

January 10, 2022

Executive Director's Report

www.drpt.virginia.gov/vpra/board-meeting/



Executive Director Update

DJ Stadtler, Executive Director, VPRA



VPRA Administrative Updates

- Negotiations for the second Roanoke train and the extension to the New River Valley are ongoing with Norfolk Southern.
- Survey for New River Valley station location released on Dec. 22. Survey asked for public input regarding four possible sites on or adjacent to the Virginian Line that VPRA is purchasing from NS.
- Amtrak CEO William Flynn, who has led the organization since April 2020, will retire effective Jan. 17, and current president Stephen Gardner will succeed him. Gardner, president since Dec. 1, 2020, and the lead negotiator on Amtrak's \$944 million contribution to the CSX Agreement, has been leading the railroad's day-to-day operations, customer growth initiatives and strategies to modernize Amtrak's products, services, infrastructure and fleet.
- Amtrak rolling back vaccine mandate and now reinstating testing option for unvaccinated employees. Amtrak also granting testing option as a religious accommodation.
 - Amtrak has approximately 17,000 active employees and vaccination rate is now over 97% (those with at least 1 shot).



VPRA Administrative Updates (Continued)

Staffing

- Current Employee Count: 14 FTEs
- Current Openings: 10 FTEs
- Offers Accepted: 4
- Outstanding Offers: 2
- Positions filled as of 12/31/21: ~20 FTEs

December Hiring Activities

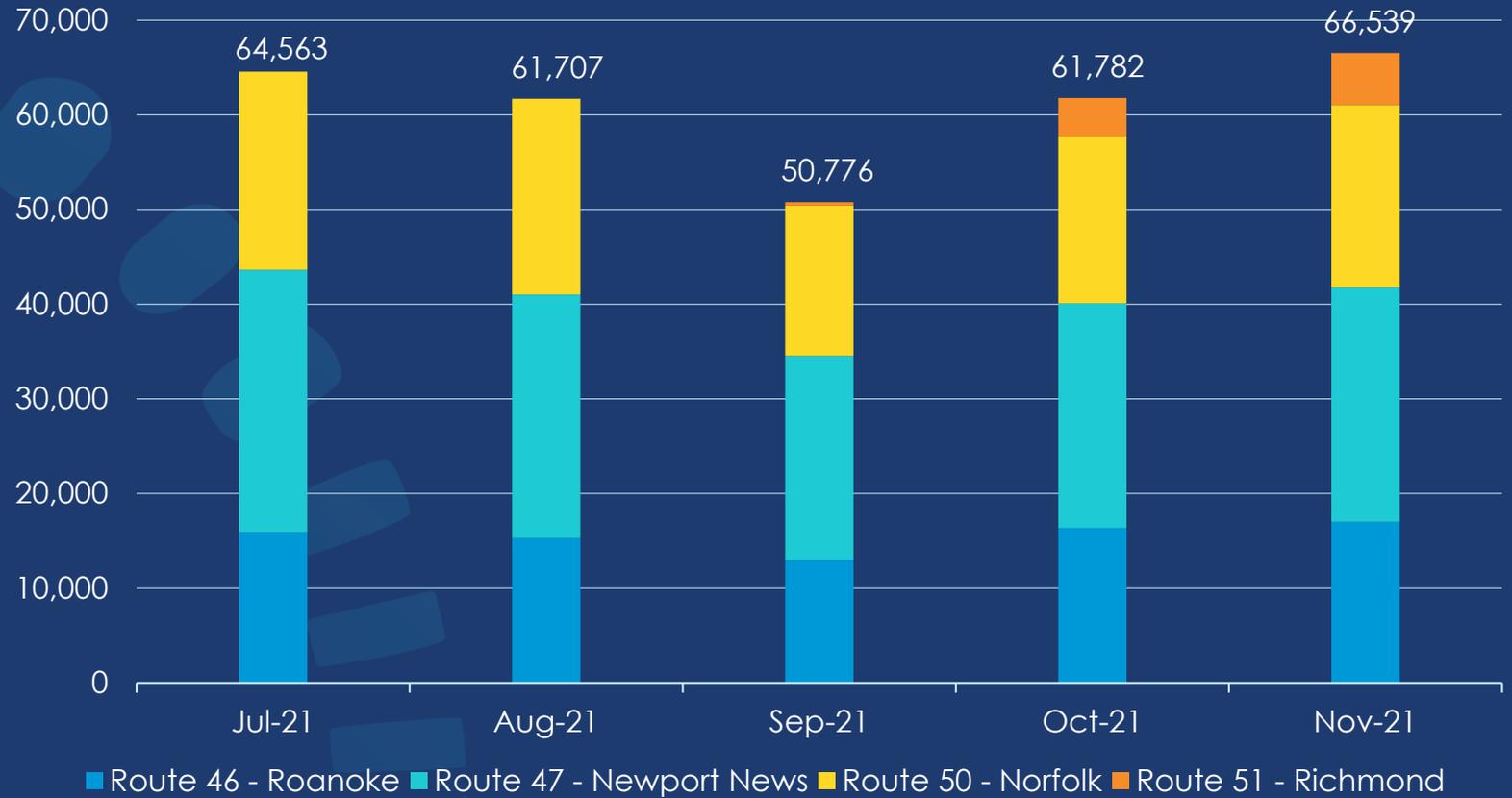
- Director of External Affairs candidate accepted and starts in March 2022.
- Director of Program Oversight candidate accepted and starts in January 2022.
- Planning Manager candidate accepted and starts in mid 2022.
- Project Engineer candidate accepted and starts in January 2022.
- Interviews continue to be held for multiple positions.



State-Supported FY-22 Monthly Ridership

- Ridership grew by 7.7% in November (+4,757) compared to the previous month.
- This monthly positive change is in line with an average increase in ridership between 8-11% between October and November in the years prior to the start of the COVID pandemic.
- For the week ending December 20, Y-o-2Y 7 day moving average for Virginia bookings was down 8%. By comparison, Amtrak system wide bookings during that same period were down 25%.

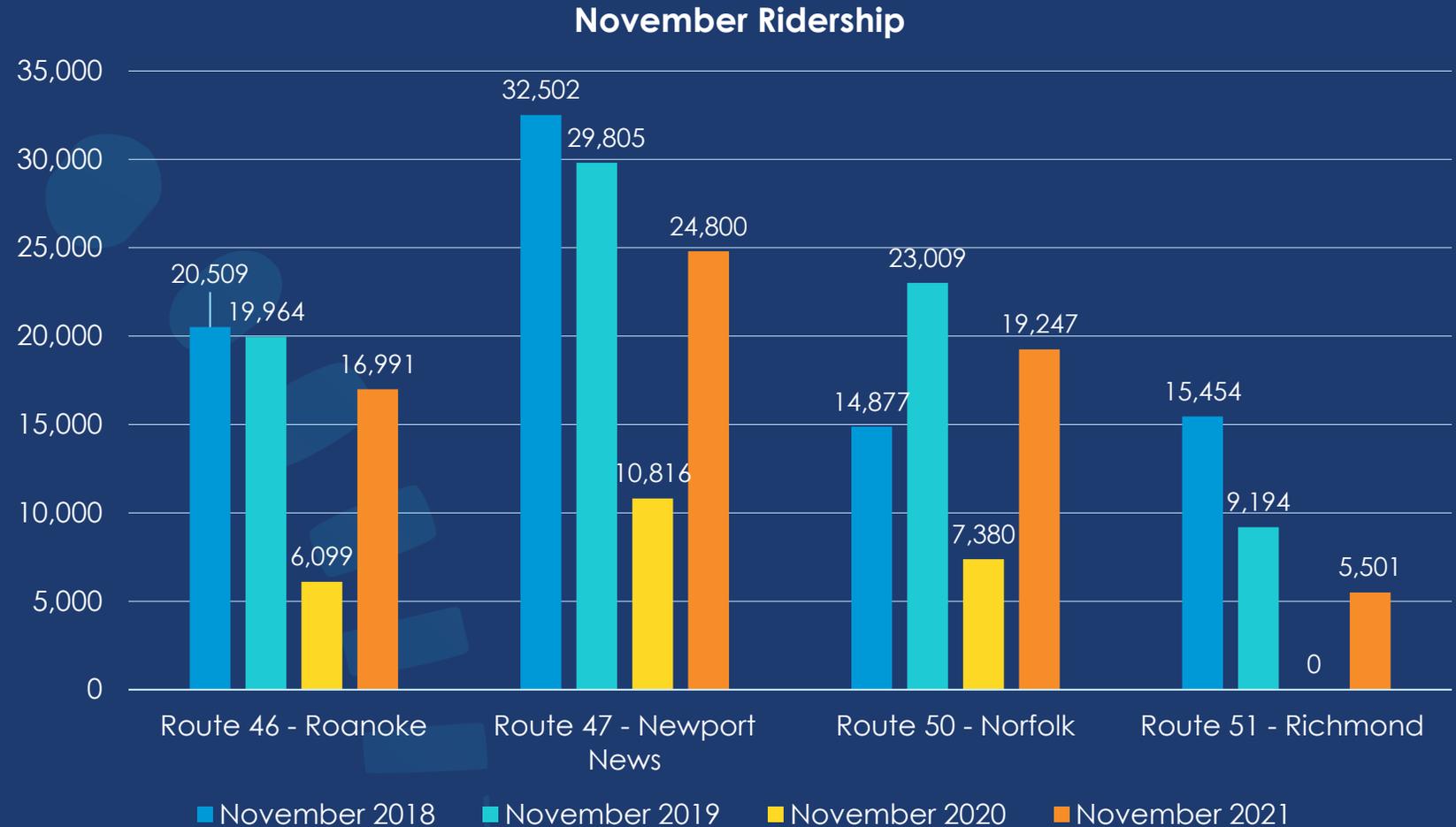
Virginia FY22 State Supported Monthly Ridership



Route	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
Route 46 - Roanoke	15,903	15,280	13,026	16,358	16,991
Route 47 - Newport News	27,722	25,733	21,524	23,735	24,800
Route 50 - Norfolk	20,938	20,694	15,852	17,649	19,247
Route 51 - Richmond	0	0	374	4,040	5,501
Total	64,563	61,707	50,776	61,782	66,539

November Ridership Comparison: Year-over-Year

- Virginia ridership in November 2021 was down 18.8% compared to November 2019 (pre-pandemic) but was more than double of November 2020.
- 2nd Norfolk roundtrip had not started in November 2018, but it was operational in November 2019. Richmond Route 51 was not operational in November 2020 due to pandemic related service cuts.

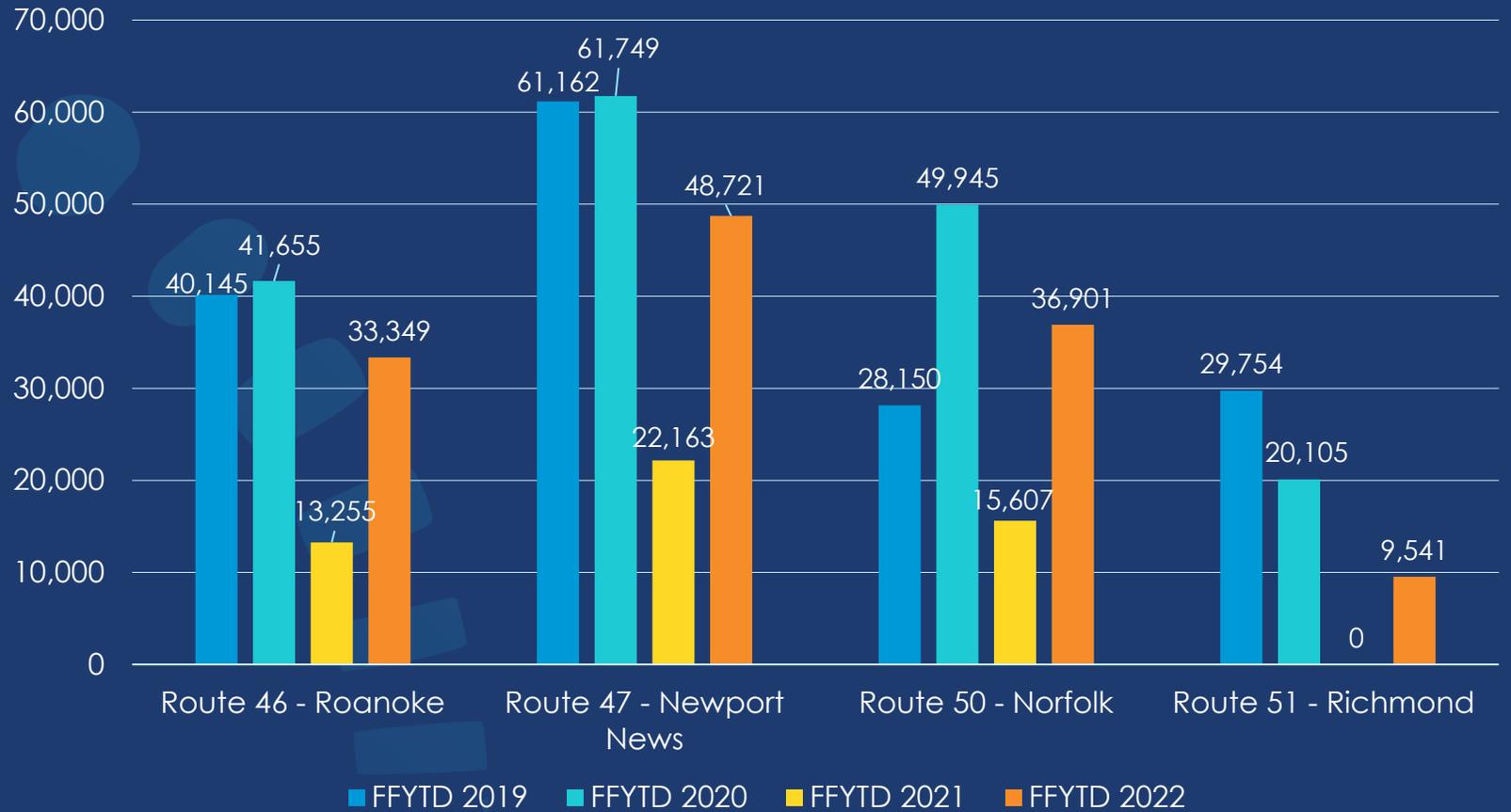


Route	November 2018	November 2019	November 2020	November 2021	Nov 2021 vs 2018	Nov 2021 vs 2019	Nov 2021 vs 2020
Route 46 - Roanoke	20,509	19,964	6,099	16,991	-17.2%	-14.9%	178.6%
Route 47 - Newport News	32,502	29,805	10,816	24,800	-23.7%	-16.8%	129.3%
Route 50 - Norfolk	14,877	23,009	7,380	19,247	29.4%	-16.4%	160.8%
Route 51 - Richmond	15,454	9,194	0	5,501	-64.4%	-40.2%	-
Total	83,342	81,972	24,295	66,539	-20.2%	-18.8%	173.9%

Federal Fiscal Year-to-Date (FFYTD) Ridership: (Oct-Nov)

- FFY22 YTD ridership in November for Virginia supported Amtrak service was 19.3% lower compared to FFY19 (pre-pandemic). 2nd Norfolk route had not begun service in November of FFY19.
- FFY22 YTD ridership** in November for Virginia supported Amtrak service was 25.9% lower compared to FFY20 (pre-pandemic) **but was more than double of last year (FFY21)**.
- Please note following pandemic service details: FFY2020 had five pre-pandemic ridership months. Second round-trip trains for both Newport News and Norfolk routes were suspended from April 2020 to September 2020. Richmond Route 51 was not operational from April 2020 to September 26, 2021.

Virginia Supported Amtrak Ridership (FFYTD October-November)

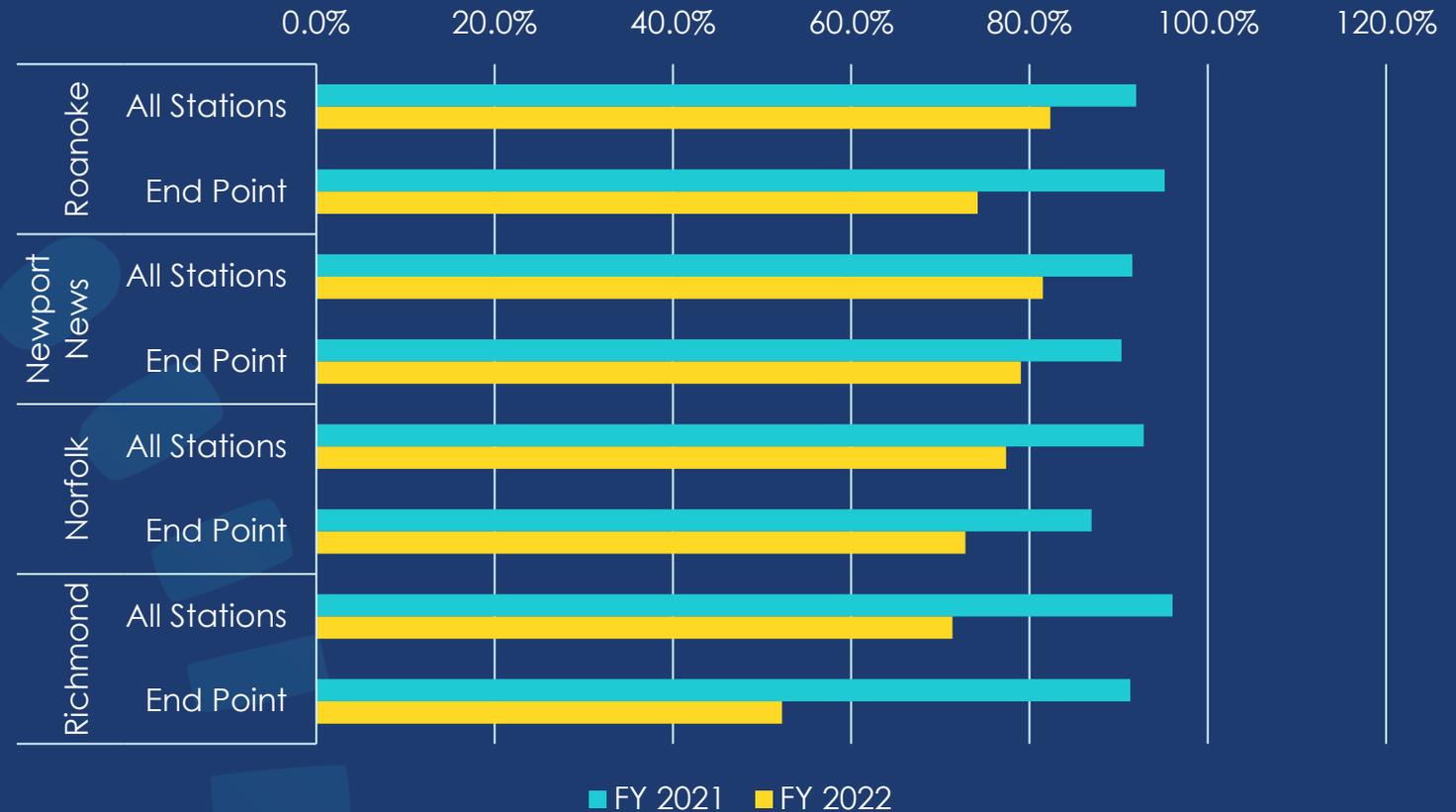


Route	FFYTD 2019	FFYTD 2020	FFYTD 2021	FFYTD 2022	FFYTD 2022 vs 2019	FFYTD 2022 vs 2020	FFYTD 2022 vs 2021
Route 46 - Roanoke	40,145	41,655	13,255	33,349	-16.9%	-19.9%	151.6%
Route 47 - Newport News	61,162	61,749	22,163	48,721	-20.3%	-21.1%	119.8%
Route 50 - Norfolk	28,150	49,945	15,607	36,901	31.1%	-26.1%	136.4%
Route 51 - Richmond	29,754	20,105	0	9,541	-67.9%	-52.5%	-
Total	159,211	173,454	51,025	128,512	-19.3%	-25.9%	151.9%

Federal Fiscal Year-to-Date (FFYTD) (October 2021) On-Time Performance

- Host responsible delays such as freight, passenger and commuter train interference and speed restriction due to defect/slow orders were some of the major factors affecting OTP in October 2021.
- FFYTD FY22 All Station average OTP for Virginia routes was ~83%, compared to an average of ~80% in the last five years.
- Passenger, commuter and freight rail traffic was higher in 2021 compared to 2020. Virginia supported Amtrak service was restored to 100% of pre-pandemic level on September 27, 2021, and all Amtrak Long Distance trains were restored to daily service in June 2021. VRE service was fully restored in June 2021 as well.

Year-to-Date (October) On Time Performance



		October 2020	October 2021	FY 2021	FY 2022
Roanoke	All Stations	92.0%	82.3%	92.0%	82.3%
	End Point	95.2%	74.2%	95.2%	74.2%
Newport News	All Stations	91.5%	81.5%	91.5%	81.5%
	End Point	90.3%	79.0%	90.3%	79.0%
Norfolk	All Stations	92.8%	77.4%	92.8%	77.4%
	End Point	87.0%	72.8%	87.0%	72.8%
Richmond	All Stations	96.0%	71.4%	96.0%	71.4%
	End Point	91.3%	52.2%	91.3%	52.2%

Note: Amtrak trains are considered on time if arrival at the endpoint is within 15 minutes of scheduled arrival time.



Capital Project Updates



Capital Projects Update: RF&P Corridor

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
New Long Bridge for Passenger Rail	\$2 B	2030	VPRA	■	●	■			Stakeholder meetings underway, discussions with DDOT regarding a MOA and funding opportunities continue. Survey & geotechnical work in process. 30% design ongoing.
Alexandria Fourth Track	\$164	2025	CSX	■	■	■	●		Alexandria 4th Track design agreement executed August 2, 2021. NTP issued for CSX final design November 11, 2021 - kickoff meeting held Dec 14, 2021. VPRA working with stakeholders to incorporate Amtrak Crystal City Station. Early works crash wall project construction complete November 5, 2021; VPRA working to obtain invoicing from VDOT for reimbursement.
Franconia to Lorton Third Mainline	\$208	2025	CSX	●		■			Project Authorization Notice with CSXT executed in late December.
Franconia-Springfield Bypass	\$298	2026	VPRA	●		■			Negotiations for preliminary engineering (30% design) in final stages.
Railroad Bridge over Newington Road	\$38	2025	CSX	●		■			Newington bridge project being incorporated into Franconia-Lorton project.
Railroad Bridge over Route 1	\$49	2025	CSX	●		■			VDOT funding for Rt. 1 project included in SYIP.

Capital Projects Update: RF&P Corridor (Continued)

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
Potomac Creek Third Track (Siding A)	\$108	2025	CSX	●	■				Draft Project Authorization Notices with CSXT targeted Spring 2022.
Woodford to Milford Third Track (Siding B)	\$67	2025	CSX	●	■				Draft Project Authorization Notices with CSXT targeted Fall 2022.
Hanover Third Track (Siding C)	\$59	2025	CSX	●	■				Draft Project Authorization Notices with CSXT targeted Fall 2023.
Neabsco Creek to Woodbridge Third Track (Siding D)	\$91	2030	CSX	●	■				No Update - Phase 2 Project
Aquia Creek Third Track South (Siding E)	\$53	2028	CSX	●	■				No Update - Phase 2 Project
Crossroads Third Track (Siding F)	\$93	2030	CSX	●	■				No Update - Phase 2 Project

Capital Projects Update: Western Rail Initiative

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
Nokesville to Calverton	\$50M	2025	NS	●					7 miles of double track. LONP signed on June 9, 2021.
Roanoke West Yard	\$35M	2025	NS	●					Bypass Track. LONP signed on June 9, 2021.
Salem to Christiansburg	\$50M	2025	VPRA	●					Planning and feasibility study for station location by consultants continues. Community outreach began December 22, 2021 and is expected to be complete by Feb 2022.

Note: Project costs will be added to VPRA budget once definitive agreements between VPRA and Norfolk Southern are finalized; LONP = Letter of No Prejudice

- Definitive agreement negotiations for the Western Rail Initiative are ongoing.

Capital Grants Update: Other Major Construction Projects

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
L'Enfant Fourth Track	\$80*	2028	VRE	●					*VRE led project, \$22M from VPRA financial plan. VRE is working on survey and developing alternatives for the Environmental process.
Arkendale to Powell's Creek	\$101*	2022	CSX	■	■	■	■	●	3 rd track construction. \$74.8M Federal ARRA Grant expended in 2017. *\$26.6M State Commonwealth Rail Funds. Construction 83% complete. CSX to begin signal construction for entire length of project and track work from Possum Pt. to North Possum Pt., completion estimated in first quarter of 2022.
Quantico Station	\$24	2023	VRE	■	■	■	■	●	Quantico Station improvements part of Arkendale 3 rd Track Project. VRE will construct passenger elements and CSX will construct track. \$24M in State SmartScale and Commonwealth Rail Funds. NTP issued by VRE to contractor on July 8, 2021. Estimated completion December 2023.
Newport News Station	\$44*	2022	City of NPN	■	■	■	■	●	Relocation and construction of new multimodal transportation center on Bland Boulevard. *\$20.5M from VPRA financial plan. Construction 40% complete. Utilities and grading work substantially complete, track construction underway and Amtrak storage and maintenance facility construction underway.

CD = Conceptual Design; PE = Preliminary Engineering; EC = Environmental Clearance; FD = Final Design; CN = Construction
 ■ = Complete ● = Ongoing ▲ = On Hold

Contracting Updates

Budget Component	Month	Project	Vendor/Grantee	Project Descriptions	Amount
Capital Projects	November	CSX Transaction	AECOM	CSX Transaction - S-Line Corridor Survey Work	\$3,403,278
Administrative Projects	December	Admin	Mercer	Compensation Study	\$90,000

Financial Updates



VPRA Financial Report – November FY22

Budget Component (\$ in millions)	FY22 Budget	FY22 Pro Rata Budget	FY22 YTD Actual	Variance	
				Amount	%
Operations	\$51.2	\$21.3	\$2.7	\$18.6	87%
Capital Projects	321.1	250.6	203.7	46.9	19%
Capital Grants	80.4	33.6	1.0	32.6	97%
Total	\$452.7	\$305.5	\$207.4	\$98.1	32%

Operations Budget – FY2022

- Federal stimulus funds of \$2.5M have been applied year to date as credits to the monthly Amtrak operations invoices.
- Revenue from operations has recovered at a faster rate than previously anticipated.

Project Description (\$ in Millions)	FY22 Budget	FY22 Pro Rata Budget	FY22 YTD Actuals	Variance
Administration	\$5.2	\$2.1	\$1.2	\$0.9
Passenger Service				
Operations	40.0	16.7	-	16.7
Capital Equipment	5.1	2.1	1.1	1.0
Subtotal	45.1	18.8	1.1	17.7
Marketing	0.9	0.4	0.4	-
Total Operating	\$51.2	\$21.3	\$2.7	\$18.6

Administrative Budget – FY2022

Category	FY22 Budget	FY22 Pro Rata Budget	FY22 YTD Actuals	Variance
Payroll	\$3,423,000	\$1,426,250	\$807,972	\$618,278
Training Travel Other	138,700	57,792	6,631	51,161
Office Functions	12,300	5,125	-	5,125
Outside Support Services	531,000	221,250	191,908	29,342
Information Technology	904,000	376,667	96,927	279,740
Office Building & Related	157,000	65,417	129,264	(63,847)
Total	\$5,166,000	\$2,152,501	\$1,232,702	\$919,799

- The office rent was paid for the full year as required by the lease.
- Payroll costs should increase significantly in the coming months as the onboarding of employees accelerates.
- The information technology budget exists to cover ongoing costs as well as the acquisition of an ERP system.



Capital Project Expenditures – FY2022

Project Description (\$ in Millions)	FY22 Budget	FY22 Pro Rata Budget	FY22 YTD Actual	Variance
New Long Bridge for Passenger Rail	\$7.5	\$3.1	\$1.6	\$1.5
Alexandria 4th Track	38.4	16.0	0.1	15.9
Franconia to Lorton 3rd Mainline	5.4	2.3	0.1	2.2
Franconia-Springfield Bypass	23.1	9.6	0.2	9.4
Richmond to DC Sidings - Phase 1	25.1	10.5	0.1	10.4
Richmond to DC Sidings - Phase 2	-	-	0.1	(0.1)
TRV Right of Way Acquisition	200.0	200.0	200.0	-
Right of Way Transaction Costs	-	-	0.7	(0.7)
TRV Other Infrastructure	19.8	8.3	0.1	8.2
Total TRV	\$319.3	\$249.8	\$203.0	\$46.8
Purchase of St. Julian's Yard: Amtrak Service Facility	1.8	0.8	-	0.8
Western Rail Initiative	-	-	0.7	(0.7)
Total	\$321.1	\$250.6	\$203.7	\$46.9

Capital Grant Expenditures – FY2022

Project Description (\$ in millions)	Grantee	FY22 Budget	FY22 Pro Rata Budget	FY22 YTD Actual	Variance
Crystal City Platform Study	VRE	\$0.7	\$0.3	-	\$0.3
L'Enfant Platform Study	VRE	1.1	0.5	-	0.5
Alexandria Station Pedestrian Tunnel	VRE	8.6	3.6	-	3.6
Brooke/Leeland Road/Potomac Shores Station Improvements	VRE	9.7	4.0	-	4.0
Broad Run Station & 3rd Track Improvements	VRE	0.4	0.2	-	0.2
Manassas Station Platform Extension	VRE	2.3	1.0	-	1.0
Manassas Park Parking Garage and Bridge	VRE	3.9	1.6	-	1.6
Quantico Station Improvements	VRE	7.4	3.1	-	3.1
Track Lease Payments - VRE	VRE	14.5	6.0	-	6.0
Newport News Station, Platform, and Service Facility	Newport News	5.1	2.1	0.9	1.2
Ettrick Station Improvements	Chesterfield County	0.5	0.2	-	0.2
Amtrak Passenger Information Display System	Amtrak/DRPT	0.4	0.2	-	0.2
Amtrak Station State-of-Good-Repair	Amtrak	3.3	1.4	-	1.4
Positive Train Control	Amtrak	1.8	0.8	-	0.8
Arkendale to Powell's Creek Third Track Construction	CSX	5.3	2.2	-	2.2
Improvements Lynchburg to Roanoke	Norfolk Southern	7.5	3.1	-	3.1
Route 29 Rail Corridor Improvements	Norfolk Southern	7.9	3.3	-	3.3
DRPT Managed Grants	Various	-	-	0.1	(0.1)
Total		\$80.4	\$33.6	\$1.0	\$32.6

Note: See operational report on capital grants for variance explanation.

Budget Report

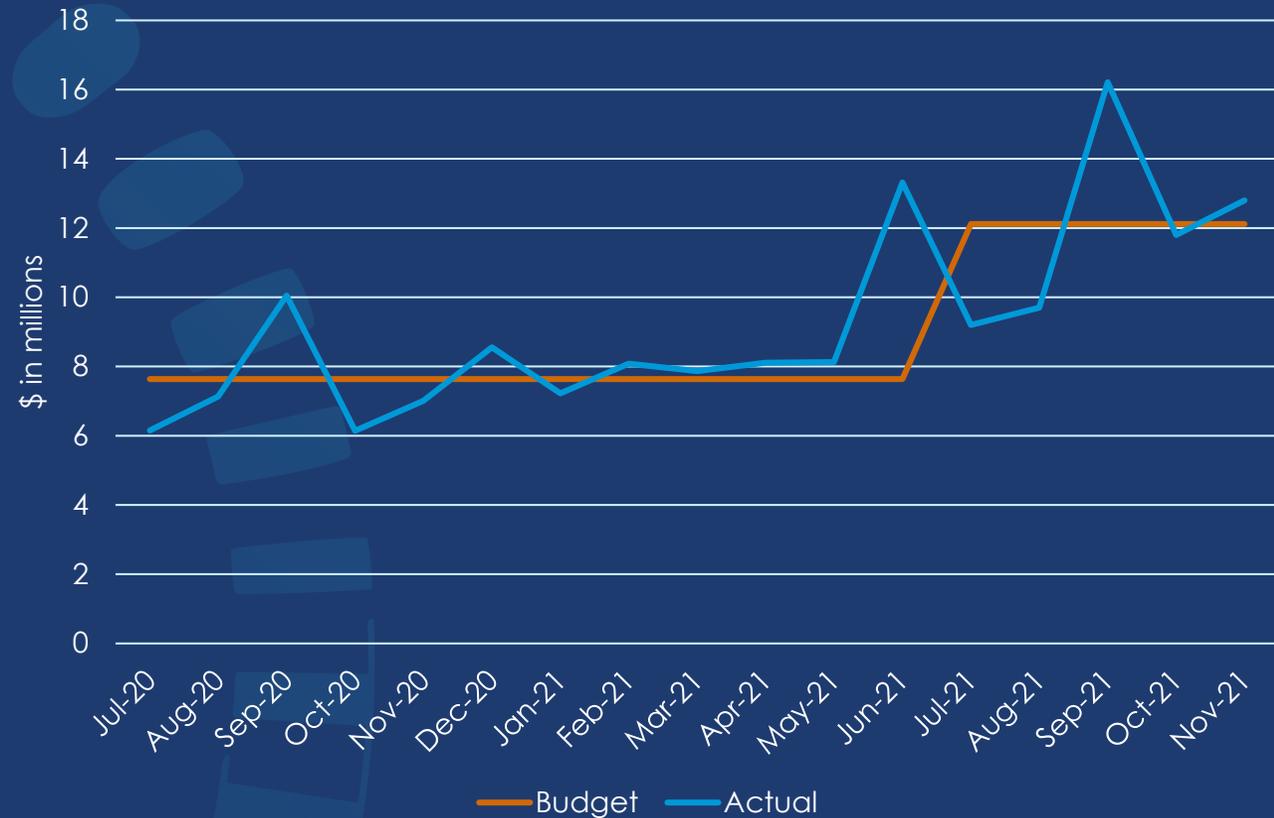
- Richmond to DC Sidings - Phase 2, Right of Way Transaction Costs, and Western Rail Initiative projects have expenditures in FY22 of \$1.5M. The forecasted expenditures will be included in the FY22 Budget Amendment planned for January. The dollar amount for each expenditure falls within the delegated authority granted by the Board.
- Expenditures for DRPT Managed Grants have been added to the current report. The grants have been administered in accordance with the Board approved MOA between DRPT and VPRA. No budget line was included for these transfers in the FY22 Budget. The forecasted expenditures will be included in the FY22 Budget Amendment planned for January.



VPRA Monthly Revenues

Trend Analysis – July 2020 to Present

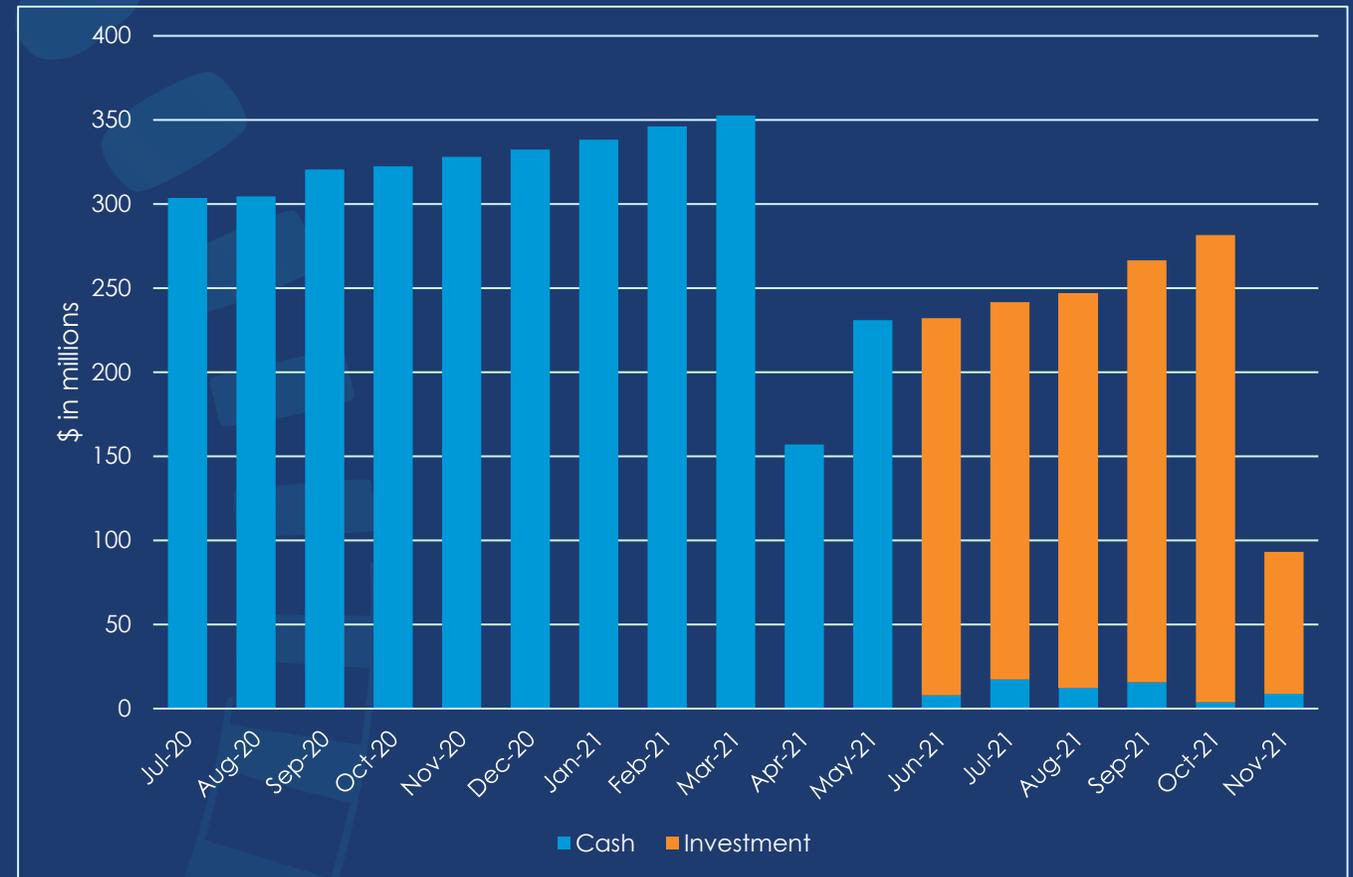
- The shortfall in July and August was caused by fuel tax revenues that were not allocated in July and August.
- Increased revenue transfers in September & November closed the gap on the YTD shortfall. FY22 revenues are currently \$803K less than anticipated.
- The updated taxation revenue forecast from December 16th will be presented beginning in January.



VPRA Cash & Investment Balance

Trend Analysis – July 2020 to Present

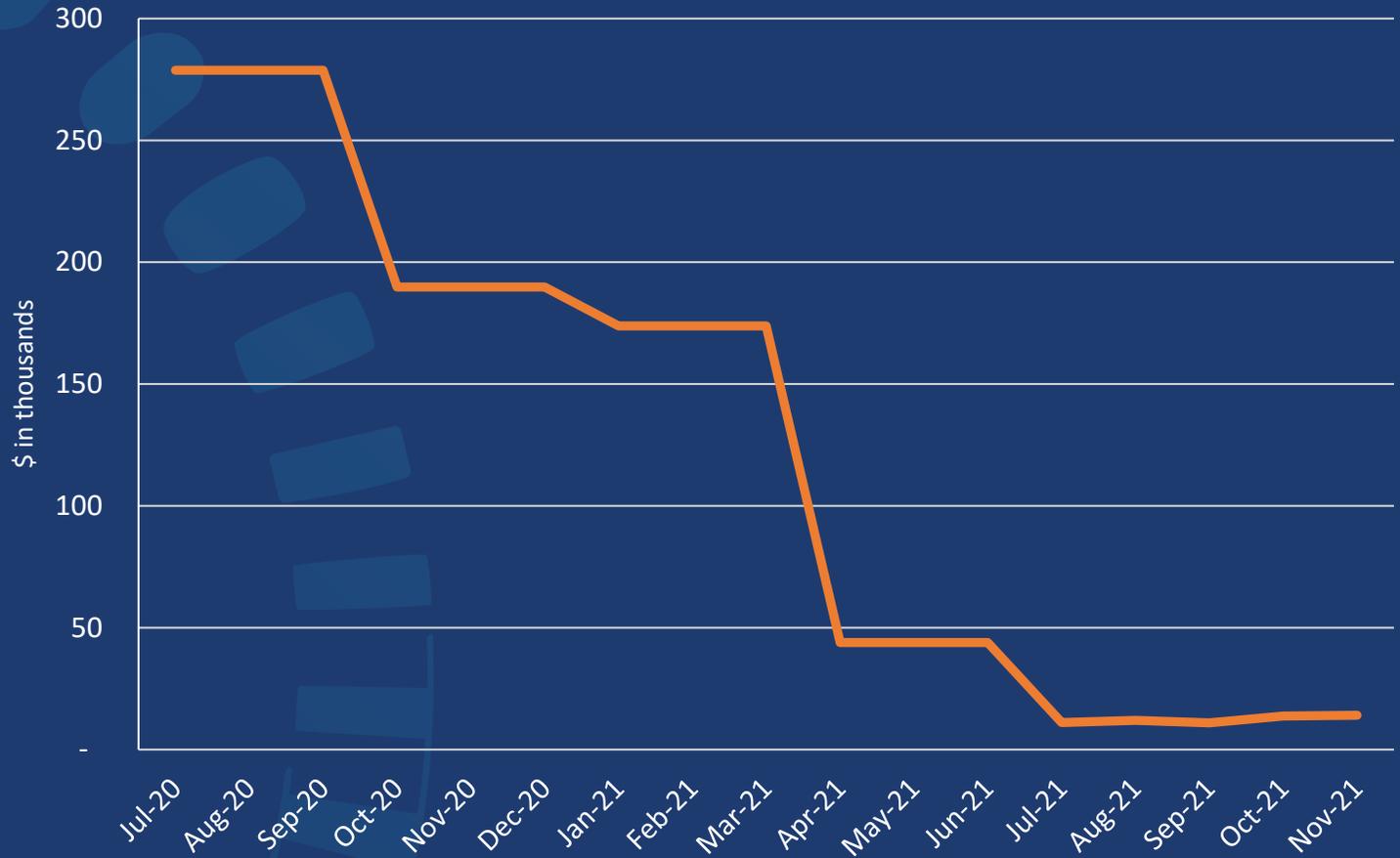
- \$84.3M is invested in the Virginia Local Government Investment Pool (LGIP) on November 30, 2021.
- The \$200 million payment to CSX for Segment 3 made on November 30th reduced the cash balance significantly.



VPRA Cash & Investment Earnings

Trend Analysis – July 2020 to Present

- In the coming months, the VPRA plans to utilize Wells Fargo to manage excess cash in accordance with the approved investment policy. Procedures are being developed to accurately track cash needs to maximize earning potential while meeting near term financial obligations.



THANK YOU

Questions?

