership and coordination being strengthened with Maryland and she hopes it will continue. In terms of roadway improvements and the connection to transit and how they interrelate, it is more than just financial. Part of the challenge is there will need to be time savings benefits for people to switch to transit.

Mr. Snyder stated that he would like to see connections to the Route 7 Bus Rapid Transit project. Ms. DeBruhl agreed that there are lots of opportunities to connect transit that results from this study to other transit options in the region.

Transit Resource Center

Ms. Mattice stated that the written report was provided as an information item and she directed Commissioners attention to the ridership and parking data which can be found in the report. There were no questions.

Executive Director Report

Ms. Mattice encouraged Commissioners to read her Executive Director Newsletter. She reviewed several upcoming meetings, including the annual Joint NVTC-PRTC Legislative Briefing will be a virtual webinar on December 7 from 9-11:30 a.m.; a joint public meeting with NVTC, NVTA, VRE, DRPT and VDOT on Tuesday, December 8th at 6:00 p.m.; and the WMATA Committee meeting on January 21 at 6:00 p.m. NVTC's next meeting is scheduled for January 7, 2021.

Ms. Mattice stated that NVTC continues to work with its partners to seek additional federal funding for COVID-19 pandemic relief for the region's transit systems. NVTC recently participated in signing onto several letters in partnership with other agencies requesting federal assistance. Staff will be now work on letters to the congressional delegation and the General Assembly, reflecting the direction given during the legislative discussion at this meeting.

Ms. Mattice noted that the Financial Report for October 2020 was provided to Commissioners in their meeting materials. There were no questions from Commissioners.

<u>Adjournment</u>		
Without objection, Chair Cristol adjourned the meeting at 10:03 p.m.		
Approved this 7 th day of January 2021.		
	Chair	
Secretary-Treasurer		

Attachment 3B: Meeting Summary of the December 7 Joint NVTC-PRTC Legislative Briefing



MEETING SUMMARY JOINT NVTC-PRTC LEGISLATIVE BRIEFING DECEMBER 7, 2020 Virtual 9:00 A.M.

NVTC Members Present

Canek Aguirre Walter Alcorn

Elizabeth Bennett-Parker

Katie Cristol Matt de Ferranti Adam Ebbin Libby Garvey

Paul Krizek David Meyer

Jennifer Mitchell (Alternate, Commonwealth of Virginia)

Dalia Palchik
David Reid
Paul Smedberg
David Snyder
Rip Sullivan
Michael Turner
James Walkinshaw

NVTC Members Absent

John Bell

Eileen Filler-Corn John Foust Matt Letourneau Jeff McKay

NVTC Staff Present

Kate Mattice, Executive Director

Matt Cheng

Andrew D'huyvetter

Allan Fye
Dinah Girma
Dan Goldfarb
Patricia Happ
Scott Kalkwarf
Becky Merriner
Tenley O'Hara
Ben Owen

Aimee Perron Seibert

Zachary Smith
Brittany Sumpter
Colethia Quarles
Alex Thorup
Melissa Walker
Jae Watkins

PRTC Members Present

Kenny Boddye

Jennifer DeBruhl (Alternate, Commonwealth of Virginia)

Margaret Franklin Jennifer Mitchell Jeanette Rishell Pamela Sebesky

Ann Wheeler (Alternate, Prince William County)

PRTC Members Absent

Tinesha Allen
Victor Angry
Andrea Bailey
George Barker
Lee Carter
Deborah Frazier
Elizabeth Guzman
Matthew Kelly
Jeanine Lawson
Cindy Shelton
Gary Skinner
Yesli Vega

PRTC Staff Present

Bob Schneider, Executive Director Althea Evans Alyssa Ludwiczak

Betsy Massie
Becky Merriner
Holly Morello
Perrin Palistrant
Christine Rodrigo
Joe Stainsby

Opening Remarks

Katie Cristol, Chair of the Northern Virginia Transportation Commission (NVTC) and member of the Arlington County Board, and Margaret Franklin, Chair of the Potomac and Rappahannock Transportation Commission (PRTC) and member of the Prince William County Board of Supervisors, welcomed presenters and attendees to the virtual NVTC-PRTC Joint Legislative Briefing.

NVTC Commuter Choice Marketing and Outreach Manager Jae Watkins, host and moderator for the event, welcomed elected officials and their staff in attendance. She also welcomed NVTC and PRTC Commissioners and members of the Commonwealth Transportation Board.

Ms. Watkins presented an overview of the event's agenda including the order of presenters and instructions to the audience on how to ask questions and submit comments to the presenters.

Special Guest Speaker: Senator Mark Warner (Video)

Ms. Watkins introduced United States Senator Mark Warner of Virginia as the first special guest speaker. Senator Warner provided a video message with his remarks prior to the event. In the video, Senator Warner discussed the impact of the COVID-19 pandemic on the region's transportation network, in particularly, the Washington Metropolitan Area Transit Authority (WMATA). He noted the service changes, management actions, and WMATA Board actions that are proposed in WMATA's FY 2022 budget and their potential impact on the region.

Senator Warner also discussed his work with a bipartisan group of senators to develop a \$908 billion COVID-19 relief bill. The final details of the bill are being negotiated in the Senate, but it could potentially include funding for education, state and local governments, airports, and public transit agencies.

Keynote Speaker: Shannon Valentine, Virginia Secretary of Transportation

Ms. Watkins introduced Shannon Valentine, Virginia Secretary of Transportation. Secretary Valentine stated that transit has a vital role in maintaining the Commonwealth's economic growth and competitiveness and that the pandemic has also highlighted transit's fundamental role as a lifeline to essential workers, economic recovery, and to our values of equity, diversity and inclusion across the Commonwealth.

Secretary Valentine also discussed the economic forecast that Aubrey Layne, Virginia's Secretary of Finance, provided to the General Assembly's money committees in August. Within that presentation, transportation revenues would be reduced by \$870 million through FY 2022, which illustrates the shortfall the Commonwealth is facing. She stated that since the onset of the pandemic, the Commonwealth has been focused on maintaining its pipeline of transportation projects and commitments to infrastructure. To support those priorities, the General Assembly passed a budget amendment to provide the Commonwealth Transportation Board (CTB) with the flexibility to reallocate certain revenues manage the impact of the COVID-19 pandemic and the

Department of Rail and Public Transportation (DRPT) worked with CTB to provide \$11 million in operating assistance to transit agencies after the shortly after the pandemic began. She also discussed other legislative decisions that the General Assembly made over the past few years including dedicated state funding for WMATA's state of good repair and capital needs, providing additional funding to the Northern Virginia Transportation Authority (NVTA) with revenues from I-81 and the transportation omnibus bill that restructures transportation funding.

Secretary Valentine highlighted the launch of Virginia's \$3.7 billion passenger rail initiative, the inaugural meeting of the Virginia Passenger Rail Authority in October, and significant investments being made to improve the Long Bridge Corridor. She concluded her remarks by discussing the forthcoming Commonwealth budget reforecast in December and the 2021 General Assembly Session.

NVTC Chair Cristol asked Secretary Valentine about how bus can promote equity and an update on the reduced fare pilot program that was included in the omnibus transportation bill this past spring. Secretary Valentine responded that removing barriers to transit remains a priority and that DRPT's Transit Ridership Incentive Program (TRIP) is in place and just one part of the solution to improving transit's accessibility to riders. PRTC Chair Franklin thanked Secretary Valentine for her work to help secure funds and resources for transportation and infrastructure projects in Northern Virginia.

Secretary Valentine responded to a question from the audience about the Commonwealth's commitment to reducing greenhouse gas emissions through transportation by saying that integrating environmental stewardship into transportation within the Commonwealth is a huge priority and the greenhouse gas emissions are projected to be reduced by 43,000 metric tons per year due to measures included in the omnibus transportation bill.

A second audience member asked Secretary Valentine about the future of rail and transit in Virginia. She responded that from a congestion perspective, a mobility perspective or reliability perspective a multimodal platform is going to position Northern Virginia, the Greater Washington area and the Commonwealth of Virginia as a leader in the world.

<u>Perspectives from Regional Transit Operators: Paul Wiedefeld (WMATA), Rich Dalton (VRE) and Bob Schneider (PRTC)</u>

Ms. Watkins introduced the regional transit operators panel members including Paul Wiedefeld, CEO and General Manager of WMATA; Rich Dalton, CEO of Virginia Railway Express (VRE) and Bob Schneider, Executive Director of PRTC, which operates OmniRide.

Mr. Wiedefeld, CEO and General Manager of WMATA, began by stating that the safety of riders and employees remains WMATA's top priority, especially during the COVID-19 pandemic. He stated that the pandemic had a significant impact on Metrorail and Metrobus ridership, which resulted in lower fare revenue. Because of this, the WMATA Board took action to offset the operating budget gap in the FY 2021 budget, and the WMATA Board will consider significant cuts to Metrobus and Metrorail service and other actions to adapt service to reflect the impact of the pandemic and reduce the projected budget gap in the FY 2022 budget.

Mr. Wiedefeld also expressed WMATA's appreciation for the COVID-19 relief provided to WMATA and local transit operators in the Coronavirus Aid, Relief and Economic Security (CARES) Act and the support from the local governments and the Commonwealth. He acknowledged the fiscal strain that local and state governments are under and that additional COVID-19 relief from the federal government would lessen the need for significant cuts in the FY 2022 budget.

Mr. Dalton, CEO of VRE, presented on VRE's efforts to respond and recover from the COVID-19 pandemic. He stated that in the beginning of the pandemic, VRE had to adjust service to respond to a 95% decrease in demand and immediately embarked on measures to keep staff, onboard train crews and passengers safe through social distancing, wearing face coverings and enhanced and more frequent cleanings. With assistance from DRPT, the CARES Act, and VRE-held operating reserves, VRE can continue to maintain operations through FY 2022. In addition, the total capital improvement program is nearly \$817 million with approximately 85% of that program funded.

Mr. Dalton stated that prior to the pandemic, the VRE Operations Board and staff developed plans and key initiatives in collaboration with VRE's regional partners to improve safety, increase the reliability and mitigate congestion. A major component of those plans is Governor Northam's Transforming Rail in Virginia Initiative which continues to advance with the launch of the Virginia Passenger Rail Authority and agreements with key stakeholders to improve Long Bridge.

Mr. Schneider, Executive Director of PRTC, gave an overview of PRTC/OmniRide and the agency's role in providing transit service in the region. PRTC co-owns VRE along with NVTC. PRTC/OmniRide services include local and express buses and vanpools. He stated that prior to the pandemic, PRTC/OmniRide services took nearly 18,000 car trips per day off the road and that PRTC/OmniRide has remained one of the region's most cost-effective systems.

Mr. Schneider also discussed PRTC/OmniRide's accomplishments in the past year and upcoming initiatives. The agency won the gold standard award from the Transportation Security Administration (TSA) for a fantastic performance on a TSA-based assessment. In April 2021, PRTC/OmniRide anticipates opening its Western Maintenance Facility.

PRTC Chair Franklin asked about the potential of expanding Metrorail into Prince William County. Mr. Wiedefeld responded that expansions on various lines have been studied or considered, but the region may need to look at all expansions as a long-term prospect given current challenges.

NVTC Chair Cristol asked about the impact of the WMATA FY 2022 budget on efforts to return riders to the system. Mr. Wiedefeld responded that through its marketing campaign WMATA is letting riders know that the system is safe, and they can stay healthy on transit. In addition, circumstances could change with the distribution of a vaccine or a federal stimulus that would readjust WMATA's projections on ridership.

Delegate Danica Roem asked about the impact of the COVID-19 pandemic on expanding PRTC/OmniRide service to the Dulles Corridor or other areas outside of the Beltway and purchasing double decker buses. Mr. Schneider responded that the pandemic has impacted toll revenues that pay for a lot of operational services and there are challenges with multijurisdictional partnerships that need to be overcome. In terms of expansion with double decker buses, there may be potential to purchase expansion vehicles in the long-term.

Special Guest Speaker: Senator Tim Kaine

Ms. Watkins introduced United States Senator Tim Kaine of Virginia. Senator Kaine discussed the previous COVID-19 relief bills that were passed in Congress that signal hope for another relief bill. He stated that he was aware of the American Public Transportation Association's projection that transit agencies need \$30-\$32 billion to remain solvent. However, Senator Kaine stated that the proposed \$908 COVID-19 relief bill that Senator Warner mentioned in his remarks includes funding for transit agencies at a lower level and should be considered a bridge to offset a funding gap through the end of the first quarter of FY 2021. He also stated that there are strong indications that a new COVID-19 relief bill would be passed by Congress before the holiday recess. Senator Kaine also discussed prospects for infrastructure funding with the President-Elect's Administration.

NVTC Chair Cristol asked how COVID-19 relief for transit agencies would be disbursed if it is authorized by Congress. Senator Kaine responded that it most likely would be distributed using the same formulas that were applied to the CARES Act funding. PRTC Chair Franklin thanked Senator Kaine for his work to provide additional COVID-19 relief and discussed the need for relief for state and local governments in particular.

An audience member asked the Senator what those in Northern Virginia can do to make the case for transit in the current and future COVID-19 relief bills. Senator Kaine responded that a continued dialogue with the federal delegation about the issues facing transit riders in Northern Virginia is important.

Delegate Roem asked if there would be any more Better Utilizing Investments to Leverage Development (BUILD) grants to improve traffic congestion with multimodal solutions. Senator Kaine responded that plans for discretionary grants will most likely emerge when a Secretary of Transportation is named, and the incoming Administration looks favorably at improving infrastructure.

<u>Perspectives from Regional Transportation Organizations: Monica Backmon, Executive Director of NVTA; Kate Mattice, Executive Director of NVTC</u>

Ms. Watkins introduced the regional transportation organizations panel members including Monica Backmon, Executive Director of the Northern Virginia Transportation Authority (NVTA), and Kate Mattice, Executive Director of NVTC.

Ms. Backmon discussed the adoption of NVTA's six-year funding program, which provided \$539 million to 21 multimodal transportation projects across the region. She also discussed recent legislative actions to restore funding to NVTA in the 2020 General Assembly and that NVTA is appreciative of those efforts. She discussed NVTA's legislative priorities which include support for additional COVID-19 relief funding for transit agencies, adding flexibility for public bodies to meet remotely and the need to fully restore funding to NVTA.

Ms. Mattice provided background on NVTC and introduced NVTC's legislative initiatives. Ms. Mattice discussed the impact of the COVID-19 pandemic on WMATA and local transit operator

ridership in the beginning of the pandemic and currently. For NVTC's 2021 Legislative and Policy Agenda, NVTC supports preserving existing streams of funding sources at the state and federal levels as well as the need for additional COVID-19 relief funding for transit.

NVTC Chair Cristol and PRTC Chair Franklin thanked Ms. Backmon and Ms. Mattice for their efforts to promote and improve transportation in the region.

An audience member asked both panelists if they were optimistic about transit in the future to which Ms. Mattice and Ms. Backmon both responded that they remain very optimistic and know that the transit network is rebounding.

An audience member asked both panelists what those in Northern Virginia can do to support the legislative priorities of their respective organizations. Ms. Backmon responded asking attendees to continue to support fully restoring funding for NVTA. Ms. Mattice responded that continuing to engage state and federal legislators about the importance of transit in our region will benefit transit.

Closing Remarks

NVTC Chair Cristol and PRTC Chair Franklin thanked all the speakers and event staff. Ms. Watkins introduced the Virginia Transit Association's "Faces of Transit" video.

Approved this 7" day of January 2021.		
	Chair	
Secretary-Treasurer		

Agenda Item #4: Annual Leadership and Governance



TO: Chairman Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Annual Leadership and Governance

A. ACTION ITEM: Approve the Recommended Slate of Officers for 2021

At the January meeting the Commission will be asked to approve the recommended slate of officers for 2021. Because of the challenges of virtual meetings as well as welcoming 10 new NVTC Commissioners in 2020, the Executive Committee is recommending that the current slate of NVTC officers continue into 2021 with the exception of Dalia Palchik replacing Jeff McKay as secretary-treasurer. The following slate of officers is being recommended for 2021:

Katie Cristol, Chair Canek Aguirre, Vice-Chair Dalia Palchik, Secretary-Treasurer

B. ACTION ITEM: Approve <u>Resolution #2433</u>: Selection of NVTC Representatives to Various Boards

At the January meeting the Commission will be asked to approve the nominations to serve on the WMATA, Virginia Railway Express (VRE) and Virginia Transit Association (VTA) Boards. This recommendation includes the continuation of current appointments to the WMATA and VTA Boards.

The resolution affirms the appointments of the WMATA Board members and their terms. Member terms and requirements are subject to the Code of Virginia §33.2-1907.4. VRE Operations Board appointments are selected by each VRE jurisdiction and then appointed by NVTC. Some of these actions may be contingent on subsequent action by local boards and councils as their NVTC appointments may not be known by January 7, 2021. Resolution #2433 reflects the recommended appointments as of December 23, 2020. It may be updated as a Blue Item with any remaining names for the January meeting. The recommended appointments are as follows:

NVTC's WMATA Board of Directors

Principals: Alternates:
Paul Smedberg Canek Aguirre

(Commonwealth Appointee) Term expires 01-07-2025
Term expires 01-04-2022

Matt Letourneau Walter Alcorn

(NVTC Appointee) Term expires 01-04-2024

Term expires 01-03-2023

Virginia Railway Express (VRE) Operations Board

Principals:Alternates:Fairfax County:Fairfax County:Walter AlcornJeff McKay

Daniel Storck

James Walkinshaw City of Alexandria:

Elizabeth Bennett-Parker

Arlington County: Arlington County: Katie Cristol Libby Garvey

<u>Virginia Transit Association (VTA) Board of Directors</u>

Principals: Alternates:

David Snyder Katie Cristol

Kate Mattice Elizabeth Bennett-Parker

City of Alexandria:

Canek Aguirre

C. ACTION ITEM: Approve the Recommended NVTC Committee Membership

At the January meeting the Commission will be asked to approve the recommended appointments to NVTC's committees, including the Executive Committee, WMATA Committee, Legislative and Policy Committee, and Program Advisory Committee. The NVTC By-Laws determine the membership of the Executive Committee and also speak to the make-up of the other committees. Some of these actions may be contingent on subsequent action by local boards and councils as their NVTC appointments may not be known by January 7, 2021. The attached 2021 NVTC Committee and Board Appointments reflects the recommended appointments to NVTC's committees as of December 23, 2020. It may be updated as a Blue Item with any remaining names for the January meeting.

D. ACTION ITEM: Approve Resolution #2434: Designation of NVTC Signatories and Pension Trustees

The Commission each January authorizes the executive director, director of finance and administration, and the newly elected secretary-treasurer to serve as signatories for financial transactions exceeding \$5,000. These persons plus the NVTC comptroller are selected to serve as NVTC's employees' pension trustees. The resolution will be updated to its final version after the election of officers. Dalia Palchik has been nominated to serve as the secretary-treasurer for 2021.



RESOLUTION #2433

SUBJECT: Selection of NVTC Representatives to Various Boards

WHEREAS: NVTC is empowered to make appointments to the Board of Directors of the

Washington Metropolitan Area Transit Authority (WMATA), the Virginia Railway

Express (VRE) and the Virginia Transit Association (VTA);

WHEREAS: Some of NVTC's jurisdictions may not formally appoint their NVTC members prior

to NVTC's January meeting and some may not be ready with recommendations

for appointment to various boards; and

WHEREAS: Secretary Shannon Valentine has designated Paul C. Smedberg to be the

Secretary's designee on NVTC and the WMATA Board, which became effective

January 1, 2019 with the term expiring January 4, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby appoints and confirms the following persons to serve as principals and alternates to the WMATA Board of Directors, subject to possible subsequent action by NVTC's jurisdictions that alters their NVTC members for 2021 and their recommendations for members of the various boards:

WMATA Board of Directors:

<u>Principals</u>
Paul C. Smedberg

Alternates
Canek Aguirre

(Commonwealth Appointee) Term expires 01-07-2025

Term expires 01-04-2022

Matthew F. Letourneau Walter Alcorn

(NVTC Appointee) Term expires 01-04-2024

Term expires 01-03-2023

BE IT FURTHER RESOLVED that NVTC hereby appoints the following persons to serve on the VRE Operations Board, subject to possible subsequent action by NVTC's jurisdictions that alters their NVTC members for 2021 and their recommendations for members of the various boards:

VRE Operations Board:

<u>Principals</u> <u>Alternates</u>

Walter Alcorn Jeffrey C. McKay

Daniel G. Storck

James Walkinshaw

Katie Cristol Libby Garvey
Elizabeth Bennett-Parker Canek Aguirre

Secretary-Treasurer

BE IT FURTHER RESOLVED that NVTC hereby appoints the following persons to serve on the Virginia Transit Association Board, subject to possible subsequent action by NVTC's jurisdictions that alters their NVTC members for 2021 and their recommendations for members of the various boards:

Virginia Transit Association Board:

<u>Principals</u>
David F. Snyder

Katie Cristol

	Katherine A. Mattice	Elizabeth Bennett-Parker
Approved this 7 th (day of January 2021.	
		Chair



2021 NVTC COMMITTEE AND BOARD APPOINTMENTS

NVTC EXECUTIVE COMMITTEE

Chair, Katie Cristol*

Vice-Chair, Canek Aguirre*

Secretary-Treasurer, Dalia Palchik*

Legislative & Policy Committee Chair, David Meyer

Program Advisory Committee Chair, David Snyder

WMATA Committee Chair, Canek Aguirre

General Assembly Member, Eileen Filler-Corn

Non-Voting Members:

WMATA Principal Member, Paul Smedberg

(Commonwealth Appointee)

WMATA Principal Member, Matt Letourneau

(NVTC Appointee)

NVTC WMATA COMMITTEE

Chair, WMATA Alternate Member, Canek Aguirre WMATA Principal Member, Matt Letourneau WMATA Principal Member, Paul Smedberg WMATA Alternate Member, Walter Alcorn **Commission Members:**

(drawn from member jurisdictions in a representative manner)

Arlington County, Matt de Ferranti City of Falls Church, David Snyder City of Fairfax, David Meyer

NVTC LEGISLATIVE AND POLICY COMMITTEE

Chair, David Meyer

Commission Members:

(drawn from member jurisdictions in a representative manner)

City of Alexandria, Canek Aguirre

Arlington County, Libby Garvey

City of Falls Church, David Snyder

Fairfax County, James Walkinshaw

Loudoun County, Matt Letourneau

Non-Voting Member:

General Assembly Member, Adam Ebbin

NVTC PROGRAM ADVISORY COMMITTEE

Chair, David Snyder

Commission Members:

(drawn from member jurisdictions in a representative manner)

City of Alexandria, Elizabeth Bennett-Parker

Arlington County, Libby Garvey

City of Fairfax, David Meyer

Fairfax County, John Foust

Loudoun County, Michael Turner

NVTC'S WMATA BOARD OF DIRECTORS

Principals: Alternates: Paul Smedberg Canek Aguirre (Commonwealth Appointee) Term expires 01-07-2025

Term expires 01-04-2022

Matt Letourneau (NVTC Appointee) Term expires 01-03-2023

Walter Alcorn

Term expires 01-04-2024

NVTC'S VIRGINIA TRANSIT ASSOCIATION BOARD OF DIRECTORS

Principals: Alternates: David Snyder Katie Cristol

Kate Mattice Elizabeth Bennett-Parker

*nominated

NVTC'S VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD *

Principals: Alternates: Fairfax County: Fairfax County: Walter Alcorn Jeff McKay

Daniel G. Storck James Walkinshaw

City of Alexandria: City of Alexandria: Elizabeth Bennett-Parker Canek Aguirre **Arlington County: Arlington County: Katie Cristol** Libby Garvey



RESOLUTION #2434

SUBJECT:	Designation of NVTC Signatories and Pension Trustees		
WHEREAS:	The Honorable Dalia Palchik (nominated) has been elected secretary-treasurer of NVTC for 2021; and		
WHEREAS:	NVTC desires that the person holding the office of secretary-treasurer be designated as an official signatory as well as a pension trustee.		
NOW, THERE	DW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission hereby selects the following persons to serve as NVTC signatories (who are eligible to sign individually for any transaction of less than \$5,000 and with one other signatory for transactions of \$5,000 or greater):		
	Hon. Dalia Palchik Katherine A. Mattice Scott C. Kalkwarf	Secretary-Treasurer (nominated) Executive Director Director of Finance and Administration	
BE IT FURTHER RESOLVED that the individuals listed above shall serve as NVTC employees' pension trustees, with the addition of NVTC's Comptroller Colethia Quarles.			
Approved this 7 th day of January 2021.			
		Chair	
Secretary-Treasurer			

Agenda Item #5: Year in Review and 2021 Transit Outlook



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Year in Review and 2021 Transit Outlook

At the January meeting Executive Director Kate Mattice will provide an overview of NVTC's accomplishments during 2020 and guest speaker Beth Osborne, from Transportation for America, will provide a look ahead for 2021.

A. NVTC 2020 Year in Review

At the January meeting Kate Mattice will review the Commission's accomplishments during 2020 which will be converted into an online report following the Commission meeting. The presentation will provide an overview of NVTC's financial position and disbursements for the year. It details the programs managed by NVTC, ranging from WMATA policy and governance to significant new investments in transit through Commuter Choice, including three major reports to the General Assembly and Commonwealth Transportation Board. It will also highlight NVTC's ongoing work on Transit Technology, data analysis by the Transit Resource Center, and the many public engagement efforts undertaken by NVTC staff. The 2020 Year in Review report will be provided to Commissioners and posted on NVTC website when it is completed, as well as posted on NVTC's website.

B. 2021 Outlook: Guest Speaker, Beth Osborne, Transportation for America

At the January meeting the Commission will hear a presentation from guest speaker Beth Osborne, the director of Transportation for America, who will give a look ahead to what transit may look like in 2021. <u>Transportation for America</u> is an advocacy organization made up of local, regional and state leaders who envision a transportation system that safely, affordably and conveniently connects people of all means and ability to jobs, services and opportunity through multiple modes of travel.

Ms. Osborne has an extensive background in transit. Prior to her current position at Transportation for America, she was previously at the U.S. Department of Transportation (USDOT), where she served as the Acting Assistant Secretary for Transportation Policy and the Deputy Assistant Secretary for Transportation Policy. At USDOT, Beth managed the TIGER Discretionary Grant program, the Secretary's livability initiative, the development of the

Administration's surface transportation authorization proposal, and the implementation of MAP-21. Before joining USDOT, Beth worked for Sen. Tom Carper (DE) as an advisor for transportation, trade and labor policy, as the policy director for Smart Growth America and as legislative director for environmental policy at the Southern Governors' Association.

Agenda Item #6: Washington Metropolitan Area Transit Authority (WMATA)



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice, Andrew D'huyvetter and Zach Smith

DATE: December 23, 2020

SUBJECT: Washington Metropolitan Area Transit Authority (WMATA)

On March 11, 2020 the World Health Organization declared COVID-19 a pandemic setting forth a series of actions at the federal, state, and local levels to combat and contain the spread of the virus during this public health emergency. Since that time, NVTC jurisdictional transit agencies, including WMATA and VRE, have implemented substantial changes to transit operations, many of which are being updated daily. The information provided in these staff reports reflect decisions as of the publication date and are subject to change.

At the January meeting the Commission will receive reports from the Virginia WMATA Board members and the chair of the NVTC WMATA Committee.

A. WMATA COVID-19 Response

On March 13, 2020 WMATA implemented Phase 3 of its Pandemic Flu Plan. Phase 3 is the highest level of response and includes all subsequent mitigation steps required during a public health emergency. WMATA expects to be at Phase 3 until further notice and has <u>developed a website</u> for customers to stay up-to-date with the latest information.

On May 11, 2020 WMATA announced its service focused recovery plan. In August WMATA began the <u>managed re-entry phase</u> of its recovery plan and began providing rail service at approximately 90% of pre-COVID levels and bus service of approximately 75% pre-COVID levels. WMATA began a public health and education campaign in the fall of 2020 to assure riders who need or want to travel by Metro that it is safe to do so.

With future federal funding uncertain at that time, in November 2020 the WMATA Board approved adjustments to the FY 2021 budget that are necessary to balance the budget for the remainder of FY 2021 reflecting the anticipated exhaustion of CARES Act funding in March 2021. Metrorail and Metrobus service changes are anticipated to begin in February 2021.

In December 2020 the WMATA Board authorized a public hearing on the proposed FY 2022 Operating Budget with significant reductions to service to offset an operating budget gap due to decreased ridership. On December 17, 2020 the Governors of Maryland and Virginia and the

Mayor of the District of Columbia sent a <u>letter</u> to President-Elect Joe Biden requesting additional federal funding to reduce the impact of the COVID-19 pandemic on the FY 2022 budget.

B. Report from the Virginia WMATA Board Members

 Authorization for Public Hearing on the FY 2022 Operating Budget and FY 2022 – 2027 Capital Improvement Program (CIP)

On December 10, 2020 the WMATA Board <u>authorized the public hearing on the GM/CEO's Proposed FY 2022 Operating Budget and FY 2021 – 2026 CIP</u>. The proposed budget is intended to preserve a barebones transit network that can sustain essential travel and support regional recovery (Figure 1). The public comment period is currently anticipated to open on January 16 and close on February 9. The WMATA Board is anticipated to act on the budget in March 2021.

Figure 1: FY 2022 Proposed Budget Recommendations

	\$ in Millions	Cost Impact	Revenue Impact	Net Savings	3 1 34
Metrorail	Rail operates M-F/5:00 AM-9:00 PM ONLY (no weekend rail); 30-minute headways all lines; YL only to Mt. Vernon Sq., RL turn backs, SV Ashburn to Ballston; all trains 8-cars; 19 Stations closed	(\$218)	(\$20)	(\$198)	(1,500)
Metrobus	Reduction to 41 lines of service, fully or partially covering 60 existing lines to provide for essential travel and basic travel needs	(\$125)	(\$20)	(\$105)	(900)
System	Advertising Revenue Adjustment for Reduced Service Level	-	(\$24)	\$24	4
	Estimated Savings	(\$343)	(\$64)	(\$279)	(2,400)
	Funding Gap			\$160	
Capital	Additional Capital Program Support for Operating ¹	(\$160)	-	(\$160)	-
	Remaining Funding Gap 1 SQOM is already included in base hydret. * Estimated FTE impact, subject to change			\$0	

Source: December 10 WMATA Finance and Capital Committee meeting on FY 2022 Budget

The effects of the COVID-19 pandemic are projected to significantly impact ridership and revenues in FY 2022. WMATA staff project an operating funding gap of up to \$494.5 million (Figure 2). Total ridership for FY 2022 is projected to recover to 34% of pre-COVID-19 FY 2021 levels. Given the slow ridership recovery, FY 2022 revenues across all modes are estimated at \$264.2 million, which is \$559.5 million below pre-pandemic FY 2021 levels.

Figure 2: FY 2022 Proposed Budget

\$ in Millions	FY2022 Proposed Budget
Revenue	\$264.2
Expense	\$1,945.1
Operating Deficit	\$1,680.9
FY2021 Effective Subsidy	\$1,111.6
3% Subsidy Growth Cap	\$33.3
Silver Line Phase 2	\$36.5
Cinder Bed Road Bus Facility	\$3.0
Increased Safety Support (WMSC)	\$2.0
Operating Subsidy	\$1,186.4
Projected Funding Gap	(\$494.5)

Source: December 4 WMATA Finance and Capital Committee GM/CEO Proposed FY 2022 Budget

Though revenues are projected to be lower in FY 2022 because of lower ridership estimates, operating costs for FY 2022 are expected to grow by \$93 million over the previous fiscal year due to the need for additional PPE, increased cleaning costs, employee contractual obligations and inflation. The budget includes \$42 million in legislatively excluded costs for health and safety mandates as well as operating costs for Silver Line Phase 2. The proposed budget does not assume additional federal COVID-19 relief funding.

Metrorail service would be reduced to 20% of pre-pandemic levels. Metrorail service changes include the following:

- No service on Saturday and Sunday
- Reduced Weekday Service
 - o Service on Monday Friday from 5 AM 9 PM
 - o 30-minute headways on all lines
 - o Yellow Line trains would operate from Huntington to Mt. Vernon Square
 - o Silver Line trains would operate from Ashburn to Ballston
 - o 19 stations would close

Metrobus service would be reduced to 45% of pre-pandemic levels and consolidated into 41 lines of service. Metrobus service in Virginia would be reduced from 66 to five lines. These remaining lines include the 1A, 28A, 7A, 10B, and 16C.

The FY 2022 budget also proposes \$55.9 million in management actions including contractor cost reductions, salary freezes for both union and non-union employees as well as layoffs. In addition, the proposed operating budget includes a one-time use of capital funds to close the operating budget gap with a proposal to transfer \$250 million in preventative maintenance expenses from operating to capital. The capital budget proposes utilizing dedicated capital funding debt to accommodate this one-time change and maintain the capital budget, which would in turn increase annual debt service costs by nearly \$10-12 million over the next 25 years.

The proposed \$2.8 billion FY 2022 capital budget and six-year Capital Improvement Program of \$12.5 billion includes investment in ongoing projects and prioritizes state of good repair projects identified in WMATA's Capital Needs Forecast (Figure 3). Planned near-term capital improvement projects include design support for the Automatic Train Control Room Replacement project and the Yellow Line Tunnel and Bridge Rehabilitation.



Figure 3: Overview of FY 2022 - 2027 Capital Improvement Program

Source: December 10 WMATA Finance and Capital Committee meeting on FY 2022 Budget

Potential risks to the CIP program include supply delays and safety risks due to the COVID-19 pandemic as well as the uncertainty of dedicated federal funding for state of good repair projects beyond FY 2022.

Framework for Transit Equity: Metrobus Service Guidelines

On December 10, 2020 the WMATA Board adopted <u>updated Metrobus Service Guidelines</u>. The WMATA Board received a presentation on the draft Metrobus Service Guidelines on September 10, and the adopted guidelines reflect additional feedback from the WMATA Board, jurisdictional staff and local bus operators.

During the WMATA budget development process, the Metrobus Service Guidelines will be applied to the previous fiscal years' service to identify and propose service adjustments for the next fiscal year. However, adopting the guidelines does not imply a commitment that every Metrobus line or route meet every guideline nor mandate budgetary action to immediately meet the guidelines. Implementing any adjustments remain subject to WMATA Board approval as well as public outreach and Title VI analysis.

WMATA staff also developed an Annual Line Performance Report to provide more data on all guidelines and performance data as well as its overall line grade. WMATA staff anticipate making these reports available annually in conjunction with the presentation of the GM/CEO's proposed budget for the upcoming fiscal year.

Metrorail Station Name Changes

On December 10, 2020 the WMATA Board <u>approved a station name change and a new station name</u> at two Metrorail stations. The University of Virginia (UVA) no longer has a presence near the West Falls Church-VT/UVA Station so the Fairfax County Board of Supervisors requested UVA be removed from the station's name on future maps and signage to become West Falls Church-VT Station with 'VT' added as a secondary name when passenger service begins for Silver Line Phase 2. In addition, the future station at Potomac Yard will formally become Potomac Yard-VT Station with 'VT' added as a secondary name when the station opens. The WMATA Board waived the main university campus requirement established by the Metro System Station Names Policy for Potomac Yard-VT station because Virginia Tech's Northern Virginia flagship campus will be located there. The WMATA Board has approved the following station name and name changes:

Former Station Name	WMATA Board Approved
	Station Name
West Falls Church	West Falls Church
VT/UVA	VT
(New Station at Potomac	Potomac Yard
Yard)	VT
Tysons Corner	Tysons
Prince George's Plaza	Hyattsville Crossing

West Falls Church Joint Development Agreement

On December 10, 2020 the WMATA Board executed the West Falls Church Joint Development Agreement to deliver one million square feet of mixed-use development on 24 acres of WMATA-owned land at the West Falls Church Station. Assuming non-pandemic conditions, the project is anticipated to have a positive fiscal impact for WMATA by generating 600 additional daily boardings at the station, which is the equivalent of \$1.3 million per year in fare revenue upon full buildout. WMATA will also receive real estate revenue from the sale of a parcel of property at the site as well as annual ground rent revenue for WMATA-owned land that will be developed as multi-family buildings, office buildings and retail. In addition to the WMATA-owned parcel of land, the City of Falls Church and Virginia Tech also own land at the station site, and each have entered into joint development agreements with private developers for their respective sites. All three developments together total 3.3 million square feet of mixed-use development at the station.

■ Silver Line Phase 2 Update

On December 10, 2020 the WMATA Safety and Operations Committee received an <u>update on Silver Line Phase 2</u>. Fourteen major quality issues on the project were presented to the Safety and Operations Committee on October 8, 2020. Ten of these quality issues have been resolved and four are being addressed. WMATA will not set a target service date until all identified issues have been resolved to meet acceptance standards.

Internal Controls Training and FTA Triennial Review

On December 10, 2020 the WMATA Executive Committee received an <u>annual training on internal controls</u> with a specific focus on WMATA Board oversight responsibilities. The training fulfills the WMATA Board's audit awareness training requirement. WMATA staff also updated the WMATA Executive Committee on the Federal Transit Administration (FTA)'s timeline for WMATA's triennial review. FTA conducts a comprehensive review of recipients every three years, and the triennial review for FY 2020 was originally scheduled for March 2020 but was rescheduled for February 2021 due to the COVID-19 pandemic. FTA will review WMATA on 21 areas (Figure 3) to make sure the agency is in compliance with current FTA requirements and policies.

Financial Legal Technical Technical Technical Transit Asset Satisfactory Management Capacity -Capacity -Capacity -Management Continuing and Capacity Award Program Project Control Management Management & Management Subrecipient Oversight Maintenance Procurement Disadvantaged Title VI Americans with Americans with Equal Disabilities Disabilities **Employment** Business (ADA) -Enterprise (ADA) -Opportunity Complementary General **Paratransit** School Bus Charter Bus Drug-Free Drug and Alcohol Section 5311 Section 5307 Section 5310 Workplace Act Program Program Program Program Requirements Requirements Requirements

Figure 4: FTA Triennial Review Focus Areas

Source: December 10, 2020 WMATA Executive Committee Internal Controls Training

C. Other WMATA News

WMATA Announces Travel Alternatives for the Spring 2021 Platform Improvement Project

On December 14 WMATA announced travel alternatives as part of the Spring 2021 Platform Improvement Project. WMATA will close Addison Road and Arlington Cemetery Stations from February 13 - May 23, 2021 to allow for platform reconstruction. WMATA will alter rail service patterns during construction. Blue Line trains will not operate. Instead, additional Yellow Line trains will be provided between Franconia Springfield and Mt. Vernon Square via the Potomac River bridge. In addition to free shuttles that will operate between rail stations, WMATA, in collaboration with regional officials and transportation agencies, is encouraging customers to consider regular-route bus service offered by Metrobus and local transit operators.

D. Report from the Chair of the NVTC WMATA Committee

At the January meeting NVTC WMATA Committee Chair Canek Aguirre will give an update on committee activities. The WMATA Committee is anticipated to meet on January 21 to review and draft a letter of comments on WMATA's proposed FY 2022 Budget. The draft letter of comments will be referred to the February Commission meeting for action.

Agenda Item #7: Transit Technology Program



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice and Patricia Happ

DATE: December 23, 2020

SUBJECT: Transit Technology Program

At the January meeting the Commission will be asked to accept the proposed 2021 Northern Virginia Regional Fare Collection Strategic Plan, which articulates NVTC's vision for an enhanced regionally integrated fare collection system and identifies NVTC's role in supporting and coordinating implementation of fare collection initiatives in the region.

A. ACTION ITEM: Approve Resolution #2435: Accept the 2021 Northern Virginia Regional Fare Collection Strategic Plan

The proposed <u>2021 Northern Virginia Regional Fare Collection Strategic Plan</u>, presented at the December 2020 Commission meeting, outlines NVTC support actions required to coordinate enhancement of regional fare collection systems. The plan addresses new challenges to maintain

a state of good repair while modernizing the regional fare collection system.

NVTC made considerable progress and supported fare collection innovation through implementation of the original 2018 strategic plan. However, the need to meet significant new challenges and maintain state of good repair to improve the regional fare collection system continues. The strategic plan, developed through a collaborative effort with regional partners, establishes thirteen actions for NVTC's support grouped by implementation timeframe into

Regional Fare Collection Vision Statement:

Northern Virginia transit systems envision an enhanced regionally integrated fare collection system with local flexibility to meet evolving customer expectations.

immediate, near-term (from CY 2021 through 2022), and longer-term projects (beyond CY 2022.)

The proposed plan sets forth the following actions for NVTC's support:

Table 1: Immediate NVTC Actions (through Calendar Year [CY] 2021)

	NVTC Action	Description
Α.	Continue Farebox State of Good Repair	NVTC will continue working with partners and WMATA to implement the farebox state of good repair upgrade to mitigate end-of-life issues of the current bus fareboxes.
В.	Support Immediate Mobile Payment Needs	NVTC will work with WMATA and partners on implementation and promotion of the SmarTrip App and mobile wallet. NVTC will also monitor local mobile ticketing activity to minimize regional fragmentation.
c.	Facilitate Information Exchange on Installation of Bus Operator Safety Barriers	NVTC will facilitate information exchange between partners on bus operator barrier installation, as related to resuming front door boarding and fare collection during the COVID-19 public health emergency.

Table 2: Near-Term NVTC Actions (through CY 2022)

	NVTC Action	Description
D.	Coordinate and Support New Farebox Procurement and Implementation (Including Rear- Door Payment and All-Door Boarding)	NVTC will represent the Northern Virginia's needs in WMATA's project for new bus fareboxes with standalone SmarTrip validators to enable rear-door payment and all-door boarding.
E.	Coordinate and Support Procurement of Off-Board Fare Collection System	NVTC will support partners implementing off-board fare collection solutions for bus rapid transit services, and coordinate with WMATA, other regional partners and vendors to develop cost effective and SmarTrip-compatible solutions.
F.	Coordinate and Support Fare Capping Implementation Analysis	NVTC will participate in planning discussions for regional back office systems upgrades to enable fare capping, as implementation requires technology and policy changes.
G.	Monitor Mobile Payment Trends	NVTC will gather input and data from partners on adoption rates and impacts of mobile payments on the regional fare collection system in order to guide future system enhancements.
н.	Coordinate, Support and Market New Fare Products and Programs	NVTC will facilitate information exchange between partners and WMATA on new fare products and programs to attract customers to transit.

Table 3: Long-Term NVTC Actions (beyond CY 2022)

	NVTC Action	Description
I.	Coordinate and Support Expansion of Retail Network	NVTC will represent partner needs in WMATA's planned project to expand the retail network that can be used by customers to load money to fare payment cards or accounts using cash.
J.	Coordinate and Support Planning for Contactless Open Payments	NVTC will represent partner needs in planning for contactless open payments, which would enable customers to use contactless bankcards and mobile wallets to pay for transit with a tap of the card or device they already have—just like they can at many retailers.
к.	Coordinate and Support Upgrades to WMATA's Back Office System	NVTC will represent partner needs during WMATA's transition to a new SmarTrip back office system.
L	Coordinate and Support Integration of VRE with SmarTrip	NVTC will support integration of VRE into the SmarTrip program as part of WMATA's transition to a new back office system.
м.	Coordinate and Support SmarTrip App Enhancements	NVTC will work with WMATA and partners to develop additional app features to address customer and local transit system needs.

The plan also identified the following overarching or cross-cutting needs to be considered when implementing each of the actions:

- Increase ease of use and improve customer experience
- Keep pace with technology and customer expectations
- Expand fare payment options equitably

While the strategic plan update provides a projected schedule, the priorities and timelines will be regularly revisited and will necessarily be refined to align with funding availability and policy updates.

Background

The region's transit agencies have seen dramatic acceleration of fare collection progress and new projects since 2018 is shown in Figure 1. Notable recent developments include WMATA completing its Fare Payment System Vision and Strategy in 2020 and expansion of mobile apps and payments. The onset of the COVID-19 public health emergency presented multiple challenges for fare collection, including paused fare collection and implementation of safety measures like rear-door boarding and driver barrier doors. The crisis has also spurred regional innovation with NVTC's support, including accelerating regional implementation of fare payment technology for rear-door validation and mobile payments.

The six-month process to develop the strategic plan involved detailed online partner surveys followed by individual work sessions designed to discern partners' fare collection needs and priorities. There was also an extensive review of industry trends, and interviews with peer transit agencies throughout the country. This research concluded that technical assistance and

coordination from NVTC allows local transit agencies to focus attention on their service operations while keeping pace with changes in the fare collection industry.

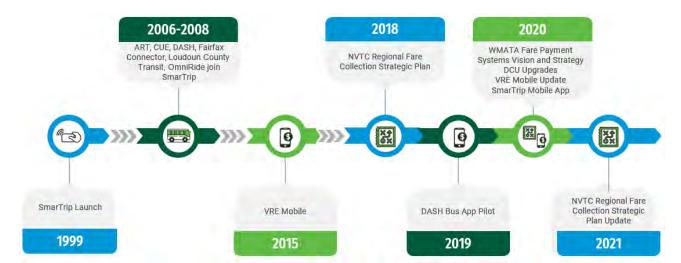


Figure 1: Regional Fare Collection Timeline



RESOLUTION #2435

SUBJECT:	Accept the 2021 Northern Virginia Regional Fare Collection Strategic Plan
WHEREAS:	The Northern Virginia Transportation Commission (NVTC) continues to lead the planning and coordinating of fare collection improvements and initiatives among the Northern Virginia transit systems;
WHEREAS:	The Northern Virginia transit systems include Arlington Transit (ART), City of Fairfax CUE, Alexandria DASH, Fairfax Connector, Loudoun County Transit, Potomac and Rappahannock Transportation Commission (PRTC)/OmniRide, and the Virginia Railway Express (VRE);
WHEREAS:	Fare collection technology and innovation has drastically accelerated since the 2018 Northern Virginia Regional Fare Collection Strategic Plan and an update to the plan is necessary to address new challenges and maintain a state of good repair while modernizing the fare collection systems;
WHEREAS:	NVTC continues to coordinate with the Washington Metropolitan Area Transit Authority (WMATA), a major partner and the backbone of the regional fare collection system SmarTrip, and to facilitate interconnectivity between all the transit systems;
WHEREAS:	The 2021 Northern Virginia Regional Fare Collection Strategic Plan identifies 13 key actions by NVTC to: 1) support and coordinate fare collection initiatives for NVTC transit systems; and 2) provide input into WMATA fare collection modernization by supporting the study and development of upgrades; and
WHEREAS:	NVTC has received and will apply for future Department of Rail and Public Transportation (DRPT) grant funding to: 1) provide technical assistance to the transit systems; and 2) coordinate upgrades and enhancements to existing fare collection systems.
NOW, THERE	FORE, BE IT RESOLVED that the Northern Virginia Transportation Commission accepts the 2021 Northern Virginia Regional Fare Collection Strategic Plan to move forward with the actions of the plan.
Approved this	7 th day of January 2021.
	Chair

Secretary-Treasurer



DRAFT 2021 Northern Virginia Regional Fare Collection Strategic Plan

January 2021



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Executive Summary

The 2021 Northern Virginia Regional Fare Collection Strategic Plan update, developed by the Northern Virginia Transportation Commission (NVTC) with Northern Virginia transit agencies, documents the vision for an enhanced regionally integrated fare collection system and identifies NVTC's role in supporting and coordinating implementation of fare collection initiatives in the region. While considerable progress and innovation was accomplished through implementation of the 2018 strategic plan, the need to meet new challenges and maintain state of good repair while modernizing the regional fare collection system continues.

Since 2018, there have been notable developments in the region including the Washington Metropolitan Area Transit Authority (WMATA) completing its Fare Payment System Vision and Strategy in 2020, expansion of mobile payments, and the onset of the COVID-19 public health emergency. The public health emergency presented multiple challenges for fare collection, including paused fare collection and implementation of safety measures like rear-door boarding and driver barrier doors. The crisis has also spurred innovation, accelerating regional implementation of fare payment technology including rear-door validation and mobile payments.

As such, the 2021 plan establishes the following actions for NVTC's support over the coming years:

Immediate (through calendar year [CY] 2021)

- **A. Continue Farebox State of Good Repair**: NVTC and Northern Virginia transit systems will continue working with WMATA to implement the farebox state of good repair upgrade solution to mitigate end-of-life issues of the current bus fareboxes.
- **B.** Support Immediate Mobile Payment Needs: NVTC will work with WMATA and the transit systems on implementation and promotion of the SmarTrip App and mobile wallet as a new self-service payment option. NVTC will also monitor local mobile ticketing activity for ways to minimize regional fragmentation.
- **C. Facilitate Information Exchange on Installation of Bus Operator Safety Barriers**: NVTC will facilitate the exchange of information between transit systems on their experiences with installation of bus operator barriers, which is viewed by many as a prerequisite to resuming front door boarding and fare collection during the COVID-19 public health emergency.

Near-Term (through CY 2022)

D. Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All-Door Boarding): NVTC will represent the Northern Virginia's needs in WMATA's project for new bus fareboxes with standalone SmarTrip validators to enable rear-door payment and all-door boarding.



- **E. Coordinate and Support Procurement of Off-Board Fare Collection System**: NVTC will support transit systems implementing off-board fare collection solutions for bus rapid transit services. Regional coordination is needed with WMATA, other regional partners and vendors for developing solutions that are cost effective and compatible with SmarTrip.
- **F. Coordinate and Support Fare Capping Implementation Analysis**: NVTC will participate in planning discussions for regional back office systems upgrades to enable fare capping, as implementation requires technology and policy changes. Fare capping promotes equity and simplifies fares by allowing riders to "pay-as-you-go," automatically issuing a pass after meeting the fare payment equivalent of a daily, weekly or monthly pass.
- **G. Monitor Mobile Payment Trends**: NVTC will gather input and data from transit systems on customer adoption rates and impacts of mobile payments on the regional fare collection system in order to guide future system enhancements.
- **H. Coordinate, Support and Market New Fare Products and Programs**: NVTC will facilitate information exchange between transit systems and WMATA on new fare products offerings and programs to attract customers to transit.

Long-Term (beyond CY 2022)

- **I.** Coordinate and Support Expansion of Retail Network: NVTC will represent the transit systems' needs in WMATA's planned project to expand the retail network that can be used by customers to load money to fare payment cards or accounts using cash.
- J. Coordinate and Support Planning for Contactless Open Payments: NVTC will represent transit systems' needs in planning for contactless open payments, which would enable customers to use contactless bankcards and mobile wallets to pay for transit with a tap of the card or device they already have—just like they can at many retailers
- **K.** Coordinate and Support Upgrades to WMATA's Back Office System: NVTC will represent transit systems' needs during WMATA's transition to a new SmarTrip back office system.
- L. Coordinate and Support Integration of VRE with SmarTrip: NVTC will support the integration of Virginia Railway Express (VRE) into the SmarTrip program as part of WMATA's transition to a new back office system.
- **M. Coordinate and Support SmarTrip App Enhancements**: NVTC will work with WMATA and transit systems to develop additional features, which will address customer and local transit system needs.

While this Strategic Plan update provides a proposed schedule, priorities and timelines will need to be regularly revisited and refined by NVTC as projects are implemented and evaluated to align with funding availability and updates to policy priorities.



1. Introduction

The Northern Virginia Transportation Commission (NVTC), in coordination with Northern Virginia transit agencies, developed this strategic plan to guide fare collection near-term initiatives for Northern Virginia from 2021 through 2022, while also identifying longer-term initiatives for beyond 2022. It establishes thirteen actions for NVTC's support to Northern Virginia transit agencies during enhancement of the regional fare collection system. This is the first update to the Northern Virginia Regional Fare Collection Strategic Plan ("the plan", or "Strategic Plan") adopted by NVTC in 2018. The original plan resulted in considerable progress on fare collection initiatives in the region. Moving forward, there remains the need to incrementally replace or upgrade the regional fare collection system as components near end of life, and to keep pace with customer expectations and changing technology.

This plan serves as a roadmap for supporting the study, development and implementation these upgrades. This plan was developed as a collaborative effort with regional partners, and the process included regional partner surveys and work sessions, as well as an extensive industry review. It establishes the vision, needs, and actions of NVTC's Regional Fare Collection Program. The actions of the plan will support and promote the enhancement of the fare collection systems used by the seven Northern Virginia transit systems and the Washington Metropolitan Area Transit Authority (WMATA). The following vision statement was developed by NVTC and the transit systems as a guide for decision-making in alignment with regional fare collection goals:

Regional Fare Collection Vision Statement:

Northern Virginia transit systems envision an enhanced regionallyintegrated fare collection system with local flexibility to meet evolving customer expectations.

The intended audience of this plan includes leadership, planners, implementers and operators of transit fare collection systems in Northern Virginia.

In August of 2017, Northern Virginia's transit systems entered into a Memorandum of Agreement (MOA) for NVTC to coordinate upgrades and explore options and enhancements for the regional fare collection initiatives. This plan outlines the specific actions to be taken by NVTC and the transit systems through the MOA to advance fare collection in the region such as supporting and guiding improvement to the existing regional fare collection system.

NVTC manages federal, state, and regional funding for five local bus systems, WMATA, and Virginia Railway Express (VRE), which it co-owns. It also facilitates the planning and



development of transit systems in Northern Virginia and provides technical assistance to its member jurisdictions. As such, NVTC is working with the Northern Virginia transit systems to ensure current and future needs for regional fare collection are met and assist in coordination with WMATA, the driving partner in regional fare collection, and other regional partners.

NVTC implements fare collection coordination through a Regional Fare Collection Working Group to gather needs and provide directions for improvements. The working group includes staff from the following transit systems:

- Arlington Transit (ART)
- City of Fairfax City-University Energysaver (CUE)
- Alexandria Transit Company DASH
- Fairfax (County) Connector

- Loudoun County Transit
- OmniRide
- VRF
- WMATA

Members of the group represent their respective transit system on fare collection, collaborate on ongoing activities and provided input to NVTC to develop this plan.



2. Background

The Northern Virginia bus systems (ART, CUE, DASH, Fairfax Connector, Loudoun County Transit and OmniRide) collect fares through the regional SmarTrip system managed by WMATA. SmarTrip, deployed by WMATA in 1999, is a smart-card-based fare collection system that also supports cash payment on buses. VRE uses an independent paper and mobile phone ticketing-based fare collection systems, but participates in the regional transit benefits program, SmartBenefits, which also is operated by WMATA and linked to SmarTrip. The system was expanded to other regional partners, with many Northern Virginia transit systems joining in 2006.

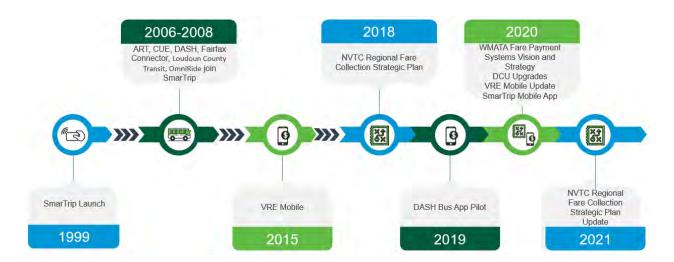


Figure 1: Fare Collection History

In 2018, the Strategic Plan was created to guide efforts on fare collection system across the region. This effort was necessary as the region was facing the following challenges:

- Obsolete equipment for the existing fare collection system
- Cost inefficiencies from uncoordinated enhancements
- Reduced ability to collect fares due to failing equipment
- Inability to expand revenue vehicle fleet due to unavailability of obsolete equipment for purchase
- Falling short of customer expectations for a convenient and modern fare payment experience

The plan identified activities required to deliver on the Northern Virginia vision statement, an integral part of which is supporting the local implementation of and providing guidance to the detailed implementation elements of WMATA's strategy. In addition, WMATA completed its



Fare Payment Systems Vision and Strategy (FPSVS) in 2020. Developed with input from NVTC and WMATA's regional partners, the document established long-term goals, vision and business objectives related to improving and modernizing fare payment operations and technology for the SmarTrip system. The WMATA FPSVS outlines the following guiding principles:

- Design for frictionless customer experience, access and equity
- Improve cost-effectiveness and reduce operational demands
- Promote open architecture for flexible and future proof solutions
- Improve WMATA, partner and customer data and reporting

WMATA's strategy, which was inspired by NVTC's Strategic Plan, provides a phased approach for implementing the desired upgrades and changes to the system. The document provides the following major program phases:

- Equipment upgrades and replacement for bus and rail
- Fare equity and simplification
- New payment options and cash reduction
- Back office upgrades
- New consumer and institutional website

This Strategic Plan update also aligns with strategies and recommendations from the Washington Area Bus Transformation Project¹ including:

- Recommendation 2A: Commitment to prioritize bus elements of this recommendation include establishing regional guidelines on bus priority treatments, such as off-board fare payment and all-door boarding to decrease dwell time at stops.
- **Recommendation 3B: Fare payment** elements of this recommendation make paying for bus fares easier such as reduced fare options for low-income riders, a mobile solution to plan and pay for trips in one place, and development of regional passes that work across all providers and make bus fares clear and understandable.

This Strategic Plan update process included a survey and work sessions with regional partners, as well as an extensive industry review. Details of the update process were documented in a technical memorandum. In the survey, the transit systems were asked to respond with their level of interest and desired timeline for implementing potential fare collection enhancements. These potential enhancements were compiled from past regional planning efforts (original Strategic Plan, WMATA's Fare Payment Systems Vision and Strategy, Washington Area Bus Transformation Project) and strategies gathered through the industry review.

¹https://bustransformationproject.com/wp-content/uploads/2019/09/Bus Transformation Strategy and Recommendations 2019-09-05.pdf



3. NVTC Actions to Support Fare Collection Needs

This document serves as the first update to the 2018 Northern Virginia Regional Fare Collection Strategic Plan and reflects advancements made in the region through its implementation. Like the 2018 Strategic Plan, the 2021 Regional Fare Collection Strategic Plan was developed by NVTC as a collaborative effort with regional partners. The actions for NVTC support are organized into immediate (through calendar year 2021), near-term (through calendar year 2022) and long-term (beyond calendar year 2022) timeframes, based on timelines provided by partners during plan development, and ordered based on NVTC priority. Actual implementation timelines are subject to change due to policy and funding considerations as well as WMATA's implementation timeline for actions in support of its projects. Overarching non-phased needs are also identified to be employed throughout future enhancements to the fare collection system.

3.1 Actions

To address unique transit partner needs and timelines, NVTC developed the following actions to support all transit systems in maintaining and enhancing fare collection within a framework of broader regional developments.²

Immediate Action (through calendar year [CY] 2021)

- A. Continue Farebox State of Good Repair
- B. Support Immediate Mobile Payment Needs
- C. Facilitate Information Exchange on Installation of Bus Operator Safety Barriers

Near-Term Actions (through CY 2022)

- D. Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All-Door Boarding)
- E. Coordinate and Support Procurement of Off-Board Fare Collection System
- F. Coordinate and Support Fare Capping Implementation Analysis
- G. Monitor Mobile Payment Trends
- H. Coordinate, Support and Market New Fare Products and Programs

Long-Term Actions (beyond CY 2022)

- I. Coordinate and Support Expansion of Retail Network
- J. Coordinate and Support Planning for Contactless Open Payments
- K. Coordinate and Support Upgrades to WMATA's Back Office System
- L. Coordinate and Support Integration of VRE with SmarTrip

² Timelines are subject to ongoing policy and funding considerations and are based on dates provided by partners during plan development.



M. Coordinate and Support SmarTrip App Enhancements

The following tables describe each action with the following parameters:

- Description with listing of tasks and activities
- Estimated timeframe
- Whether the action is linked to or dependent on WMATA activity
- Anticipated transit system role
- NVTC priority based on proposed role and anticipated impact
- Transit system priority based on survey
- Anticipated NVTC level of effort



A. Continue Farebox State of Good Repair

Immediate (through CY 2021)

Description:

Bus transit systems need support with coordination of installing, testing and commissioning of the fare collection Driver Control Unit (DCU) upgrade hardware as well as support for garage infrastructure and new replacement farebox procurement. NVTC and Northern Virginia transit systems will continue working with WMATA to implement the farebox/DCU solution to mitigate obsolescence of the current fareboxes.

NVTC Tasks and Activities:

- Coordinate WMATA support to transit systems during installation and configuration of the farebox upgrades and supporting garage infrastructure
- Provide technical review of plans and processes for supporting DCU operation (including software patching and updates) and coordinate transit system feedback
- Monitor progress of implementation of upgrades and share lessons learned between transit systems
- Identify mitigation strategies and support transit systems in exploring these strategies where schedule, scope, or cost risks occur
- Continue coordination with WMATA on farebox modernization procurement initiative

Link to WMATA: This action is related to WMATA Fare Payment Systems Vision and Strategy, which includes procurement of a complete new farebox solution based on the DCU strategy. WMATA will be responsible for testing future updates to the DCU solution and offering support to the transit systems during installation and configuration.

Role of Transit System(s): Participate in coordination efforts and share information on any issues or enhancements which would improve system performance.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O = Very Low, O = Low, O	= Medium.	= High. ■= Very High	



B. Support Immediate Mobile Payment Needs

Immediate (through CY 2021)

Description:

WMATA has launched the SmarTrip App that allows customers to manage their SmarTrip card(s) and pay fares using near-field communication (NFC)-based virtual cards on iPhone, Apple Watch, and Android phones (under development for future expansion). Bus transit systems will require support in promoting the SmarTrip App as an additional payment and self-service option as fare collection resumes. NVTC will work with WMATA and the transit systems on implementation and promotion of this new payment option on bus service.

Aside from SmarTrip, several Northern Virginia transit systems have ongoing interests in local mobile ticketing solutions (VRE Mobile, DASH Bus App pilot) when needs cannot be met by the SmarTrip App. NVTC will monitor this activity for ways to minimize regional fragmentation.

NVTC Tasks and Activities:

- Facilitate information exchange to prepare transit systems for acceptance of mobile payments from customers using SmarTrip App/mobile wallet
- Coordinate promotion of SmarTrip App and mobile payment for bus services between transit systems and WMATA
- Coordinate required bus technology upgrades to support mobile payments
- Assist transit agencies in identifying opportunities to incentivize mobile payments over ticket vending machine usage and onboard payment
- Monitor and coordinate with VRE Mobile enhancements
- Monitor and coordinate with local mobile ticketing projects (e.g., DASH Bus App, potential OmniRide deployment) and encourage a uniform regional approach to mobile payments
- Monitor mobile payments industry trends

Link to WMATA: This action is related to WMATA's strategy for new payment options. WMATA is leading the development and implementation of the SmarTrip App.

Role of Transit System(s): Participate in coordination efforts and promote SmarTrip App for mobile payments for transit in the region. Identify opportunities to incentivize mobile payments over ticket vending machine usage and onboard payment.

NVTC Priority:

Transit Systems
Priority:

NVTC Level of
Effort:

Key:

○ = Very Low, ○ = Low, ○ = Medium, ○ = High, ○ = Very High



Facilitate Information Exchange on Installation of Bus Operator Safety Barriers

Immediate (through CY 2021)

Description:

C.

To ensure safety of operators and customers during and after the COVID-19 public health emergency, the bus transit systems in the region are installing transparent barriers between the customers and operators. NVTC will facilitate the exchange of information between transit systems on their experiences with installation of bus operator barriers, which is viewed by many as a prerequisite to resuming front door boarding and fare collection. Regular discussions on the subject and any other safety measures related to fare collection can help transit systems learn from others and potentially reduce costs through joint procurement.

NVTC Tasks and Activities:

- Facilitate coordination between transit systems to share resources and experiences as they move ahead with installation of bus operator barriers
- Monitor industry trends to identify other safety measures being undertaken to protect customers, operators and transit agency staff during fare collection-related activities
- Monitor timeline for resumption of fare collection across the region

Link to WMATA: This action is not dependent on WMATA activity.

Role of Transit System(s): Participate in coordination efforts and share information on measures being taken to ensure safety of riders and operators.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	0		
Key:			
O = Very Low, O = Low, O	= Medium, 🗨	= High, ●= Very High	



Coordinate and Support New Farebox Procurement and D. Implementation (Including Rear-Door Payment and All-Door Boarding)

Near-Term (through CY 2022)

Description:

NVTC will represent the Northern Virginia's needs in WMATA's project for new bus fareboxes with standalone validators to enable rear-door payment and all-door boarding. This support will include reviewing technical documents provided by the vendor, collecting and providing feedback from the transit systems on the system design and testing, and coordinating fare inspection policy. Bus transit systems need also need support with coordination of procuring, installing, and configuring any new garage infrastructure needed to support the bus fareboxes.

NVTC Tasks and Activities:

- Coordinate, through all phases of WMATA activity, as a full partner including concept analysis, strategy development, planning, procurement, and contracting for new fareboxes with separate validators to facilitate all-door boarding
- Review and provide feedback on system design and testing documents
- Monitor progress of testing
- Support transit systems with development of an implementation plan
- Coordinate WMATA support to transit systems during installation and configuration of supporting garage infrastructure
- Explore and coordinate funding and contracting mechanisms for transit systems to purchase and install solution
- Support development of uniform regional policy for fare inspection of rear-door SmarTrip payment and all-door boarding
- Continue coordination with WMATA on farebox modernization initiatives

Link to WMATA: This action is related to WMATA's bus farebox strategy, which consists of a procurement and design for new bus fareboxes. WMATA is leading procurement, design review and testing.

Role of Transit System(s): Participate in coordination efforts, provide feedback on procurement and develop implementation plan.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
Кеу:			

O = Very Low, O = Low, O = Medium, O = High, O = Very High



E. Coordinate and Support Procurement of Off-Board Fare Collection System

Near-Term (through CY 2022)

Description:

Transit systems implementing Bus Rapid Transit (BRT) services have identified a need for off-board fare collection solutions (platform validators, small footprint ticket vending machines, inspection devices) for those services. This includes Arlington County, City of Alexandria and Fairfax County. Since the SmarTrip program does not currently include appropriate equipment options, there is a need for regional coordination to work with WMATA, other regional partners and vendors for developing solutions that are cost effective and compatible with SmarTrip. NVTC will support these transit systems with procurement, system design reviews and coordination with WMATA to ensure system compatibility with SmarTrip.

NVTC Tasks and Activities:

- Continue quarterly Off-Board Fare Collection Working Group meetings to facilitate information exchange
- Coordinate with Maryland and District of Columbia transit systems and WMATA in developing a unified regional approach for off-board fare collection implementation
- Coordinate with WMATA to integrate regional solution with SmarTrip as appropriate
- Monitor WMATA's rail ticket vending machine project and represent regional needs in the ticket vending machine procurement
- Assist transit systems in the development of technical requirements
- Assist transit systems in issuing a request for proposal for off-board fare collection equipment
- Support development of unified regional policy for fare inspection
- Support the implementation of off-board fare collection

Link to WMATA: This action is not tied to a WMATA strategy or project but will require a leading role by WMATA as administrator of the SmarTrip system. WMATA's fare vendor project and strategy for new rail ticket vending machines is related to this action and may potentially create a vehicle for transit systems to procure fare vending machines.

Role of Transit System(s): Participate in coordination efforts. Share information on technical requirements, procurement and implementation of the off-board fare collection system with the other transit agencies in the region.

NVTC Priority:

Transit Systems
Priority:

NVTC Level of
Effort:

Key:

○= Very Low, ○= Low, ①= Medium, ④= High, ●= Very High



F. Coordinate and Support Fare Capping Implementation Analysis

Near-Term (through CY 2022)

Description:

Northern Virginia transit systems are interested in exploring implementation of fare capping, and WMATA has identified the project for future policy consideration. Fare Capping allows riders to "pay-as-you-go," automatically issuing a pass after meeting the fare payment equivalent of a daily, weekly or monthly pass. Fare capping could also help the region realize a Bus Transformation Project transit equity goal. Fare capping would provide fare equity, customer loyalty, and fare simplification as part of a broader back office upgrade. NVTC will participate in planning discussions prior to the region upgrading back office systems to enable fare capping, as it requires changes to fare collection technology and policy.

NVTC Tasks and Activities:

- Facilitate coordination and provide feedback to WMATA and transit systems in identifying technology and policy needs to support fare capping
- Facilitate coordination and provide feedback to WMATA and transit systems in evaluating costs and benefits of fare capping

Link to WMATA: This action is linked to WMATA's strategy for back office upgrades and transition to an account-based system. WMATA identified fare capping implementation as a future policy consideration in its Fare Payment Systems Vision and Strategy.

Role of Transit System(s): Participate in coordination efforts. Support WMATA in identifying technology and policy needs to support fare capping.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O = Very Low, O = Low, O	= Medium, 🗨	= High, ●= Very High	



G. Monitor Mobile Payment Trends

Near-Term (through CY 2022)

Description:

NVTC will gather input and data from transit systems on customer adoption rates and impacts of mobile payments on the regional fare collection system. Findings, observations and needs will be included in discussions with WMATA and regional partners to support mobile payment enhancements to support local needs.

NVTC Tasks and Activities:

- Coordinate with transit systems and WMATA to gather usage data on SmarTrip App, DASH Bus App and VRE Mobile performance
- Review WMATA analysis of impact of SmarTrip App on ticket vending machine usage
- Synthesize performance data and share findings with regional partners
- Monitor mobile payments industry trends
- Identify potential future enhancements to the SmarTrip App to address local needs for mobile payments (institutional partnerships, fast and flexible fare product implementation)

Link to WMATA: This action is related to WMATA's strategy for new payment options. WMATA is leading the development and implementation of the SmarTrip App.

Role of Transit System(s): Participate in coordination efforts. Share information on mobile app performance and customer feedback.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
Key:			
O = Very Low, O = Low, O	= Medium, •	= High, ●= Very High	



H. Coordinate, Support and Market New Fare Products and Programs

Near-Term (through CY 2022)

Description:

NVTC will facilitate information exchange between transit systems and WMATA on new fare products offerings to attract customers to transit. Discussions will be geared towards learning about new fare products, marketing strategies for new products, policy needed for adoption and fare product management. This will help with identifying issues with introduction of new fare products and removing barriers to fare product management. One area of interest for several transit systems are new reduced fare or low-income fare programs.

NVTC Tasks and Activities:

- Coordinate with transit systems and WMATA to share information on new fare products and programs
- Support regional studies to research new fare products and explore feasibility and impacts of fare product offerings
- Identify compatibility of SmarTrip to accommodate needed fare products
- Coordinate with WMATA on potential back office enhancements to support fare product management
- Identify opportunities to provide more local transit system control of fare products
- Coordinate with WMATA to improve speed and ease of implementation, and local transit system flexibility in testing and implementing new fare products using SmarTrip

Link to WMATA: This action is not directly linked to a WMATA strategy or project. WMATA is the administrator of the SmarTrip system and any new fare product must be tested and implemented through the WMATA AFC engineering team.

Role of Transit System(s): Participate in coordination efforts, support regional research studies and identify opportunities to optimize the system for greater control improving management of fare products.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O = Very Low, O = Low, O	= Medium, •	= High, ●= Very High	



I. Coordinate and Support Expansion of Retail Network

Long-Term (beyond CY 2022)

Description:

As additional electronic payment methods are introduced, there will be a need to provide options for cash customers and to support the chosen payment methods adopted by those who are underbanked. One area of need is expanding and improving the retail network that can be used by cash customers to load money to fare payment cards or accounts using cash. There are limited retail locations in Northern Virginia where value can be added to SmarTrip cards. Cash digitization services will allow cash reloading of SmarTrip (physical or virtual cards) at an extensive retail network. NVTC will represent the transit systems' needs in WMATA's planned project to expand the retail network.

NVTC Tasks and Activities:

- Identify how regional transit systems can promote and coordinate expansion and mitigate barriers to expansion
- Work with WMATA to identify SmarTrip improvements needed to address barriers to retail expansion
- Review technical functionality and monitor WMATA's implementation of new Compact Point of Sale (CPOS) and Multi-Function Point of Sale (MPOS) devices
- Assist agencies in identifying opportunities for customer marketing, promotion and incentives to expand network
- Identify opportunities to continue to allow cash payment in support unbanked and underbanked customers

Link to WMATA: This action is related to WMATA's strategy for new payment options. WMATA will lead the retail expansion efforts and initiate contracts.

Role of Transit System(s): Participate in coordination efforts. Identify opportunities for customer marketing, promotion and incentives to expand network.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O = Very Low, O = Low, O	= Medium, •	= High, ●= Very High	



J. Coordinate and Support Planning for Contactless Open Payments

Long-Term (beyond CY 2022)

Description:

There is interest in expanding payment options through contactless open payments, which would enable customers to use contactless bankcards and mobile wallets to pay for transit with a tap of the card or device they already have—just like they can at many retailers. NVTC will represent transit systems' needs in planning for contactless open payments. Close coordination with WMATA will be required, and initiating planning early will provide enough time for transit systems to prepare for the updates and work on policies to support open payments to ensure timely deployment of this technology.

NVTC Tasks and Activities:

- Support WMATA and transit systems in identifying technology and policy needs to support open payments
- Support WMATA and transit systems in evaluating costs and benefits of open payments
- Support implementation of open payments

Link to WMATA: This action is related to WMATA's strategy for back office upgrades and transition to an account-based system. WMATA will lead the back office upgrade efforts that will enable acceptance of contactless open payments.

Role of Transit System(s): Participate in coordination efforts and support WMATA with development of this functionality.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O=Verylow O=low O	= Medium	= High ■= Very High	



K. Coordinate and Support Upgrades to WMATA's Back Office System

Long-Term (beyond CY 2022)

Description:

WMATA plans to migrate to an account-based system, by upgrading the existing back office infrastructure to support the new system. NVTC will represent transit systems' needs during WMATA's transition to a new back office system. The transition would enable features such as fare capping, open payments and flexibility to integrate new technologies in the future through an open architecture.

NVTC Tasks and Activities:

- Coordinate, through all phases of WMATA activity, as a full partner including concept analysis, strategy development, planning, procurement and contracting for back office upgrades
- Review technical documents, collect and share feedback from the transit systems and provide input to WMATA during the implementation process
- Identify mitigation strategies and support transit systems in exploring these strategies where schedule, scope or cost risks occur
- Coordinate necessary updates of local garage back office hardware and software
- Gather regional requirements for the implementation of regional data analytics/reporting platform
- Coordinate integration of VRE to the SmarTrip program

Link to WMATA: This action is related to WMATA's strategy for back office upgrades and transition to an account-based system. WMATA will lead the back office upgrade efforts.

Role of Transit System(s): Participate in coordination efforts and participate in development of the new back office system by providing feedback on technical documents and develop implementation plan.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O=Verylow O=low O	= Medium	= High = Very High	



Coordinate and Support Integration of VRE with SmarTrip

Long-Term (beyond CY 2022)

Description:

L.

There is a need to facilitate ongoing discussions between VRE and WMATA to identify technology and policy needs to potentially integrate VRE into SmarTrip, especially as WMATA pursues SmarTrip system upgrades and modernization. VRE is the only Northern Virginia transit system that does not accept SmarTrip. However, SmartBenefits can currently be directed for payment of VRE fares, a process that VRE and WMATA are working on to make more seamless for the customer. For an integrated system that promotes regional multimodal travel, it would also benefit customers if SmarTrip could be used to pay VRE fares. NVTC will support the integration of VRE into the SmarTrip program. This would occur as part of the transition to an account-based back office system with open architecture to enable integration of VRE.

NVTC Tasks and Activities:

- Support WMATA and VRE in identifying technology and policy needs to integrate VRE into SmarTrip
- Seek the use of open architecture during the planning, procurement, design, implementation, and expansion of the new back office system that will enable third-party devices/system integration

Link to WMATA: This action is related to WMATA's strategy for back office upgrades and transition to an account-based system. WMATA will lead the back office upgrade efforts and support VRE.

Role of VRE: Lead development of concept and procure or modify system(s) for integration with the enhanced regional system.

NVTC Priority:	•	Transit Systems Priority (VRE):	•
NVTC Level of Effort:	•		
Key:			
O=Verylow O=low O	= Medium	= High ■= Very High	



M. Coordinate and Support SmarTrip App Enhancements

Long-Term (beyond CY 2022)

Description:

As new technology is developed and customer preferences change, there will be a need to enhance the SmarTrip App to address unmet needs. This includes expanding institutional partnerships (for example, social service agencies), fast and flexible fare product implementation, and potential acceptance by VRE. NVTC will work with WMATA and transit systems to develop additional features, which will address customer and local transit system needs.

NVTC Tasks and Activities:

- Coordinate with transit systems and identify unmet mobile needs payment needs from the system and those expressed by their customers
- Coordinate with WMATA and express mobile payment needs of transit systems
- Work with WMATA and its app developer to find solutions to address needs
- Support promotion and marketing of app enhancements to customers

Link to WMATA: This action is related to WMATA's strategy for new payment options. WMATA is leading the development and implementation of the SmarTrip App.

Role of Transit System(s): Participate in coordination efforts. Share customer feedback on mobile app and work with WMATA on app enhancements. Promote use of SmarTrip app to customers.

NVTC Priority:	•	Transit Systems Priority:	•
NVTC Level of Effort:	•		
<u>Key</u> :			
O = Very Low, Θ = Low, Θ	= Medium, •	= High, ●= Very High	



3.2 Cross-Cutting Needs and Guiding Principles

As a part of the strategic planning and survey process, several overarching needs were identified which should be considered while delivering NVTC support to meet the specific fare collection needs. These needs have been categorized as the following cross-cutting needs:

- Increase ease of use and improve customer experience: As customer preferences change and new technology is developed, there will be a need to improve customer experience and fine tune the system to increase efficiency and ease of use. Transit systems do not want the fare payment process to be a barrier to choosing to ride transit.
- **Keep pace with technology and customer expectations**: Transit systems need support with monitoring new technology and industry trends. One of the issues identified in the Washington Area Bus Transformation Project was that bus systems don't appear to be keeping up with the technology innovations. The mobility landscape is constantly changing with new products that impact all aspects of transit services and new payment technologies and platforms can impact customer expectations of fare payment options. There is a need for regular discussions between agencies and with agencies to develop solutions which will better serve the customers. NVTC has fostered exchange of information between agencies for ongoing projects will continue to support this need as a part of its long-term efforts.
- **Expand fare payment options equitably**: Transit systems need to ensure that options are made available to all customers as new fare payment options are introduced. Easy and ubiquitous cash payment options remain extremely important for most transit systems in the context of a general industry preference towards reducing cash collection activities to lower costs and improve efficiency. The region has advanced several options for customers to pay for transit which include expanding retail network and accepting prepaid cards to add value to SmarTrip accounts on WMATA SmarTrip app.

While the cross-cutting needs are not included in specific actions that follow in this section, they have been incorporated into guiding principles as follows:

- Support updates of the regional SmarTrip fare collection system: Maintain and enhance the regional multi-transit system fare collection system (SmarTrip) according to WMATA's Fare Payment Systems Vision and Strategy.
- Support local transit systems in deploying fare collection solutions to meet local needs: Identify ways to meet local needs through enhancement of the SmarTrip system to minimize fragmentation, promote a consistent customer experience and control regional costs while maximizing benefits.
- Continue regional coordination between WMATA, Northern Virginia, District of Columbia and Maryland transit systems: Continue information sharing through regular meetings of the Regional Fare Collection Working Group as well as through other regional channels such as WMATA's monthly regional SmarTrip meetings. NVTC



has been fostering coordination in the region and has an off-board fare collection working group to facilitate exchange of information and learnings between agencies and will continue to work on additional efforts to facilitate information on an ongoing basis for different aspects of fare collection.

- Support WMATA's centralized role of operating a regional fare collection system and providing support services to regional transit systems: Facilitate coordination of technical needs between transit systems and WMATA and provide tracking and oversight of development.
- Maintain role of Northern Virginia transit systems in WMATA fare collection planning: Ensure NVTC involvement in all stages of fare collection enhancements that impact the region including formulation of concepts, development of technical requirements, planning, procurement, and contracting and as a full partner with WMATA so that Northern Virginia transit systems and NVTC have full visibility into the WMATA fare collection initiatives.
- Continue to identify opportunities to coordinate fare collection procurements: Continue coordination of fare collection procurements among regional transit systems and the use of contract riders to allow transit systems in the region to benefit from regional pricing, consistency between systems, and economies of scale.



4. Resource Needs

The Strategic Plan is intended to help NVTC and the transit systems plan resources to support the implementation of fare collection upgrades. **Table 1** summarizes the relative technical assistance level of effort needed to carry out the actions of the Strategic Plan. The table also indicates which actions are fare policy-related and those that will require marketing resources to promote to customers. The funding strategy is to seek funds to support the implementation of the Strategic Plan through statewide public transportation grant programs. NVTC will help transit systems track regional cost estimates for enhancements.

Table 1: NVTC Level of Effort per Action

		Action	NVTC Technical Assistance	Fare Policy Related	Marketing Related
i te 2021)	A	Continue Farebox State of Good Repair	•		
Immediate (Through CY 2021)	В	Support Immediate Mobile Payment Needs	•		x
In (Throu	С	Facilitate Information Exchange on Installation of Bus Operator Safety Barriers	0		
:2)	D	Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All- Door Boarding)	•	x	x
erm CY 202	E	Coordinate and Support Procurement of Off-Board Fare Collection System	•	x	
Near-Term (Through-CY 2022)	F	Coordinate and Support Fare Capping Implementation Analysis	•	x	
(Thr	G	Monitor Mobile Payment Trends	•		
	н	Coordinate, Support and Market New Fare Products and Programs	•	x	x
	ı	Coordinate and Support Expansion of Retail Network	•		x
73 2022)	J	Coordinate and Support Planning for Contactless Open Payments	•	x	
Long-Term (Beyond CY 2022)	K	Coordinate and Support Upgrades to WMATA's Back Office System	•		
Lo l	L	Coordinate and Support Integration of VRE with SmarTrip	•	x	
	М	Coordinate and Support SmarTrip App Enhancements	•		x

O = Very Low, \bullet = Low, \bullet = Medium, \bullet = High, \bullet = Very High



5. Progress and Impacts Since 2018

NVTC implementation of the 2018 Strategic Plan resulted in significant progress by regional partners on fare collection. In addition, there have been major changes in the fare collection industry. Moreover, the COVID-19 public health emergency presented new challenges for fare collection and has shaped considerations for safe fare collection operations. This section provides an overview of changes necessitating an update to the strategic plan.

5.1 Regional Progress

Regional progress resulting from NVTC support outlined in the 2018 Strategic Plan includes the following:

- Farebox state of good repair support: NVTC provided input on WMATA's farebox driver control unit (DCU) upgrade project to ensure regional needs are met, coordinated orders and funding for hardware kits and provided input to WMATA's new farebox procurement. WMATA completed design and testing of the DCU upgrade project with support from several Virginia transit systems and several upgraded fareboxes have been put into production in Virginia. WMATA also initiated a procurement for new bus fareboxes for the region and incorporated several recommendations from NVTC and other regional partners to enhance the solicitation.
- **DASH Bus App**: DASH launched a pilot of mobile ticketing in June 2019. NVTC organized a mobile ticketing industry day in 2018, assisted DASH in preparing specifications that ensure the platform could serve regional needs and be used by other transit systems in the region, assisted in evaluating proposals and coordinated with DASH and WMATA on SmartBenefits integration.
- **VRE Mobile upgrade**: VRE replaced its mobile ticketing system. NVTC provided regional requirements to VRE that ensure the platform could be used other transit systems in the region if needed in the future.
- Off-Board/All-Door Fare Collection Working Group: NVTC facilitated quarterly coordination meetings of regional partners planning to implement off-board and alldoor fare collection solutions.
- **WMATA Fare Payment Systems Vision and Strategy**: WMATA developed this strategy document to provide a roadmap for WMATA's fare payment systems upgrades and was developed with input from NVTC and regional partners.
- **SmarTrip App**: WMATA developed and launched the app and mobile wallet in September 2020, which enables payment using iPhone and Apple Watch via virtual SmarTrip cards, as well as mobile account management. NVTC and reginal partners participated in demonstrations and testing.



5.2 Industry Progress

The fare collection industry has seen changes in technology, vendor business models, as well as preferences of customers, transit agencies and vendors since the 2018 Strategic Plan was approved. Fare collection equipment has evolved to accommodate the growing demand for electronic validation of mobile tickets, mobile payments and contactless credit/debit cards.

5.2.1 Farebox Technology

The next generation of fareboxes installed by several transit agencies across the country are being equipped with barcode and NFC readers. Mobile ticketing vendors are expanding from visual validation (showing the ticket to the bus operator) to hardware integration providing electronic validation on the vehicles. Alas, the pace of advancement of mobile ticketing systems has been slower than was anticipated several years ago and has not been as widely adopted as more conventional fare collection methods.

5.2.2 Account-Based and Open Payment Systems

Transit systems across the country are continuing to upgrade their fare collection back office software with a majority now moving to account-based systems. These systems support additional types of fare media and include features like fare capping, which can automatically upgrade customers to a pass product after they meet the fare payment equivalent of a daily, weekly or monthly pass. New back office systems are being designed on an open architecture to accommodate integration with other mobility providers and offer flexibility for the rapid changes in the industry. Several transit systems have leveraged NFC readers and upgraded central software to deploy open payments allowing fare payment by the tap of a contactless credit/debit card or mobile payment wallet such as Android or Apple pay.

5.2.3 Multipurpose Mobile Ticketing

In the area of mobile ticketing, there have been organizational restructuring and changes in business priorities with some new vendors entering the market. There is an increasing trend of combining mobile ticketing products with other mobility platforms, such as multimodal trip planning, that allow customers to plan their trip and pay their fares within a single app. Agencies are providing real-time information on their services through third-party apps like Transit App, Moovit and Google.

5.2.4 Lessons from Peer Regions

The industry review also included interviews with peers consisting of regional transit agencies or coordinating regional organizations similar to NVTC. Key takeaways from the interviews show benefits of regional collaboration that have also been experienced in Northern Virginia through NVTC's support. Some takeaways from the industry review include:

- Regional coordination of procurements reduce cost to allows transit agencies to obtain better pricing and benefit from economies of scale
- Regional coordination of fare collection improvements enhances customer convenience by providing a consistent experience across multiple transit systems



 Regional technical assistance allows local transit systems to focus their attention on their transit operations while keeping pace with fare collection improvements occurring in the region

The interviews also showed alignment of planned enhancements of the regional fare collection system with industry trends, including:

- Implementing mobile payments
- Analyzing impacts of customer adoption of mobile payments before implementing upgrades to more traditional fare collection hardware such as ticket vending machines
- Providing additional purchase channels to allow customers to buy from their preferred channel (e.g., via transit agency app, via third-party apps, online, at retail locations, at ticket vending machines)
- Upgrading to an account-based back office software

5.3 COVID-19 Public Health Emergency Impacts

Beginning in early 2020, the COVID-19 public health emergency presented new challenges for many aspects of public transit operation including fare collection. Many transit systems suspended fare collection during the public health emergency and implemented rear-door boarding for bus services to provide additional driver safety. Across the country, reduced revenues due to depressed ridership, paused fare collection, and reduced tax revenues, together with increased operating costs to protect workers and riders, are straining public transit agency budgets.

Operational challenges related to traditional fare collection revealed during COVID-19 include transit vehicle operator interaction with customers, customer interaction with shared fare collection equipment, manual requirements for cash handling by transit agency personnel and the need for flexible fare passes due to changing travel patterns. These factors have resulted in agencies pushing forward contactless fare collection and consideration of all-door fare payment.

While the public health emergency has created challenges, transit agencies have also been working on technology and policy innovation with new urgency. These include new fare technologies to provide rider confidence. As agencies are looking for solutions which make it safer for employees and for the rider to use transit with resumed fare collection, efforts have focused on installation of driver barriers. Agencies have place greater consideration on technology and processes which would help reduce interaction of riders with fare equipment.

Locally, COVID-19 has also accelerated fare payment technology and innovation. For example, WMATA accelerated their planned SmarTrip mobile app for the iPhone and Apple Watch and released the new "touchless" payment capability in September 2020, with plans for Android and Google Pay within a few months thereafter. The effort involved WMATA and regional partners upgrading readers and validators. The new mobile app also offers the capability for riders to pay without interacting with ticket vending machines.



Additionally, most regional partners implemented rear door boarding during the crisis, which facilitated speeding up rear-door validation, another planned project. In the new farebox procurement, WMATA had planned to add capability for future rear-door validation. Due to the public health emergency, WMATA accelerated the procurement of rear-door validators by several months. Additionally, regional partners are installing driver barrier doors to reduce contact between operators and passengers.

VRE is also developing a new mobile payment app that will include passenger-counting features to inform riders about train car occupancy so they can board a less-crowded car.

NVTC support is required to implement each of these initiatives. This progress in the region and industry, as well as changes due to the public health emergency, highlight a need for an update of the Strategic Plan.



6. Assessment

NVTC will continually measure progress and report to the transit systems as the actions of the 2021 Strategic Plan are taken. It will be important to achieve the plan goals while remaining flexible to changes in needs, technology and funding availability. NVTC will assess progress based on how the overall purpose and need of the Strategic Plan is being addressed. **Table 3** illustrates the annual assessment and reporting cycle that NVTC will use with support from the transit systems and WMATA is as follows, beginning upon implementation of this plan:

Table 3: Annual Assessment and Reporting Cycle

	Quarter:	1	2	3	4
	ovide a roadmap for advancing fare lection in the region				
•	Complete and adopt 2021 Strategic Plan (Year 1)	•	Ongo	ng	
•	Track actions from Strategic Plan Report progress on actions to Commission and transit systems every six months; reflect changes to needs, technology and resource needs		•		•
	ovide input into WMATA fare collection dernization initiatives				
•	Document and report quarterly to transit systems on coordination efforts with WMATA	•	•	•	•
	place or upgrade the system as components ar end of life				
•	Gather input from each transit systems quarterly on completed replacements and upgrades; document schedule to reflect changes to needs, technology and funding	•	•	•	•
Ke	ep pace with customer expectations				
•	Monitor customer feedback gathered by transit systems		Ongo	ing	-
Ke	ep pace with changing technology				
•	Attend relevant industry conferences and report on findings		Ongo	ing	-
•	Produce best practice research, as needed, to reflect changes in technology		Ongo	ing	-

Agenda Item #8: Commuter Choice Program



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice, Ben Owen and Jae Watkins

DATE: December 23, 2020

SUBJECT: Commuter Choice Program

At the January meeting the Commission will be updated on the Commuter Choice program for both the I-66 and I-395 corridors.

A. Commuter Choice on the I-66 Corridor Round Four Update

On December 9, 2020 the Commonwealth Transportation Board (CTB) unanimously approved the \$3.8 million Commuter Choice on the I-66 Corridor Initial (FY 2021) Round Four Program of Projects that the Commission adopted in October 2020. The program includes six low-cost, low-risk projects that will provide robust benefits to I-66 Inside the Beltway toll payers and continuity for commuters — specifically continued operations of three existing OmniRide and Loudoun County Transit Commuter Choice-funded transit services as well three small capital efforts to be carried out by Arlington County, the City of Fairfax and Fairfax County that will provide long-term benefits. While I-66 toll revenues remain well below budgeted levels, NVTC is able to support all but \$64,400 of the program with available balances from carryover, projects completed under budget and interest earnings. NVTC is working to execute Standard Project Agreements with the five Initial Program funding recipients.

Staff continue to work closely with the Virginia Department of Transportation to monitor trends in I-66 toll revenues. NVTC intends to advance a Supplemental (FY 2022) Round Four Program of Projects this spring that would draw from the five new transit services, new commuter incentives and larger capital efforts that were submitted to the Round Four call for projects and remain in consideration for funding. The Supplemental Program would be determined by the five proposals' application scores, based upon availability of funding and public comment.

B. Commuter Choice on the I-395/95 Corridor Round Two Update

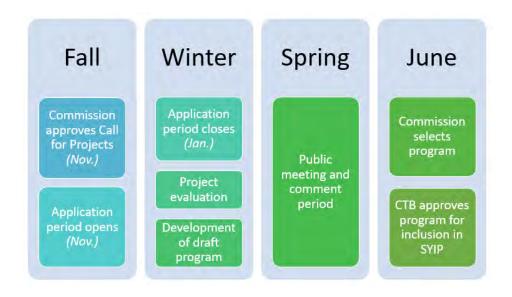
The Round Two (FY 2022-FY 2023) call for projects for Commuter Choice on the I-395/95 Corridor is open through Friday, January 29, 2021. Staff's new approach to engaging with prospective applicants — under which applicants provide conceptual, written project ideas so that the Commuter Choice team can provide targeted feedback on the ideas' alignment with program eligibility and goals — has been fruitful and should foster a diverse set of project proposals that align well with program requirements. Staff have held detailed one-on-one discussions with nine prospective applicants, connected applicants whose project ideas align and begun to address

recipients' questions on the application materials. The set of project applications will likely comprise a mixture of operations and capital projects, with anticipated toll payer benefits to be based on estimated performance in the opening year of the project or service. Given the COVID-19 public health emergency's lasting impacts to travel patterns in the region, anticipated benefits overall may be lower than in prior Commuter Choice funding rounds.

NVTC anticipates full funding of approximately \$30 million for the two-year program based on discussions with Transurban staff in October 2020 about the status of this fall's annual transit investment payment to the Commonwealth. Because of the full-time tolling and long distance of the I-95 and I-395 Express Lanes, the COVID-19 public health emergency has impacted overall traffic volumes and revenues in the 95 and 395 Express Lanes less than along I-66 Inside the Beltway where toll collection is peak-period, peak-direction along a shorter corridor.

The program development schedule, shown in Figure 1, anticipates CTB approval of a program of projects in June 2021 for adoption into the FY 2022-FY 2027 Six-Year Improvement Program. Staff will apprise the Commission this coming spring of the set of eligible project proposals and their technical scores. Prior to the CTB's approval of a Program of Projects, NVTC will also hold a public comment period, convene the NVTC-PRTC Joint Commission Working Group to consider and endorse a draft Program of Projects, and seek the two Commissions' adoption of a Program of Projects for referral to the CTB.

Figure 1: Proposed Schedule for the Commuter Choice on the I-395/95 Corridor Round Two Call for Projects



Agenda Item #9: Virginia Railway Express (VRE)



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Virginia Railway Express (VRE)

On March 11, 2020 the World Health Organization declared COVID-19 a pandemic setting forth a series of actions at the federal, state, and local levels to combat and contain the spread of the virus during this public health emergency. Since that time, NVTC jurisdictional transit agencies, including WMATA and VRE, have implemented substantial changes to transit operations, many of which are being updated daily. The information provided in these staff reports reflect decisions as of the publication date and are subject to change.

At the January 7, 2021 meeting VRE CEO Rich Dalton will give his VRE CEO Report as well as update the Commission on VRE's response to the COVID-19 public health emergency and other activities. The Commission will be asked to take to action to adopt and refer the VRE Revised FY2021 Budget and the Recommended FY 2022 Budget to the jurisdictions.

A. VRE COVID-19 Response

At the January meeting the VRE CEO will brief the Commission on VRE's continued response to the COVID-19 public health emergency. On March 17, 2020 VRE began operating on an "S" schedule, which is traditionally used on holidays and during inclement weather, due to the significant drop in ridership as a result of the COVID-19 public health emergency. A written update from the VRE CEO is also attached that highlights VRE service changes, ridership and the steps VRE is implementing to help contain the spread of the coronavirus.

B. VRE CEO Report and Minutes

At the January meeting VRE CEO Rich Dalton will provide his report. The <u>VRE CEO Report for December 2020</u> is attached. The Minutes of the December 18, 2020 VRE Operations Board meeting will be provided as a blue item at the meeting.

C. ACTION ITEM: Approve Resolution #2436: Adopt and Refer VRE's FY 2021 Revised and FY 2022 Recommended Budgets to the Jurisdictions

At the January meeting the Commission will be asked to approve Resolution #2436, which will adopt the amended FY 2021 VRE Operating and Capital Budget and the recommended FY 2022 VRE Operating and Capital Budget and refer them to the jurisdictions for their review and adoption. The resolution also authorizes the executive directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding.

Despite the challenges presented by the ongoing COVID-19 pandemic, the recommended budget is balanced, with no funding gap, and with all projected uses of funding in FY 2022 supported by reasonably expected sources of funding. The recommended FY 2022 Operating and Capital Budget totals \$185.9 million. The budget includes no change to total subsidy contribution over FY 2021 levels, resulting in a total subsidy of \$18,300,780 across VRE's nine jurisdictional partners. The budget includes no changes to passenger fares and projects an average daily ridership of 6,000 trips, which results in projected annual fare revenue of \$18.2 million.

In accordance with the VRE Master Agreement, which outlines the process for VRE's annual budget approval, the key issues addressed in the FY 2022 budget were presented to the VRE Operations Board for discussion in July 2020, and the preliminary FY 2022 budget was prepared for review and referral at the September 2020 Operations Board meeting. NVTC and PRTC also received updates throughout the fall.

In September 2020 the Operations Board directed staff to forego the VRE Master Agreement survey that is normally conducted in October each year. The Operations Board found the survey would be challenging to safely administer in the current environment and unlikely to produce reliable results on which to base an updated jurisdictional subsidy allocation for FY 2022. In place of an updated subsidy allocation calculation, the Operations Board directed staff to allocate the jurisdictional subsidy in FY 2022 using the same allocation percentages from the approved FY 2021 budget. Since the FY 2022 budget has no change to the total subsidy of \$18.30 million, each jurisdiction has the identical subsidy amount in FY 2022 that it had in FY 2021.

Given currently projected ridership levels and the desire to maintain a continuity of operations and high-quality service, the Operations Board also directed staff to recommend a balanced budget that does not achieve a 50% farebox recovery ratio (i.e. 50% of operating expenses covered by passenger fares). The budget achieves balance through the available emergency funding from DRPT and the CARES Act, rather than through higher fares, reduced service, or increased jurisdictional subsidy contributions.

As part of the annual process of adopting the budget for the upcoming fiscal year, VRE also revised the current year FY 2021 budget to reflect updated projections for revenues and expenses and changes to capital funding sources. In most years, this is a relatively technical process of adjusting specific line items that were unknown at the time of adoption, and it does not usually result in significant changes to the overall budget. Given the COVID-19 pandemic and its effect on ridership, however, the amended FY 2021 operating budget is substantially different from the original approved version, particularly with respect to revenues. As a result of the additional

DRPT operating assistance and federal CARES Act funding, the FY 2021 budget remains balanced and no additional jurisdictional contribution is required.

More information on the VRE budget process, key budget assumptions, and the Capital Improvement Plan (CIP), is provided in the <u>attached VRE memorandum</u>.

D. 2021 VRE Operations Board Officers

At its December 18, 2020 meeting, the VRE Operations Board approved the nominees for the 2021 VRE officers as recommended by the VRE Nominating Committee:

Chair: Elizabeth Bennett-Parker (NVTC)

Vice-Chair: Jeanine Lawson (PRTC)
Secretary: James Walkinshaw (NVTC)
Treasurer: Preston Banks (PRTC)

Installation of the 2021 VRE officers will occur at the January 15, 2021 VRE Operations Board meeting. According to the VRE Bylaws, each of the Commissions provide two officers from among its Operations Board Members. The office of chair is rotated each year between the two Commissions, with the vice-chair representing the other Commission.



TO: Northern Virginia Transportation Commission Chair Cristol and Commissioners

FROM: Rich Dalton, Chief Executive Officer

DATE: December 22, 2020

SUBJECT: VRE Monthly Update

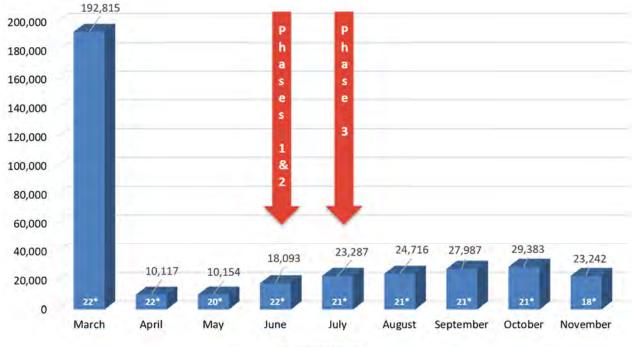
Ridership declined slightly over the past month and will likely continue to do so through the end of the holiday season. Here's what ridership looks like over the past four weeks compared to the same weeks in 2019.

Week	2020	2020	2019	Numeric	Percentage
Ending	Ridership	Average Daily	Ridership	Difference	Difference
		Ridership			
November 27	*3,429	1,143	**51,147	-47,718	-93.3%
December 4	6,121	1,224	95,726	-89,605	-93.6%
December 11	6,257	1,251	92,501	-86,244	-93.2%
December 18	5,296	1,059	88,375	-83,079	-94.0%

^{*}Three days of service **Four days of service

Monthly Ridership

March-November 2020



We continue to operate an S+ schedule and monitor ridership to allow for social distancing. Between Christmas and New Year's, we will operate two fewer trains daily during the shortened service week. Given current ridership levels, we have no immediate plans to add trains. We regularly update and improve our train utilization web page, which is a great tool for riders looking to maximize their social distance.

VRE's holistic safety program was recognized virtually by the Virginia Transit Association in mid-December with its Exceptional Safety Award. The awards jury noted that VRE looks for opportunities for proactive, continuous improvement. It pointed to positive train control implementation, first-responder training, and safety messaging as examples of how VRE uses all the tools at its disposal to ensure everyone's safety.

An upgraded version of VRE Mobile is currently being beta-tested and will be <u>publicly available in the coming</u> <u>weeks</u>, providing passengers with a contactless way to purchase and validate tickets. Future app upgrades will include trip-planning tools, and real-time info on parking availability and Amtrak arrivals.

Our Continuity of Operations team meets virtually each day and is in constant contact. VRE's supply chain, staffing, business processes, and other functional areas remain in good shape.

There are several VRE items that will come before the commission for action in January, including our <u>amended fiscal year 2021 and recommended fiscal year 2022 operating and capital budgets</u>. Should you have any questions regarding the budgets or any other agenda item, please feel free to contact me.

Happy holidays. I look forward to meeting with you in the new year.



OUR MISSION

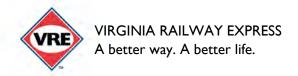
The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission, will provide safe, cost-effective, accessible, reliable, convenient, and customer responsive commuter-oriented rail passenger service. VRE contributes to the economic vitality of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.



CEO REPORT I DECEMBER 2020

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PARKING UTILIZATION

The total number of parking spaces used in the VRE system during the month, divided by the total number of parking spaces available.

AVERAGE DAILY RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings and reduced, "S" schedule, service.

Same month, previous year: 17,581

ON-TIME PERFORMANCE

Percent of trains arriving at their destination within five minutes of the schedule.

Same month, previous year:

85%



SYSTEM CAPACITY

The percent of peak hour train seats occupied.

The calculation excludes reverse flow and non-peak hour trains.



OPERATING RATIO

Through October 2020

Year-to-date operating revenues divided by year-to-date operating expenses, which represents the share of operating costs paid by the riders.

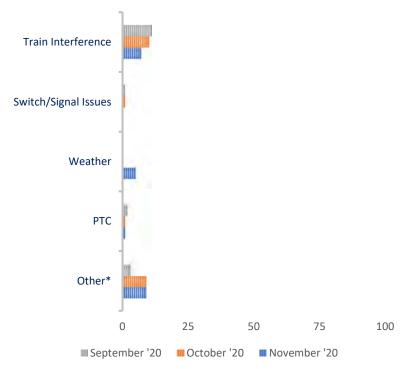
Board-approved goal: 52%

ON-TIME PERFORMANCE

OUR RECORD

	November 2020	October 2020	November 2019
Manassas Line	94%	95%	74%
Fredericksburg Line	92%	94%	83%
Systemwide	93%	94%	79%

PRIMARY REASON FOR DELAY



^{*}Includes trains that were delayed due to operational testing and passenger handling.

VRE operated 324 trains in November. Our ontime rate for November was 93 percent.

Twenty-two trains arrived more than 5 minutes late to their final destinations. Of those late trains, eight were on the Manassas Line (36 percent), and 14 were on the Fredericksburg Line (64 percent).

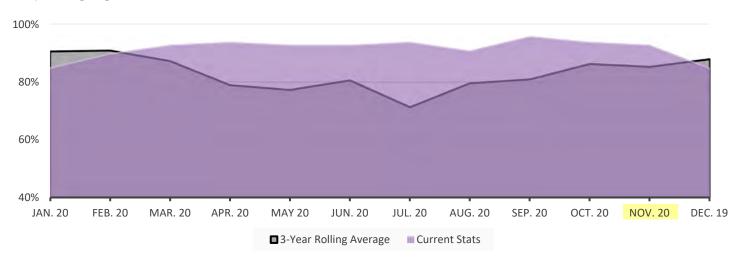
On-time performance for the month was 93%. Over half of the reported delays can be attributed to three days that had delays affecting multiple trains.

LATE TRAINS

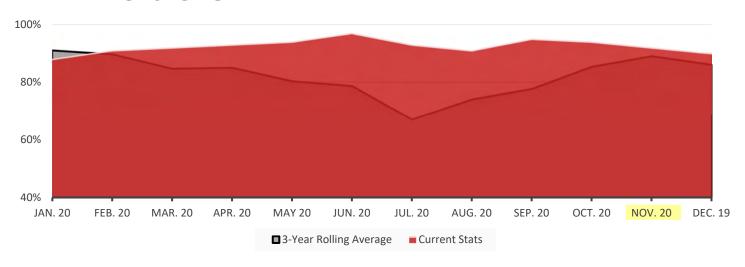
	System Wide		Fredericksburg Line			Manassas Line			
	Sept	Oct	Nov	Sept	Oct	Nov	Sept	Oct	Nov
Total late trains	17	21	22	П	12	14	6	9	8
Average minutes late	13	12	33	13	13	35	14	П	30
Number over 30 minutes	0	0	5	0	0	3	0	0	2
Heat restrictions	0	0	0	0	0	0	0	0	0

ON-TIME PERFORMANCE

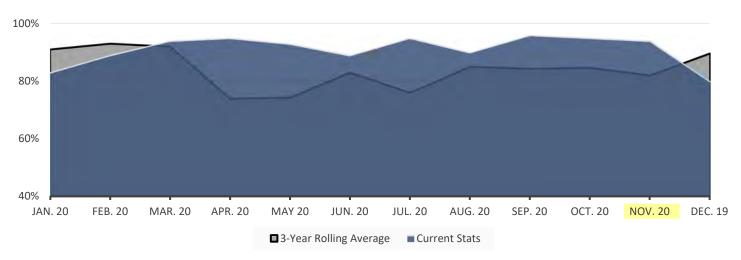
VRE SYSTEM



FREDERICKSBURG LINE

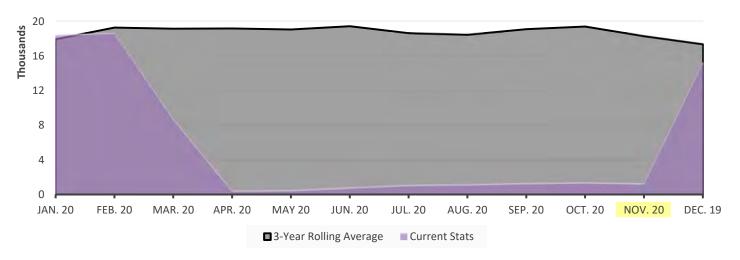


MANASSAS LINE

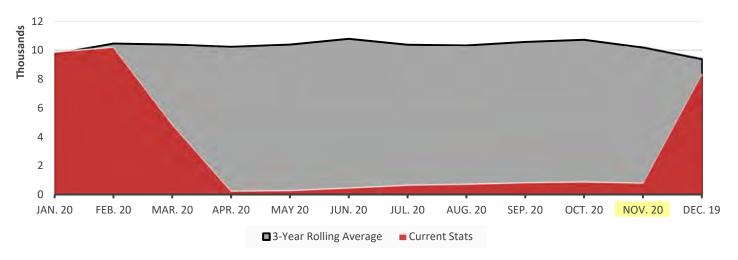


AVERAGE DAILY RIDERSHIP

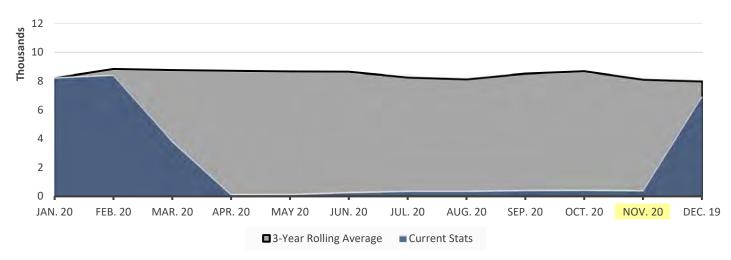
VRE SYSTEM



FREDERICKSBURG LINE



MANASSAS LINE



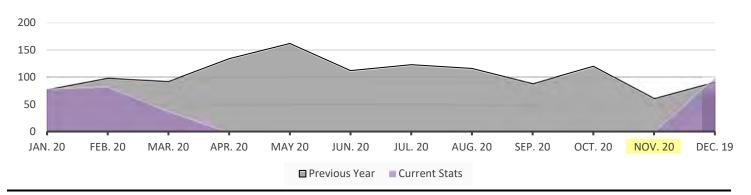
RIDERSHIP UPDATES

Average daily ridership (ADR) in November was 1,291. ADR pulled back slightly from October numbers, which could be attributed to the traditional slowdown for the holiday season. We continue to operate an "S" Schedule Plus (which includes trains 300 and 307), as necessitated by the COVID-19 pandemic.

	November 2020	October 2020	November 2019
Monthly Ridership	23,242	29,383	334,031
Average Daily Ridership	1,291	1,399	17,581
Full Service Days	0	0	18
"S" Service Days	18	21	I

SUMMONSES ISSUED

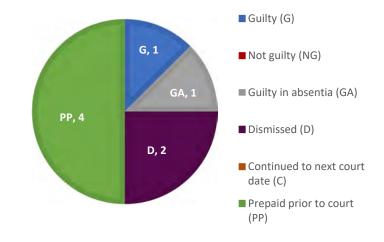
VRE SYSTEM



SUMMONSES WAIVED OUTSIDE OF COURT

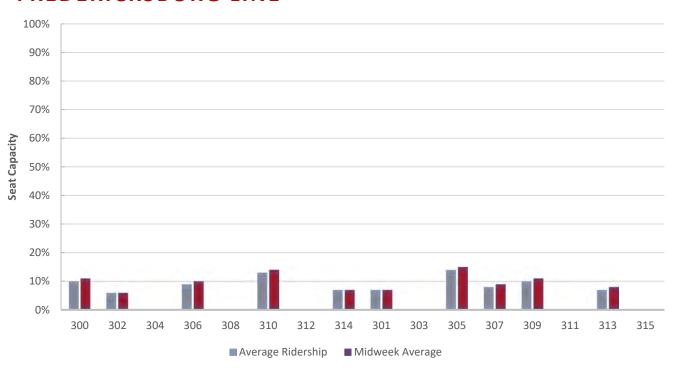
Reason for Dismissal **Occurrences** Passenger showed proof of a 0 monthly ticket One-time courtesy 0 Per the request of the conductor 0 0 Defective ticket 0 Per ops manager Unique circumstances 0 Insufficient information 0 Lost and found ticket 0 0 Other Total Waived 0

MONTHLY SUMMONSES COURT ACTION

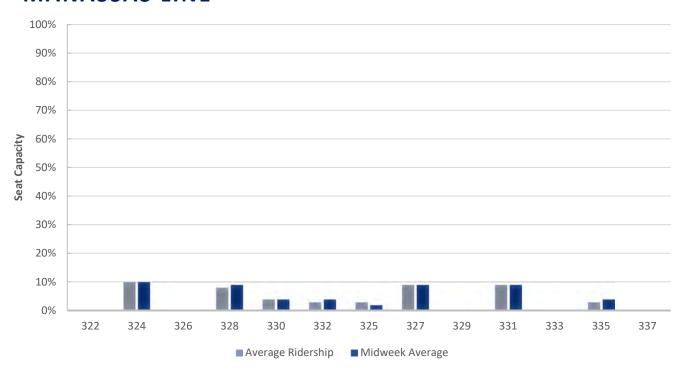


TRAIN UTILIZATION

FREDERICKSBURG LINE

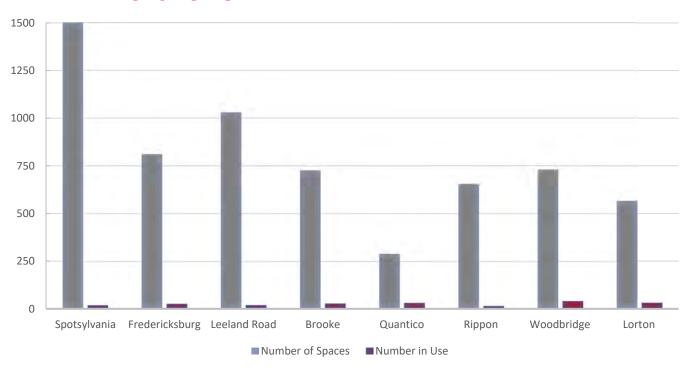


MANASSAS LINE

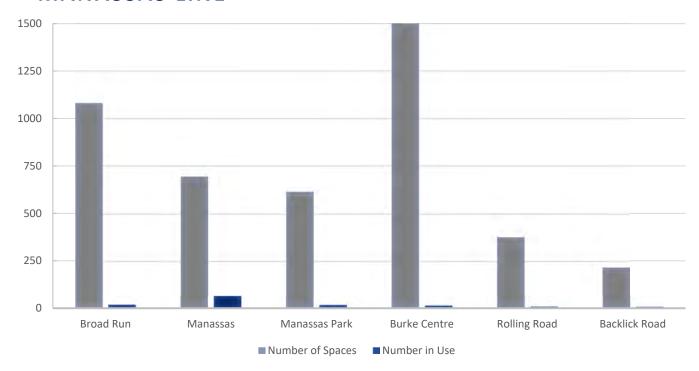


PARKING UTILIZATION

FREDERICKSBURG LINE



MANASSAS LINE



FACILITIES UPDATE

The following is a status update of VRE facilities projects.

Completed projects:

- I. Caulking and painting of stairs at Rippon Station
- 2. Adjustments to pedestrian crossing at Quantico Station following CSX removal for Potomac Avenue grade crossing replacement



Quantico pedestrian crossing following CSX Potomac Avenue grade-crossing replacement

Projects scheduled to be completed this quarter:

- 1. Submission of IFB package for canopy roof replacement at Backlick Road Station
- 2. Submission of IFB package for replacement of tactile warning strips at various stations

Projects scheduled to be initiated this quarter:

- 1. Issuance of GEC Task Orders for design of minor structural repairs at Franconia-Springfield, Woodbridge, Rippon, Brooke and Manassas Stations
- 2. Repair of minor cracks in west platform at Woodbridge Station
- 3. Replacement of west platform and canopy lighting at Woodbridge Station
- 4. Repair of platform sealer delamination at Spotsylvania Station
- 5. Replacement of lighting at Manassas Station parking garage
- 6. Issuance of general signage services Request for Quotes

Ongoing projects:

- I. Design of waiting area at L'Enfant Station
- 2. Replacement of signage at Franconia-Springfield, Woodbridge and Leeland Road stations
- 3. Replacement of waste and recycling receptacles at various stations
- 4. Construction of renovations to Alexandria headquarters

UPCOMING PROCUREMENTS

- Program management services
- Canopy roof replacement at the Backlick Road Station
- Modernization of VRE Woodbridge Station east elevator
- Passenger car wheelchair lift assemblies
- Purchase of LED light fixtures
- Construction of L'Enfant south storage track wayside power
- Variable Messaging System replacement
- Tactile strip replacements
- Pavement repairs and striping at the Rippon and Leeland Road stations and Fredericksburg Lot G
- Franconia-Springfield Station painting services
- Final design services for VRE Broad Run expansion
- Renewal of locomotive head end power engine systems
- Overhaul of emergency generators
- Headquarters renovations
- Website management services
- Construction management services for Fredericksburg Station platform rehabilitation

CAPITAL PROJECTS UPDATES

The following is a status update of VRE capital projects.

Completed projects or major project milestones:

- 1. Long Bridge Project (study by others) Virginia and the District of Columbia have concluded the environmental planning process. DRPT is evaluating responses to its RFP for architectural/ engineering consulting services.
- 2. The Franconia-Springfield Station Improvements draft 90% complete plans and specifications were submitted to CSXT for review and comment.

Projects or project phases scheduled to be completed this quarter:

- 3. Franconia-Springfield Station Improvements final 90% complete plans
- 4. Rippon Station Improvements draft 30% complete plans
- 5. Brooke Station Improvements draft 30% complete plans
- 6. Leeland Road Station Improvements draft 30% complete plans
- 7. Broad Run Expansion (BRX) Section 106 Consultation
- 8. Construction of Benchmark Road Slope Stabilization Complete (Hamilton to Crossroads overall project/funding closeout and stakeholder concurrence anticipated this quarter)

Projects or project phases scheduled to be initiated this quarter:

- 9. Execution of Contract for Construction of Quantico Station Improvements and Pre-NTP activities -NTP forthcoming
- 10. Execution of Contract for Construction of Lifecycle Overhaul & Upgrade Facility (LOU) and Pre-NTP activities - NTP forthcoming
- 11. Board Authorization, Execution of Contract for Construction of Rolling Road Station Improvements and Pre-NTP activities - NTP forthcoming
- 12. Execution of Contract and NTP for CM for Construction of Quantico Station Improvements

Ongoing projects:

- 13. Broad Run Expansion (BRX)
- 14. Manassas Park Parking Improvements
- 15. Rolling Road Station Improvements
- 16. Crossroads Maintenance and Storage Facility (MSF) land acquisition completed
- 17. Lifecycle Overhaul & Upgrade Facility (LOU)
- 18. Leeland Road Station Improvements
- 19. Brooke Station Improvements
- 20. Quantico Station Improvements
- 21. Rippon Station Improvements
- 22. Franconia-Springfield Station Improvements
- 23. Alexandria Station Improvements
- 24. Alexandria Station Track I Access (Slaters Lane)
- 25. Crystal City Station Improvements
- 26. L'Enfant Train Storage Track South
- 27. L'Enfant Station Improvements
- 28. New York Avenue Midday Storage Facility
- 29. Potomac Shores VRE Station design by others
- 30. Washington Union Station Improvements Environmental Impact Statement study by others
- 31. DC2RVA Environmental Impact Statement study by others
- 32. Long Bridge Project study by others

Projects Progress Report Follows

PASSENGER FACILITIES

PHASE

PROJECT	DESCRIPTION	CD	PE	EC	RW	FD	CN
Alexandria Station Improvements	Eliminate at-grade track crossing, add elevators, modify platforms.	•	•	•	N/A	•	
Franconia-Springfield Station	Extend both platforms and widen						
Improvements	East Platform for future third track.	•	•	•	N/A	•	
Rippon Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. À	•	•	•	N/A		
Potomac Shores Station	New VRE station and parking in						
Improvements	Prince William County provided by						
	private developer.	•	•	•	N/A		
Quantico Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	•	•	•	N/A	•	
Brooke Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. À	•	•	•	N/A		
Leeland Road Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass. À	•	•	•	N/A		
Manassas Park Parking Improvements	Parking garage to increase parking capacity to 1,100 spaces.	•	•	•	N/A		
Rolling Road Station Improvements	Extend existing platform and rehabilitate existing station	•	*	•	N/A	•	•
Crystal City Station Improvements	Replace existing side platform with new, longer island platform.	•	•	•	N/A		
L'Enfant Station Improvements	Replace existing platform with wider, longer island platform. Add fourth track (VA-LE)	•			N/A		

PHASE: CD - Conceptual Design PE - Preliminary Engineering EC - Environment Clearance RW - Right of Way Acquisition FD - Final Design CN - Construction

STATUS: u Completed $\,$ I Underway $\,$ n On Hold $\,$ $\overset{{\color{orange} \,{}^{\backprime}}}{{\color{orange} \,{}^{\backprime}}}$ part of the "Penta-Platform" program

¹ Total project cost estimate in adopted FY2020 CIP Budget; percentage complete based on VRE Operations Board authorization

² Does not include minor (< \$50,000) operating expenditures

^{*} \$2,181,630 authorization divided across five "Penta-Platform" program stations

	ES	TIMATED COSTS	(\$)				STATUS
Totall	Funded	Unfunded	Authorized	Expended ²	Percent Complete	Project Completion Date	
31,875,014	31,875,014	-	2382759	2193257	90%	2nd QTR 2023	90% Design complete. CSX and City of Alexandria review progressing.
13,000,000	13,000,000	-	*	862,593	35%	4th QTR 2023	FD underway with anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
16,634,793	16,634,793	-	*	412,777	20%	4th QTR 2030	PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
	No costs for VRE.	Private develope	r providing station	1.	20%	TBD	Potomac Shores VRE Station design underway to include parking structure. 60% Re-Design Submittal received and under review by CSX and VRE.
18,372,949	18,372,949	0	830,833	683,892	60%	TBD	Final Funding Agreements forthcoming. Execution of Construction and CM contracts forthcoming, and pre-NTP acitivties anticipated 3rd Quarter 2020. NTP to follow.
23,391,019	23,391,019	-	*	398,377	20%	4th QTR 2030	DRPT LONP received; REF grant pending. PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
15,527,090	15,527,090	-	ole.	390,577	20%	4th QTR 2026	DRPT LONP received; REF grant pending. PE design/EC anticipated completion 4th QTR 2020. Ongoing coordination with DRPT projects.
25,983,000	25,983,000	0	2,238,144	670,225	30%	4th QTR 2022	Design due to site relocation to start in December 2020.
5,000,000	2,000,000	3,000,000	640,503	418,887	70%	4th QTR 2021	Contractor has been selected. Construction to begin 1st QTR 2021.
49,940,000	19,098,463	30,841,537	1,584,619	397,848	30%	2nd QTR 2024	PE & EC initiated in Oct 2019 and anticipated completion 3rd QTR 2020.
70,650,000	62,465,721	8,184,279	130,501	65,150	50%	2nd QTR 2023	DRPT LONP received. Real estate research in progress under LONP.

TRACK AND INFRASTRUCTURE **PHASE PROJECT DESCRIPTION** CD PΕ EC FD Hamilton-to-Crossroads Third Track 21/4-miles of new third track with CSXT design and construction of signal and track tie-ins. MAINTENANCE AND STORAGE FACILITIES L'Enfant Train Storage Track - South Conversion of CSXT Temporary Track to VRE Storage Track (1,350 feet) and Associated Signal Work Lifecycle Overhaul & Upgrade Facility New LOU facility to be added to the Crossroads MSF. Crossroads Maintenance and Storage Acquisition of 19.5 acres of land, Facility - Land Acquisition construction of two storage tracks N/A N/A N/A N/A and related site improvements. New York Avenue Midday Storage Midday storage facility replacement Replacement Facility for Ivy City storage facility. **ROLLING STOCK** Passenger Railcar Procurement Acquisition of 29 new railcars. N/A N/A N/A Positive Train Control Implement Positive Train Control for all VRE locomotives and control N/A N/A N/A cars. PLANNING, COMMUNICATIONS AND IT **Broad Run Expansion** NEPA and PE for expanding (was Gainesville-Haymarket Extension) commuter rail service capacity in Western Prince William County

PHASE:	CD - Conceptual Design	PE - Preliminary Engineering	EC - Environment Cleaarance
	RW - Right of Way Acquisi	tion FD - Final Design CN	- Construction
21 ITAT2	Completed Ind	erway On Hold	

¹ Total project cost estimate in adopted FY2020 CIP Budget; percentage complete based on VRE Operations Board authorization

Implementation of a new mobile

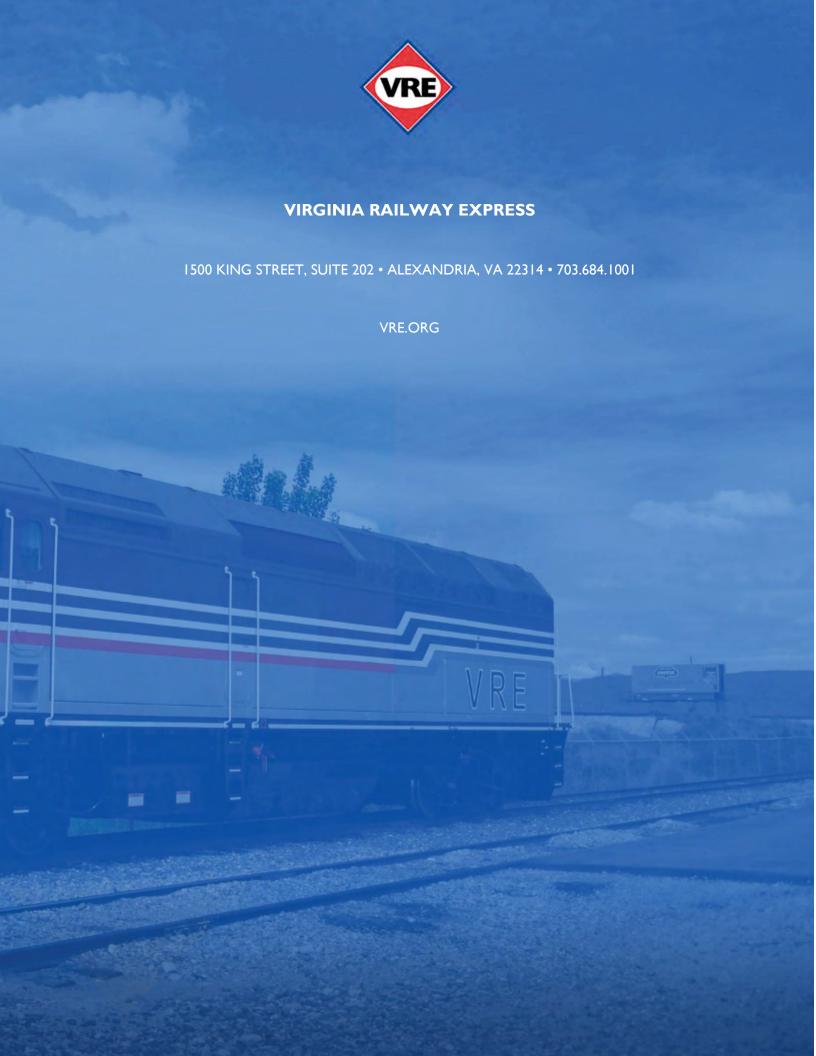
N/A N/A N/A

ticketing system.

Mobile Ticketing

² Does not include minor (< \$50,000) operating expenditures

ESTIMATED COSTS (\$)						STATUS		
Total ¹	Funded	Unfunded	Authorized	Expended ²	Percent Complete I	Project Completion Date		
32,500,000	32,500,000	-	33,285,519	30,578,003	100%	3rd QTR 2018	♦	Overall Project and Stakeholder Concurrence Close-out forthcoming. Benchmark Slope
3,965,000	3,965,000	-	2,937,323	1,699,610	60%	4th QTR 2019		CSXT Construction Agreement received. CM underway.
38,183,632	38,183,632	-	3,176,039	2,143,583	70%	TBD		FD completion pending Final Electrical Design Coordination with REC. IFB anticipated 2nd
2,950,000	2,950,000	-	2,950,000	163,565	100%	Ist QTR 2020		Land acquistion has been completed.
89,666,508	89,666,508	-	3,588,305	2,257,455	90%	4th QTR 2021	•	Preliminary design has been completed and continuing to collaborate with Amtrak on agreements.
75,264,693	75,264,693	-	69,457,809	47,915,644	99%	4th QTR 2020	•	All cars received. Completion date reflects end of warranty period.
14,191,833	14,191,833	-	10,294,079	7,984,451	95%	4th QTR 2018		Implementation Completed. Final stabilization and familiarization phase in process.
110,700,000	82,526,398	28,173,602	5,855,650	4,539,446	80%	4th QTR 2024	•	PE design and EC underway. Property acquisition due diligency underway.
3,510,307	3,510,307	-	3,510,627	2,282,853	70%	3rd QTR 2019	•	American Eagle working on redesign with uplift to new platform projected for late summer 2020.





RESOLUTION #2436

- **SUBJECT:** Adopt and Refer the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Jurisdictions
- WHEREAS: The Virginia Railway Express (VRE) Master Agreement requires the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC) (the "Commissions") be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year;
- **WHEREAS:** The VRE Chief Executive Officer has provided the VRE Operations Board with the Recommended FY 2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions;
- WHEREAS: The Amended FY 2021 and Recommended FY 2022 Budgets reflect the impact of the COVID-19 pandemic which began in March 2020 and has substantially reduced VRE's ridership;
- **WHEREAS:** The VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results, and so the planned October 2020 survey was cancelled;
- WHEREAS: The VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy;
- **WHEREAS:** VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips;
- **WHEREAS:** The FY 2022 Budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare;
- **WHEREAS:** The FY 2022 Budget recommends no change in the total jurisdictional subsidy contribution compared to the FY 2021 level, for a total amount of \$18,300,780; and
- **WHEREAS:** The VRE Operations Board recommends the following action.
- **NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby adopts the FY 2022 VRE Operating and Capital Budget in the following amounts and forwards this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement:

Operating Budget \$ 89,663,802 Capital Budget \$ 96,198,922 Total Operating and Capital \$185,862,724

BE IT FURTHER RESOLVED that NVTC does hereby adopt the amended FY 2021 Operating and Capital Budget in the following amounts:

Operating Budget \$ 90,368,825 Capital Budget \$ 71,283,079 Total Operating and Capital \$161,651,904

- **BE IT FURTHER RESOLVED** that having cancelled the October 2020 Master Agreement Survey, NVTC does hereby determine that the jurisdictional subsidy in the FY 2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY 2021 budget.
- BE IT FURTHER RESOLVED that given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, NVTC does hereby determine that it is in the best interests of the Commissions and the riders of VRE that the Amended FY 2021 and Recommended FY 2020 Operating Budgets do not achieve a 50% recovery of operating expenses from passenger fares.
- BE IT FURTHER RESOLVED that given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, NVTC does hereby determine that the usual six-year financial forecast shall be excluded from the FY 2022 Operating and Capital Budget, and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior.
- BE IT FURTHER RESOLVED that NVTC does hereby authorize the executive directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2021 and FY 2022.
- **BE IT FURTHER RESOLVED** that NVTC does hereby authorize the executive director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2022 state aid grant application.

Approved this 7 th day of January 2021.		
	Chair	
Secretary-Treasurer		





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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 executed 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 preliminary FY 2022 VRE Operating and Capital Budget was initially prepared for review at the September 2020 VRE Operations Board meeting. The proposed budget was reviewed and discussed at subsequent meetings of the VRE Operations Board, the VRE Coordinating Committee (VCC), and the Finance Committee of the Operations Board before its presentation to the Operations Board in December 2020 and the Commissions in January 2021.

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 2022 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 2022 Operating and Capital Budget totals \$185.9 million. The budget projects average daily ridership of 6,000 passengers which results in a total of \$18.2 million of fare revenue. These projections are significantly lower than previous years due to the effects of the ongoing COVID-19 pandemic. The total jurisdictional subsidy of \$18,300,780 is unchanged from the prior fiscal year. The FY 2022 budget also includes no increase to fares and no change in the cost to the rider of the Amtrak Step-Up ticket. 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 2022, and diesel fuel costs are projected to remain consistent with recent price trends. Increases to liability and property insurance costs are the primary reasons for cost increases in the FY 2022 operating budget.



The projects included in the FY 2022 to FY 2027 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 critical infrastructure, and providing a safe and effective transportation option for the region.

In FY 2016, VRE completed a long-term Financial Plan that assessed the revenues and costs associated with various service scenarios over a 25-year period. The conclusion of this analysis was that existing sources of revenue will be inadequate to meet the system's baseline operating and capital needs over time (including operation of the existing level of service), with further funding needed for service expansion to support projected growth in the region.

The findings of the Financial Plan, which were endorsed by the Commonwealth Transportation Board, were critical in building support for the Commuter Rail Operating and Capital (C-ROC) Fund, which was created by the General Assembly in 2018. VRE's financial plan update that was completed in FY 2019 indicated that operational support from C-ROC is not needed in the near-to-medium term timeframe, helped in part by DRPT's commitment on reimbursement of track access fees at a rate of 84%. This commitment is critical to VRE's overall sustainability.

Given the funding changes described above, the overall outlook in the FY 2022 to FY 2027 CIP is generally positive. VRE has moved from a period of project planning and development (where new projects were frequently being added to the CIP) into a period of project implementation that will last for a number of years. At the same time, the Commonwealth's Transforming Rail in Virginia Program will ultimately separate freight and passenger rail operations in the Fredericksburg Line corridor, which has resulted in a number of VRE's planned station projects being reduced or eliminated. Taken together, these changes result in a smaller and more focused CIP, with fewer projects and greater focus on construction.

On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.



The budget currently shows the \$15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and can be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.



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 Fiscal Year 2022

- Due to the ongoing impacts of the COVID-19 pandemic on ridership, VRE is unlikely to achieve its usual goal of a 50 percent operating ratio (i.e., cost recovery from passenger fares) in FY 2022. VRE's goal for FY 2022 is to continue to provide a safe and reliable transportation option that is available to riders as they return to work after the pandemic.
- Achieve at least 90 percent on-time performance for train operations.
- Achieve at least 6,000 average daily ridership for the year, with ridership increasing over the course of the year as the national and regional economies recover from the pandemic.
- Strive to attain the following financial ratios over the course of the Six-Year Plan:
 - o 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.
 - o 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.
 - o 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:
 - 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

In 2018, the Virginia legislature approved the creation of the 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." C-ROC funding may be used to support the cost of VRE's 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.

In addition to creating C-ROC, the Virginia legislature also authorized changes to the regional gasoline taxes collected by the two Commissions. From the total gasoline tax revenues that are generated in the Commissions' jurisdictions, \$15 million is dedicated 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. C-ROC funding does not replace or supplant any existing revenues, and 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 establishes that NVTC will serve on behalf of both Commissions as the recipient of all funds from the C-ROC Fund and that project prioritization and programming of the C-ROC funds must occur as part of the broader annual VRE budget process. More information on the programming of prior year and future year C-ROC funds is provided in the 'Capital Improvement Program FY 2022 – FY 2027' section of this document.



FY 2022 Budget Assumptions & Summary

The FY 2022 Budget totals \$185.9 million. FY 2022 operating budget expenses of \$89.7 million are lower than the prior year amount by \$1.7 million, a decrease of 1.9%, with projected revenue decreases netting out against decreased operating expenses and the Coronavirus Aid, Relief, and Economic Security Act (CARES). Major assumptions are as follows:

- Total jurisdictional subsidy of \$18,300,780, no increase from the FY 2021 subsidy.
- No increase in passenger fares, including the Amtrak Step-Up fare. Fare revenue budgeted at \$18.2 million based on a projected average daily ridership of 6,000 and 32 daily revenue trains.
- State operating assistance is projected at \$10.0 million, a decrease of \$2.0 million from the actual amount received in FY 2021, but a slight increase over the amount originally projected in the approved FY 2021 budget.
- Fuel cost projected at \$3.0 million, based on an average cost per gallon of \$1.75 and projected usage of 1.70 million gallons.
- Track access fees across all three host railroads of \$18.6 million, based on estimated or actual contractual amounts. Grant funding from all sources for track access fees at 84%, or \$15.6 million, unchanged from the reimbursement percentage received in FY 2021.
- No staff additions proposed in FY 2022.
- Required contractual increases for train operations and maintenance of equipment budgeted at a net increase of \$0.3 million reflecting projected cost revisions, increased services and a CPI increase of 1.2%.
- Operating contingency at 1.0% of the operating budget, a reduction from the 2% budgeted for FY 2021, and a decrease of \$830,000.
- Insurance premium costs increased by 71.2%, or \$3.0 million, due to ongoing changes in the global insurance marketplace.
- Net Departmental operating expenses decreased by 10.4%, or a reduction of \$3.2 million compared to FY 2021.
- Federal 5307 (Urbanized Area) and 5337 (State of Good Repair) funding of \$30.5 million, \$1.5 million less than in the approved FY 2021 budget.
- Capital matching funds from the State for the majority of the required non-federal share for selected projects. Most projects budgeted at 16% match, with 34% funding requested from the state for the Midday Storage and Washington Union Station improvement projects.
- Contribution to the Capital Reserve of \$3 million, with no allocation from the Reserve balance for FY 2022 capital projects.



Subsidy by Jurisdiction

The FY 2022 budget includes no change in the total jurisdictional subsidy amount. Each year, VRE and PRTC conduct a survey of VRE riders that includes the rider's jurisdiction of residence. This survey data serves as the basis for calculating the subsidy allocation by jurisdiction, in accordance with the VRE Master Agreement. However, due to the COVID-19 pandemic, the VRE Operations Board found that a survey would be challenging to administer safely and unlikely to produce reliable results. Therefore, the Operations Board directed staff that no survey was to be performed in October 2020 and that jurisdictional subsidy would remain at FY 2021 levels for all jurisdictions. The FY 2022 jurisdictional subsidy is as follows:

	FY 202	1	FY 202	2	Change FY21 to FY22			
Jurisdiction	Subsidy	Percent	Subsidy	Percent		Net +/-	% Change	
Fairfax County	\$ 6,379,017	34.9%	\$ 6,379,017	34.9%	\$	-	0.0%	
Prince William County	5,930,777	32.4%	5,930,777	32.4%		-	0.0%	
Stafford County	2,477,175	13.5%	2,477,175	13.5%		-	0.0%	
Spotsylvania County	1,503,754	8.2%	1,503,754	8.2%		-	0.0%	
Manassas	807,234	4.4%	807,234	4.4%		-	0.0%	
Manassas Park	468,364	2.6%	468,364	2.6%		-	0.0%	
Fredericksburg	367,089	2.0%	367,089	2.0%		-	0.0%	
Arlington	218,219	1.2%	218,219	1.2%		-	0.0%	
Alexandria	149,151	0.8%	149,151	0.8%		-	0.0%	
	\$ 18,300,780	100%	\$ 18,300,780	100%	\$	-	0.0%	



FY 2022 Summary Recommended Budget

Catanani	Approved F	Y 2021	Recommended FY 2022			
Category	FY 2021 Operating	FY 2021 Capital	FY 2022 Operating	FY 2022 Capital		
Revenues:						
Fare Revenue	44,090,000		18,236,000			
Viscellaneous Revenue	7,735,056,131					
	300,000	4 402 140	300,000	4 412 661		
urisdictional Subsidy	13,817,632	4,483,148	13,888,119	4,412,663		
Other Sources (Use of Prev. Surplus) IVTA Grant Funding						
tate CROC Dedicated Funding		15 000 000		15 000 00		
77 7-17 5 17 7-17 17 17 17 17 17 17 17 17 17 17 17 17 1	21 970 656	15,000,000	EC 000 C02	15,000,00		
ederal/State Subsidy - Operating (includes CARES)	31,879,656	F2 024 602	56,889,683	76 706 26		
ederal/State Subsidy - Capital		53,024,602		76,786,26		
Operating/Capital Reserves	1 700 000		250.000	7		
nterest Income	1,300,000		350,000			
Total Revenue	91,387,287	72,507,750	89,663,802	96,198,922		
Operating/Non-Operating Expenses:						
Non-Departmental Operating	5,800,514		7,971,699			
executive Management	1,263,000		1,544,700			
Chief of Staff	683,600	°	691,000			
Marketing	409,300		375,500			
inance and Human Resources	4,507,800		3,051,500			
urchasing and Contract Administration	745,850	·	764,850			
Project Development	956,900		732,805			
Project Implementation	1,117,500		1,027,500			
Rail Operations	2,386,500		2,332,000			
nformation Technology	2,078,500		2,171,350			
acilities Maintenance	4,527,300		4,013,800			
Mechanical Operations	10,565,700		9,639,700			
ystem Safety & Security	1,488,200		1,179,200			
PRTC	102,000		102,000			
NVTC	90,000		90,000			
rain Operations	16,591,500		16,787,500			
Maintenance of Equipment	7,832,285		7,898,500			
Amtrak	5,181,000		4,450,000			
Amtrak Access Fees	6,879,000		6,830,000			
Norfolk Southern Access Fees	3,442,000		3,244,000			
CSX Access Fees	8,468,000		8,544,000			
otal Operating/Non-Operating Expenses	85,116,449	+ 1	83,441,604			
		20000000				
CIP Expenditures	to come and	72,507,750	Asiantal aliaba	96,198,922		
Debt Service	6,270,838		6,222,198			
Total CIP and Other Expenditures	6,270,838	72,507,750	6,222,198	96,198,922		
DOTE OF THE COLOR	04 007 757	70.507.75	00.002.003	00.400.000		
Grand Total Expenses	91,387,287	72,507,750	89,663,802	96,198,922		



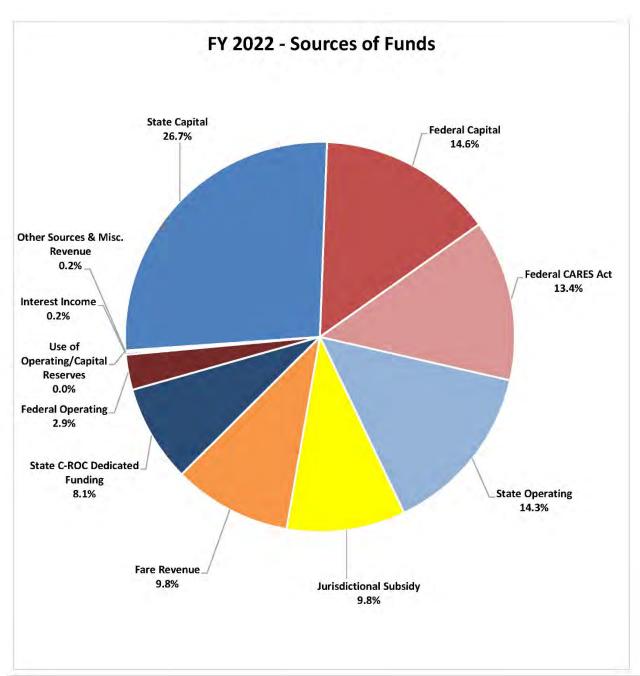
FY 2022 Sources and Uses

LEVEL OF SERVICE FOR FY 2022 32 Trains 6,000 Average Daily Riders

Access and Lease Fees
Amtrak 6,830,000
NS 3,244,000
CSX 8,544,000
Total 18,618,000

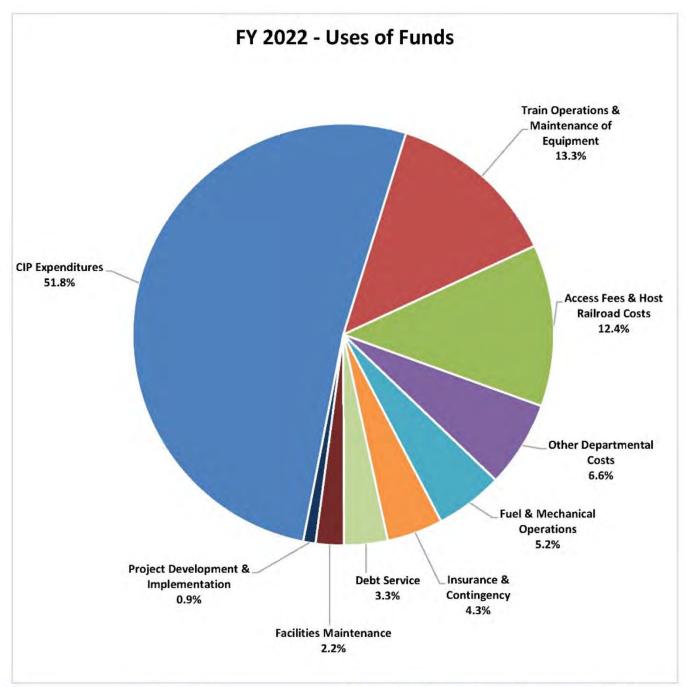
								SOU	RCES OF FUNDS						
									STATE			FEDE	RAL		
	USES OF FUNDS	FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE OPERATING	STATE CAPITAL	STATE STP	5307/5337	FEDERAL CARES ACT	OTHER	TOTAL
Operating Expenses	83,441,604	18,236,000	350,000	300,000	13,544,122		-)	10,000,000	15,639,120	0	520,000	24,852,362	+	83,441,604
Non-Operating Expenses:								1							
Non-Operating Expenses.															
Operating Reserve	1 2 1	-			147.4		-			-					- 1
Debt Service MUFG - 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					303,017		1,343,000			99,072
Debt Service VRA - 60 Railcars (EdCar) Debt Service VRA - 60 Railcars (Fed/State/Local)	4,191,769				167,671					670,683		3,353,415			4,191,769
Non-Operating Summary	6,222,198	-	*		343,997					979,700		4,898,501			6,222,198
Total Expenses (Subtotal)	89,663,802	18,236,000	350,000	300,000	13,888,119	-	- 2	16	10,000,000	16,618,820	0	5,418,501	24,852,362		89,663,802
Capital Projects:	40.040.050									2 222 222		10 115 000			
Crystal City Station Improvements	13,018,750				520,750					2,083,000		10,415,000			13,018,750
New York Avenue Midday Storage Facility	12,664,073				506,563					4,305,785		7,851,725			12,664,073
Washington Union Station Improvements	5,000,000				200,000					1,700,000		3,100,000			5,000,000
L'Enfant Station Improvements	2,438,708				97,548					390,193		1,950,966			2,438,708
Equipment Asset Management Program	2,090,000				83,600					334,400		1,672,000			2,090,000
Security Enhancements	105,000				4,200					16,800		84,000			105,000
Unprogramed CROC Funds	15,000,000				9			15,000,000				-			15,000,000
Capital Reserve Contribution	3,000,000				3,000,000									-	3,000,000
Capital Project Summary	53,316,531			1¥	4,412,661	17	-	15,000,000		8,830,178	*	25,073,692	t	*	53,316,531
CMAQ/REF/IPROC											_				
Broad Run Expansion (CMAQ)	2,000,000				_ <					400,000		-		1,600,000	2,000,000
Brooke Station Improvements (CMAQ)	313,394									62,679				250,715	313,394
Leeland Road Station Improvements (CMAQ)	313,394						-	1		62,679				250,715	313,394
Fleet Expansion Coaches (Smartscale)	15,855,000							1		15,855,000				-	15,855,000
Alexandria Station Improvements (Smart Scale)	6,284,000							1		6,284,000		94			6,284,000
Leeland Road Parking Improvements (Smart Scale)	5,159,178									5,159,178		9		-	5,159,178
Quantico Station Improvements (Smart Scale)	5,150,700				- 1					5,150,700		- 20		-	5,150,700
Crossroads MSF Expansion (Smart Scale)	5,057,000				12.7			1		5,057,000		- 0		- 37	5,057,000
Leeland Road Station Improvements (Smart Scale)	2,749,725									2,749,725					2,749,725
Summary	42,882,391	-		1-	-		-			40,780,961	-		- 4	2,101,430	42,882,391
TOTAL	185,862,724	18,236,000	350,000	300,000	18,300,780	-30		15,000,000	10,000,000	66,229,959	0	30,492,192	24,852,362	2,101,430	185,862,724

	Soft Capital Projects	Funding	Program	Federal Amt.	State Amt.
	Debt Service 11 Cabcars	5337	1,931,357	1,545,086	309,017
	Access lease funding (0%/84%)	Full 84% State	18,618,000		15,639,120
Local only	Debt Service VRA - 60 Railcars		99,072	¥,	
Fed/State/Local	Debt Service VRA - 60 Railcars	5337	2,445,198	1,956,159	391,232
Fed/State/Local	Debt Service VRA - 60 Railcars	5307	1,746,570	1,397,256	279,451
	Grant & Project Management	5307	650,000	520,000	
		Subtotal	25,490,198	5,418,501	16,618,820
	Capital Projects/Earmarks		96,198,922	27,175,122	49,611,139
	Capital Program	Total	121,689,120	32,593,623	66,229,959



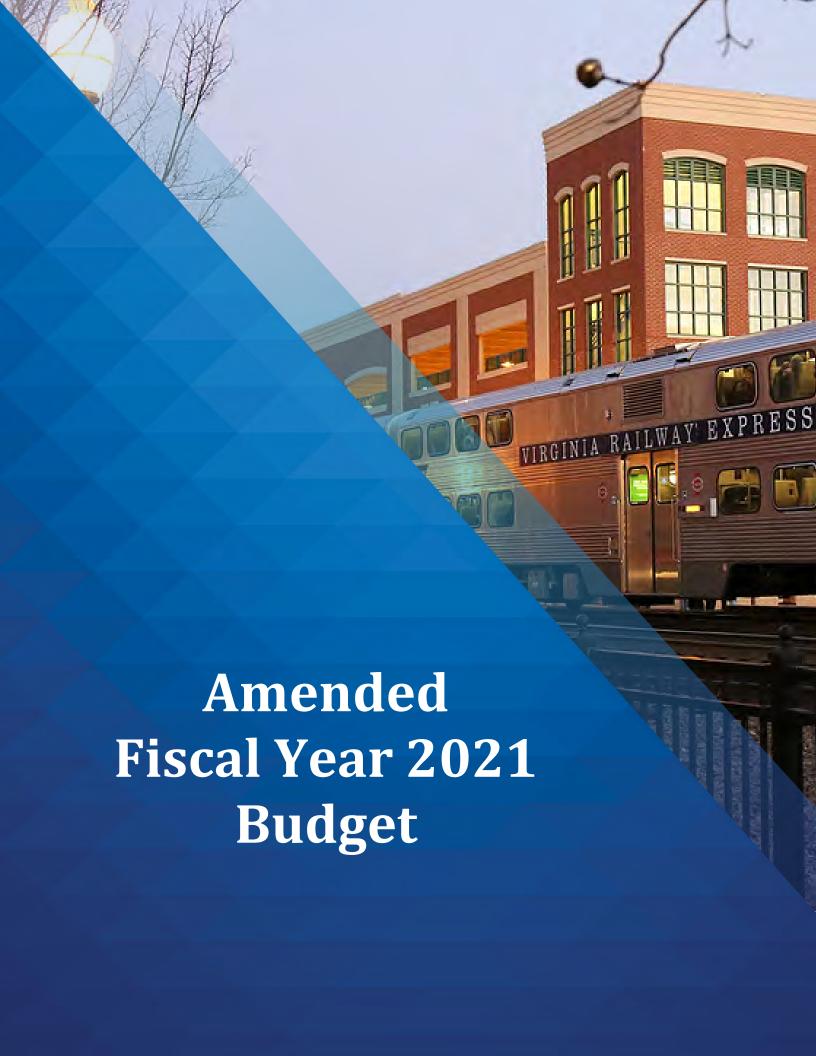
Revenue Source	FY	2021 Amount	% of Total
State Capital	\$	49,611,139	26.7%
Federal Capital	\$	27,175,122	14.6%
Federal CARES Act	\$	24,852,362	13.4%
State Operating	\$	26,618,820	14.3%
Jurisdictional Subsidy	\$	18,300,780	9.8%
Fare Revenue	\$	18,236,000	9.8%
State C-ROC Dedicated Funding	\$	15,000,000	8.1%
Federal Operating	\$	5,418,501	2.9%
Interest Income	\$	350,000	0.2%
Other Sources & Misc. Revenue	\$	300,000	0.2%
Use of Operating/Capital Reserves	\$	-	0.0%
Total Sources of Funds	\$	185,862,724	100.0%





Type of Use	FY	2021 Amount	% of Total
CIP Expenditures	\$	96,198,922	51.8%
Train Operations & Maintenance of Equipment	\$	24,686,000	13.3%
Access Fees & Host Railroad Costs	\$	23,068,000	12.4%
Other Departmental Costs	\$	12,302,100	6.6%
Fuel & Mechanical Operations	\$	9,639,700	5.2%
Insurance & Contingency	\$	7,971,699	4.3%
Debt Service	\$	6,222,198	3.3%
Facilities Maintenance	\$	4,013,800	2.2%
Project Development & Implementation	\$	1,760,305	0.9%
Total Uses of Fund	\$	185,862,724	100.0%





FY 2021 Budget Amendments

The FY 2021 budget has been revised to reflect current projections for revenue and expenses, as follows:

Revenue

- o Decrease in passenger fare revenue in the amount of \$34.4 million, to reflect the effect of the ongoing COVID-19 pandemic on VRE ridership.
- Addition of a new funding source, the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, totaling \$32.0 million to supplement lost passenger revenue and support pandemic-related costs.
- o Increase in state operating assistance in the amount of \$2.3 million to reflect a higher funding amount than originally projected.
- o A net decrease to federal and state grant revenue by a total of \$1.8 million related to an overall reduction of Federal formula funds awarded to VRE.
- A decrease in interest income of \$1.0 million, reflecting lower than projected interest rates.
- o Allocation of \$669,200 in capital reserve for various projects (see below).

Expenses

- o FY 2021 operating contingency was reduced by \$595,052 for various additions and revisions of current year operating and capital costs and revenue, many of which are directly related to the COVID-19 pandemic. The notable expense changes are:
- o An increase in liability and property insurance costs of \$2.6 million;
- An increase in COVID-19 related costs for cleaning and other goods/services of \$500,000;
- A reduction of \$1.6 million in ticket sales commission and bank fees related to credit/debit card sales due to the COVID-19 pandemic effect on ridership and ticket sales;
- o A reduction in diesel fuel costs of \$910,000 as a result of reduced service.
- o The remaining operating contingency of \$1.0 million was eliminated as part of the calculation of CARES Act funding (see Revenue changes above).

• Capital Program

- Capital project obligations were decreased by \$1.9 million to reflect reduced available capital funding:
- A net decrease to federal and state grant obligations of \$1.8 million related to a reduction of Federal formula funds awarded to VRE.
- Allocation of \$4.0 million of unallocated Federal and state grant funding for the Lifecycle Overhaul and Upgrade (LOU) Facility.
- o Allocation of \$3.0 million of unallocated Federal and state grant funding for the Fredericksburg Station Rehabilitation project.



- o Allocation of an additional \$2.2 million of unallocated Federal and state grant funding to the Equipment Asset Management Program.
- o A reduction of \$2.0 million allocated to the Facilities Asset Management Program.
- o A net decrease to unallocated Federal and State grants of \$8.9 million as a result of the above changes.
- o Capital Reserve funds of \$669,200 allocated for the Scheidt & Bachmann Fare Validators (\$469,200) and the VRE Mobile Ticketing System (\$200,000).

• Use of FY 2020 Surplus

- No one-time items in FY 2022 are in need of funding from the prior year surplus.
- o Operating reserve (working capital) currently at slightly more than three months of operating expense no additional contribution required.
- o \$5.1 million contribution to Capital Reserve.



FY 2021 Amended Sources and Uses

LEVEL OF SERVICE FOR FY 2021 32 Trains 1,800 Average Daily Riders

Access and Lease Fees

Amtrak 6,879,000
NS 3,442,000
CSX 8,468,000

Total 18,789,000

USES OF FUNDS 84,118,987	FARE INCOME 9,700,000	INTEREST 250,000	MISC 300,000	LOCAL SUBSIDY	OTHER SOURCES	NVTA FUNDING	STATE CROC FUNDING	STATE STATE OPERATING	STATE CAPITAL	STATE STP		New FY21	OTHER	
FUNDS 84,118,987	INCOME			SUBSIDY	SOURCES						Channe		OTHER	
	9,700,000	250,000	300,000	13,520,444						SIF	5307/5337	CARES ACT	OTTIES	TOTAL
					- 1	- ×	*	12,030,000	751,560	15,031,200	520,000	32,015,783	•	84,118,987
- V														
29,000				29,000					-				-	29,000
1,931,357				77,254					309.017		1,545,086			1,931,357
									303,017		1,545,000			99,072
4,190,409				167,616					670,465		3,352,327			4,190,409
6 240 929				272.042					070 402		4 007 412			6 240 920
6,249,838	-			372,943	-		-	-	979,483		4,897,413		-	6,249,838
90,368,825	9,700,000	250,000	300,000	13,893,386				12,030,000	1,731,043	15,031,200	5,417,413	32,015,783	- 6	90,368,825
208,687			= ::	8,347			14		33,390		166,950		- 1	208,687
12,072,745			- 11	482,910					4,104,733		7,485,102			12,072,745
6,120,242			The state of the s	244,810					979,239		4,896,194			6,120,242
4,000,000				160,000					640,000		3,200,000			4,000,000
105,000				4,200					16,800		84,000		1	105,000
				12,000					48,000		240,000			300,000
													-	669,713
														5,000,000
														3,158,000
														3,550,454
							15,000,000						-	15,000,000
			-		469 700	-	15,000,000				12		-	469,200
											-		-	200,000
					200,000									3,000,000
3,000,000				3,000,000									-	5,000,000
53,854,041	8	4		4,407,394	669,200		15,000,000	-	8,702,669	-	25,074,779	- 4		53,854,041
4,262,000									852,400		~		3,409,600	4,262,000
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			- 11						49,004		1~0		196,015	245,019
									49.004		- ×			245,019
10,677,000			1.11	+					10,677,000		100			10,677,000
17,429,038	-	-	-	-		-		-	12,027,408				5,401,630	17,429,038
161 651 904	9 700 000	250.000	300.000	19 300 790	669.700		15 000 000	12 030 000	77 461 119	15 031 700	30 492 192	37.015.793	5 401 620	161,651,904
	99,072 4,190,409 6,249,838 90,368,825 208,687 12,072,745 6,120,242 4,000,000 105,000 300,000 669,713 5,000,000 3,158,000 3,158,000 3,158,000 3,158,000 3,158,000 469,200 200,000 3,000,000 453,000 245,019 245,019 245,019 10,677,000	99,072 4,190,409 6,249,338 - 90,368,325 9,700,000 208,687 12,072,745 6,120,242 4,000,000 105,000 300,000 669,713 5,000,000 3,158,000 3,158,000 3,158,000 3,550,454 15,000,000 469,200 200,000 3,000,000 53,854,041 - 4,262,000 2,000,000 245,019 245,019 10,677,000	99,072 4,190,409 6,249,338	99,072 4,190,409 6,249,338 90,368,325 9,700,000 250,000 300,000 105,000 300,000 669,713 5,000,000 3,158,000 3,158,000 3,550,454 15,000,000 469,200 200,000 3,000,000 53,854,041 4,262,000 2,000,000 245,019 245,019 10,677,000	99,072 4,190,409 167,616 6,249,338 372,943 90,368,825 9,700,000 250,000 300,000 13,893,386 208,687 12,072,745 482,910 6,120,242 4,000,000 160,000 105,000 300,000 3,000,000 3,158,000 200,000 3,158,000 12,000 3,158,000 12,000 3,158,000 12,000 3,550,454 142,018 15,000,000 3,000,000 3,000,000 3,000,000 3,000,000	99,072 4,190,409 167,616 6,249,338	99,072 4,190,409 167,616 6,249,338	99,072 4,190,409 167,616 6,249,338	99,072	99,072 4,190,409 167,616 6,249,338 - 372,943 - 979,483 90,368,325 9,700,000 250,000 300,000 13,893,386 - 12,030,000 1,731,043 208,687 8,347 8,347 8,349 12,072,745 482,910 4,104,733 4,000,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 17,000 180,000 190,000 190,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000	99,072	99,072	99,072	99,072 99,072 670,465 3,352,377 670,465 3,552,377 6,249,838



Six-Year Financial Forecast

The annual budget normally includes a financial forecast for the five years following the year of adoption (six years in total). This forecast includes projections for ridership, planned fare increases and total fare revenue, grant and subsidy funding, operating expenses, and capital expenditures. The forecast is intended to demonstrate the projected sustainability of VRE's budget beyond the initial year and to highlight areas of potential risk so they can be addressed in advance.

Given the depth of uncertainty facing not just VRE but the entire regional and national economy, the FY 2022 budget does not include a six-year forecast. Such a forecast would reflect highly uncertain estimates on many key variables, particularly ridership, and would not serve as a reliable basis for decision-making. As the recovery from the pandemic proceeds and the outlook for commuting and VRE ridership is clarified, staff will return to the Operations Board and the Commissions with additional information.





Introduction

The FY 2022 – 2027 VRE Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety and operational efficiency, maintain the system in a state of good repair, and expand capacity. The six-year CIP includes both fully- and partially-funded projects. Future projects that are unfunded are not shown in the six-year program but are discussed separately.

- **Funded** projects are those that are funded through federal formula grants received annually by VRE; through state funding in accordance with the Commonwealth's Six-Year Improvement Program (SYIP); through already allocated funds from other entities, such as NVTA, FAMPO or a VRE jurisdiction; or through other committed sources.
- Partially funded projects are those that are pending a discretionary allocation by a
 funding authority or for which a funding source has not yet been identified.

 Because discretionary funding relies on the actions of other entities, funds may not
 be available when needed.

In addition to grants and other funding agreements with outside partners, VRE has the following internal funding mechanisms to support the capital program:

- The Commuter Rail Operating and Capital (C-ROC) Fund was created by the General Assembly in 2018. C-ROC funding is dedicated to "retaining, maintaining, improving, and developing commuter rail-related infrastructure improvements and operations" in the Commonwealth. VRE receives a dedicated allocation of \$15 million annually from C-ROC that may be used to support the cost of VRE's commuter rail operations as well as to make necessary capital investments and improvements, either on a pay-as-you-go basis or through the issuance of debt. C-ROC funding may be used as matching funds for state and federal grants.
- The **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, 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 \$1.58 million. A replenishment of \$2 million 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 2021 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 2022 to FY 2027). 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 compared the capital and operating needs associated with various service profiles (including implementation of System Plan 2040) to available funding sources and quantified the need for additional funding. This analysis was critical to making the case to the General Assembly for the creation of the C ROC Fund. In FY 2019, VRE completed an update of the financial analysis that accounted for changes in operating expense and revenue trends, available capital funding, and project scopes and schedules. This analysis confirmed that C-ROC support for operations is not expected to be needed in the near- to medium-term, which will allow C-ROC to continue to support transformative capacity-enhancing capital projects during the next ten years.

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



Capital Financial Outlook

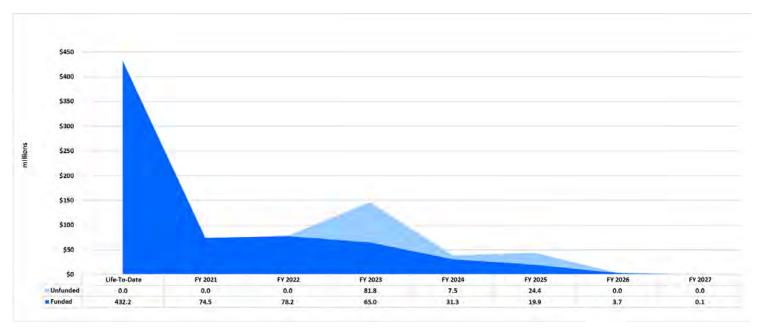
The overall outlook for the FY 2022 to FY 2027 CIP is generally positive, despite the current COVID-19 pandemic. Political and legislative actions over the past few years – including the creation of the dedicated C-ROC Fund at \$15 million per year, the commitment by the Commonwealth to continue current levels of reimbursement for track access fees, and the creation of the Virginia Passenger Rail Authority as part of the Transforming Rail in Virginia program – have created an environment that is supportive of VRE's long-term growth and stability. Some funding challenges remain, however, 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 2022 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, relatively modest projected growth in ridership 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 in place before future service expansions can be implemented.

Given current cost estimates, full funding of the projects in the FY 2021-FY 2026 CIP (including all costs to complete) will require approximately **\$818.6 million**. Of this total, **\$704.9 million** (86.1%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2020). The graph below represents VRE's funded and unfunded project costs of \$818.6 million for projects included in the FY 2022 – 2027 Six Year Plan.



Capital Financial Outlook FY 2022 - FY 2027



Capital Sources and Uses

Capital projects frequently rely on funds obligated in prior years, unlike operating 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 2022 capital budget is driven primarily by the need to meet established programmatic commitments and maintain the necessary financial capacity to address emerging and longstanding needs required to maintain the safety and reliability of essential capital assets.

Capital funds come from a wide variety of federal, state, regional, and local sources. Except for FTA Section 5307 and 5337 formula allocations and the associated state transit capital match and local matching funds, most of VRE's capital funding sources are one-time competitive or discretionary grants. Given the magnitude of VRE's capital needs over the next six years and beyond, an aggressive approach to securing discretionary grants has been pursued in recent years and will continue to be necessary. Advocacy for project grant funding must be continuous at the local, regional, state, and federal levels from the moment a project is initiated. This process is intensive and requires the coordinated efforts of VRE



staff, other local and regional bodies, and elected officials. The charts and graphs at the end of this section show the magnitude of the various funding sources on which VRE relies.

Decision-Making Factors

VRE considers a number of factors when determining which capital projects are allocated the limited funding that is available, including:

- Does the expenditure maintain the system in a state of good repair?
- Does this expenditure help VRE manage risk? Does this expenditure address VRE's biggest identified sources of risk?
- Does this expenditure close an identified need (i.e., a gap between target and actual service levels)?
- Does this expenditure minimize life-cycle cost?
- Does this expenditure yield ongoing operational cost savings either through efficiency or reduced risk?
- Project continuity: Is this project already underway and does it need ongoing funding to continue implementation from a prior year?
- Project interdependence: Are other projects dependent on this project? Is this project dependent on others?

Commuter Rail Operating and Capital (C-ROC) Fund

In October 2018, the Commissions authorized the execution of a joint agreement for the distribution and allocation of the C-ROC funds. In addition to designating NVTC to serve as the recipient of all funds from the C-ROC Fund (following the existing practice of having PRTC receive and manage VRE's federal funds and NVTC receive and manage VRE's state and regional funds), the agreement lays out an annual process for incorporating the programming of C-ROC funds into the larger VRE budget. 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.



As part of the FY 2020 budget, the Operations Board adopted the follow criteria for programming of C-ROC funds:

- 1. C-ROC funds should be prioritized to projects that are not eligible for typical VRE discretionary capital funding sources, such as DRPT Smart Scale or NVTA regional funding.
- 2. C-ROC funds should be prioritized to projects where a commitment of local funding could leverage significant state or federal matching funds.
- 3. C-ROC funds should support projects that are necessary in order to allow for future capacity expansion.
- 4. VRE should continue to use the Capital Reserve to fund smaller needs (such as minor cost or scope changes in an existing project) and should use C-ROC funds on 'transformative' projects.
- 5. VRE should consider C-ROC funds as a supplementary funding source for the replacement of major existing assets such as railcars.

Based on these criteria, the Operations Board committed three years of C-ROC funding to two critical projects:

• FY 2019: \$15 million for L'Enfant Station Improvements

• FY 2020: \$15 million for Crystal City Station Improvements

• FY 2021: \$15 million for L'Enfant Station Improvements

Following the announcement of the Transforming Rail in Virginia Program and the Commonwealth's agreement to purchase railroad right-of-way from CSXT, VRE entered into discussions with DRPT regarding a financial contribution to the overall Program. On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the \$15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and will be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.



Unfunded Projects and Unprogrammed Funding Sources

Approximately 13.9%, or \$113.7 million, of VRE's \$818.6 million CIP is currently unfunded. This figure includes the Broad Run Expansion Project and Fleet Expansion railcars as well as the other major projects. These unfunded needs will be addressed in future budget cycles through a combination of applications for discretionary funding as well as the likely programming of internal VRE funds (e.g., Capital Reserve). In addition to these unfunded projects, the six-year CIP period 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 \$97 million over the entire CIP period. (VRE's total projected federal grant allocation plus match over the period, including FY 2020 Amended, is approximately \$267 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 economic changes or other uncertainties lead to significant cost increases for existing SGR projects.



CIP Project Sheets

The CIP includes 30 separate projects. For ease of understanding, these individual projects have been grouped into **categories** with identifying project IDs:

<u>Asset Management/State of Good Repair</u> (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.

<u>Information Technology</u> (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.

<u>Passenger Station Facilities</u> (ST) – includes projects that lengthen or widen existing station platforms, construct new platforms at current stations or add new stations to the system.

<u>Rolling Stock Equipment</u> (RS) – refers to the purchase of replacement or expansion locomotives and coaches; coaches may be either cab cars or trailers.

<u>Station Parking</u> (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.

<u>Track and Signal Infrastructure</u> (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.

<u>Train Maintenance and Storage Facilities</u> (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.

<u>Other</u> (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:

<u>Asset Management</u> – 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.

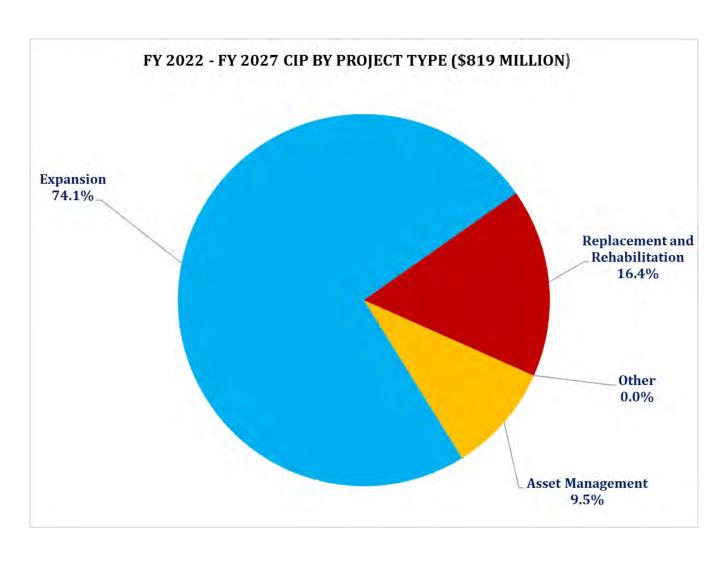
Expansion – improvements implemented primarily for the purpose of increasing capacity.

<u>Other</u> – 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 2022 to FY 2027 CIP indicating the amount unfunded by year. No unfunded amounts are reflected through FY 2022 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.





(amounts in millions of \$)

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	77.6	77.6	
Expansion	606.6	492.9	113.7
Replacement and Rehabilitation	134.1	134.1	
Other	0.3	0.3	
Total	818.6	704.9	113.7

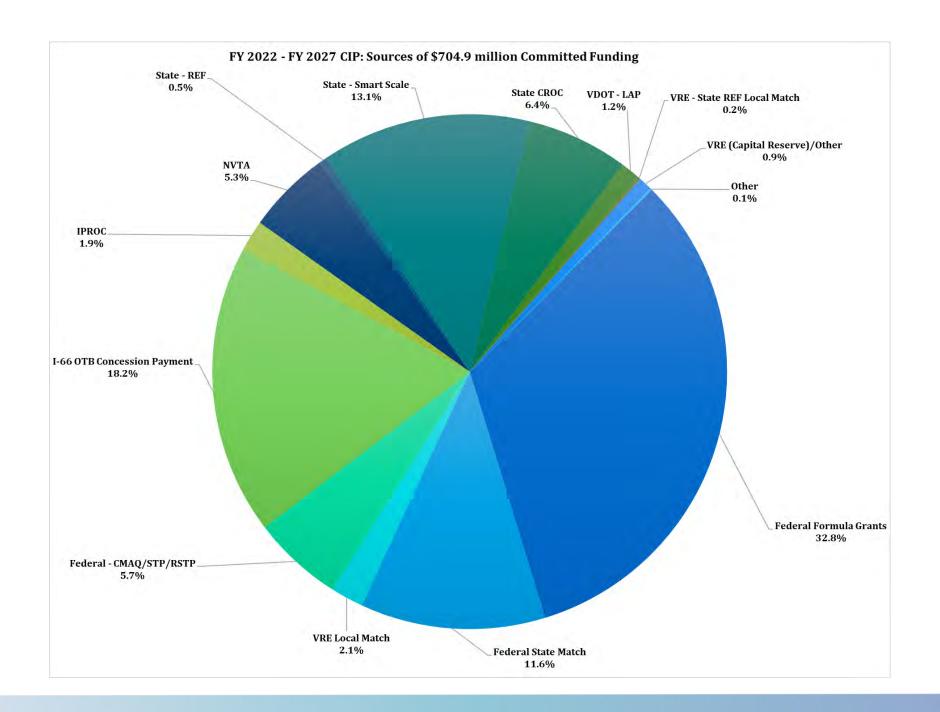


Capital Improvement Program By Program Area (amounts in millions of \$)

	Project		Life-To-	FY 2021	FY 2022						
Program Name	ID	Project Name	Date	Amended	Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair	AM-2	Automatic Passenger Counters	2.9								2.9
	AM-4	Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
	AM-5	Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
	AM-6	Facilities Asset Management Program	15.2	0.2							15.4
	AM-6A	Fredericksburg Station Rehabilitation	1.9	3.2							5.0
	AM-8	Security Cameras	1.6	0.3			0.5		0.3		2.7
	AM-9	Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			55.3	9.9	2.2	2.1	2.3	2.0	3.7	0.1	77.6
Information Technology	IT-2	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			3.8								3.8
Passenger Station Facilities	ST-1	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			111.8	27.2	35.3	47.3	29.0	42.3			292.8
Rolling Stock Equipment	RS-3	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			28.1	10.7	15.9	17.7	7.5				79.9
Station Parking	PK-3	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			26.3	0.7	5.2	3.8					36.0
Train Maintenance and Storage Facilities	MS-3	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3				-	99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			206.6	26.1	19.7	75.9					328.3
Misc. (Multiple Categories)	OT-4	Forklifts purchase	0.3								0.3
Misc. (Multiple Categories) Total			0.3								0.3
Grand Total			432.2	74.5	78.2	146.8	38.9	44.3	3.7	0.1	818.6

Capital Improvement Program by Funding Source (amounts in millions of \$)

	capital improvem									
		Life-To-	FY 2021	FY 2022						
Funding Source Type	Funding Source	Date	Amended	Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
Federal Formula Grants Total		183.9	37.4	35.3	31.1	23.4	12.0	3.7	0.1	327.0
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1	-		0.0					6.1
	Other		0.7							0.7
Non-Federal Formula Funded Total		248.2	37.1	42.9	33.9	7.9	7.9			377.9
Grand Total		432.2	74.5	78.2	65.0	31.3	19.9	3.7	0.1	704.9





Automatic Passenger Counters

Project ID:

AM-2

Program Name:

Asset Management/State of Good Repair

Project Type:

Asset Management

Location:

N/A



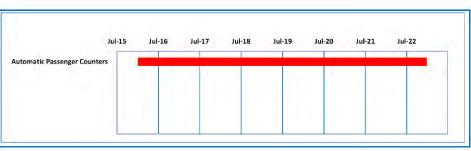
Project Description

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. Any new rail cars purchased by VRE will have the APC equipment installed during the construction process.

Project Funding

This project is funded with federal 5307 (Urbanized Area formula program) grants requiring a 20% local match.

Schedule Info	Schedule Information Phase Start Date Finish Date											
Phase	Start Date	Finish Date										
Automatic Passenger Counters	1/1/2016	12/31/2022										



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	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
Unfunded (To Be Determined)										
Total Funding	2,900,000									2,900,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	1,324,256	325,000	1,250,744							2,900,000



Enhancement Grant - Security

Project ID:

AM-4

Program Name:

Asset Management/State of Good Repair

Project Type:

Asset Management

Location:

N/A

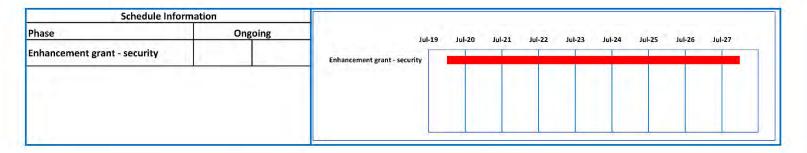


Project Description

Grantees receiving federal 5307 funds must certify that at least 1% of funding received each fiscal year is being used for transit security projects. Eligible projects include improvements to station lighting and security, systems safety consulting, and security drills with first responders.

Project Funding

Projects are funded through 1% set-aside of federal 5307 annual allocations for transit security projects. Annual allocation is \$105,000.



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	644,178	84,000	84,000	84,000	84,000	84,000	84,000	84,000		1,232,178
Federal State Match	124,362	16,800	16,800	16,800	16,800	16,800	16,800	16,800		241,962
VRE Local Match	81,305	4,200	4,200	4,200	4,200	4,200	4,200	4,200		110,705
Unfunded (To Be Determined)										
Total Funding	849,844	105,000	105,000	105,000	105,000	105,000	105,000	105,000		1,584,844

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	849,844	105,000	105,000	105,000	105,000	105,000	105,000	105,000		1,584,844



Equipment Asset Management Program

Project ID:

AM-5

Program Name:

Asset Management/State of Good Repair

Project Type:

Asset Management

Location:

N/A

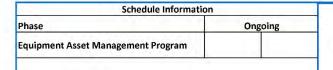


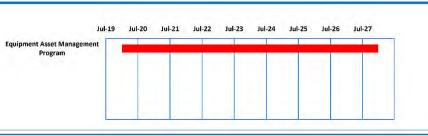
Project Description

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

Project Funding

This program is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.





Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	23,563,406	4,896,194	1,672,000	1,584,294	1,357,492	1,520,000	2,663,200			37,256,586
Federal State Match	4,712,681	979,239	334,400	316,859	271,498	152,000	266,320			7,032,997
VRE Local Match	1,178,170	244,810	83,600	79,215	67,875	228,000	399,480			2,281,149
Unfunded (To Be Determined)										
Total Funding	29,454,258	6,120,242	2,090,000	1,980,368	1,696,865	1,900,000	3,329,000			46,570,733

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	6,895,258	8,047,675	10,210,000	9,925,000	3,789,800	3,233,000	2,270,000	2,200,000		46,570,733



Facilities Asset Management Program

Project ID:

AM-6

Program Name:

Asset Management/State of Good Repair

Project Type:

Asset Management

Location:

System-wide

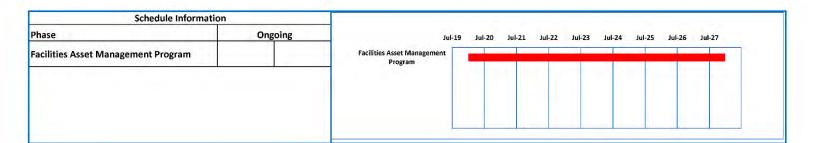


Project Description

As 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. This ongoing program supports those required rehabilitation and replacement efforts at VRE facilities.

Project Funding

This ongoing program is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	11,730,881	166,950								11,897,830
Federal State Match	2,321,176	33,390								2,354,566
VRE Local Match	611,544	8,347								619,892
VRE Capital Reserve	500,000									500,000
Unfunded (To Be Determined)										
Total Funding	15,163,601	208,687								15,372,288

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	3,647,288	2,850,000	3,675,000	1,200,000	1,350,000	1,050,000	800,000	800,000		15,372,288



Fredericksburg Station Rehabilitation

Project ID:

AM-6A

Program Name:

Passenger Station Facilities

Project Type:

Rehabilitation

Location:

Fredericksburg



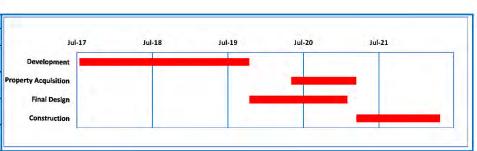
Project Description

The project supports rehabilitation of the existing Fredericksburg station. Work includes repair of approximately 125 feet of the southernmost portion of each platform, dental concrete repairs, lighting, and signage. The project will improve the boarding capacity for VRE and Amtrak trains. In conjunction with the platform repairs, stairs will be added at the southeast corner of the station for safe passenger movements to nearby parking. This new passenger path will not require crossing Princess Anne Street at-grade.

Project Funding

This project is funded with federal 5337 (Rail State of Good Repair) formula grants requiring a 20% local match.

Schedule Information									
Phase	Start Date	Finish Date							
Development	7/14/2017	10/14/2019							
Property Acquisition	5/5/2020	3/16/2021							
Final Design	10/15/2019	2/1/2021							
Construction	3/16/2021	4/26/2022							



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	1,480,000	2,526,400								4,006,400
Federal State Match	296,000	505,280								801,280
VRE Local Match	74,000	126,320								200,320
Unfunded (To Be Determined)										
Total Funding	1,850,000	3,158,000								5,008,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	213,821	1,636,179	3,158,000							5,008,000



Security Cameras

Project ID:

AM-8

Program Name:

Asset Management/State of Good Repair

Project Type:

Asset Management

Location:

System-wide



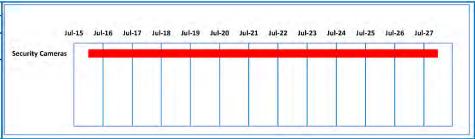
Project Description

The system of security cameras and infrastructure at VRE stations and yards is being modernized and expanded. This project covers cameras at VRE's existing facilities; the cost of the initial installation of cameras associated with construction projects is included in the budgets for these projects. Funding is currently provided for cameras and associated hardware at 22 locations.

Project Funding

This project is funded with federal 5307 (Urbanized Area formula program) grants requiring a 20% local match as well as the required 1% safety/security set aside in the federal CARES Act funds allocated to VRE in March 2020.

Schedu	le Information	
Phase	Start Date	Finish Date
Security Cameras	1/1/2016	12/31/2027



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	862,960	240,000			400,000		234,951			1,737,911
Federal State Match	172,592	48,000			80,000		46,990			347,582
VRE Local Match	43,148	12,000			20,000		11,748			86,896
VRE Capital Reserve	500,000									500,000
Unfunded (To Be Determined)										
Total Funding	1,578,700	300,000			500,000		293,689			2,672,389

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	997,171	775,219	600,000				150,000	150,000		2,672,389



Real-Time Multimodal Traveler Information

Project ID:

AM-9

Program Name:

Asset Management/State of Good Repair

Project Type:

Asset Management

Location:

System-wide



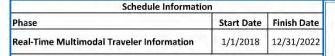
Travel Decisions Powered by Data

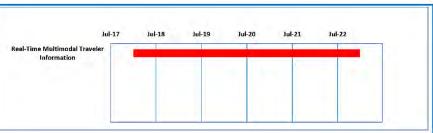
Project Description

VRE has a system-wide program to implement automatic passenger counters in all rail cars and automatic parking counters at all VRE parking facilities. While train location information is currently provided on the internet and on screens at the stations, there are plans to provide real-time train arrival information in the future. Software upgrades will be required to provide these real-time data feeds that can then be integrated with VRE Mobile and other third-party apps and websites, as well as on display screens at VRE stations and other locations along the I-66 corridor. Separate funding has been committed for implementing automatic passenger counters and automatic parking counters at existing VRE facilities.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.





Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	3,481,000									3,481,000
Unfunded (To Be Determined)										
Total Funding	3,481,000									3,481,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan			3,481,000							3,481,000





ERP Implementation

Project ID:

IT-2

Program Name:

Information Technology

Project Type:

New Installation

Location:

N/A



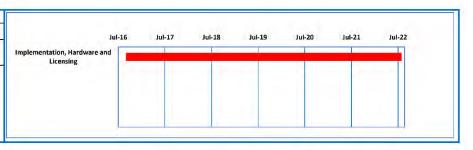
Project Description

This project supports the installation of an Enterprise Resource Planning system (ERP) to support VRE operations. The project will target implementation of a new system to provide automation of process workflows related to Human Resources, Accounting, Finance, Budgeting, Grant Management, Inventory Management, Project Management and Procurements. The project aims to replace a number of current manual processes with data automation and improved reporting. This project will enhance the effectiveness of VRE operations by creating greater process efficiencies throughout the organization.

Project Funding

Project is fully funded with VRE Local funds (Capital Reserve).

Schedule Informati	on	
Phase	Start Date	Finish Date
Implementation, Hardware and Licensing	9/1/2016	8/2/2022



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Planning Fund (98)	140,000									140,000
VRE Capital Reserve	2,610,000									2,610,000
Unfunded (To Be Determined)										
Total Funding	2,750,000									2,750,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	377,433	1,082,400	1,290,167							2,750,000



TRIP/VMS Upgrade

Project ID:

IT-3

Program Name:

Information Technology

Project Type:

New Installation

Location:

N/A



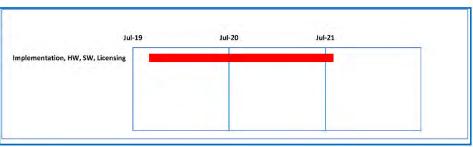
Project Description

This project supports the upgrade of VRE's Transit Display system and train information portal. The project will replace the current infrastructure and system which was installed more than ten years ago. This project will enhance the effectiveness of VRE operations through communication of multi-modal transit data and an updated GTFS feeds to VDOT for their use on VDOT Variable Message Signs.

Project Funding

This project is funded with VRE internal funds (Capital Reserve).

Schedule Inform	Schedule Information										
Phase	Start Date	Finish Date									
Implementation, HW, SW, Licensing	9/1/2019	8/2/2021									



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Reserve	1,000,000									1,000,000
Unfunded (To Be Determined)										
Total Funding	1,000,000									1,000,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	45,222	954,778								1,000,000





Alexandria Station Improvements

Project ID:

ST-1

Program Name:

Passenger Station Facilities

Project Type:

Replacement and Rehabilitation

Location:

City of Alexandria

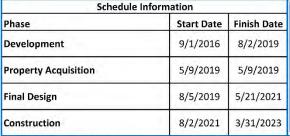


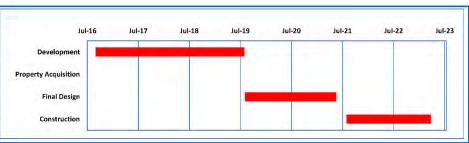
Project Description

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

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal funds (provided through VDOT) to eliminate railroad grade crossings and improve railroad safety.





Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	320,000									320,000
Federal State Match	64,000		1							64,000
VRE Local Match	16,000		1							16,000
Federal Funds - Other	8,721,865								ĺ	8,721,865
State - Smart Scale	9,234,149		6,284,000	6,335,000						21,853,149
Unfunded (To Be Determined)										
Total Funding	18,356,014		6,284,000	6,335,000						30,975,014

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	3,276,467	2,000,000	20,100,000	5,598,547						30,975,014



Backlick Road Station Improvement

Project ID:

ST-4

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Fairfax County



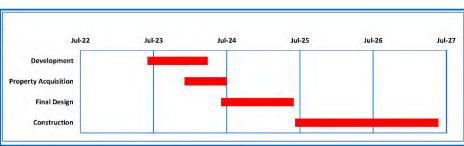
Project Description

The existing platform at the VRE Backlick Road Station on the Manassas Line only accommodates five-car train sets for boarding and detraining. Some passengers must move to different cars for detraining longer trains. The platform extension project will construct an approximately a 300-foot platform extension to accommodate eight-car trains.

Project Funding

This project is currently supported with Federal CMAQ/RSTP funds. Additional CMAQ funds will be sought for the unfunded portion of the project.

Schedule	Information	
Phase	Start Date	Finish Date
Development	6/1/2023	3/29/2024
Property Acquisition	12/4/2023	7/1/2024
Final Design	6/3/2024	6/2/2025
Construction	6/9/2025	5/26/2027



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP		1,600,000		400,000						2,000,000
State - CMAQ/STP/RSTP Match		400,000		100,000						500,000
Unfunded (To Be Determined)				3,500,000						3,500,000
Total Funding		2,000,000		4,000,000						6,000,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan				260,000	200,000	350,000	1,250,000	3,940,000		6,000,000



Brooke Station Improvement

Project ID:

ST-5

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Stafford County



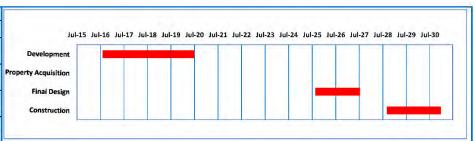
Project Description

This project previously included the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Brooke Station. With the introduction of the Transforming Rail in Virginia program, however, the project is being rescoped to include only an expansion of the existing side platform. These capacity enhancements will improve operational efficiency and accommodate eight-car trains.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal CMAQ funds. Rail Enhancement Fund (REF) funding that supported the original larger project has been reallocated.

Schedul	e Information	
Phase	Start Date	Finish Date
Development	8/4/2016	6/30/2020
Property Acquisition		
Final Design	8/27/2025	7/20/2027
Construction	9/13/2028	12/31/2030



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	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	-1	- 4.7								
State - Smart Scale		11		7,393,331						7,393,331
Unfunded (To Be Determined)										
Total Funding	262,500	245,019	313,394	7,968,194						8,789,107

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	299,655	195,445					414,700	1,347,776	6,531,531	8,789,107



Crystal City Station Improvements

Project ID:

ST-8

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Arlington County



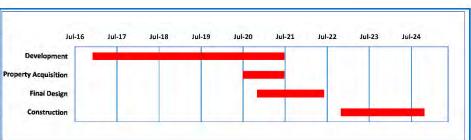
Project Description

This project includes the planning, design, permitting, and construction for an expanded and relocated station and platform for the VRE Crystal City Station and related track modifications. The project will construct an island platform to enable simultaneous boarding of two trains and accommodate full-length trains and the planned fourth track in and around 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.

Project Funding

The project is funded with multiple funding sources including Federal formula grants, NVTA funds, Rail Enhancement funds (REF), Commuter Rail Operating and Capital (C-ROC) funds, and VRE Capital Reserve funds.

Schedule	Information	
Phase	Start Date	Finish Date
Development	12/1/2016	6/30/2021
Property Acquisition	7/1/2020	6/30/2021
Final Design	11/2/2020	6/10/2022
Construction	11/1/2022	10/31/2024



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds		535,770	10,415,000							10,950,770
Federal State Match		107,154	2,083,000							2,190,154
VRE Local Match		26,789	520,750							547,539
NVTA	400,000	4,000,000			7,900,000	7,900,000				20,200,000
VRE - State REF Local Match	707,000						10			707,000
VRE Capital Reserve	303,000							1		303,000
VRE Capital Reserve	174,619	i i		41,537			11			216,156
State CROC	15,000,000									15,000,000
Unfunded (To Be Determined)										
Total Funding	16,584,619	4,669,713	13,018,750	41,537	7,900,000	7,900,000				50,114,619

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	393,642	3,190,977	2,000,000	14,844,000	14,843,000	14,843,000				50,114,619



Franconia-Springfield Station Improvements

Project ID:

ST-9

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Fairfax County



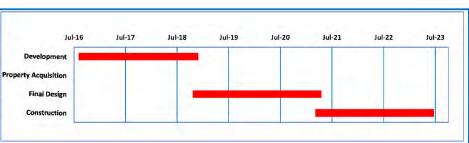
Project Description

This project supports the design and construction of an extension to the existing west platform (adjacent to WMATA) and a widening/extension of the existing east platform at the VRE Franconia-Springfield Station. These capacity expansions will improve operational efficiency and accommodate eight-car trains. The project is within the limits of the broader DRPT Atlantic Gateway third track project.

Project Funding

This project is funded entirely with NVTA funds.

Schedul	e Information	7
Phase	Start Date	Finish Date
Development	8/4/2016	11/30/2018
Property Acquisition		
Final Design	10/22/2018	4/21/2021
Construction	3/10/2021	6/27/2023



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
NVTA	13,000,000									13,000,000
Unfunded (To Be Determined)										
Total Funding	13,000,000									13,000,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	612,756	2,377,244	5,720,000	4,290,000						13,000,000



Leeland Road Station Improvements

Project ID:

ST-10

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Stafford County



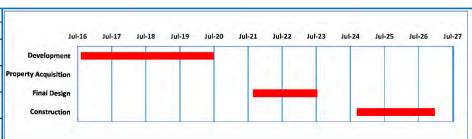
Project Description

This project previously included the design and construction of an extension to the existing platform, a new second platform, and a new pedestrian overpass at Leeland Road Station. With the introduction of the Transforming Rail in Virginia program, however, the project is being rescoped to include only an expansion of the existing side platform. These capacity enhancements will improve operational efficiency and accommodate eight-car trains.

Project Funding

The project is funded primarily through the Commonwealth of Virginia SmartScale program (as part of VRE's broader Fredericksburg Line Expansion program) as well as Federal CMAQ funds.

Schedule	e Information	
Phase	Start Date	Finish Date
Development	8/4/2016	6/30/2020
Property Acquisition		
Final Design	8/26/2021	7/19/2023
Construction	9/13/2024	12/31/2026



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	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 - Smart Scale			2,749,725	2,109,789						4,859,514
Unfunded (To Be Determined)										
Total Funding	262,500	245,019	3,063,119	2,684,652						6,255,290

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	365,141	92,659	289,875	289,875		1,304,435	2,608,871	1,304,435		6,255,290



L'Enfant Station and Fourth Track

Project ID:

ST-11

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

District of Columbia



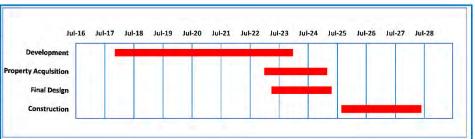
Project Description

This project includes the planning, design, permitting, and construction for an expanded VRE L'Enfant Station and an additional mainline track between the Virginia (VA) and L'Enfant (LE) Interlockings in Washington, DC. The expanded station will support simultaneous boarding of two full-length trains. The project will aim to improve station access and customer convenience while improving service reliability. The project must be coordinated with the L'Enfant Train Storage Track-South and Long Bridge Capacity Improvements projects.

Project Funding

This project will be supported by Federal formula funds, C-ROC funds and REF funds, as well as other sources yet to be determined.

Schedule	Information	
Phase	Start Date	Finish Date
Development	11/6/2017	12/29/2023
Property Acquisition	1/2/2023	3/3/2025
Final Design	4/3/2023	4/28/2025
Construction	9/1/2025	6/2/2028



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds			1,950,966	12,542,472	8,898,338					23,391,777
Federal State Match			390,193	2,508,494	889,834					3,788,522
VRE Local Match			97,548	627,124	1,334,751					2,059,423
State CROC	15,000,000	15,000,000								30,000,000
VRE - State REF Local Match	954,000									954,000
VRE Capital Reserve	46,000									46,000
Unfunded (To Be Determined)						24,350,279				24,350,279
Total Funding	16,000,000	15,000,000	2,438,708	15,678,090	11,122,923	24,350,279				84,590,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	82,500	147,971	1,500,000	2,000,000	2,500,000	2,206,529	25,384,333	25,384,333	25,384,333	84,590,000



Quantico Station Improvements

Project ID:

ST-14

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Prince William County



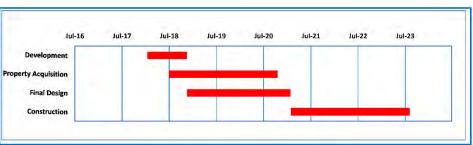
Project Description

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 site/civil, track bed and drainage improvements (including Retaining Wall) in conjunction with Track and Signal Work provided by CSXT under scope of separate but concurrent contract/project with DRPT. Improvements are being coordinated with the Arkendale to Powell's Creek third track project being implemented by the DRPT and CSXT, of which Quantico Station Improvements is a sub-project.

Project Funding

This project is funded through a combination of Intercity Passenger Rail Operating and Capital (IPROC) and SMART SCALE grants through the Commonwealth of Virginia.

Schedule Information								
Phase	Start Date	Finish Date						
Development	1/15/2018	11/16/2018						
Property Acquisition	7/2/2018	10/20/2020						
Final Design	11/19/2018	1/29/2021						
Construction	2/1/2021	8/11/2023						



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - IPROC	13,622,204									13,622,204
State - Smart Scale	4,600,045		5,150,700	600,112						10,350,857
Unfunded (To Be Determined)										
Total Funding	18,222,249		5,150,700	600,112						23,973,061

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	389,434	6,500,000	10,050,000	7,033,627						23,973,061



Rolling Road Station Improvements

Project ID:

ST-17

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

Fairfax County



Project Description

The Rolling Road Station currently has a platform which accommodates a five-car train set for boarding and detraining. This project provides for a 290-foot platform extension to accommodate an eight-car train set.

Project Funding

This project is funded with Federal CMAQ grants.

Schedule	e Information	
Phase	Start Date	Finish Date
Development	5/13/2016	4/4/2017
Property Acquisition	8/10/2018	8/13/2018
Final Design	12/12/2016	1/8/2021
Construction	1/11/2021	3/7/2022



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	4,000,000									4,000,000
State - CMAQ/STP/RSTP Match	1,000,000									1,000,000
Unfunded (To Be Determined)										
Total Funding	5,000,000	-								5,000,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	425,177	3,574,823	1,000,000							5,000,000



Washington Union Station Improvements

Project ID:

ST-18

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

District of Columbia



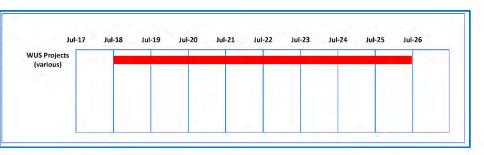
Project Description

This project will fund track, signal, platform and passenger facility upgrades and realignments at Amtrak's Washington Union Terminal, in accordance with the Northeast Corridor Capital Investment Plan. Costs for the project will be allocated to the users of the terminal in accordance with the Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy, which is still under discussion for capital improvements. VRE's allocated share of the project(s) has not been determined. Some priority projects may be carried out under an interim agreement with Amtrak.

Project Funding

This project is funded with federal formula grants (5307 and/or 5337) requiring a 20% local match.

Schedule Information							
Phase	Start Date	Finish Date					
WUS Projects (various)	7/1/2018	7/1/2026					



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	9,300,000	3,100,000	3,100,000	6,200,000	6,200,000	6,200,000				34,100,000
Federal State Match	5,100,000	1,700,000	1,700,000	3,400,000	3,400,000	3,400,000	- 10			18,700,000
VRE Local Match	600,000	200,000	200,000	400,000	400,000	400,000				2,200,000
Unfunded (To Be Determined)										
Total Funding	15,000,000	5,000,000	5,000,000	10,000,000	10,000,000	10,000,000				55,000,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	15,000,000	5,000,000	5,000,000	10,000,000	10,000,000	10,000,000				55,000,000



Manassas Station Improvements

Project ID:

ST-21

Program Name:

Passenger Station Facilities

Project Type:

Expansion

Location:

City of Manassas



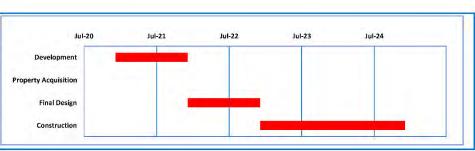
Project Description

This project includes the development, design, permitting and construction of an expansion to the south side (railroad east) platform at the VRE Manassas Station to serve full length trains and enhance pedestrian access.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

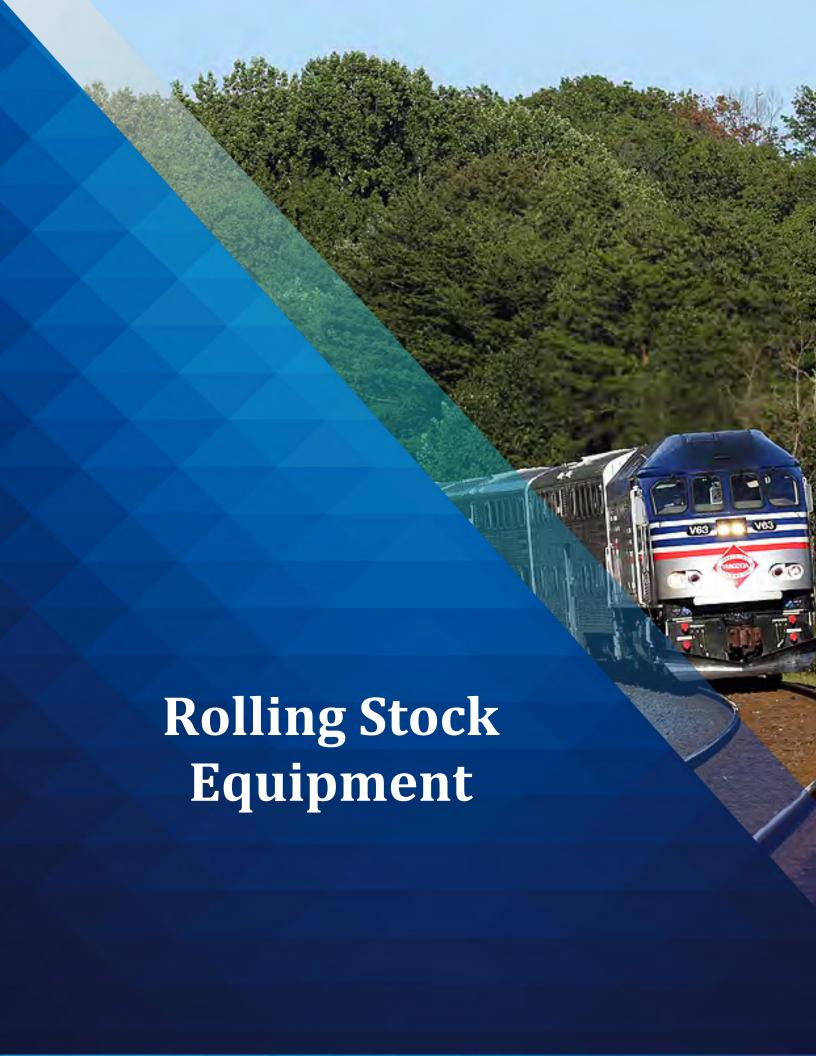
Schedule Information							
Phase	Start Date	Finish Date					
Development	12/7/2020	12/6/2021					
Property Acquisition	12/7/2021	12/7/2021					
Final Design	12/7/2021	12/6/2022					
Construction	12/7/2022	12/6/2024					



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	9,125,000									9,125,000
Unfunded (To Be Determined)										
Total Funding	9,125,000									9,125,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		121,000	350,000	4,477,000	4,177,000					9,125,000





Fleet Expansion Coaches - Manassas Line

Project ID:

RS-3

Program Name:

Rolling Stock

Project Type:

Expansion

Location:

N/A



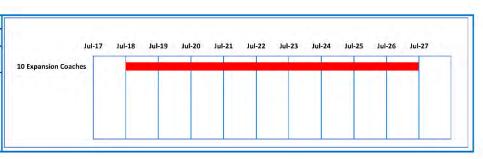
Project Description

This project supports the purchase of ten (10) expansion coaches and a spare to facilitate near-term Manassas Line capacity expansion. Train lengths will be extended up to ten (10) cars in length, sized based on estimated demand. This project is contingent on the expansion of storage capacity at the Broad Run Maintenance and Storage Facility (MSF) and expansion of the Broad Run Station facilities.

Project Funding

This project is funded through the I-66 Outside the Beltway (OTB) Concessionaire Payment as part of the broader Manassas Line Capacity Expansion program.

Schedule Information							
Phase	Start Date	Finish Date					
10 Expansion Coaches	7/1/2018	7/1/2027					



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
I-66 OTB Concession Payment	28,120,000									28,120,000
Unfunded (To Be Determined)				9,910,744						9,910,744
Total Funding	28,120,000			9,910,744						38,030,744

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		3,803,074	2,662,152	12,169,838	15,212,298	3,232,613	190,154	760,615		38,030,744



Fleet Expansion Coaches - Fredericksburg Line

Project ID:

RS-5

Program Name:

Rolling Stock

Project Type:

Expansion

Location:

N/A



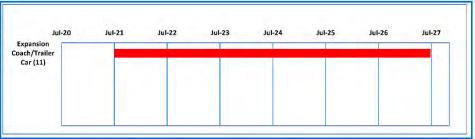
Project Description

This project supports the purchase of eleven (11) expansion coaches and a spare to enable extending all Fredericksburg Line trains to eight (8) cars in length. This project is contingent on the Crossroads Storage Expansion (Short-term) project at the Crossroads Maintenance and Storage Facility (MSF).

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

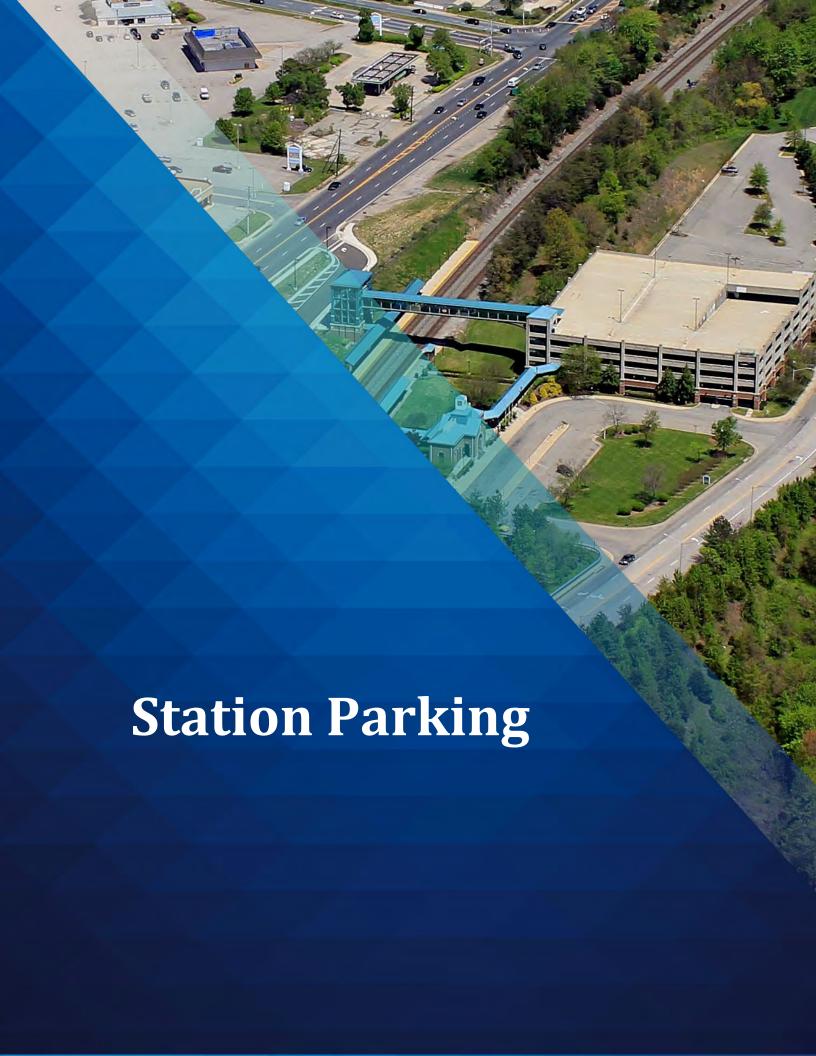
Schedule Information									
Phase	Start Date	Finish Date							
Expansion Coach/Trailer Car (11)	7/1/2021	7/1/2027							



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale		10,677,000	15,855,000	7,762,442						34,294,442
Unfunded (To Be Determined)					7,539,376					7,539,376
Total Funding		10,677,000	15,855,000	7,762,442	7,539,376					41,833,818

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		4,183,382	2,928,367	13,386,822	16,733,527	3,555,875	209,169	836,676		41,833,818





Leeland Road Parking Improvements

Project ID:

PK-3

Program Name:

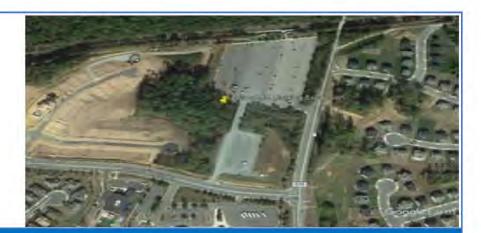
Station Parking

Project Type:

Expansion

Location:

Stafford County



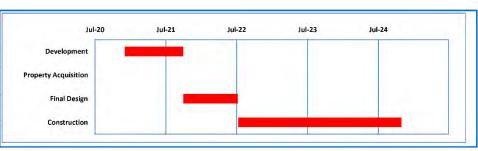
Project Description

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

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.

Schedule	Information	
Phase	Start Date	Finish Date
Development	12/1/2020	9/30/2021
Property Acquisition	12/1/2020	12/1/2020
Final Design	10/1/2021	7/8/2022
Construction	7/11/2022	11/1/2024



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale	360,000		5,159,178							5,519,178
Unfunded (To Be Determined)										
Total Funding	360,000		5,159,178							5,519,178

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		100,000	450,000	2,609,589	2,359,589					5,519,178



Manassas Park Parking Expansion

Project ID:

PK-4

Program Name:

Station Parking

Project Type:

Expansion

Location:

City of Manassas Park



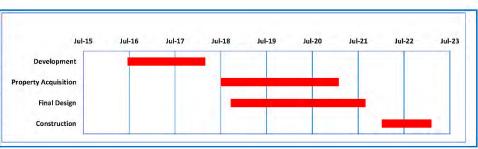
Project Description

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.

Project Funding

Project funding sources include NVTA and I-66 Concession grants as well as City of Manassas Park funds.

Schedule	Information	
Phase	Start Date	Finish Date
Development	6/17/2016	2/28/2018
Property Acquisition	7/2/2018	1/29/2021
Final Design	9/21/2018	8/31/2021
Construction	1/10/2022	2/10/2023



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
NVTA	2,500,000									2,500,000
I-66 OTB Concession Payment	23,483,000									23,483,000
City of Manassas Park		678,764								678,764
Unfunded (To Be Determined)				3,771,739						3,771,739
Total Funding	25,983,000	678,764		3,771,739						30,433,503

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	813,415	10,917,059	16,703,029	2,000,000						30,433,503





Crossroads MSF - Storage Expansion - Short-term

Project ID:

MS-3

Program Name:

Train Maintenance and Storage Facilities

Project Type:

Expansion

Location:

Spotsylvania



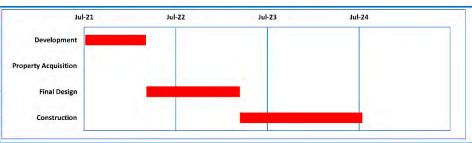
Project Description

This project will construct storage tracks for overnight train storage at the Crossroads Maintenance and Storage Facility (MSF) needed to store the 11 expansion coaches being purchased for the Fredericksburg Line Capacity Expansion.

Project Funding

This project is funded through the SMART SCALE program as part of the broader Fredericksburg Line Capacity Expansion program.





Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
State - Smart Scale			5,057,000	3,308,765						8,365,765
Unfunded (To Be Determined)										
Total Funding			5,057,000	3,308,765						8,365,765

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan			683,094	4,045,383	3,637,289					8,365,765



L'Enfant Train Storage Track - South

Project ID:

MS-5

Program Name:

Train Maintenance and Storage Facilities

Project Type:

Expansion

Location:

District of Columbia



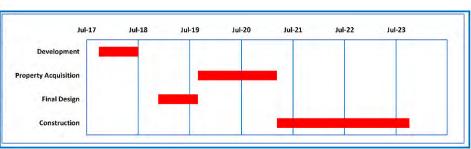
Project Description

This project includes the construction of wayside power units to provide standby power for two consists for midday storage on the existing stub-end siding.

Project Funding

This project is funded with federal 5307 formula grants requiring a 20% local match.

Schedul	e Information	
Phase	Start Date	Finish Date
Development	9/26/2017	7/2/2018
Property Acquisition	8/29/2019	3/10/2021
Final Design	11/20/2018	8/28/2019
Construction	3/11/2021	10/6/2023



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	3,172,000									3,172,000
Federal State Match	634,400									634,400
VRE Local Match	158,600						1			158,600
Unfunded (To Be Determined)										
Total Funding	3,965,000									3,965,000

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	1,711,245	3,140		2,250,615						3,965,000



Lifecycle Overhaul & Upgrade (LOU) Facility

Project ID:

MS-6

Program Name:

Train Maintenance and Storage Facilities

Project Type:

Expansion

Location:

Spotsylvania County



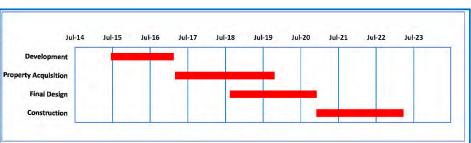
Project Description

This project funds the design and construction of a rolling stock equipment maintenance facility in order to carry out those components of a life-cycle maintenance program that can be most efficiently accomplished at the VRE yards. New shop facilities will include overhead cranes, a wheel and axle drop table and wheel truing machine. The project will build two tracks on recently acquired adjacent property to accommodate the new facility.

Project Funding

Project is funded with federal formula grants and associated state and local match.

Schedule Information									
Phase	Start Date	Finish Date							
Development	6/15/2015	2/17/2017							
Property Acquisition	3/1/2017	10/24/2019							
Final Design	8/16/2018	12/7/2020							
Construction	12/1/2020	3/29/2023							



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	36,461,190	2,480,000								38,941,190
Federal State Match	10,179,685	1,360,000					[=			11,539,685
VRE Local Match	1,542,757	160,000								1,702,757
Unfunded (To Be Determined)										
Total Funding	48,183,632	4,000,000								52,183,632

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	2,234,208	7,728,932	26,291,560	15,928,932						52,183,632



New York Avenue Midday Storage Facility

Project ID:

MS-7

Program Name:

Train Maintenance and Storage Facilities

Project Type:

Replacement and Rehabilitation

Location:

District of Columbia



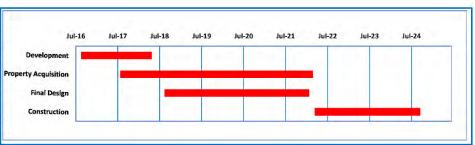
Project Description

This project includes the design, permitting, property acquisition and construction for a midday storage facility parallel to New York Avenue in the District of Columbia to replace VRE's current storage at Amtrak's Ivy City Coach Yard. The new facility will replace the current coach yard and also add storage space for future expansion.

Project Funding

This project is funded with Federal formula grants and associated state and local match.

Schedule Information									
Phase	Start Date	Finish Date							
Development	8/16/2016	4/23/2018							
Property Acquisition	7/24/2017	3/1/2022							
Final Design	8/14/2018	1/26/2022							
Construction	3/15/2022	9/23/2024							



Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - Formula Funds	40,669,975	11,045,465	7,851,725	2,040,070						61,607,235
Federal State Match	22,302,890	6,057,190	4,305,785	1,118,748						33,784,613
VRE Local Match	2,623,869	712,611	506,563	131,617						3,974,660
Unfunded (To Be Determined)										
Total Funding	65,596,734	17,815,266	12,664,073	3,290,435						99,366,508

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	2,589,997	28,776,511	13,760,000	54,240,000						99,366,508



Project Name:

Broad Run Expansion (BRX)

Project ID:

OT-2

Program Name:

Train Maintenance and Storage Facilities

Project Type:

Expansion

Location:

Prince William County



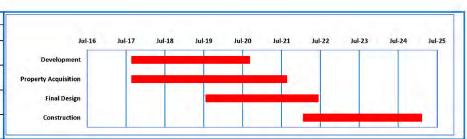
Project Description

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 300 additional station parking to accommodate short-term (2030) demand, and platform modifications to provide access to expanded parking, and construction of about 1.8 miles of third track within the NSR right-of-way. The estimated cost also includes real estate acquisition to expand the station and MSF footprint and accommodate the third track. Other projects associated with the proposed service expansion include Fleet Expansion Coaches - Manassas Line.

Project Funding

This project is currently funded through a combination of Federal CMAQ/RSTP Funds, state Rail Enhancement funds, and the I-66 OTB Concessionaire payment. Additional funding to complete the project is yet to be determined.

Schedule Information		
Phase	Start Date	Finish Date
Development	8/21/2017	9/11/2020
Property Acquisition	8/21/2017	8/27/2021
Final Design	7/19/2019	6/20/2022
Construction	1/24/2022	2/17/2025



Project Schedule as of 12/2/2020

Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Federal - CMAQ/STP/RSTP	14,876,427	3,409,600	1,600,000	3,790,400						23,676,427
State - CMAQ/RSTP Match	4,072,825	852,400	400,000	947,600						6,272,825
NVTA	1,500,000									1,500,000
State - REF	2,785,714									2,785,714
VRE - Capital Reserve	1,294,362									1,294,362
I-66 OTB Concession Payment	64,287,000									64,287,000
Unfunded (To Be Determined)				64,602,737						64,602,737
Total Funding	88,816,328	4,262,000	2,000,000	69,340,737						164,419,065

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan	5,684,908	27,539,229	39,845,482	30,500,000	30,500,000	30,349,446				164,419,065





Project Name:

Forklifts purchase

Project ID:

OT-4

Program Name:

Train Maintenance and Storage Facilities

Project Type:

New Installation

Location:

Prince William County



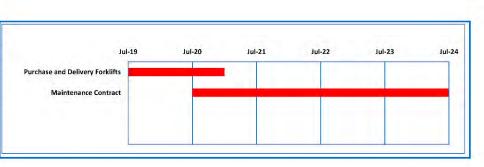
Project Description

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.

Project Funding

This project is funded with VRE Capital Reserve funds.

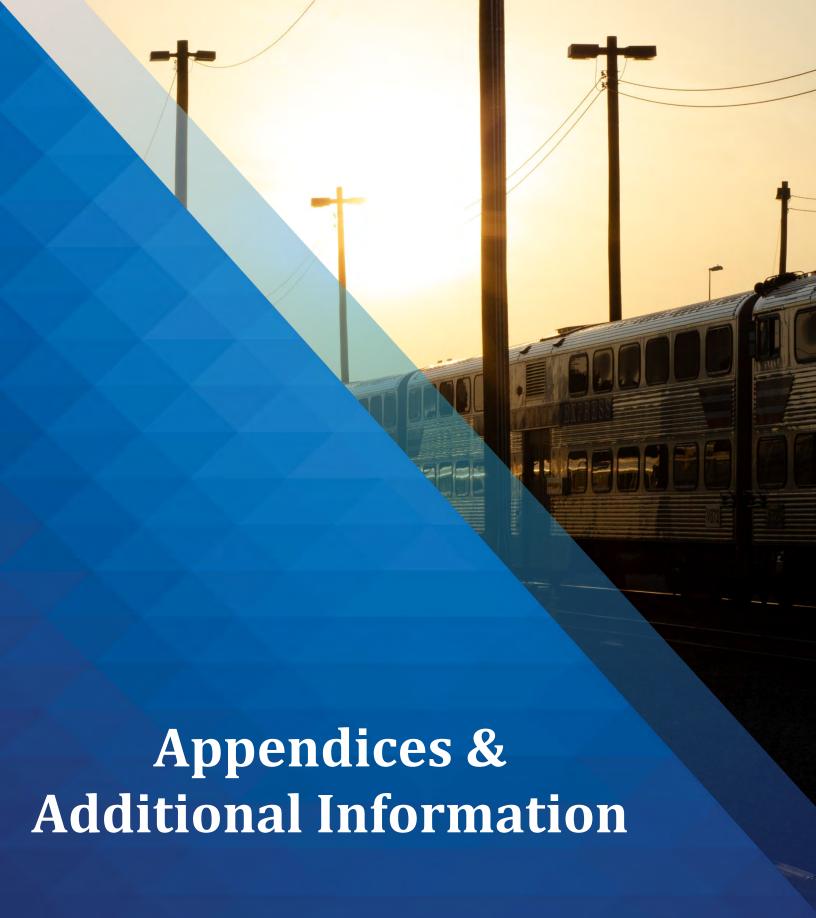
Schedule Information								
Phase	Start Date	Finish Date						
Purchase and Delivery Forklifts	7/1/2019	12/31/2020						
Maintenance Contract	7/1/2020	7/1/2024						



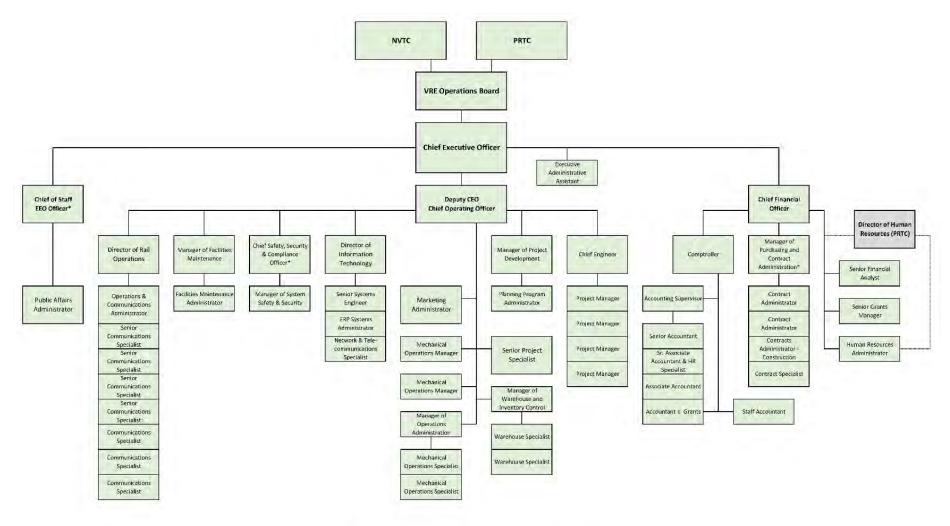
Funding Source	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
VRE Capital Reserve	290,146									290,146
Unfunded (To Be Determined)										
Total Funding	290,146									290,146

Spending Plan By Phase	Life to Date	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Future	Total
Total Spending Plan		269,346	5,200	5,200	5,200	5,200				290,146





VRE Staff Organizational Chart



Note: Chief Safety, Security and Compliance Officer reports to the CEO in matters related to safety and security
 Monager of Purchasing and Contract Administration reports to the CEO in matters related to their duties as DBE liason
 Chief of Stuff reports to the CEO in matters related to EEO

Local Subsidy Calculation from Oct. 2019 Survey

NOTE: Due to the COVID-19 pandemic and the challenges associated with conducting a safe and reliable survey, the October 2020 passenger survey was not performed. The VRE Operations Board directed that the FY 2022 Jurisdictional Subsidy be allocated in the same amounts as they were for the FY 2021 VRE Budget. The information below from the October 2019 survey was the basis for the FY 2021 jurisdictional subsidy allocation, and hence is repeated S&U 2019-12-10 October 2, 2019 Survey - Proposed FY 2021 Budget Final Jurisdictions [Col 1] [Col 2] [Col 3] [Col 4] [Col 5] Col 6a Contributors' Maximum Population Population Share of Net Costs Share of Net Costs Share of Net Costs June 2019 Update Contributors: Alexandria 166,261 6.8250% 0.6825% \$149,151 Arlington 249,298 10.2336% 1.0234% \$601,879 \$218,219 Contributors' Total 415,559 17.0585% [Col 7] [Col 8] [Col 9] [Col 10] [Col 11] [Col 12] October 100 Weight Participants' Participants' Ridership Participants' Survey Population Population **Participants** Normalized Aggregate Participants: June 2019 Update % Population AM Ridership Fairfax County 1,162,504 47.72% 57.54% 2,449 28.10% 28.1032% 29,403 1.46% 287 3.2939% Fredericksburg 1.21% 3,29% Manassas 43,099 1.77% 2.13% 399 4.58% 4.5806% 17,086 229 2.6274% Manassas Park 0.70% 0.85% 2.63% Prince William County 478,134 19.63% 23.56% 31,5768% Stafford County 154,093 6 33% 7.63% 1.520 17.44% 17.4421% Spotsylvania 136,192 5.59% 6.74% 12.38% 12.3760% 1,079 82.94% Participants' Total 2,020,511 100.00% 8,716 100.00% 100.00% 2,436,070 100.00% Population Total [Col 14] [Col 15] [Col 16] TCol 171 [Col 18] [Col 12] [Col 13] Costs State Aid Contributors Participants Participants' Interest & Net. Payments Aggregate Gross Costs Misc Income Fare Revenue Costs Cost \$ Col 6 or 4 \$149,151 Alexandria Arlington \$28,525,956.20 Fairfax County 28.10% \$46,059,769.17 \$1,005,201.90 \$16,425,368.30 Fredericksburg 3.29% \$5,398,496.10 \$3,343,422.39 \$117.816.02 \$1,925,156,99 Manassas \$7,507,444.00 \$4,649,546,07 \$163.841.40 \$2,677,228,63 4.58% 2.63% \$4,306,119.64 \$2,666,886.58 \$93,976.15 \$1,535,604.76 Prince William County 31.58% \$51,752,841,44 \$32,051,816,91 \$1,129,446.70 \$18,455,574.06 Stafford County \$28,586,701.29 \$17,704,452.36 \$623,872.13 \$10,194,299,83 Spotsylvania 12.38% \$20,283,665,35 \$12,562,176,49 \$442,667.85 \$7,233,355.26 100.00% \$163,895,037.00 \$101,504,257.00 \$3,576,822.14 \$58,813,957.86 \$367,370.00 \$58,446,587.86 Subsidy [Col 19] [Col 20] [Col 18] [Cal 21] [Col 22] [Col 23] [Col 24] Calculation (repeated, Oct Survey Participants Proposed Particpants' Participants' FY 2021 Actual Net Change Net Change Fare Revenue Fare Revenue Budget Basec FY2020 Costs on 10/2/19 Survey Subsidy Alexandria \$144,807 \$4,344 Arlington 218,219 \$211,863 \$6,356 3.00% Fairfax County 24.7977% 10,046,351 16,425,368 6,379,01 \$6,253,022 \$125,995 2.019 1,558,068 1,925,157 \$321,028 \$46,062 14.35% Fredericksburg 3.8458% 367.089 Manassas 4.6158% 1,869,995 2,677,229 807,234 \$694,743 \$112,491 15.19% Manassas Park 2.6343% 1.067.241 1.535.605 468.364 \$405,485 562.878 15.51% 12,524,797 18,455,574 5,930,777 \$6,098,311 (\$167,533) Prince William County 30.9154% -2.75% \$2,352,820 \$1,285,670 Stafford County 19.0484% 7,717,125 10,194,30 2,477,17 \$124,355 5.29% 14.1426% 5,729,602 \$218,084 Spotsylvania 7,233,35 1,503,75 16.969 58,446,588 100.0000% 40,513,178 18,300,780 \$17,767,748 \$533,032 Total 3.00% [Col 25] Participants Residents! 40,513,177.86 "System-wide" 3,576,822.14 44,090,000 00 \$163,895,037 2021



VRE Fiscal Year 2022 Recommended Departmental Budget

	FY 2020 Amended	FY 2021 Budget	FY 2022 Recommended
Revenue:			
VRE - Non-Departmental			
Fare Revenue Miscellaneous Revenue	43,810,000 225,000	44,090,000 300,000	18,236,000 300,000
Appropriation from Operating Reserve	-	-	-
Appropriation from Capital Reserve	3,175,882	-	-
Jurisdictional Revenue	17,767,748	18,300,780	18,300,780
Other Revenue (Incld. Use of Prev. FY Surplus) State CROC Dedicated Funding - Operations	-	-	-
State Operating Grant	10,702,373	9,700,000	10,000,000
Federal CARES Act	· ·	· · · ·	24,852,362
Federal Grants - Operations and Debt	14,683,148	14,811,913	5,418,501
State Grants - Operations and Debt State CROC Dedicated Funding - Capital Program	7,279,830 15,000,000	7,367,743 15,000,000	16,618,820 15,000,000
Regional Grants - Capital Program	4,000,000		13,000,000
Federal Grants - Capital Program	28,372,953	31,991,506	27,175,122
State Grants - Capital Program	12,604,724	21,033,096	49,611,139
Interest Income Total Revenue	500,000 158,121,657	1,300,000 163,895,037	350,000 185,862,724
Total Nevellue	138,121,637	105,055,057	103,002,724
Expenditures:			
Non-Departmental Operating	2.042.000	4.407.000	7.157.005
Liability Insurance Operating Reserve/Contingency	3,910,000 1,156,517	4,187,000 1,613,514	7,167,000 754,699
Capital Reserve	1,130,317	1,613,514	754,699
Other	-	_	-
VRE-Financing-Administration Fees	-	<u> </u>	-
Total VRE - Non-Departmental	5,066,517	5,800,514	7,921,699
Executive Management	1,070,000	1 000 000	1 228 500
Salaries/Fringes Travel/Training/Employee Expenses	45,000	1,000,000 17,000	1,238,500 2,500
Board Member Expenses	3,500	2,500	1,500
Office Administration Expenses	80,000	57,500	75,000
Legal/Audit	280,000	175,000	225,000
Consulting/Professional/Other Total Executive Management	14,200	11,000 1,263,000	2,200 1,544,700
Chief of Staff			
Salaries/Fringes	360,000	373,000	375,000
Travel/Training/Employee Expenses	22,000	12,500	8,500
Marketing/PR/Special Events/Consulting	293,100	298,100	307,500
Total Chief of Staff/Public Affairs	675,100	683,600	691,000
Marketing	115 500	117 200	110.000
Salaries/Fringes Travel/Training/Employee Expenses	115,500 94,550	117,200 73,900	110,000 45,500
Production/Media/Promotion/Other	213,000	218,000	220,000
Special Events/Other	2,500	200	
Total Marketing	425,550	409,300	375,500
Project Development			
Salaries/Fringes Travel/Training/Employee Expenses	650,500 17,300	674,500	389,000
Professional Services/Consulting/Other	17,200 328,820	24,900 257,500	22,105 321,700
Total Office of Development	996,520	956,900	732,805
Rail Operations			
Salaries/Fringes	1,029,000	1,027,000	995,000
Travel/Training/Employee Expenses Printing/Admin/Other	17,000 32,000	17,000 30,000	6,000 30,000
Leases/Events	24,500	23,500	22,000
Professional Services	420,500	354,000	354,000
Ticket Stock/R&M Fare Collection	945,000	935,000	925,000
Total Customer Communications	2,468,000	2,386,500	2,332,000
Finance and Human Resources Salaries/Fringes	1,398,000	1,592,000	1,530,000
Travel/Training/Employee Expenses	36,000	30,000	28,000
Audit/Maint Service Agreements/Consulting	442,500	423,300	377,000
Retail Sales/TLC Commissions	1,815,000	1,815,000	814,000
Bank Discounts/Other Total Budget and Finance	702,500 4,394,000	647,500 4,507,800	302,500 3,051,500
Information Technology	• •	. ,	
Salaries/Fringes	490,000	666,000	671,000
Travel/Training/Employee Expenses	21,000	13,000	9,850
Computer Equipment/Software	622,000	747,000	778,000
Consulting/Communications Total Communication and Info Toch	1,039,500	652,500	712,500
Total Communication and Info Tech	2,172,500	2,078,500	2,171,350



VRE Fiscal Year 2022 Recommended Departmental Budget

	FY 2020 Amended	FY 2021 Budget	FY 2022 Recommended
Project Implementation			
Salaries/Fringes	979,000	1,013,000	986,000
Travel/Training/Employee Expenses	51,500	33,000	14,000
Other Professional Services/Other Expenses	247,500	71,500	27,500
Total Construction and Construction	1,278,000	1,117,500	1,027,500
Facilities Maintenance Salaries/Fringes	335,000	357,000	342,000
Travel/Training/Employee Expenses	16,700	11,300	11,300
Office/Other Professional Service	349,400	344,400	309,400
Station Electricity/Utilities/Taxes	828,600	824,600	836,100
Repairs and Maintenance Total Facilities Maintenance	2,955,000 4,484,700	2,990,000 4,527,300	2,515,000
Total racintles Maintenance	4,484,700	4,527,300	4,013,800
Purchasing and Contract Administration	FOF 400	710.000	717 000
Salaries/Fringes Travel/Training/Employee Expenses	595,400 24,850	710,000 35,850	717,000 47,850
Total Procurement and Contract Admin	620,250	745,850	764,850
Mechanical Operations			
Salaries/Fringes	932,000	1,012,000	1,025,000
Travel/Training/Employee Expenses	26,000	11,000	7,000
Consulting/Admin/Warehouse Management Equipment/Warehouse Leases	192,700	192,700	182,700
Utilities	1,135,000	1,085,000	1,085,000
Diesel Fuel	4,412,500	3,910,000	2,975,000
Repairs and Maintenance	4,781,000	4,355,000	4,365,000
Total Equipment Operations	11,479,200	10,565,700	9,639,700
System Safety & Security	354.000	204.000	117.000
Salaries/Fringes Travel/Training/Employee Expenses	354,000 68,000	304,000 69.000	117,000 33,000
Office/Other Professional Services	267,500	510,200	309,200
Yard/Station Security	605,000	605,000	720,000
Total Safety and Security	1,294,500	1,488,200	1,179,200
PRTC			
Professional Services Total PRTC	104,000	102,000	102,000
IDIAI PRIC	104,000	102,000	102,000
NVTC Professional Services	90,000	90,000	90,000
Total NVTC	90,000	90,000	90,000
Train Operations			
Contract Operations and Maintenance	16,287,000	16,591,500	16,787,500
Total Train Operations	16,287,000	16,591,500	16,787,500
Amtrak			
Contract Operations and Maintenance	4,881,000	5,181,000	4,450,000
Total Amtrak	4,881,000	5,181,000	4,450,000
Maintenance of Equipment	7 470 647	7 922 705	7 909 500
Maintenance of Equipment Total Maintenance of Equipment	7,428,512 7,428,612	7,832,285 7,832,285	7,898,500 7,898,500
Amtrak Access Fees Access Fees	6,630,000	6,879,000	6,830,000
Total Amtrak Access Fees	6,630,000	6,879,000	6,830,000
Norfolk Southern			
Access Fees	2,700,000	2,745,000	2,556,000
Contract Operations and Maintenance Total Norfolk Southern	690,000 3,390,000	697,000 3,442,000	688,000 3,244,000
	-,,	-,,	-,,
CSXT Access Fees	7,720,000	7,657,000	7,904,000
Contract Operations and Maintenance	790,000	811,000	640,000
Total CSXT	8,510,000	8,468,000	8,544,000
CIP Expenditures			
CIP Expenditures	67,681,751	72,507,750	96,198,922
Total CIP Expenditures	67,681,751	72,507,750	96,198,922
CIP VRE - Non-Departmental	FA 000	50.000	50.000
Allowance for Doubtful Accounts Debt Service	50,000 6,221,757	50,000 6,220,838	50,000 6,222,198
Total CIP VRE - Non-Departmental	6,271,757	6,270,838	6,272,198
	· · ·		
Total Expenditures	158,121,657	163,895,037	185,862,724



Future Projects and Projects Administered by Other Entities

In previous years, VRE included several major projects in the Capital Improvement Program (CIP) that were largely or entirely unfunded. These 'future projects' had been identified as important to VRE's long-term service planning but generally were still in the conceptual stages of project design; did not have identified funding commitments or plans to apply for such funding; and in some cases were unlikely to be administered by VRE.

Beginning in FY 2020, VRE chose to remove these future projects from the formal six-year CIP and instead describe them separately. The decision to present these future projects separately does not mean the projects are not important; instead, it reflects that the projects are relatively undeveloped and are unlikely to be completed (or even substantially underway) during the six-year CIP period. As the projects move forward and as more reliable cost estimates are developed, they may be candidates to move into the formal six-year CIP in future budget years if VRE is identified as the lead entity responsible for project implementation.

The future projects that are important to VRE but not identified in the six-year CIP include:

- Long Bridge Capacity Improvements: The Long Bridge Project consists of improvements to the bridge corridor and related railroad infrastructure located between the RO Interlocking near Long Bridge Park in Arlington and the L'Enfant Interlocking near 10th Street SW in Washington, DC. The Long Bridge Corridor is owned and operated by CSX Transportation, but VRE and Amtrak passenger trains currently use the bridge in addition to CSXT freight. The purpose of the project is to provide additional long-term railroad capacity to improve the reliability of railroad service through the Long Bridge Corridor. Currently, there is insufficient capacity, resiliency, and redundancy to accommodate the projected demand in future rail services.
- In September 2020, DRPT and the District Department of Transportation announced the completion of the combined Final Environmental Impact Statement (EIS) and Record of Decision for Long Bridge. The preferred alternative for the Long Bridge Project has an estimated construction cost of \$1.9 billion. DRPT will take the lead on the design and construction of the project as part of the broader Transforming Rail in Virginia program, to which VRE is making a significant financial contribution using C-ROC funds.
- 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 by DRPT as part of the Atlantic Gateway Project (for Franconia to Occoquan), the Washington DC to Richmond Segment (DC2RVA) of the FRA Southeast High-Speed Rail Corridor project, and the Transforming Rail in Virginia program.

- Fourth Track between RO (Rosslyn) and AF (Alexandria): As with the third track projects, this work will be coordinated by DRPT as part of other efforts in the corridor.
- Fredericksburg Station Expansion and Parking Structure: VRE had previously contemplated station expansion and a parking structure at Fredericksburg to accommodate future increased demand. However, this work will now be coordinated with the DRPT DC2RVA project.
- Long-term expansion investments: Following the completion of the Long Bridge
 expansion, the RO-to-AF fourth track project, and certain other capacity
 enhancement projects, VRE will need to consider additional investments to support
 additional service capacity, including increased peak-hour service frequency and the
 potential for reverse-commute, midday, and other expanded services. These
 investments would likely include expansion coaches and locomotives; expansion of
 the Crossroads and Broad Run storage yards; and track and signal improvements on
 the Manassas Line.

In addition to the future projects described above, the projects listed below are important to the VRE commuter rail service but are not listed in the CIP because they are funded and administered by other stakeholders.

- Potomac Shores Station: The Potomac Shores VRE station will be constructed by the Potomac Shores developer as part of an agreement with Prince William County. Station costs will be used as an in-kind match to a state REF grant for the construction of second platforms at the Brooke and Leeland Road stations.
- Rolling Road Parking Garage: Fairfax County is reviewing the potential construction of a 300-space parking garage at the Rolling Road VRE station.





A TRANSPORTATION PARTNERSHIP













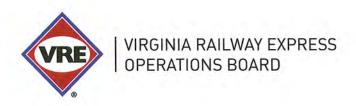












Agenda Item 9-D Action Item

To: Chair Skinner and the VRE Operations Board

From: Rich Dalton

Date: December 18, 2020

Re: Referral of the Amended FY 2021 and Recommended FY 2022

VRE Operating and Capital Budgets to the Commissions and

Localities

Recommendation:

The VRE Operations Board is asked to adopt the amended FY 2021 VRE Operating and Capital Budget and the recommended FY 2022 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their review and adoption; and to recommend the Commissions authorize the Executive Directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding.

Summary:

Following the presentation of the preliminary FY 2022 budget in September and the budget updates in October and November, staff is presenting the recommended FY 2022 Operating and Capital Budget for adoption and referral. Despite the challenges presented by the ongoing COVID-19 pandemic, the recommended budget is balanced, with no funding gap, and with all projected uses of funding in FY 2022 supported by reasonably expected sources of funding. The FY 2022 budget includes no change in total jurisdictional contribution and no changes to passenger fares as compared to FY 2021.

Background:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the key issues to be addressed in the FY 2022 budget were presented to





the VRE Operations Board for discussion in July 2020, and the preliminary FY 2022 budget was prepared for review and referral at the September 2020 Operations Board meeting. Additional discussions and reviews were undertaken with the Operations Board, the members of the Finance Committee, and staff members of the jurisdictions through the VRE Coordinating Committee (VCC).

Discussion:

The recommended FY 2022 Operating and Capital Budget totals \$185.9 million. The budget includes no changes to passenger fares and projects an average daily ridership of 6,000 trips, which results in projected annual fare revenue of \$18.2 million. The budget includes no change to total subsidy contribution over FY 2021 levels, resulting in a total subsidy of \$18,300,780 across VRE's nine jurisdictional partners. See below for additional details on the impact of the COVID-19 pandemic on both ridership and the jurisdictional subsidy.

The recommended FY 2022 operating budget of \$89.7 million (which includes \$6.2 million in debt-related expenses) represents a <u>decrease</u> of \$1.7 million or 1.9% over the approved FY 2021 operating budget. The detailed operating budget assumptions are provided in the FY 2022 Recommended Budget document, but the key assumptions include:

- Sufficient budget to return to a normal service plan of 32 daily revenue trains at any point during FY 2022 when passenger demand requires it.
- No increase to passenger fares, including no change to the current Amtrak Step-Up fare.
- State operating assistance of \$10.0 million. Total state assistance in FY 2021 will be \$12.0 million as a result of funding reallocations by the Department of Rail and Public Transportation (DRPT) to support agencies and their day-to-day operations during the pandemic. It is difficult to project how much funding will be available next year, so the assumption is that future funding will be somewhat lower.
- Continued track access fee reimbursement by the Commonwealth through either DRPT or the new Virginia Passenger Rail Authority (VPRA) – at a total rate of 84%, with VRE responsible for the balance (16%). In the past, track access reimbursement has been a combination of federal STP funds and state funds, but VRE has been advised that in FY 2022, all the reimbursement funding will be from state funds, with no federal participation.
- Diesel fuel expenses of \$2.98 million based on expected utilization of 1.70 million gallons at a per gallon cost of \$1.75. Utilization will be lower if VRE is not yet operating a full service plan of 32 daily trains by the start of FY 2022. Expected per gallon costs remain below historical levels due to the economic impact of the pandemic and are based on projections from VRE's diesel fuel consultant.
- Departmental discretionary expenses, particularly for consulting and other third-party services, have been deferred or eliminated where possible in order to reduce overall expenditures and extend the availability of federal CARES Act funding (see below for additional details).

Ridership and Fare Revenue

The epidemiological and economic outlook of the COVID-19 pandemic remains unclear as of early December 2020. A significant return of riders to VRE depends on employees returning to work in their offices, which in turn depends on many factors, in particular public health guidance that it is safe to do so. Although COVID-19 cases are currently increasing, recent progress on multiple vaccines appears positive. If widespread vaccine distribution can be achieved quickly, it is possible that ridership may begin to increase from its current levels by the fourth quarter of FY 2021.

The FY 2021 amended operating budget (which is described in further detail below) assumes that average daily ridership for the second half of the fiscal year remains below 2,000, with the potential for moderate growth during the fourth quarter from the current midweek level of 1,400 to 1,500 daily riders. This ridership outlook results in total projected fare revenue for FY 2021 of \$9.7 million, or a reduction of approximately 80% from the original approved budget.

From that baseline, the FY 2022 recommended budget assumes a steady increase in ridership over the course of the fiscal year as the economy recovers. However, ridership and fare revenue are still projected to be below normal by the end of the year. (Average daily ridership in February 2020, the last full month prior to the pandemic, was approximately 18,700.) Averaged over the course of the entire year, daily ridership is expected to be 6,000 trips, which corresponds to total projected fare revenue for the year of \$18.2 million, which is less than half of a normal year.

FY 2022 Jurisdictional Subsidy Allocation

In September 2020, the Operations Board directed staff to forego the VRE Master Agreement survey that is normally conducted in October each year. The Operations Board found the survey would be (a) challenging to safely administer in the current environment and (b) unlikely to produce reliable results on which to base an updated jurisdictional subsidy allocation for FY 2022.

In place of an updated subsidy allocation calculation, the Operations Board directed staff to allocate jurisdictional subsidy in FY 2022 using the same allocation percentages from the approved FY 2021 budget. Since the FY 2022 budget has no change to the total subsidy of \$18.30 million, each jurisdiction has the identical subsidy amount in FY 2022 that it had in FY 2021.

CARES Act Funding to Replace Lost Fare Revenue

In late March 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed, and the act included \$25 billion in emergency relief to transit agencies. VRE was allocated approximately \$86 million in relief funding through the CARES Act that is available to help offset additional costs and lost revenues. Along with the additional state assistance provided through DRPT, the CARES Act funding is allowing VRE to provide continuity of operations, maintain service levels, and retain staff. Consequently, the

amended FY 2021 and recommended FY 2022 budgets reflect this critical backstop provided by the CARES Act.

Based on actual ridership to date beginning in the fourth quarter of FY 2020, and as reflected in the amended FY 2021 and recommended FY 2022 budgets, VRE's projected use of the CARES Act funding to supplement lost fare revenue is as follows:

Fiscal Year	Projected Use of CARES Act Funds
FY 2020 (Q4 only)	\$2.7 million
FY 2021	\$32.0 million
FY 2022	\$24.9 million
Beyond FY 2022	\$25.6 million
Required 1% Set-Aside for	\$0.9 million
Safety/Security	
TOTAL	\$86.1 million

Given currently projected ridership levels and the desire to maintain a continuity of operations and high-quality service, the Operations Board has directed staff to recommend a balanced budget that does not achieve a 50 percent farebox recovery ratio (i.e. 50 percent of operating expenses covered by passenger fares). The budget achieves balance through the available emergency funding from DRPT and the CARES Act, rather than through higher fares, reduced service, or increased jurisdictional subsidy contributions.

Six-Year Financial Forecast

The annual budget normally includes a financial forecast for the five years following the year of adoption (six years in total). This forecast includes projections for ridership, planned fare increases and total fare revenue, grant and subsidy funding, operating expenses, and capital expenditures. The forecast is intended to demonstrate the projected sustainability of VRE's budget beyond the initial year and to highlight areas of potential risk so they can be addressed in advance.

Given the depth of uncertainty facing not just VRE but the entire regional and national economy, this year's budget does not include a six-year forecast. Such a forecast would reflect highly uncertain estimates on many key variables, particularly ridership, and would not serve as a reliable basis for Operations Board decision-making. As the recovery from the pandemic proceeds and the outlook for commuting and VRE ridership is clarified, staff will return to the Operations Board with additional information.

Capital Budget and Six-Year Capital Improvement Program (CIP)

The FY 2022–2027 Capital Improvement Program (CIP) is an integrated set of projects and programs that will improve passenger safety and operational efficiency, maintain the VRE

system in a state of good repair, and expand capacity. The six-year CIP includes both fully-and partially-funded projects.

Over the last two years, VRE has gradually shifted its orientation from project planning and development as well as grant seeking – where new projects were frequently being added to the CIP – into a period of project implementation that will last for the next decade. At the same time, the Commonwealth's Transforming Rail in Virginia Program will ultimately separate freight and passenger rail operations in the Fredericksburg Line corridor, and this has resulted in several of VRE's planned station projects being reduced or eliminated. Taken together, these changes result in a smaller and more focused CIP, with fewer projects and greater emphasis on construction.

The total project count in the CIP is now smaller, as some projects like the Slaters Lane Crossover and the Automated Parking Counters have been completed, while other projects like the Lorton, Woodbridge, and Rippon station expansions have been removed because the work will not occur until 2030 or later, beyond the six-year window of this plan.

Given current cost estimates, full funding of the projects in the FY 2022–2027 CIP (including all costs to complete) will require approximately \$818.6 million. Of this total, \$704.9 million (86%) is already committed from a range of federal, state, regional, and local sources (this includes life-to-date funding through FY 2021). The table below represents VRE's funded and unfunded project costs for projects in the six-year CIP.

FY 2022 to 2027 Capital Improvement Program

PROJECT TYPE	PROJECT COST	FUNDED	UNFUNDED
Asset Management	\$77.6	\$77.6	
Expansion	\$606.6	\$492.9	(\$113.7)
Replacement and Rehabilitation	\$134.1	\$134.1	
Other	\$0.3	\$0.3	
Total	\$818.6	\$704.9	(\$113.7)

(amounts in millions)

Further details on the CIP by project and by funding source are provided in the attachments.

Commuter Rail Operating and Capital (C-ROC) Fund and VRE Support for the Transforming Rail in Virginia Program

The joint agreement between NVTC and PRTC for the administration of VRE's dedicated C-ROC funding sets out the process for the programming of C-ROC funds as part of the annual budget process. VRE staff engaged with the Operations Board members during the FY 2020 budget process to develop criteria and strategic guidance, and at the conclusion of that

year's process, the Operations Board agreed to commit \$15 million of C-ROC funding to the Crystal City Station Improvements project (FY 2020 funding) and \$30 million to the L'Enfant Station Improvements project (FY 2019 and FY 2021 funding).

On December 3, 2020, the Commissions approved an agreement with the Commonwealth for VRE to make a substantial funding contribution to the Transforming Rail in Virginia program utilizing C-ROC funds. The agreement lays out a basic structure whereby VRE will issue debt backed by the C-ROC (with an expected term of 30 years) and contribute the proceeds of the debt issuance to the Commonwealth for the purchase of rail right-of-way from CSXT. In addition, for a period of 10 years, VRE will contribute any remaining C-ROC funds not being used for debt service on a pay-as-you-go (PAYGO) basis to the Commonwealth for use on critical rail projects in VRE's service territory, including the Long Bridge, the Alexandria Fourth Track, and the Springfield Bypass.

The budget currently shows the \$15 million allocation of C-ROC funding in FY 2022 as 'unprogrammed' since the exact timing of the debt issuance is unknown, as is the allocation of the funding between debt service and PAYGO. These details should be known a year from now and can be reflected in the amended FY 2022 budget that will be included as part of the FY 2023 budget process.

FY 2021 Amended Budget

As part of the annual process of adopting the budget for the upcoming fiscal year, VRE also revised the current year budget to reflect updated projections for revenues and expenses and changes to capital funding sources. In most years, this is a relatively technical process of adjusting specific line items that were unknown at the time of adoption, and it does not usually result in significant changes to the overall budget.

Given the COVID-19 pandemic and its effect on ridership, however, the amended FY 2021 operating budget is substantially different from the original approved version, particularly with respect to revenues. The major revisions to the budget are identified below:

Operating Budget

Revenues

- o Average daily ridership reduced to 1,800 and total fare revenue reduced to \$9.7 million as a result of the pandemic (a net reduction of \$34.4 million).
- o Interest income reduced to \$250,000 as a result of lower interest rates (a net reduction of \$1.0 million).
- State operating support increased to \$12.0 million as a result of reprogramming actions by DRPT to assist agencies with pandemic response (a net increase of \$2.3 million).
- o Projected federal CARES Act reimbursement of \$32.0 million to replace lost fare revenues (not included in the original budget).

 A net-zero change in the composition of VRE's 84% track access reimbursement funding, from 50% STP and 34% state funding to 80% STP and 4% state funding, based on direction from DRPT.

Expenses

- Net increase in liability and property insurance costs of \$2.6 million as a result of ongoing changes and uncertainty in the global insurance market.
- o Addition of \$500,000 for COVID-specific costs such as cleaning, equipment, etc.
- Net decrease of \$900,000 in diesel fuel expenses due to lower utilization from reduced service.
- Net decrease of \$1.6 million in retail sales commissions and bank discounts due to reduced ticket sales.

As a result of the additional DRPT operating assistance and federal CARES Act funding, the FY 2021 budget remains balanced and no additional jurisdictional contribution is required.

Capital Budget

There are no revisions to non-federal sources and uses of funding in the FY 2021 capital budget. The updates to the federal formula funding (Sections 5307 and 5337) are as follows:

- The original approved budget projected total formula funding of \$32,007,289, while funding actually received was \$30,492,192, a reduction of approximately \$1.5 million. The difference is reflected as a reduction in the 'Unprogrammed Federal Funds' category.
- Changes to future expenditures and required funding for the Equipment Asset Management (EAM) and Facilities Asset Management (FAM) programs, as well as the Fredericksburg Station Rehabilitation project, which are reflected in the recommended FY 2022-2027 CIP, also involve the programming of FY 2021 federal funds that were previously unprogrammed. The total increase in programmed funding (inclusive of required state and local match) is approximately \$3.35 million.

Virginia Railway Express Operations Board

Resolution 9D-12-2020

Referral of the Amended FY 2021 and Recommended FY 2022 VRE Operating and Capital Budgets to the Commissions and Localities

WHEREAS, the VRE Master Agreement requires the Commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the recommended FY 2022 Operating and Capital Budget within the guidelines developed in cooperation with the staff representatives of the local jurisdictions; and,

WHEREAS, the Amended FY 2021 and Recommended FY 2022 budgets reflect the impact of the COVID-19 pandemic which began in March 2020 and has substantially reduced VRE's ridership; and,

WHEREAS, the VRE Operations Board found that a Master Agreement survey for the purposes of collecting rider data for subsidy allocation would have been challenging to safely administer in the current environment and unlikely to produce reliable results, and so the planned October 2020 survey was cancelled; and,

WHEREAS, the VRE Operations Board finds that the availability of additional operating assistance from the Department of Rail and Public Transportation and emergency federal funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for VRE to supplement lost passenger revenues and achieve a balanced budget without requiring fare increases, service reductions, or increases in jurisdictional subsidy; and,

WHEREAS, VRE staff recommends a budget based on a service level of 32 daily revenue trains and average daily ridership of 6,000 trips; and,

WHEREAS, the FY 2022 budget recommends no changes to current passenger fares, including the Amtrak Step-Up fare; and,

WHEREAS, the FY 2022 budget recommends no change in the total jurisdictional subsidy contribution compared to the FY 2021 level, for a total amount of \$18,300,780;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2022 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

Operating Budget \$ 89,663,802 Capital Budget \$ 96,198,922 Total Operating and Capital \$185,862,724

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2021 Operating and Capital Budget in the following amounts; and,

Operating Budget \$ 90,368,825 Capital Budget \$ 71,283,079 Total Operating and Capital \$161,651,904

BE IT FURTHER RESOLVED THAT, having cancelled the October 2020 Master Agreement Survey, the VRE Operations Board does hereby recommend the jurisdictional subsidy in the FY 2022 Operating and Capital Budget be allocated among the nine jurisdictions in the same proportions used in the FY 2021 budget; and,

BE IT FURTHER RESOLVED THAT, given the availability of state funding and federal CARES Act funding to supplement lost passenger revenues, the VRE Operations Board does hereby recommend that it is in the best interests of the Commissions and the riders of VRE the Amended FY 2021 and Recommended FY 2020 Operating Budgets do not achieve a fifty percent recovery of operating expenses from passenger fares; and,

BE IT FURTHER RESOLVED THAT, given the current difficulty of accurately projecting future ridership, tax revenues, and other key inputs, the VRE Operations Board acknowledges the FY 2022 Operating and Capital Budget does not include a formal sixyear financial forecast, and staff will resume presenting such financial forecasts in future budgets when there is less uncertainty over the pandemic recovery and potential changes to commuting behavior; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2021 and FY 2022; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2022 state aid grant applications.

oproved this 18 th day of December 2020	
	Gary Skinner Chair
Jeanine Lawson Secretary	

FY 2022 Subsidy by Jurisdiction

	FY 2021			FY 2022			Change FY21 to FY22		
Jurisdiction		Subsidy	Percent		Subsidy	Percent		Net +/-	% Change
Fairfax County	\$	6,379,017	34.9%	\$	6,379,017	34.9%	\$	-	0.0%
Prince William County		5,930,777	32.4%		5,930,777	32.4%		-	0.0%
Stafford County		2,477,175	13.5%		2,477,175	13.5%		-	0.0%
Spotsylvania County		1,503,754	8.2%		1,503,754	8.2%		-	0.0%
Manassas		807,234	4.4%		807,234	4.4%		-	0.0%
Manassas Park		468,364	2.6%		468,364	2.6%		-	0.0%
Fredericksburg		367,089	2.0%		367,089	2.0%		-	0.0%
Arlington		218,219	1.2%		218,219	1.2%		-	0.0%
Alexandria		149,151	0.8%		149,151	0.8%		-	0.0%
	\$	18,300,780	100%	\$	18,300,780	100%	\$	-	0.0%

Capital Improvement Program By Program Area (amounts in millions of \$)

				<u> </u>							
	Project		Life-To-	FY 2021	FY 2022						
Program Name	ID	Project Name	Date	Amended	Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Asset Management/State of Good Repair Al		Automatic Passenger Counters	2.9								2.9
AM-4		Enhancement Grant - Security	0.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.6
AM-5		Equipment Asset Management Program	29.5	6.1	2.1	2.0	1.7	1.9	3.3		46.6
AM-6		Facilities Asset Management Program		0.2							15.4
AM-6A		Fredericksburg Station Rehabilitation	1.9	3.2							5.0
AM-8		Security Cameras	1.6	0.3			0.5		0.3		2.7
AM-9		Realtime Multimodal Traveler Information (New Project)	3.5								3.5
Asset Management/State of Good Repair Total			55.3	9.9	2.2	2.1	2.3	2.0	3.7	0.1	77.6
Information Technology	IT-2	ERP Implementation	2.8								2.8
	IT-3	TRIP /VMS Upgrade	1.0								1.0
Information Technology Total			3.8								3.8
Passenger Station Facilities	ST-1	Alexandria Station Improvements	18.4		6.3	6.3					31.0
	ST-4	Backlick Road Station Improvements		2.0		4.0					6.0
	ST-5	Brooke Station Improvements	0.3	0.2	0.3	8.0					8.8
	ST-8	Crystal City Station Improvements	16.6	4.7	13.0	0.0	7.9	7.9			50.1
	ST-9	Franconia-Springfield Station Improvements	13.0								13.0
	ST-10	Leeland Road Station Improvements	0.3	0.2	3.1	2.7					6.3
	ST-11	L'Enfant Station Improvements	16.0	15.0	2.4	15.7	11.1	24.4			84.6
	ST-14	Quantico Station Improvements	18.2		5.2	0.6					24.0
	ST-17	Rolling Road Station Improvements	5.0								5.0
	ST-18	Washington Union Station Improvements	15.0	5.0	5.0	10.0	10.0	10.0			55.0
	ST-21	Manassas Station Improvements	9.1								9.1
Passenger Station Facilities Total			111.8	27.2	35.3	47.3	29.0	42.3			292.8
Rolling Stock Equipment	RS-3	Fleet Expansion Coaches - Manassas Line - Short Term	28.1			9.9					38.0
	RS-5	Fleet Expansion Coaches (Fredericksburg Line)		10.7	15.9	7.8	7.5				41.8
Rolling Stock Equipment Total			28.1	10.7	15.9	17.7	7.5				79.9
Station Parking	PK-3	Leeland Road Parking Improvements	0.4		5.2						5.5
	PK-4	Manassas Park Parking Improvements	26.0	0.7		3.8					30.4
Station Parking Total			26.3	0.7	5.2	3.8					36.0
Train Maintenance and Storage Facilities	MS-3	Crossroads MSF - Storage Expansion, Short-term			5.1	3.3					8.4
	MS-5	L'Enfant Train Storage Track - South	4.0								4.0
	MS-6	Life-Cycle Overhaul and Upgrade Facility	48.2	4.0							52.2
	MS-7	New York Avenue Midday Storage Facility	65.6	17.8	12.7	3.3					99.4
	OT-2	Broad Run Expansion (BRX)	88.8	4.3	2.0	69.3					164.4
Train Maintenance and Storage Facilities Total			206.6	26.1	19.7	75.9					328.3
Misc. (Multiple Categories)			0.3								0.3
Misc. (Multiple Categories) Total			0.3								0.3
Grand Total			432.2	74.5	78.2	146.8	38.9	44.3	3.7	0.1	818.6

Capital Improvement Program by Funding Source (amounts in millions of \$)

	1 1						,,			
		Life-To-	FY 2021	FY 2022						
Funding Source Type	Funding Source	Date	Amended	Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Federal Formula Grants	Federal Formula Grants	130.5	25.1	25.1	22.5	16.9	7.8	3.0	0.1	230.9
	Federal State Match	46.4	10.8	8.8	7.4	4.7	3.6	0.3	0.0	81.9
	VRE Local Match	7.0	1.5	1.4	1.2	1.8	0.6	0.4	0.0	14.1
ederal Formula Grants Total		183.9	37.4	35.3	31.1	23.4	12.0	3.7	0.1	327.0
Non-Federal Formula Funded	Federal - CMAQ/STP/RSTP	24.5	6.8	2.6	6.4					40.2
	I-66 OTB Concession Payment	128.5								128.5
	IPROC	13.6								13.6
	NVTA	17.4	4.0			7.9	7.9			37.2
	State - REF	3.5								3.5
	State - Smart Scale	14.2	10.7	40.3	27.5					92.6
	State CROC	30.0	15.0							45.0
	VRE Local Match	0.5								0.5
	VDOT - LAP	8.7								8.7
	VRE - State REF Local Match	1.3								1.3
	VRE (Capital Reserve)/Other	6.1			0.0					6.1
	Other		0.7							0.7
Non-Federal Formula Funded Total		248.2	37.1	42.9	33.9	7.9	7.9			377.9
Grand Total		432.2	74.5	78.2	65.0	31.3	19.9	3.7	0.1	704.9

Agenda Item #10: Department of Rail and Public Transportation (DRPT)



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Department of Rail and Public Transportation (DRPT)

At the January meeting DRPT Director Jennifer Mitchell will give her report, including an update on the impacts of the COVID-19 public health emergency on state transit funding. The <u>monthly DRPT Report</u>, which provides updates on DRPT programs and initiatives, is attached.



Jennifer L. Mitchell
Director

Virginia Department of Rail and Public Transportation 600 E. Main Street, Suite 2102 Richmond, VA 23219 Ph: 804-786-4440 Fax: 804-225-3752 Virginia Relay Center 800-828-1120 (TDD)

TO: Chair Cristol and NVTC Commissioners

FROM: Jennifer Mitchell, Director

DATE: December 18, 2020

SUBJECT: Virginia Department of Rail and Public Transportation (DRPT) Update

The Commonwealth Transportation Board (CTB) met virtually on December 9 and on December 18. At the December 9 business meeting, the CTB <u>approved</u> the <u>FY21 Six Year Improvement Program (SYIP)</u> and DRPT's <u>FY21 agency budget</u>. There was no Five Year Capital Plan included in the FY 21 SYIP approval. Total transit operating assistance increased slightly from FY20, and the NVTC WMATA capital and operating allocation increased by \$14.6 million. DRPT is also fully funding the \$50 million PRIIA match and \$154.5 million WMATA dedicated funding in FY21.

The CTB also <u>approved</u> the NVTC I-66 Commuter Choice Round 4 program of projects and added \$3.8 million in project funding to the FY21 SYIP. The six projects were selected by NVTC and approved at the October Commission meeting and then forwarded to the CTB.

The CTB also received a briefing at its workshop on proposed changes to the CTB's WMATA 3% cap withholding policy. The 2018 policy requires a review every two years and the proposed revisions were developed in conjunction with NVTC. The recommended changes include adding the General Assembly approved legislative exclusion for service increases approved by the WMATA board and a clarification regarding legal expenses. Other technical changes include aligning the date of the annual report on the performance and conditions of WMATA with legislation and clarifying the two year period for considering policy updates. The CTB is expected to approve the updated policy at its January meeting.

Finally the CTB <u>received a briefing</u> at its workshop on the I-495 American Legion Bridge (ALB) Transit and TDM Study. DRPT issued a draft report the <u>I-495 ALB Transit and TDM Study</u> this month and is accepting comments through February 1, 2021. A virtual public meeting will be

held on January 12, 2021 to solicit input. DRPT plans to present final recommendations to the CTB at its January meeting.

DRPT's Making Efficient and Responsible Investments in Transit (MERIT) grant application process for FY22 opened on December 1 and closes on February 1, 2021. DRPT hosted a virtual workshop on the FY 22 MERIT application cycle for local and regional public transportation agencies on December 1. An application schedule, presentation materials, and updated program application guidance are available on DRPT's Online Grant Administration (OLGA) website under the News & Information tab.

Finally the second meeting of the Virginia Passenger Rail Authority (VPRA) was held virtually on December 14. Meeting materials are available on the VPRA page of DRPT's website.

Agenda Item #11: Executive Director Report



TO: Chair Cristol and NVTC Commissioners

FROM: Kate Mattice

DATE: December 23, 2020

SUBJECT: Executive Director Report

A. Executive Director Newsletter

NVTC's <u>Executive Director Newsletter</u> provides updates on specific NVTC projects and programs and highlights items of interest at the federal and state levels and among partners such as the Transportation Planning Board (TPB) and the Northern Virginia Transportation Authority (NVTA).

This month the Executive Director Newsletter includes highlights of NVTC and PRTC's first virtual Legislative Briefing featuring Senators Tim Kaine and Mark Warner and attended by over 160 people; the publication of the 2020 NVTC Report on the Performance and Condition of WMATA; and the travel alternatives for the closure of Arlington Cemetery Station and the Blue Line, which starts in February 2021.

B. NVTC Financial Report

The November 2020 Financial Report is provided as information.



Executive Director Newsletter

January 2021

Most of us probably won't forget 2020, even though we might want to. As we turn the calendar page to another year, it's important to remember the real progress made in the last year. It started with one of the most transformative General Assembly sessions for transportation in a generation. Members passed a transportation omnibus bill aimed at streamlining Virginia's transportation funding allocation model and securing sustainable revenues for local transit operators, Metro and VRE.

Then came the COVID-19 pandemic, which forced changes in the way NVTC works, but it didn't stop us from moving forward on important priorities. We worked with our Northern Virginia jurisdictions to ensure financial relief in their required subsidies to Metro; spearheaded efforts to make sure NVTC and other government bodies could shift to virtual meetings, while ensuring transparency; and adapted our Commuter Choice program to changes in commuting patterns.

There were other bright spots. Along with our partners at PRTC, we hosted our most successful Legislative Briefing to date, featuring both of Virginia's U.S Senators and a record-setting audience. As of this writing, we are poring over Congress' second COVID relief bill to fully understand how it helps Metro and other public transit agencies in our region.

There's also reason for hope in the new year. Waves of COVID vaccinations may finally lead to the reopening of our workplaces, schools and the places we gather, boosting ridership on the trains and buses that literally make Northern Virginia's economy go. At NVTC we constantly have our eye on the future and making Northern Virginia's transportation network robust and reliable for everyone. Despite the hurdles that the pandemic presented, we keep our eyes on those goals. Here's to a brighter future and a happy new year!

John a Mothice

Inside This Issue

Legislative Briefing moves smoothly into virtual era Commuter Choice I-395/95 call for projects closes this month NVTC report presses Metro to encourage people to ride Metrorail and Metrobus Initial slate of Commuter Choice on the I-66 Corridor Round Four projects approved Metro budget public comment period opens soon 6 **NVTC** asks Congressional delegation for more transit aid Metro releases alternate travel plan for Arlington Cemetery Station, Blue Line closures NVTC joins regional agencies for annual public meeting 9 Commission approves key VRE resolutions 10 NVTC-led marketing campaign wins Virginia Transit Association award 11 Regional Rail Vision imagines improved Baltimore - Richmond connections 11

Northern Virginia Transportation Commission 2300 Wilson Blvd., Ste. 230 Arlington, VA 22201



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Key Dates

- Jan. 15 VRE Operations Board
- Jan. 18 Martin Luther King Day
- Jan. 20 Inauguration Day
- Jan. 21 NVTC WMATA Committee
- Feb. 4 Commission meeting
- March 4 Commission meeting

Legislative Briefing moves smoothly into virtual era

This year's NVTC-PRTC Legislative Briefing looked a bit different from past years as it moved online for the first time, but the change to a <u>virtual event</u> brought in Sens. Mark Warner and Tim Kaine and the biggest audience in the event's history. Over 160 people watched the more than two-hour briefing. Both of Virginia's senators discussed efforts at the federal level to provide more emergency relief money for public transit, as well as aid for state and local governments.

Virginia Transportation Secretary Shannon Valentine gave the keynote address, discussing the Commonwealth's efforts to keep projects on track with the goals of keeping people employed and aiding recovery from the COVID-19 pandemic. The briefing also included five panelists: Metro GM/CEO Paul Wiedefeld, VRE CEO Rich Dalton, PRTC Executive Director Bob Schneider, NVTA Executive Director Monica Backmon and NVTC Executive Director Kate Mattice. Each talked about the impact of the pandemic on our transit systems or organizations and legislative priorities. You can read more about NVTC's 2021 Legislative Agenda on our website.

If you missed the event, don't worry, you can watch it on YouTube anytime.





2020 NVTC-PRTC Legislative Briefing

- Welcome by NVTC Chair Katie Cristol
 PRTC Chair Margaret Franklin
- Special Message from Senator Mark Warner
- Keynote Address by Secretary Shannon Valentine
- Perspectives from Regional Transit Operators
 - Paul Wiedefeld, WMATA
 - · Rich Dalton, VRE
 - Bob Schneider, PRTC/Omniride
- Special Message from Senator Tim Kaine
- · Perspectives from Regional Transportation Organizations
 - Monica Backmon, NVTA
 Kate Mattice, NVTC
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#NoVaTransitBriefing @novatransit @prtctransit



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Commuter Choice I-395/95 call for projects closes this month

The Round Two (FY 2022-FY 2023) <u>call for projects</u> for Commuter Choice on the I-395/95 Corridor is open through Friday, January 29. Staff's new approach to engaging with prospective applicants – under which applicants provide conceptual, written project ideas so that the Commuter Choice team can provide targeted feedback on the ideas' alignment with program eligibility and goals – has been fruitful and should foster a diverse set of project proposals that align well with program requirements. The set of project applications will likely comprise a mixture of operations and capital projects, with anticipated toll payer benefits to be based on estimated performance in the opening year of the project or service. Given the COVID-19 public health emergency's lasting impacts to travel patterns in the region, anticipated benefits overall may be lower than in prior Commuter Choice funding rounds.

NVTC anticipates full funding of approximately \$30 million for the two-year program based on discussions with Transurban staff. The COVID-19 public health emergency has impacted overall traffic volumes and revenues in the 95 and 395 Express Lanes, where tolls are collected at all times, less than along I-66 Inside the Beltway where toll collection is peak-period, peak-direction.

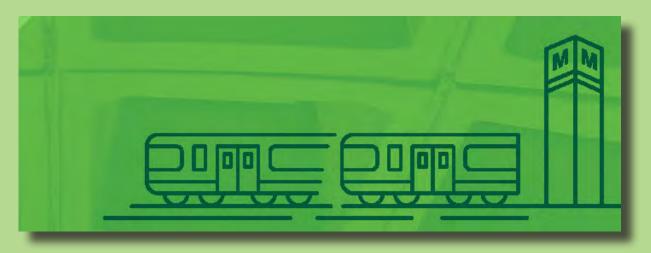


NVTC report presses Metro to encourage people to ride Metrorail and Metrobus

The Northern Virginia Transportation Commission (NVTC) <u>delivered</u> the 2020 Report on the Performance and Condition of the Washington Metropolitan Area Transit Authority (WMATA) to the governor and Virginia General Assembly in December, as required by law.

NVTC continues to press Metro to encourage riders to return to the system, align service to demand and work closely with our Northern Virginia transit operators to improve the efficiency of the bus transit network, all through the lens of the COVID-19 pandemic and the systemic challenges that will linger in the years ahead. The report also presents the last annual set of performance and condition data prior to the stay at home orders issued in the region and travel changes stemming from the COVID-19 pandemic.

The General Assembly requires NVTC to recommend potential strategies to Metro to reduce the growth in operating costs and to improve the efficiency of operations. NVTC's 2020 Annual Report on WMATA includes recommended strategies for Metro to become more financially sustainable and a more effective transit system and mobility provider by rebuilding ridership. Prior to the COVID-19 pandemic, Metro made significant progress in implementing several of NVTC's past recommendations and had seen promising signs that improvements in system reliability were rebuilding customer confidence and that rail and bus ridership were not just stable but increasing.

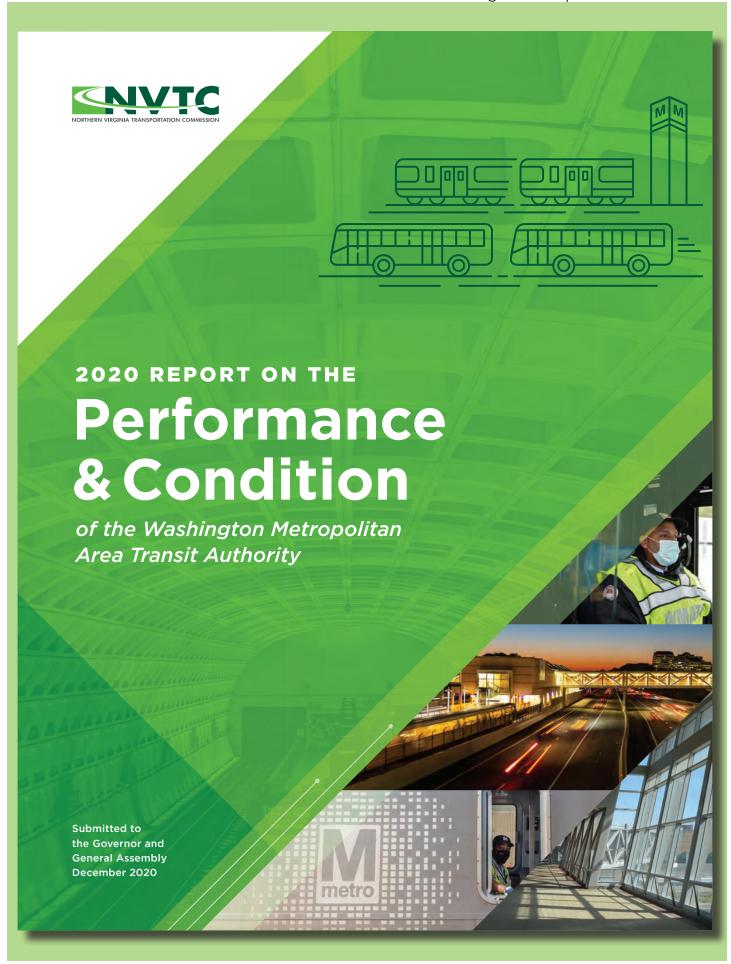


NVTC's 2020 recommendations to Metro

- Communicate and encourage a safe return to transit by highlighting and promoting enhanced safety efforts during the COVID-19 pandemic and developing a long-term, post-pandemic marketing and communications strategy to rebuild ridership.
- Adapt rail service to meet changing demands during the COVID-19 pandemic and the region's subsequent recovery period while maintaining an equitable, baseline level of service across all Metrorail lines.
- Leverage regional expertise to improve Northern Virginia's bus network by working with local and state partners to improve the efficiency of the bus network, support implementation of bus priority projects, improve bus speeds and optimize transit networks.
- Continue focus on ongoing initiatives to reduce the growth in operating costs and improve operational efficiencies using NVTC's previously recommended strategies in past annual reports on the performance and condition of WMATA.

Read the full report <u>here</u>.

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Initial slate of Commuter Choice on the I-66 Corridor Round Four projects approved

The Commonwealth Transportation Board unanimously approved the \$3.8 million Commuter Choice on the I-66 Corridor Initial (FY 2021) Round Four Program of Projects that the Commission adopted in October. The program includes six low-cost, low-risk projects that will provide robust benefits to I-66 Inside the Beltway toll payers and continuity for commuters - specifically continued operations of three existing OmniRide and Loudoun County Transit Commuter Choice-funded transit services as well as three small capital efforts to be carried out by Arlington County, the City of Fairfax and Fairfax County that will provide long-term benefits. While I-66 Inside the Beltway toll revenues remain well below budgeted levels, NVTC is able to support all but about \$60,000 of the program with available balances from carryover, projects completed under budget and interest earnings. NVTC will soon execute Standard Project Agreements with the five Initial Program funding recipients.

NVTC continues to work closely with Commonwealth partners to monitor trends in I-66 toll revenues. NVTC intends to advance a Supplemental (FY 2022) Round Four Program of Projects next spring that would draw from the five new transit services, new commuter incentives and larger capital efforts that were submitted to the Round Four call for projects and remain in consideration for funding. The Supplemental Program would be determined by the five proposals' application scores, based upon availability of funding and public comment.

Metro budget public comment period opens soon

Metro will begin the public comment period for its FY 2022 budget January 16. The agency faces an unprecedented revenue shortfall due to the COVID-19 pandemic. When Metro GM/CEO Paul J. Wiedefeld introduced the budget proposal, he noted that the agency faces a nearly \$500 million budget gap. The budget, as presented, assumes no additional federal funding, constrained



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jurisdictional subsides and ridership projected at 34% of normal. The budget proposal closes the gap through significant reductions in Metrorail and Metrobus service.

The proposed budget calls for operating Metrorail from 5 a.m. to 9 p.m. Monday through Friday, with trains arriving every 30 minutes and no weekend service. The Silver Line Phase 2 is budgeted to open during FY 2022, but it would only run from Ashburn to Ballston. Metro would also close the same 19 stations that shuttered during the early months of the pandemic. Metrobus service would preserve the core of the network to support basic travel while operated approximately 45% of prepandemic service. The proposal includes retaining five Metrobus lines in Northern Virginia to serve key corridors and essential trips.

The late December Congressional relief bill could mitigate some of the budget challenges, but requires additional analysis. NVTC's WMATA Committee will convene on January 21 and will discuss a draft letter of comments to WMATA on the FY 22 budget. The Commission will take action on the letter at its February meeting.

NVTC asks Congressional delegation for more transit aid

NVTC sent a <u>letter</u> to members of the Northern Virginia Congressional delegation asking for \$32 billion dollars in aid for transit agencies nationwide. While this years CARES Act provided a lifeline to Metro, VRE and other agencies, that money is running out. Metro officials regularly note that the agency relies on passenger fare revenue, which remains sharply down from normal levels. Metro Board members, including Virginia appointees Paul Smedberg and Matt Letourneau, are wrestling with a budget gap of nearly \$500 million for FY 2022. The letter also notes the importance of Metro and VRE to the economic health of Northern Virginia.



Metro releases alternate travel plan for Arlington Cemetery Station, Blue Line closures

Arlington Cemetery Station and the entire Blue Line will shut down in February for the next phase of Metro's Platform Improvement Project.

Metro will offer free shuttle bus service and other travel alternatives. Addison Road on the eastern side of the Blue and Silver Lines will also close from Saturday, February 13 through Sunday, May 23, to allow for construction. The around-the-clock closures allow Metro to minimize service impacts across the regional network and restore normal service faster than would otherwise be possible.

A shuttle bus will operate between Rosslyn, Arlington Cemetery and Pentagon Stations as part of the alternate travel plans. Full service details, shuttle bus information and other travel alternatives are available at wmata.com/platforms.



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To minimize the impact of construction at other stations, Metro is altering rail service patterns during construction February through May. Blue Line trains will not operate. Instead, additional Yellow Line trains will be provided between Franconia-Springfield and Mt. Vernon Square via the Potomac River bridge. Customers who normally take the Blue Line should allow additional travel time or consider bus alternatives.

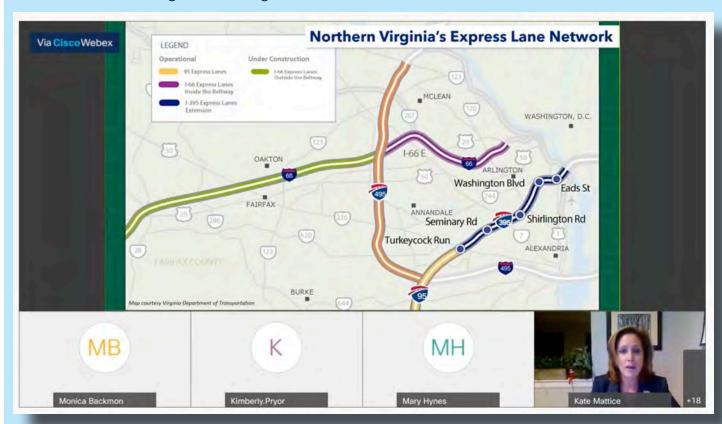
The work is part of Metro's multi-year Platform Improvement Project to reconstruct deteriorating platforms at 20 outdoor stations. The project is more than halfway complete, with platforms at the eleventh station, Reagan National Airport, now fully available for customer use as of December 13. Previously, six stations were completed the Blue and Yellow lines in 2019, and four stations were reconstructed on the Orange Line in 2020.

In addition to free shuttles that will operate between rail stations, Metro, in collaboration with regional officials and transportation agencies, is encouraging customers to consider regular-route bus service offered by Metrobus, Arlington Transit, and Fairfax Connector.

After two years of conducting shutdown calls and coordination, NVTC's Matt Cheng is supporting coordination efforts during the last platform project in Virginia.

NVTC joins regional agencies for annual public meeting

Executive Director Kate Mattice shared updates on our Commuter Choice program as part of a five-agency public meeting, as required by Virginia law. Nearly a hundred people watched the two-hour meeting online. It included VDOT, DRPT, VRE, NVTA and NVTC. The once-a-year event moved online due to the pandemic and was authorized by a budget amendment signed by Gov. Ralph Northam in November. The law gives members of the public a one-stop place to hear about projects managed by each of the participants. The public also had the opportunity to provide comments by voicemail, web form or live during the meeting.



Commission approves key VRE resolutions

In its role as co-owner of Virginia Railway Express (VRE), the Commission approved two key resolutions in December regarding the newly established Virginia Passenger Rail Authority (VPRA).

The VRPA will be responsible for promoting, sustaining, and expanding the availability of passenger and commuter rail service in the Commonwealth. Once fully operational, the new authority will assume all administrative and fiduciary responsibilities for Virginia's state-supported passenger rail services, including the current six daily roundtrip Amtrak Northeast Regional services originating in Roanoke, Norfolk, Newport News, and Richmond. The VPRA will also provide funding to Virginia Railway Express (VRE), which will continue to operate commuter rail service in northern Virginia. Moving forward, the VPRA will also administer all capital expansion projects, infrastructure and land acquisitions related to Gov. Ralph Northam's \$3.7 billion Transforming Rail in Virginia initiative, which will double Amtrak and VRE service in Virginia over the next decade.

- The Passenger Rail Operations and Access Agreement includes provisions to enable VRE trains
 to operate on right-of-way acquired by the Commonwealth of Virginia from CSX Transportation
 (CSXT); to provide the right for VRE to manage VRE station facilities located in the right-ofway; and to increase VRE service once planned improvements within the railroad corridor are
 completed.
- The Passenger Rail Improvements and Funding Agreement includes provisions for the two Commissions (NVTC and PRTC) to fund a portion of the planned improvements and the purchase of real property for right-of-way acquired by the Commonwealth from CSXT. The Commissions will utilize Commuter Rail Operating and Capital (CROC) funds for both a debt issuance and on a pay-as-you-go (PAYGO) basis as the source of the funding commitment. Once complete, the planned improvements will allow a significant increase in VRE service.



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NVTC-led marketing campaign wins Virginia Transit Association award

The Virginia Transit Association presented NVTC with the award for Outstanding Marketing Campaign during a virtual ceremony in December. NVTC partnered with local bus and rail systems for the first-ever joint transit marketing campaign in Northern Virginia in 2019. The campaign, known as NoVaRides, launched following the first summer-long shutdown of six Metrorail stations and encouraged commuters to ride public transportation. The NoVaRides campaign overperformed in multiple metrics.





Regional Rail Vision imagines improved Baltimore - Richmond connections

The Greater Washington Partnerships released the <u>Capital Region Rail Vision</u> in December. The Vision presents a 25-year strategy to remove key physical and operating barriers to provide residents a more coordinated, integrated, and competitive rail service. In achieving the Vision, the region's rail operators, elected officials, unions, employers, and riders will realize increased access to jobs, education and our rich natural and cultural assets.

While the Capital Region's rail network is superior to many domestic peer regions, the ability to realize its full potential is out of reach because many of our rail assets are far beyond their useful life and the operations are not organized to meet the travel needs of the region's families and employers. This leaves too many areas of the region underserved and without access to rail service outside of peak weekday commuting periods. The Vision's key goals and outcomes include:



Goals

- Enhance Regional Economic Competitiveness and Collaboration
- Ensure Inclusive Growth
- Expand Access to Moderate and Affordable Housing

Outcomes

- Bi-directional run-through service on all MARC & VRE lines
- Expand service to provide all-day service on all MARC & VRE lines; 15-minutes or more frequent peak period weekday service at core stations; 1-hour or less midday and weekend service
- Seamless ridership experience through a unified fare policy and brand
- Superior operational coordination across rail providers

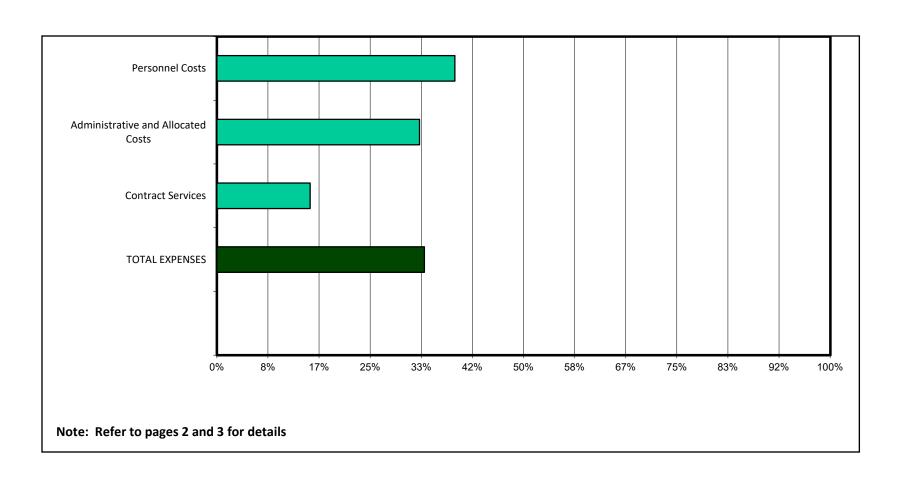
NVTC Executive Director Kate Mattice sits on the advisory committee for the project.

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Northern Virginia Transportation Commission

Financial Reports
November 2020

Percentage of FY 2021 NVTC Administrative Budget Used November 2020 (Target 41.7% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION G&A BUDGET VARIANCE REPORT November 2020

Paragraph Contr	Current <u>Month</u>	Year <u>To Date</u>	Annual <u>Budget</u>	Balance <u>Available</u>	Balance <u>%</u>	
Personnel Costs	\$ 153,874.30	ć 700 130 66	ć 2.041.700.00	ć 12F1F6024	61 30/	
Salaries and Wages Temporary Employee Services	\$ 153,874.30	\$ 790,130.66	\$ 2,041,700.00	\$ 1,251,569.34	61.3%	
Total Personnel Costs	153,874.30	790,130.66	2,041,700.00	1,251,569.34	61.3%	
Total Personnel Costs	155,674.50	790,130.00	2,041,700.00	1,251,509.54	01.5%	
<u>Benefits</u>						
Employer's Contributions:						
FICA	8,931.51	53,661.02	140,100.00	86,438.98	61.7%	
Group Health Insurance	12,021.79	58,983.54	176,600.00	117,616.46	66.6%	
Retirement	20,110.00	81,150.00	174,000.00	92,850.00	53.4%	
Workmans & Unemployment Compensation	136.00	680.00	5,100.00	4,420.00	86.7%	
Life Insurance	286.63	2,243.84	6,800.00	4,556.16	67.0%	
Long Term Disability Insurance	881.41	4,271.47	10,000.00	5,728.53	57.3%	
Total Benefit Costs	42,367.34	200,989.87	512,600.00	311,610.13	60.8%	
Administrative Costs						
Commissioners Per Diem	1,050.00	6,000.00	14,600.00	8,600.00	58.9%	
Rents:	30,426.93	151,927.20	393,400.00	241,472.80	61.4%	
Office Rent	30,372.63	151,863.15	366,000.00	214,136.85	58.5%	
Parking & Transit Benefits	54.30	64.05	27,400.00	•	99.8%	
Parking & Transit benefits	54.50	04.05	27,400.00	27,335.95	99.6%	
Insurance:	1,110.79	2,753.95	6,800.00	4,046.05	59.5%	
Public Official Bonds	700.00	700.00	2,000.00	1,300.00	65.0%	
Liability and Property	410.79	2,053.95	4,800.00	2,746.05	57.2%	
Travel:	47.29	1,544.53	44,600.00	43,055.47	96.5%	
Conference / Professional Development	47.29	1,206.09	27,100.00	25,893.91	95.5%	
Non-Local Travel	-	-	3,100.00	3,100.00	100.0%	
Local Travel, Meetings and Related Expenses	-	338.44	14,400.00	14,061.56	97.6%	

NORTHERN VIRGINIA TRANSPORTATION COMMISSION G&A BUDGET VARIANCE REPORT November 2020

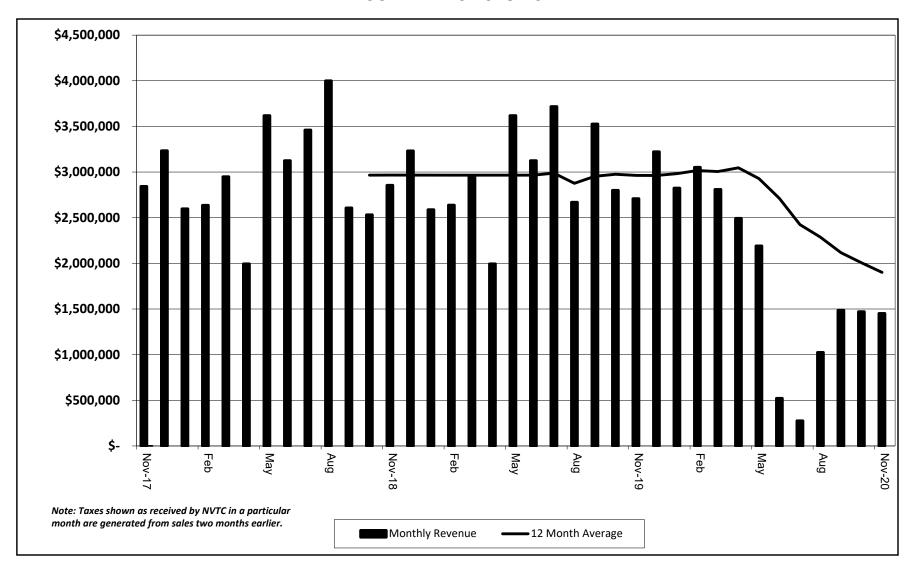
	Current	Year	Annual	Balance	Balance
	<u>Month</u>	To Date	<u>Budget</u>	<u>Available</u>	<u>%</u>
Communication:	1,090.84	5,933.06	15,500.00	9,566.94	61.7%
Postage	-	453.46	1,400.00	946.54	67.6%
Telephone and Data	1,090.84	5,479.60	14,100.00	8,620.40	61.1%
Publications & Supplies	932.47	3,336.48	28,700.00	25,363.52	88.4%
Office Supplies	26.47	140.12	2,800.00	2,659.88	95.0%
Duplication and Paper	406.00	2,696.36	10,900.00	8,203.64	75.3%
Public Engagement	500.00	500.00	15,000.00	14,500.00	96.7%
Operations:	2,653.85	6,998.66	37,500.00	30,501.34	81.3%
Furniture and Equipment (Capital)	-	-	13,600.00	13,600.00	100.0%
Repairs and Maintenance	-	50.00	1,000.00	950.00	95.0%
Computer Operations	2,653.85	6,948.66	22,900.00	15,951.34	69.7%
Other General and Administrative:	559.12	3,453.15	9,600.00	6,146.85	64.0%
Memberships	80.75	897.47	1,600.00	702.53	43.9%
Fees and Miscellaneous	478.37	2,555.68	6,500.00	3,944.32	60.7%
Advertising (Personnel/Procurement)	-	-	1,500.00	1,500.00	100.0%
Total Administrative Costs	37,871.29	181,947.03	550,700.00	368,752.97	67.0%
Contracting Services					
Auditing	9,500.00	9,500.00	24,500.00	15,000.00	61.2%
Contract Services and Support - Commuter Choice	37,156.65	47,926.21	479,000.00	431,073.79	90.0%
Contract Services and Support - Other	5,583.33	28,116.66	120,000.00	91,883.34	76.6%
Legal	2,916.67	14,583.35	35,000.00	20,416.65	58.3%
Total Contract Services	55,156.65	100,126.22	658,500.00	558,373.78	84.8%
Total Gross G&A Expenses	\$ 289,269.58	\$ 1,273,193.78	\$ 3,763,500.00	\$ 2,490,306.22	66.2%
iotai Gross G&A Expenses	\$ 289,269.58	\$ 1,2/3,193./8	\$ 3,/63,500.00	\$ 2,490,306.22	66.2%

November 2020					Virginia LGIP			
Date	Payer / Payee	Purpose	Wells Fargo Checking	Wells Fargo Savings	NVTC G&A / Project	Commuter Choice		Trusts
	RECEIPTS							
3	DMV	Motor Vehicle Fuels Sales tax					\$	1,470,035.29
3	DMV	C-ROC			1,250,000.00		•	
4	DRPT	Capital grants receipts - Arlington			, ,			102,208.00
4	DRPT	Technical assistance - Fare collection project			17,844.00			•
12	DRPT	Capital grant receipt - VRE			462,765.00			
17	DRPT	Capital grant receipt						23,364.00
19	DRPT	Operating assistance - Alexandria						1,042,084.00
20	DRPT	Capital grant receipt						53,075.00
23	DRPT	Capital and operating assistance - WMATA						13,251,467.00
27	DRPT	Capital grant receipt						141,235.00
25	DRPT	Capital grant receipt - Fairfax						544,000.00
30	Banks	Investment earnings		7.29	67.78	4,571.83		20,839.43
				7.29	1,730,676.78	4,571.83		16,648,307.72
	DISBURSEMENTS							
1-30	Various	G&A expenses	(214,813.54)					
3	VRE	C-ROC			(1,250,000.00)			
12	VRE	Grant revenue			(462,765.00)			
18	Sagetopia	Commuter Choice outreach	(9,182.03)					
18	Stantec	Consulting - NTD collection project	(17,045.30)					
18	Kimley-Horn	Consulting - Fare collection project	(15,976.59)					
18	Kimley-Horn	Consulting - Commuter Choice technical	(6,439.37)					
18	SIR	Commuter Choice outreach	(21,251.25)					
30	Banks	Service charges	(55.74)	(19.53)				
			(284,763.82)	(19.53)	(1,712,765.00)			
	TRANSFERS							
18	Transfer	From LGIP to checking	250,000.00		(250,000.00)			
	Transfer	From LGIP to LGIP (NTD collection project)	,		17,045.30			(17,045.30)
		, , , , , , , , , , , , , , , , , , , ,	250,000.00	-	(232,954.70)	-		(17,045.30)
	NET INCREASE (DECREASE) FOR MONTH		\$ (34,763.82)	\$ (12.24)	\$ (215,042.92)	\$ 4,571.83	\$	16,631,262.42
			, (2.7, 23.02)	. \==-2 ./		. ,		, ,

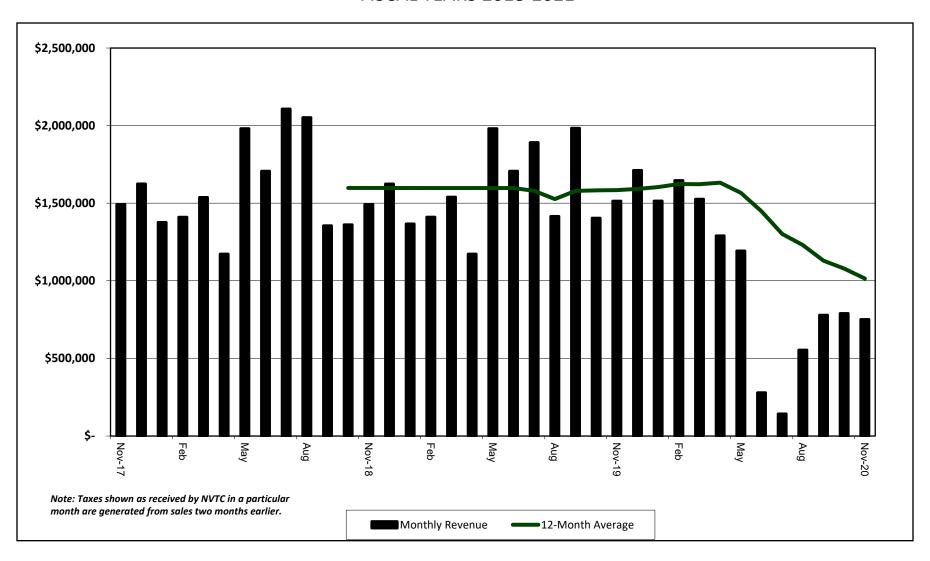
NVTC
INVESTMENT REPORT
November 2020

					Balance				
Туре	Rate	Balance 10/31/2020	Increase (Decrease)	Balance 11/30/2020	NVTC G&A/Project	Commuter Choice	Jurisdictions Trust Fund	Loudoun Trust Fund	
Cash Deposits									
Wells Fargo: NVTC Checking	N/A	\$ 163,196.12	\$ (34,763.82)	\$ 128,432.30	\$ 128,432.30	\$ -	\$ -	\$ -	
Wells Fargo: NVTC Savings	0.010%	55,583.25	(12.24)	55,571.01	55,571.01	-	-	-	
<u>Investments</u>									
Bank of America: Virginia Local Government Investment Pool	0.153%	197,219,521.86	16,420,791.33	213,640,313.19	390,188.91	36,289,201.67	135,664,173.50	41,296,749.11	
		\$ 197,438,301.23	\$ 16,386,015.27	\$ 213,824,316.50	\$ 574,192.22	\$ 36,289,201.67	\$ 135,664,173.50	\$ 41,296,749.11	

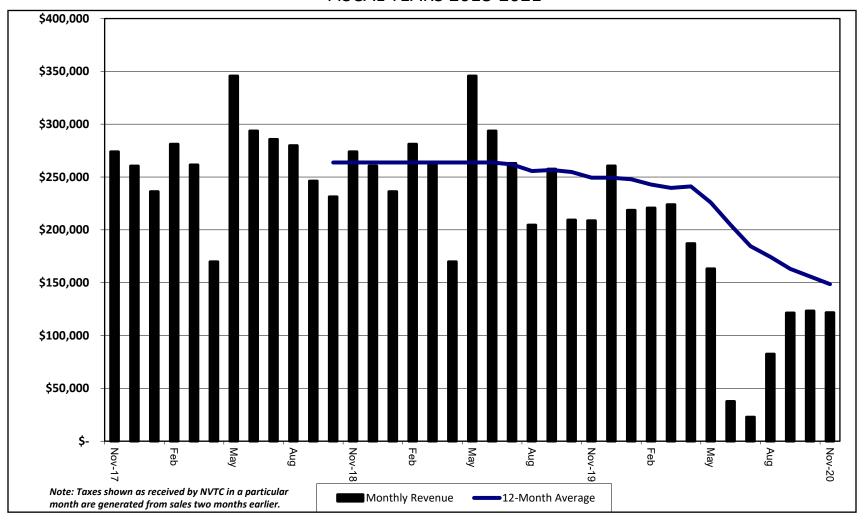
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2018-2021



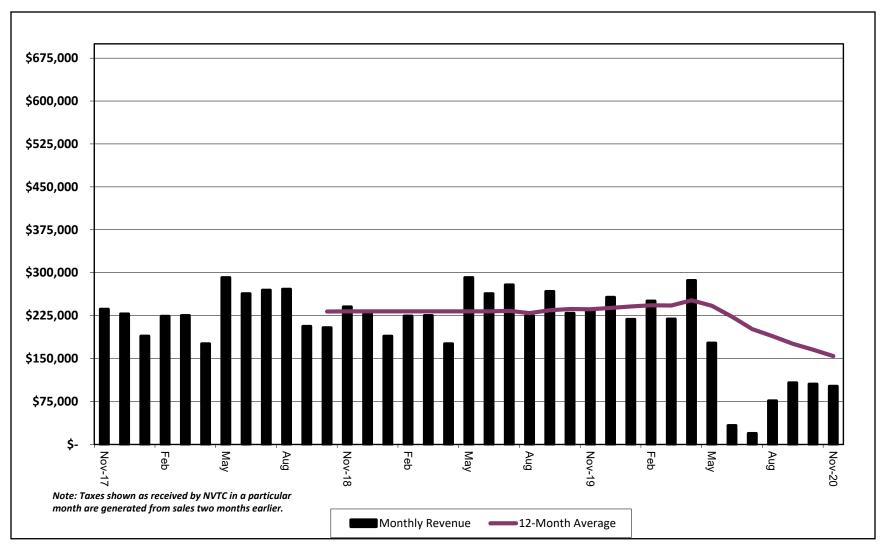
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2018-2021



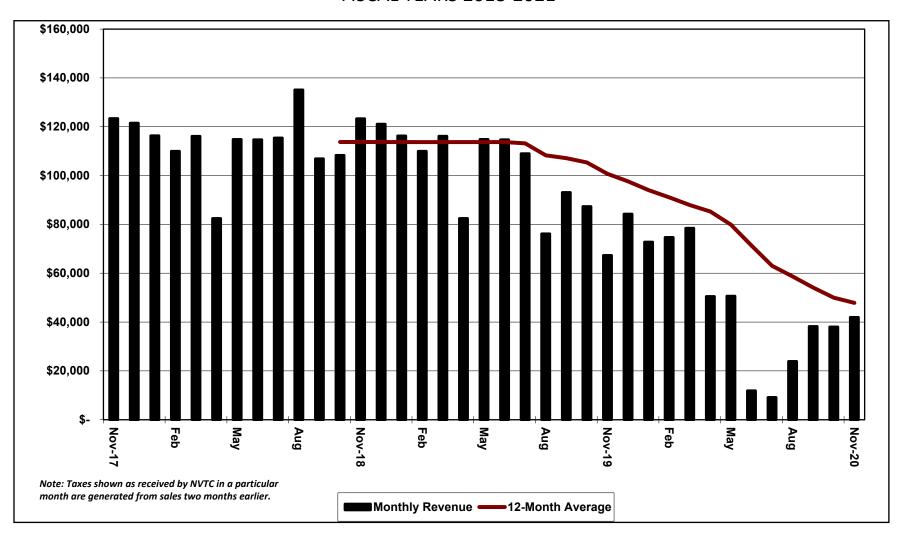
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2018-2021



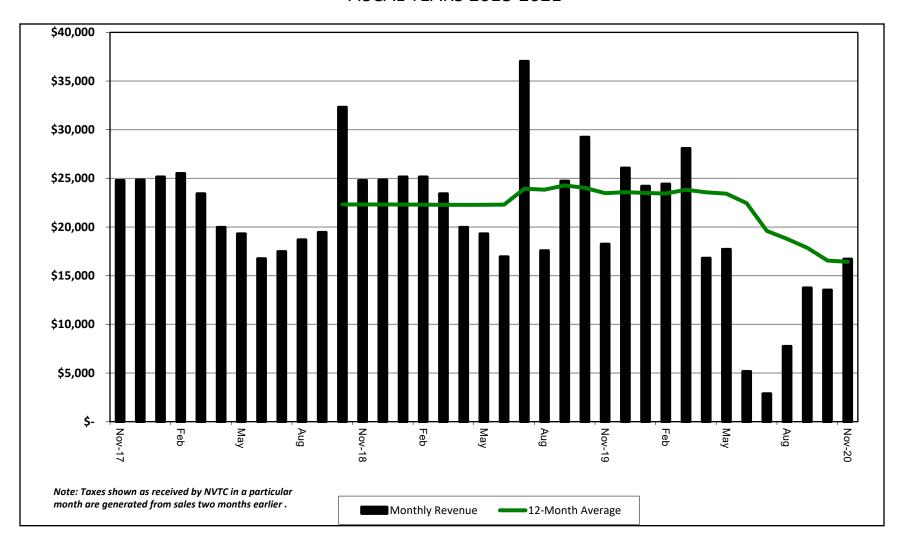
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2018-2021



NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2018-2021



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2018-2021



NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2018-2021

