



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	<u>\$ 96,198,922</u>
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	<u>\$ 71,283,079</u>
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 7th day of January 2021.



Katie Cristol
Chair



Dalia Palchik
Secretary-Treasurer