

August 2023

Executive Director's Report

DJ Stadtler, Executive Director, VPRA



Administrative Updates

- FY 23 state-supported Amtrak ridership exceeded FY 19 pre-pandemic ridership by 44%, and FY23 state-supported Amtrak revenues exceeded budget expectations by 32%.
- VPRA participated in construction schedule workshops the week of August 13th for Alexandria Fourth Track and the Franconia suite of projects. It was an opportunity to coordinate with our partners at CSX and VRE on construction schedules and activities.
- The Interagency Agreement between VPRA and VDOT regarding a rail bridge at Leeland Road in Stafford County was executed on August 4th. VPRA will lead design and construction for any VDOT assets impacted by our projects.



Site of future Franconia Bypass

VPRA Organizational Updates

Staffing (as of 8/23/23)

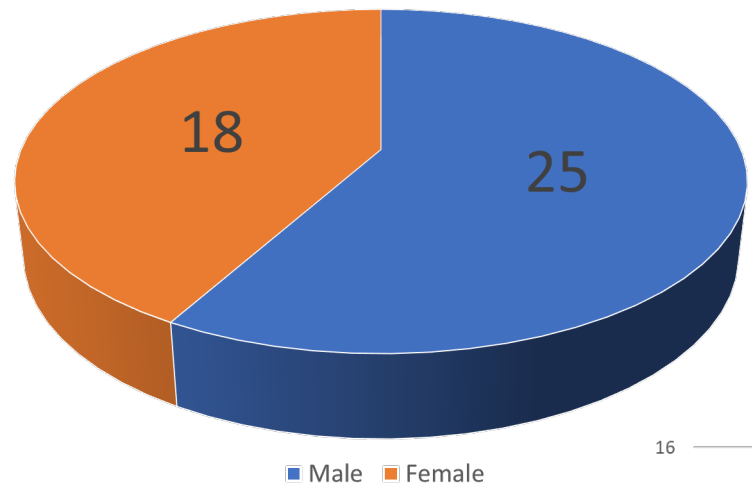
- Employee Count: 43 FTEs, 1 PTE
- Current Postings: 12
- Offers Accepted: 1 (September start date)

Hiring Activity

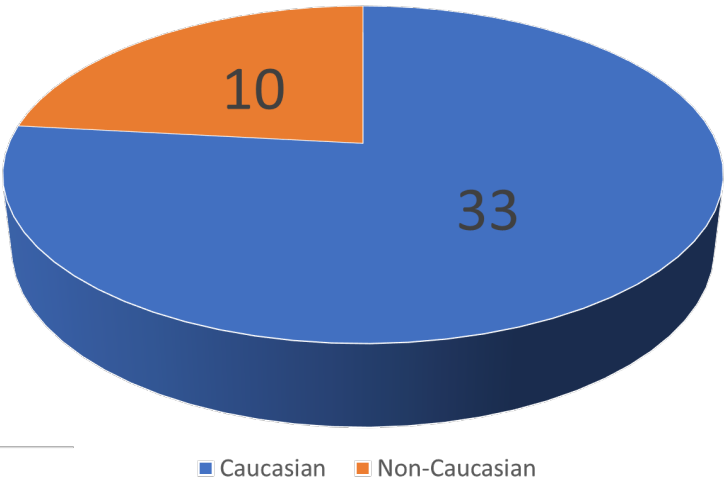
- No new employees in August

VPRA Organizational Updates (continued)

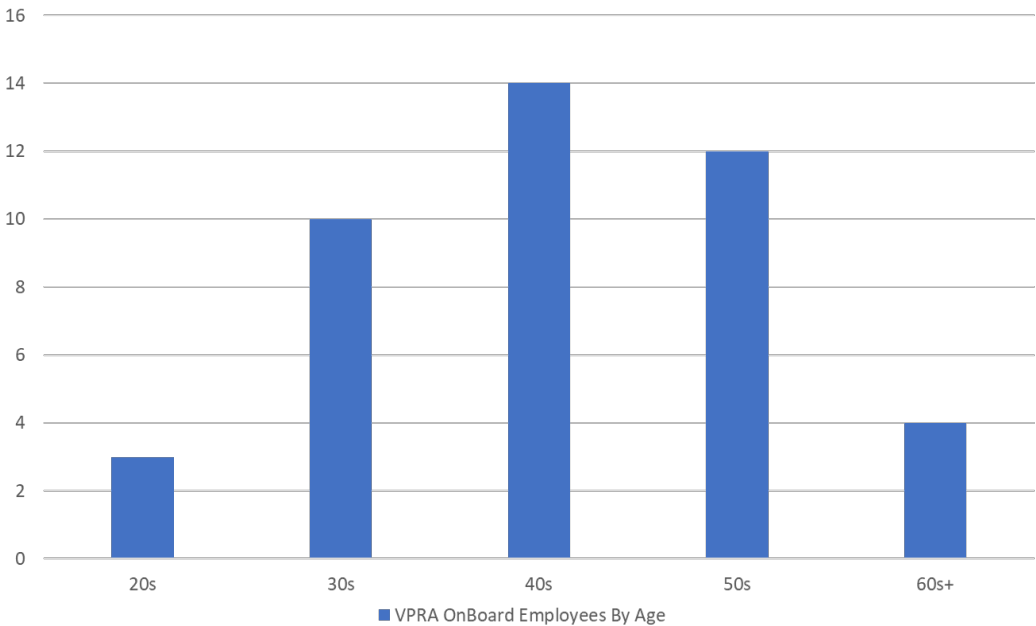
VPRA OnBoard Employees By Gender



VPRA OnBoard Employees By Race



VPRA OnBoard Employees By Age



Data includes FT employees on board as of **8/23/2023**. Data does not include those who have accepted offers but are not yet on board.

FY23 Annual Incentive Plan Goal Progress

- Increase ridership by 10% (state FY23 ridership compared to state FY19 ridership) while achieving a cost recovery goal of 60%, which is 11% higher than the Board adopted budget
 - **Ridership results: 1,256,123 for SFY23 vs. 872,632 for SFY19 - a 44% increase!**
 - **Cost recovery results: Achieved 67% vs 60% goal and 49% budgeted!**
- Advance key milestones for Long Bridge
 - Execute contract for Long Bridge project support by February 28, 2023 **(Complete)**
 - Achieve 30% design by May 1, 2023 **(Complete)**
 - Release both Northern and Southern RFQs for Long Bridge no later than June 30, 2023 **(Complete)**
- Achieve 30% design of Franconia Bypass by June 30, 2023 **(Complete)**
- Ensure the organization can deliver against its goals with the proper staffing and resources
 - Secure dedicated office space in Northern Virginia by May 31, 2023 **(Complete)**
 - Implement the first phase of our Enterprise Resource Planning (ERP) initiative by July 31, 2023 **(Complete)**
 - Establish bench contracts for Finance, Engineering, and Planning no later than March 31, 2023 **(Complete)**

FY24 Annual Incentive Plan (AIP) Goals

- Increase ridership by 3% (state FY24 ridership compared to state FY23 ridership) while achieving a cost recovery goal of 68%
- Advance key milestones for Long Bridge
 - Issue RFP for South package by EOM March 2024
 - Issue Phase 1 Notice to Proceed (NTP) on Northern package by EOM January 2024
- Advance key milestones for other key projects
 - Complete contractor selection for Alexandria 4th Track by EOM May 2024
 - Completion of site prep activities for Franconia Bypass by EOM March 2024
 - Complete 30% design of New River Valley Project and present results to Board at the January 2024 Board Meeting
- Ensure the organization can deliver against its goals with the right staffing and resources
 - Implement second phase of Enterprise Resource Planning (ERP) initiative by EOM May 2024
 - Implement a standardized project management process to allow for increasingly accurate baseline scope, schedule, and budgets (cash flows) by EOM March 2024



Culture Conversation

VPRA is...



Direct Quotes

"This is the best place I've worked."

"I look forward to coming to work each day."

"I don't think there's a better organization you could go to right now."

"There's a great feeling to this organization."

"I thought [X] was the best place, but we beat them, hands-down."

"VPRA is a great place to work."

Culture Summary

Common Themes

- High level of employee satisfaction
- Effective leadership team
- Social activities/teambuilding
- Effective meetings/respect of time
- Requests for information/updates
- Individual professional development

Cautions

- Preserve what is good
- Be mindful of organizational evolution
- Make sure silos do not creep in
- Use resources fully
- Avoid cliques
- Ensure consistency across offices

Contracting Updates*

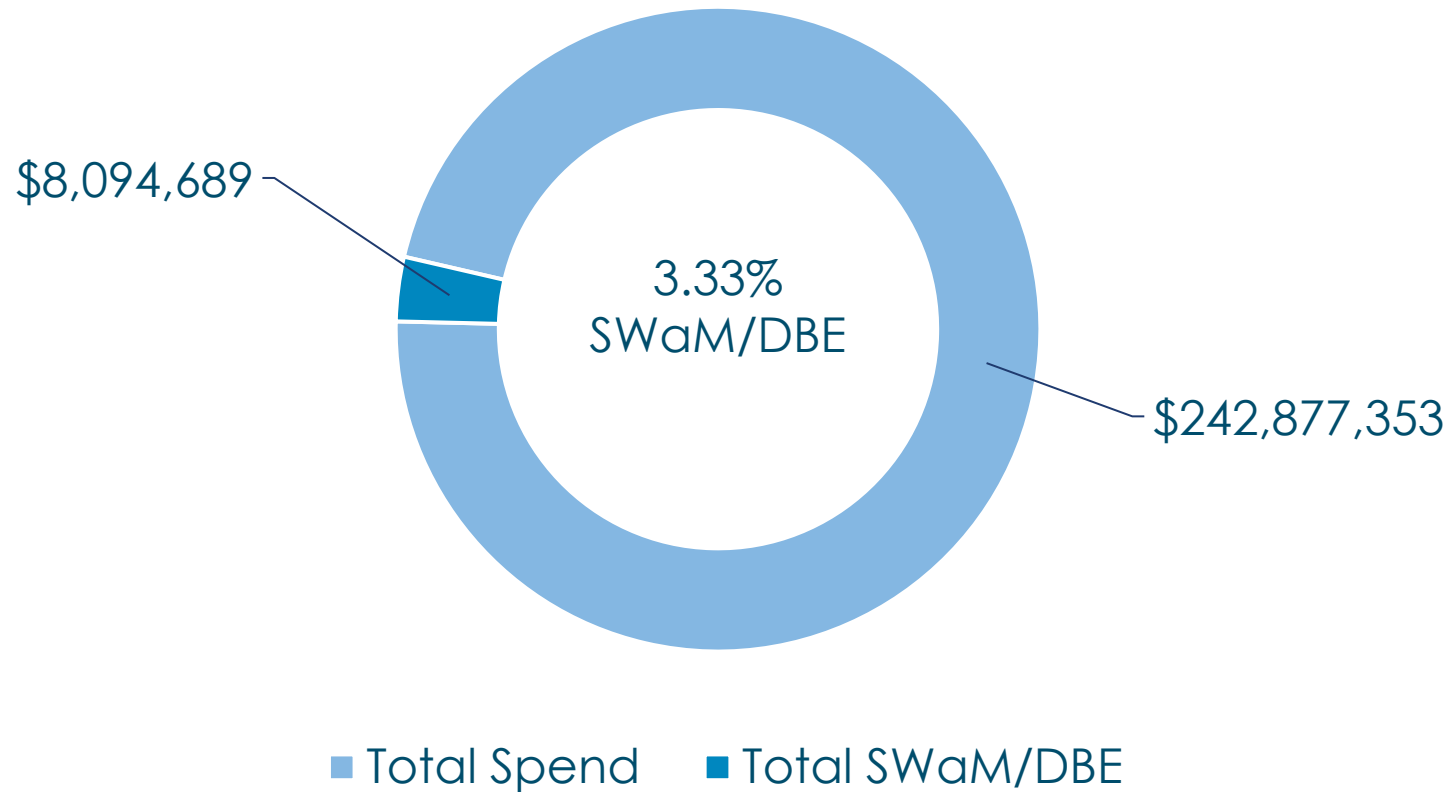
Budget Component	Month	Project	Vendor/Grantee	Project Description	Amount
Operations	July	Q1 FY24 Amtrak Operations	Amtrak	Multiple Operation Expenses by Route	\$5,921,652
Capital Projects	July	Siding C Project Authorization Notice	CSXT	Hanover 3rd Track	\$5,652,000

* VRE Grant Arrangements assigned from DRPT to VPRA.

This report is for contracts above \$250,000 awarded by VPRA.

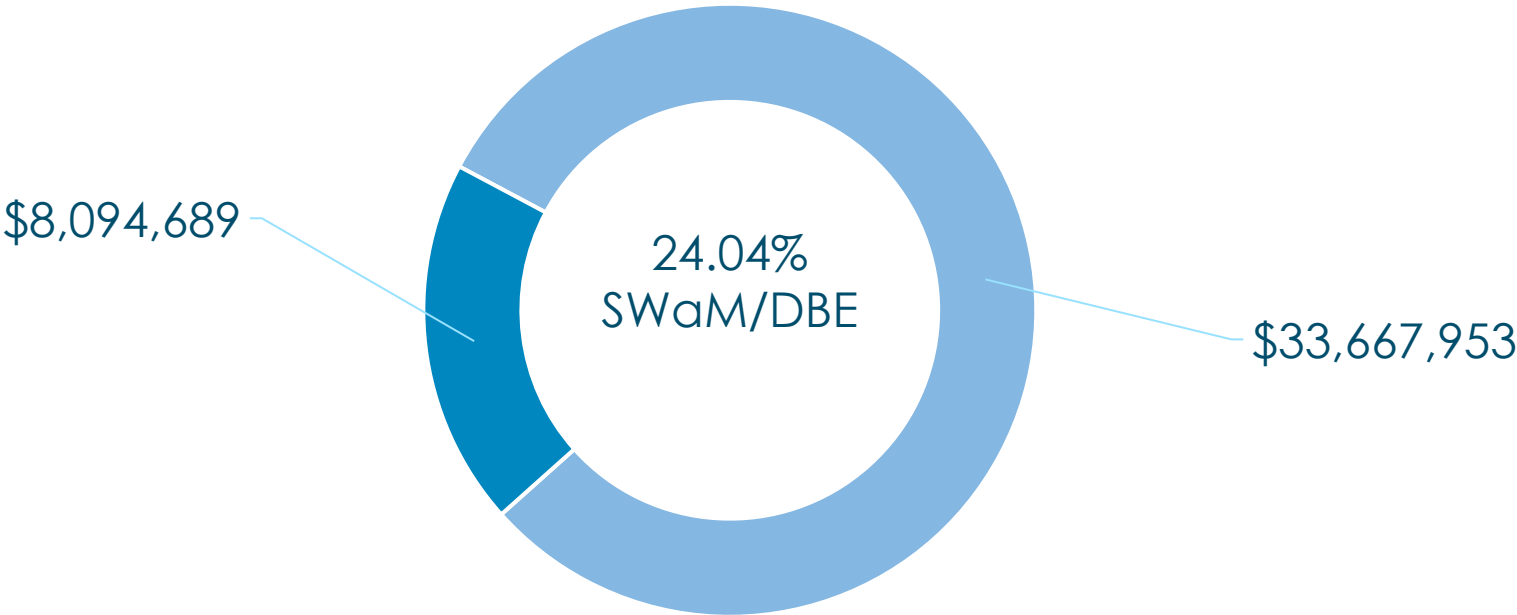
FY23 Supplier Diversity Performance: Total Expenditures

FY23 Total Spend (Discretionary & Non-Discretionary)



FY23 Supplier Diversity Performance: Discretionary Expenditures

FY23 Discretionary Spend



■ Discretionary ■ Total SWaM/DBE

VPRA DBE/SWaM Goal was 10% for FY23

FY2023 Budget Adjustments – July FY2023

Budget Line	Budget Component	Approved Budget	Revised Budget	Change	Delegated Authority Applied	Description of Change
No adjustments this period.						



Passenger Service Update

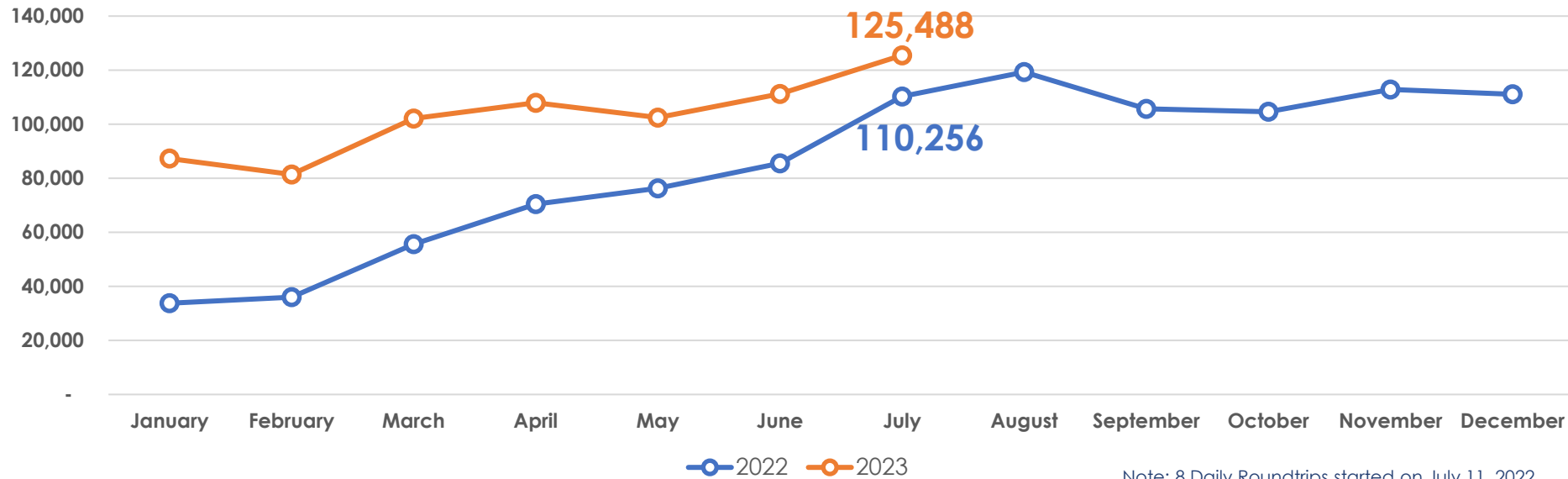
Virginia-Supported Monthly Ridership and Station Activity

July saw a 13.8% increase in ridership year over year.

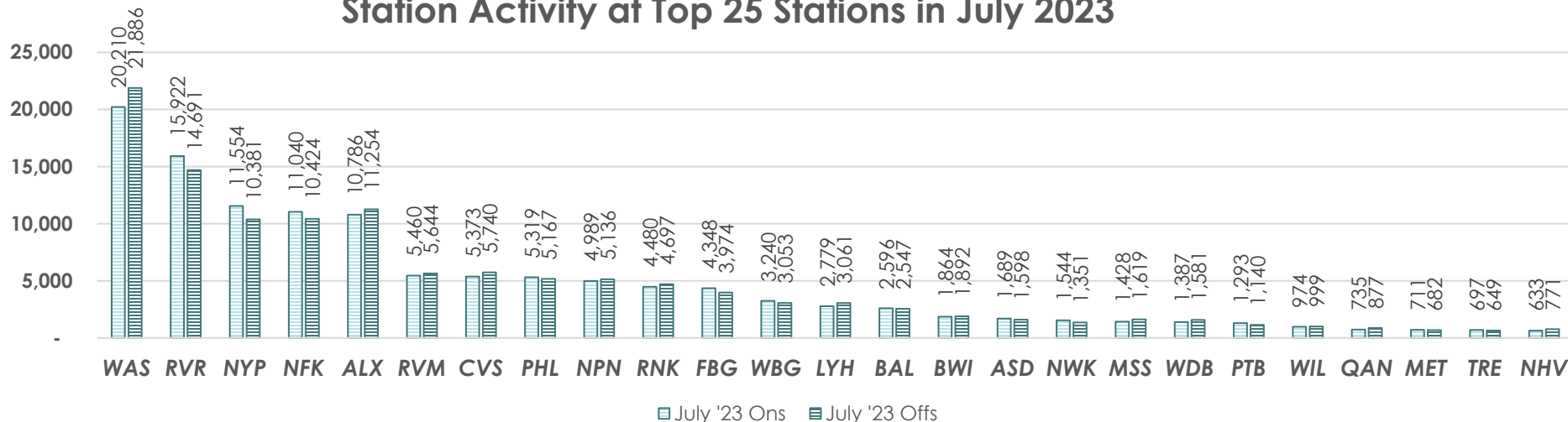
July 2023 set the highest ridership month record, exceeding the previous record of 119,280 set in August 2022.

Inside of Virginia, RVR (Staples Mill), ALX, and NFK were the most popular stations.

State-Supported Monthly Ridership Comparison



Station Activity at Top 25 Stations in July 2023



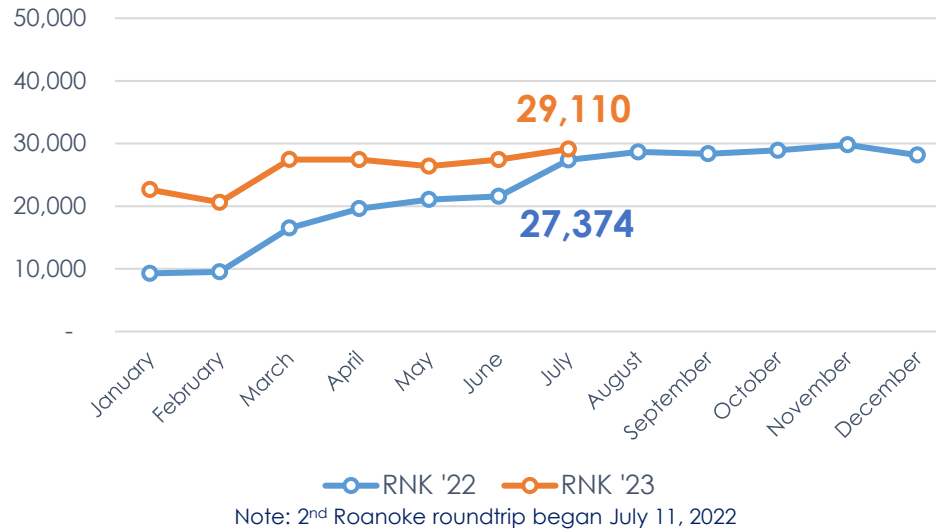
Virginia-Supported Monthly Ridership by Route 2023 vs 2022

The largest year over year ridership increase was Route 50: Norfolk at 19.1% (+7,788)

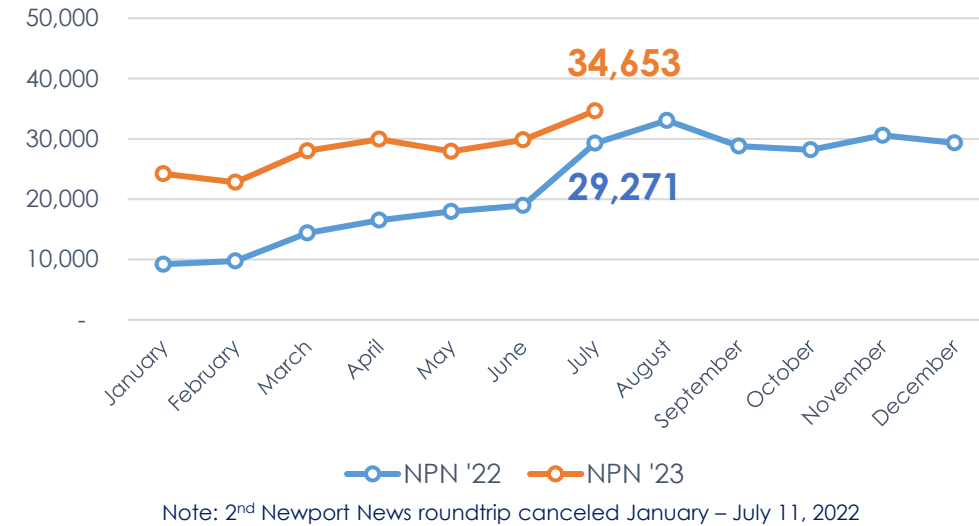
All four routes saw ridership growth year over year.

Virginia-Supported Service increased from five to eight daily roundtrips on July 11, 2022.

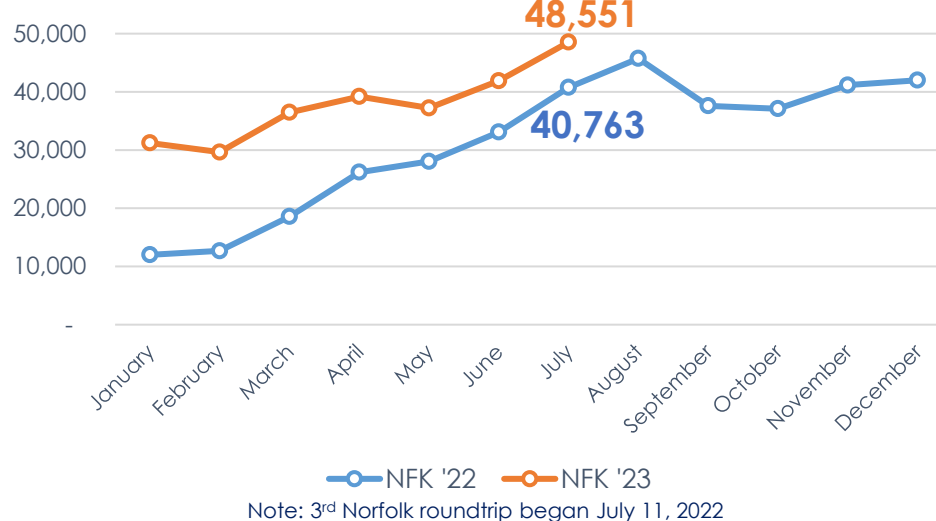
Route 46: Roanoke Ridership (+6.3%)



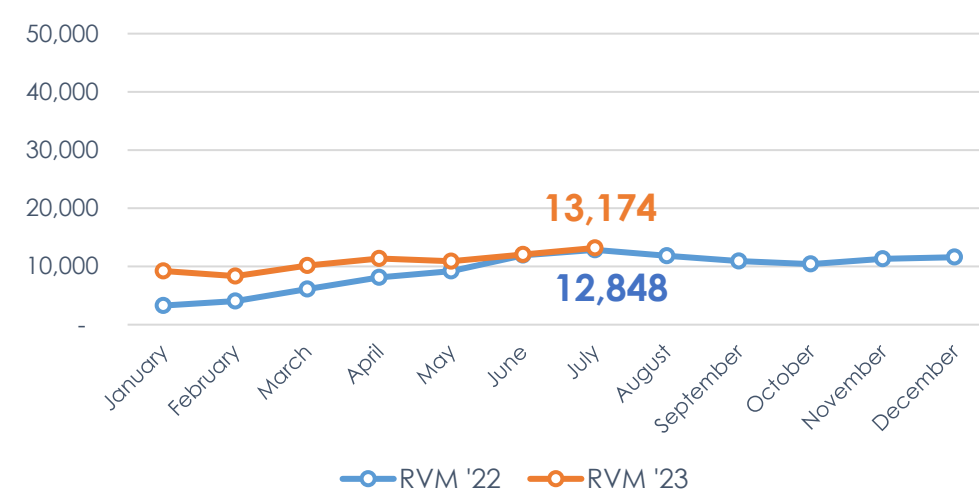
Route: 47 Newport News Ridership (+18.4%)



Route 50: Norfolk Ridership (+19.1%)



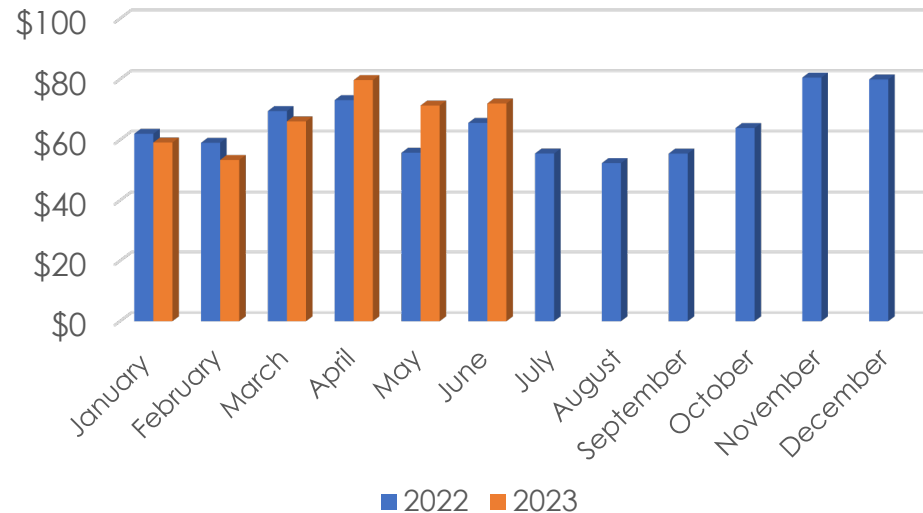
Route 51: Richmond Ridership (+2.5%)



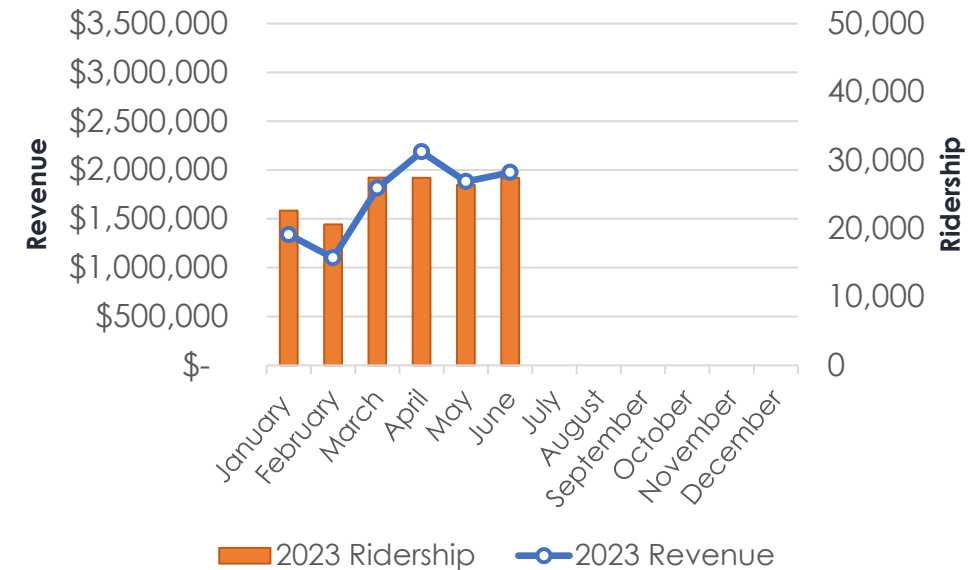
Route 46: Washington – Roanoke – 2 Daily Roundtrips

Train 145(SB), which operates on Sundays, had the highest average daily ridership in July.

Revenue per Rider (June)

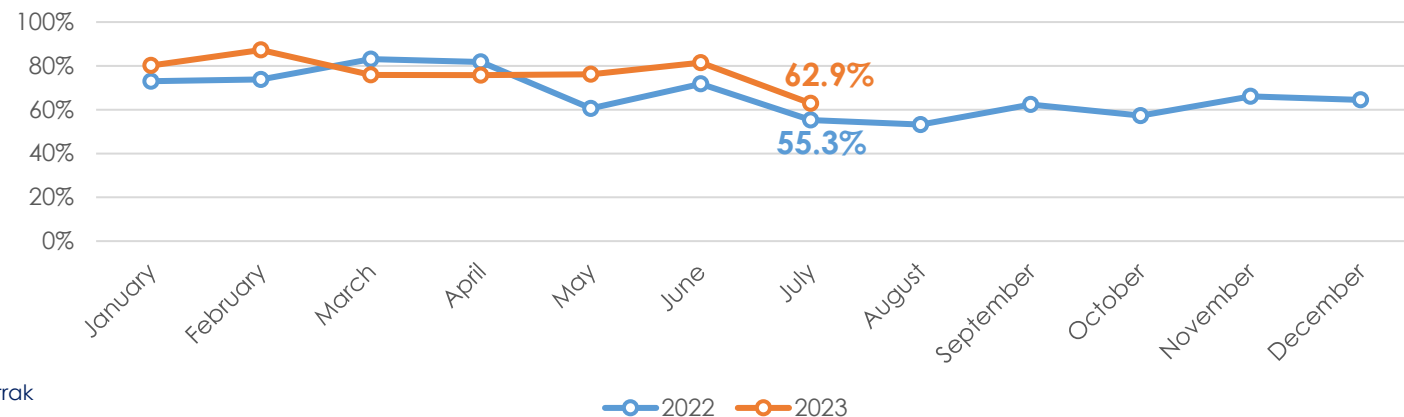


Revenue & Ridership (June)



Major Delay Factors
Slow orders, weather related, and passenger train interference

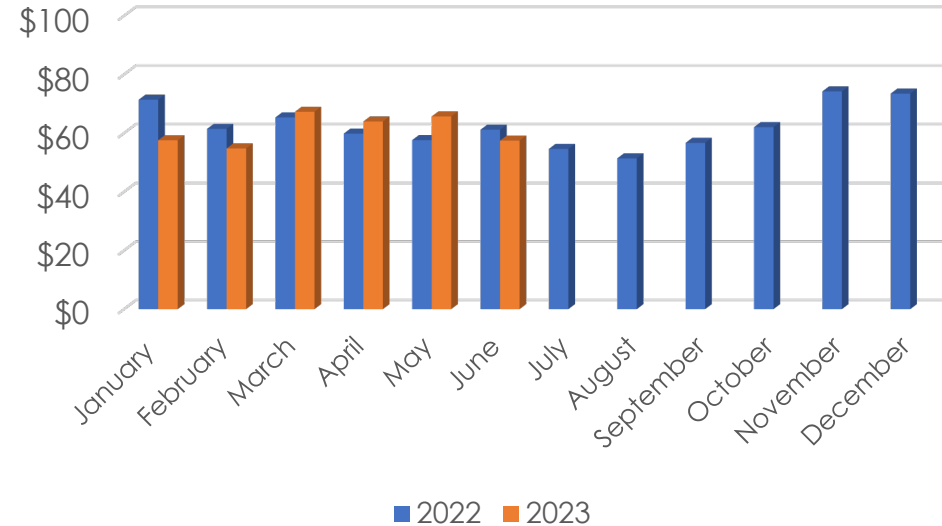
On Time Performance: All Stations (July)



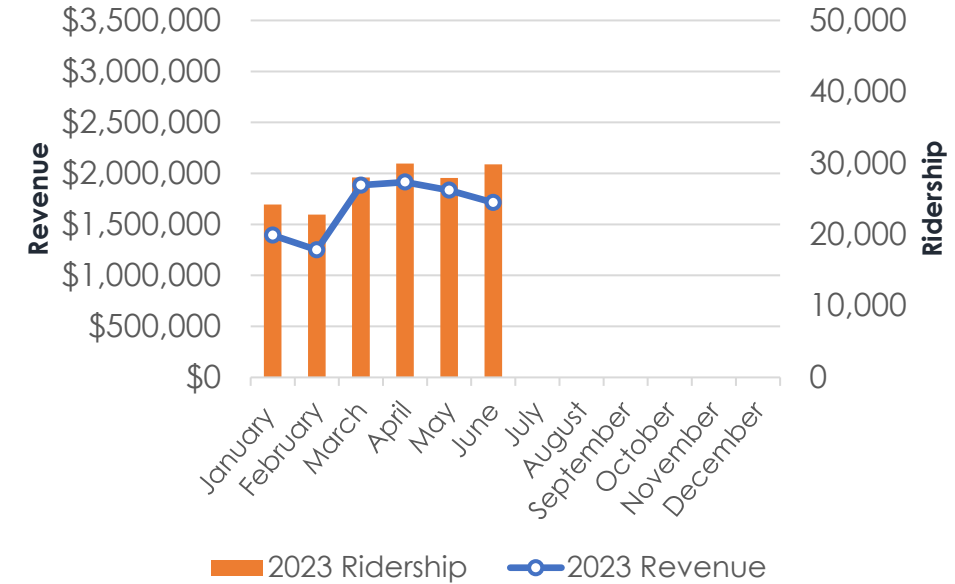
Route 47: Washington – Newport News – 2 Daily Roundtrips

Train 194(NB), which operates on Saturdays, had the highest average daily ridership in July.

Revenue per Rider (June)

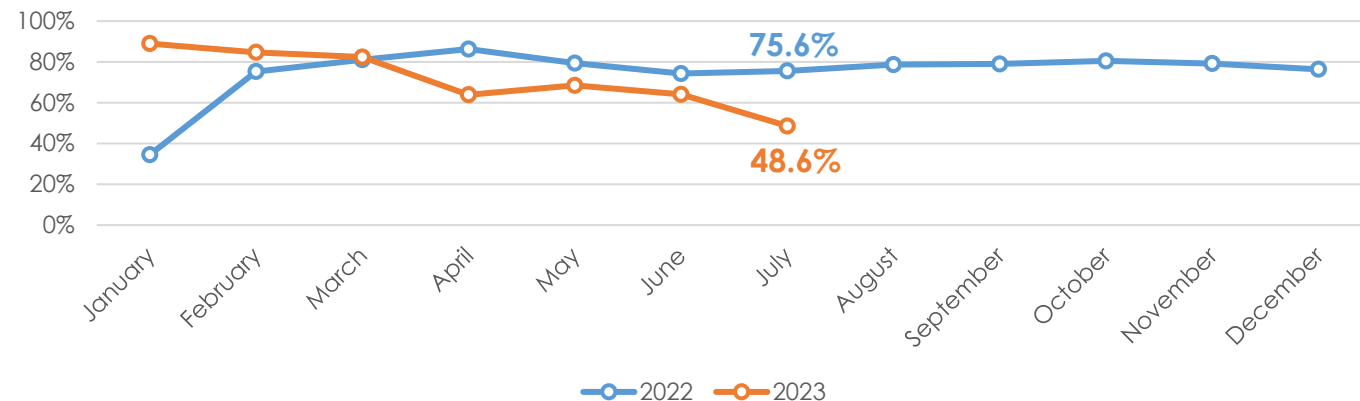


Revenue & Ridership (June)



Major Delay Factors
Weather related, slow orders, and holding for passengers

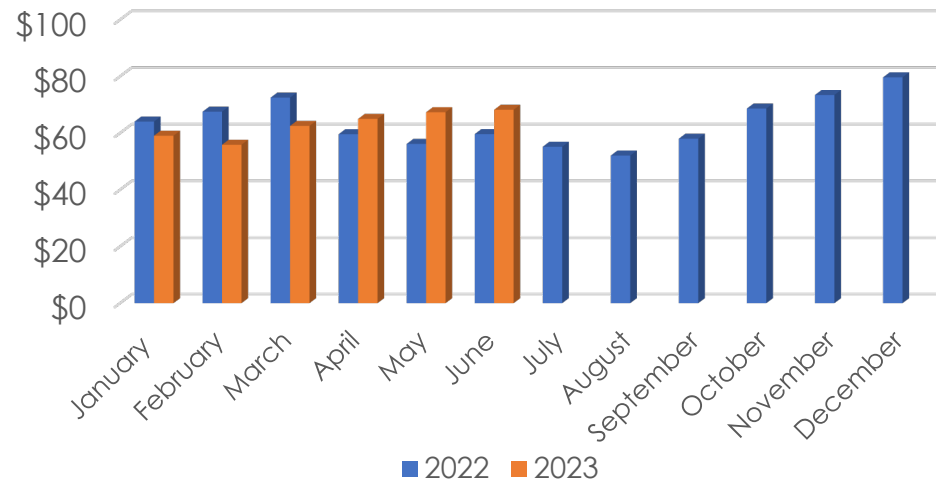
On Time Performance: All Stations (July)



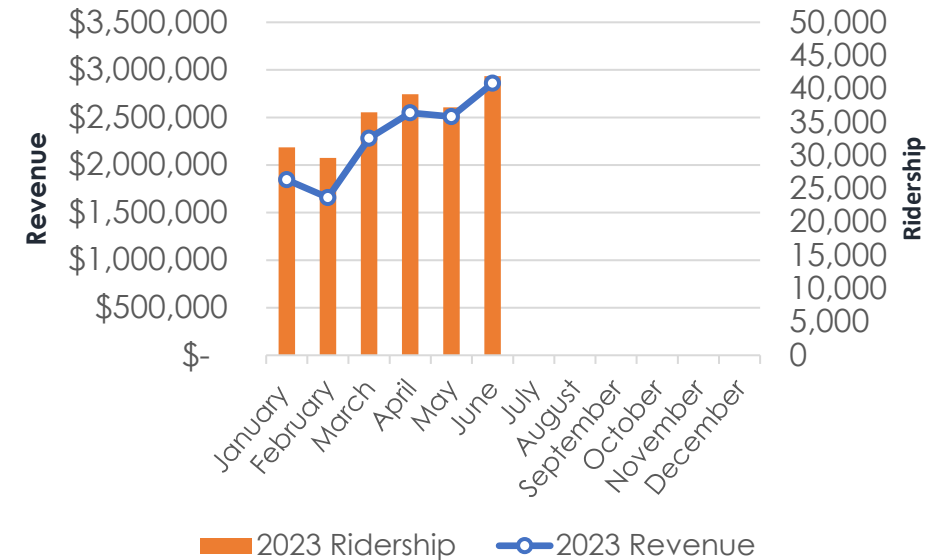
Route 50: Washington – Norfolk – 3 Daily Roundtrips

Train 153(SB), which operates on weekends, had the highest average daily ridership in July.

Revenue per Rider (June)

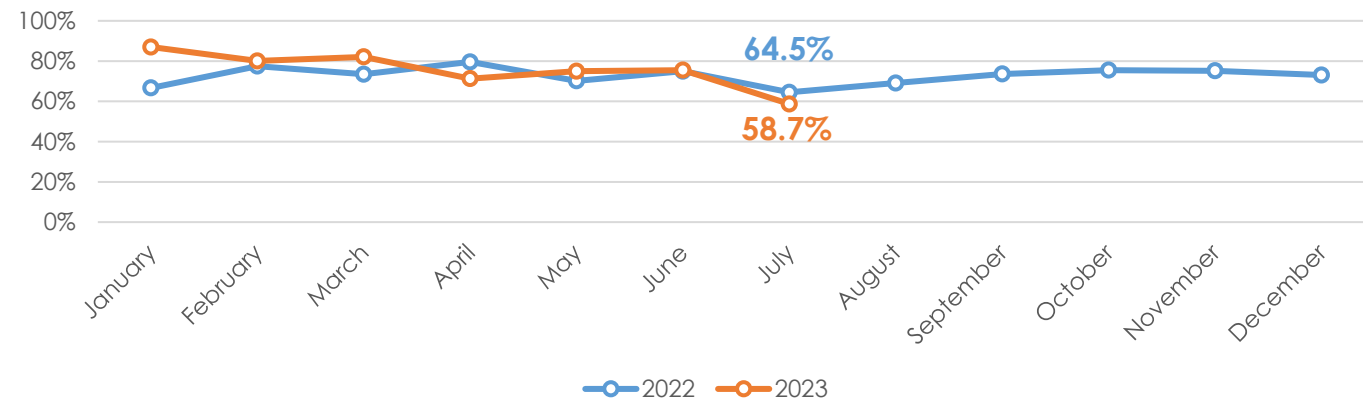


Revenue & Ridership (June)



Major Delay Factors
Weather related, slow orders, and communication & signal work

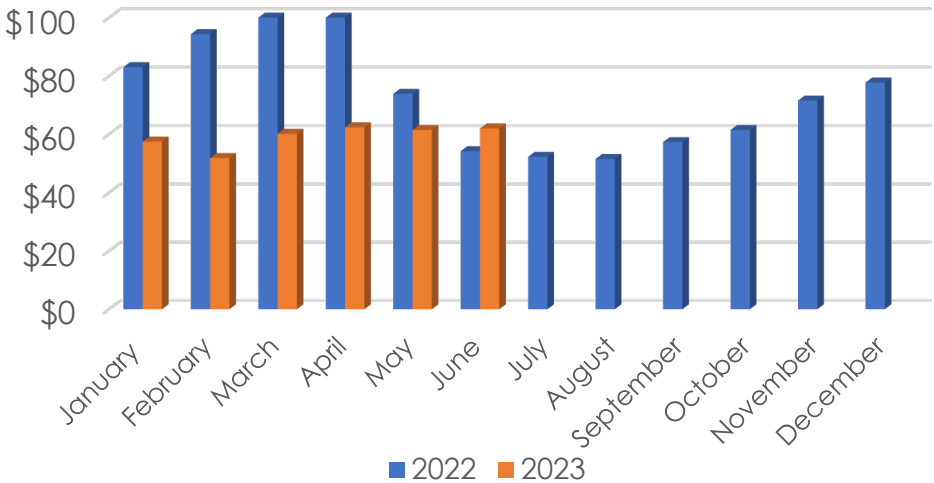
On Time Performance: All Stations (July)



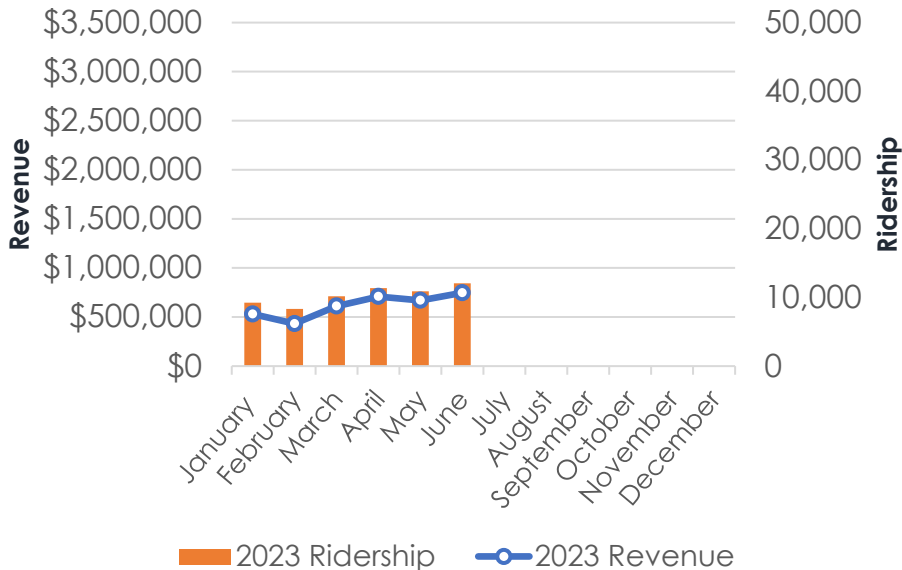
Route 51: Washington – Richmond – 1 Daily Roundtrip

Train 195(SB), which operates on weekends, had the highest average daily ridership in July.

Revenue per Rider (June)

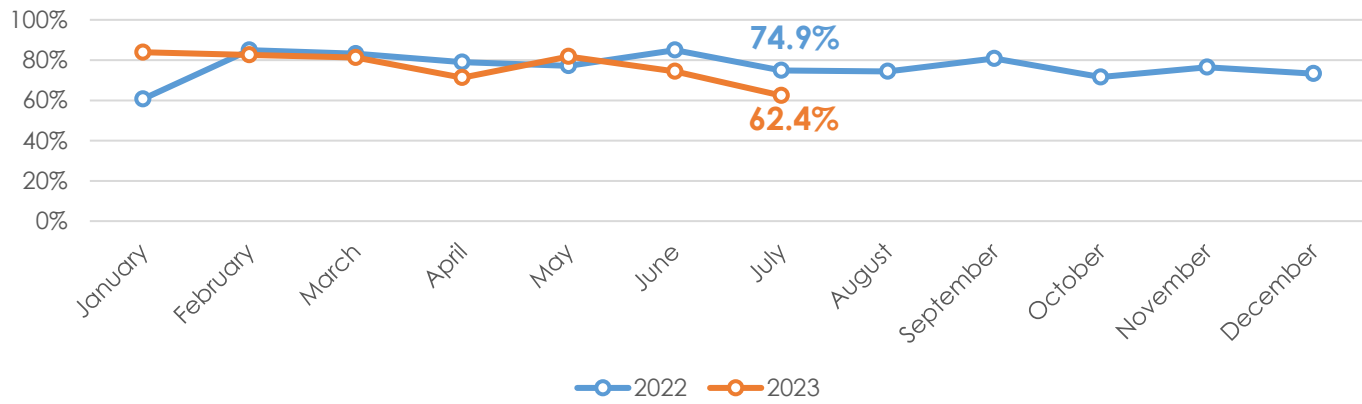


Revenue & Ridership (June)



Major Delay Factors
Slow orders, commuter train interference, and weather related

On Time Performance: All Stations (July)



Note: OTP Reports subject to slight variance due to ongoing Amtrak allocation adjustments

Passenger Service Issues

- **May 22, 2023**

- *Train 84 (Norfolk) derailed in the tunnel at Washington Union Station*
- Amtrak Impacts: 17 trains delayed (nine VA State-Supported), one train terminated & one train originated in DC
- VRE Impacts: 14 trains canceled

- **July 11, 2023**

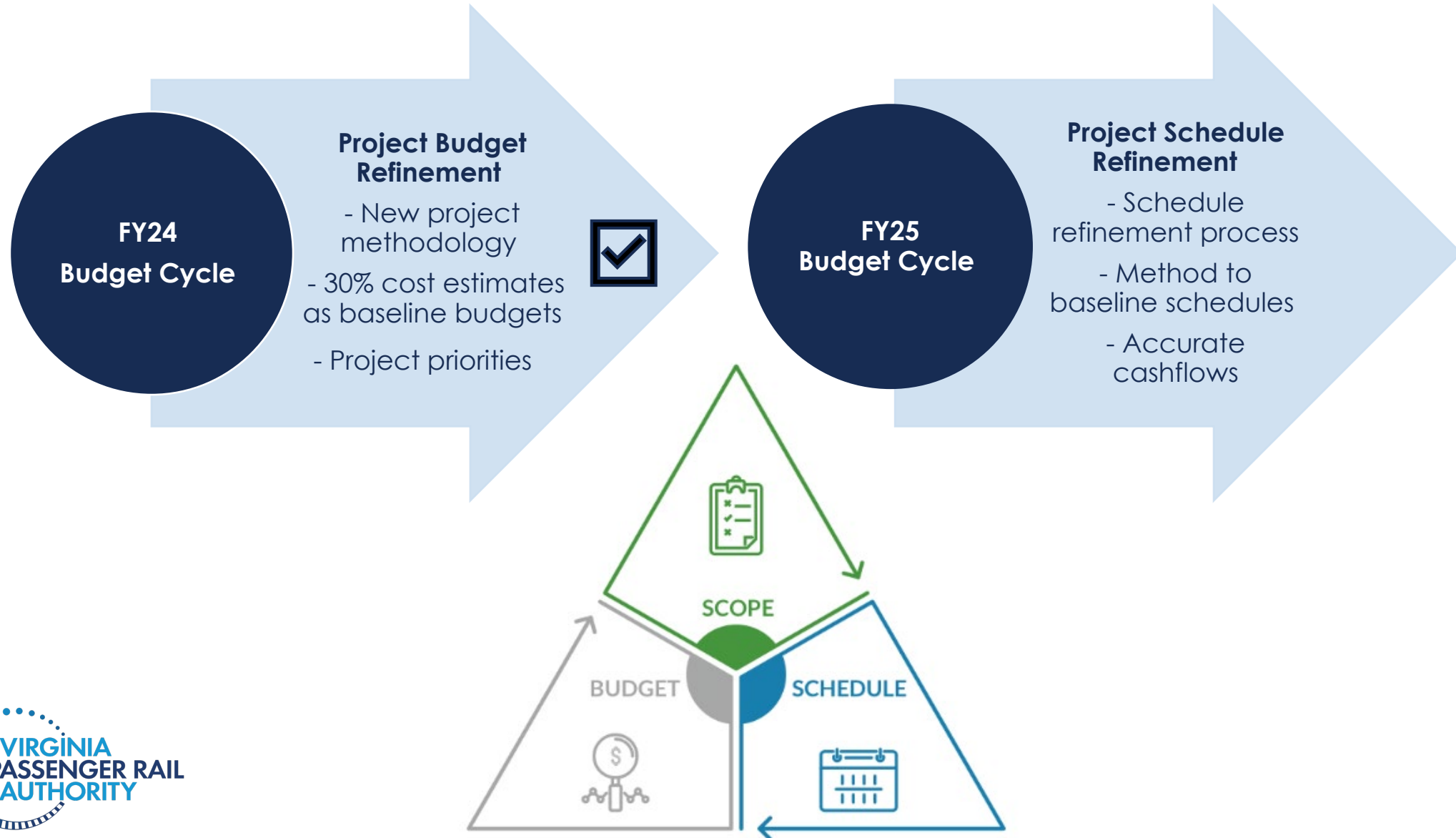
- *Train 86 (Richmond-Main Street) derailed in the tunnel at Washington Union Station*
- Amtrak Impacts: Three trains delayed (one State-Supported), 11 trains canceled (five State-Supported), seven trains terminated & two trains originated in DC, five trains terminated in VA, one train terminated in NC
- VRE Impacts: 48 trains canceled (7/11-7/13)



Capital Project Updates

Capital Projects Refinement

Scope, Schedule, Budget



Budget-to-Actual Reporting

- **FY23 budget-to-actual** analysis has been performed using the following parameters:

Variance greater than \$2M and 15%

- Analysis of causes for under/overspend
- Address implications on the project schedule
- Discuss mitigating factors
- Corrective action

- **July FY24 budget-to-actual** will be combined with August in the September EDR.

Capital Projects - Final FY23 Budget-to-Actual

Project Description (in millions)	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)
I-95 Corridor				
New Long Bridge for Passenger Rail	\$31.1	\$17.7	\$13.4	43%
Alexandria 4th Track	42.6	5.0	37.6	88%
Franconia to Lorton 3rd Mainline	10.9	2.2	8.7	80%
Franconia-Springfield Bypass	10.2	3.1	7.1	70%
Richmond to DC Sidings - Phase 1	12.8	0.9	11.9	93%
Richmond to DC Sidings - Phase 2	0.3	-	0.3	100%
TRV Right of Way Acquisition	125.0	125.0	-	-
TRV Right of Way Transaction Costs	10.6	7.2	3.4	32%
Newington Bridge	3.0	0.7	2.3	77%
Route 1 Bridge	3.6	0.3	3.3	92%
L'Enfant 4th Track	1.1	-	1.1	100%
Richmond Layover Facility	3.0	0.5	2.5	83%
Lorton to Route 1	1.1	0.1	1.0	91%
Other TRV Infrastructure	1.4	1.0	0.4	29%
King and Commonwealth Bridges	3.1	0.5	2.6	84%
Total I-95 Corridor	\$259.8	\$164.2	\$95.6	
Western Rail Corridor				
Salem Right-of-Way Transaction Costs*	-	0.2	(0.2)	-
New River Valley Platform & Track Improvements	9.8	0.8	9.0	92%
Service Facility & Temporary Platform	0.9	0.2	0.7	78%
V-Line Tunnels	15.5	0.9	14.6	94%
Capital Improvements - Bridges	1.7	0.5	1.2	71%
Capital Improvements - Other	3.2	2.3	0.9	28%
Total Western Rail Corridor	\$31.1	\$4.9	\$26.2	
Other				
Purchase of St. Julian's Yard: Amtrak Service Facility	-	-	-	-
Total Capital Projects	\$290.9	\$169.1	\$121.8	42%

■ Indicates a variance exceeding \$2M and 15% of planned annual expenditures. See subsequent pages for variance analysis.

Capital Project Variance Analysis

Project Description (in millions)	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)	Analysis
I-95 Corridor					
Long Bridge for Passenger Rail	\$31.1	\$17.7	\$13.4	43%	<p>Cause: When the FY 2023 budget was created, it was not yet clear who would be conducting the private ROW acquisitions. Since the private acquisitions are located in the District of Columbia, where VPRA does not have condemnation authority, but Amtrak does, Amtrak will be conducting the property acquisitions. This arrangement has taken longer than expected to finalize, though acquisition negotiations should begin by the end of the year. Additionally, program management support was less than expected but picked up significantly during the latter half of the year when the PMSS was brought on board. Last, a notable amount of unallocated contingency was budgeted for FY23 but went unused.</p> <p>Impact: Potential impact to schedule and 2030 target date.</p>
Alexandria 4th Track	42.6	5.0	37.6	88%	<p>Cause: Significant ROW acquisition spend was budgeted for FY23, but did not begin due to the need for the completion of the I-95 corridor segment boundary work. Engineering spend was under by 50% as the cost of engineering work is expected to be less than the budgeted amount.</p> <p>Impact: Potential impact to schedule and 2026 target date.</p>
Franconia to Lorton 3rd Mainline	10.9	2.2	8.7	80%	<p>Cause: Lower than expected engineering costs were driven by a pause in CSX's design for approximately two to three months for discussions on possible cost saving design changes, resulting in the elimination of the 4th track roadbed from the Project. ROW acquisition spend did not begin due to the need for the completion of the I-95 corridor segment boundary work.</p> <p>Impact: Potential impact to schedule and 2026 target date.</p>
Franconia-Springfield Bypass	10.2	3.1	7.1	70%	<p>Cause: In winter 2023, the decision was made that the best procurement method for design completion and construction was a CM/GC, which resulted in less engineering spend in the latter half of FY23.</p> <p>Impact: Using the CM/GC method, the plan is to recoup the time lost by accelerating construction to achieve a construction completion of 12/2026.</p>
Richmond to DC Sidings - Phase 1	12.8	0.9	11.9	93%	<p>Cause: The overall development and execution of design agreements between VPRA & CSXT took longer than anticipated, delaying NTP.</p> <p>Impact: The schedules for the sidings has changed from Q3 FY24 for design completion to Q2 FY25. VPRA and CSXT will hold design and scheduling workshops and site walks to help to streamline design engagement and to compress schedules.</p>

Capital Project Variance Analysis

Project Description (in millions)	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)	Analysis
I-95 Corridor Continued					
TRV Right of Way Transaction Costs	\$10.6	\$7.2	\$3.4	32%	Cause: VPRA continues to do survey work for the three ROW segments purchased in the CSX transaction and currently has outstanding commitments for transactional work of \$13M.
Newington Bridge	3.0	0.7	2.3	77%	Cause: Design progression was halted in winter 2023 for discussions on achieving the greatest clearance between the bridges and Newington Road surface, resulting in lower than expected engineering costs in FY23. Impact: Potential impact to schedule and 2026 target date.
Western Rail Corridor					
New River Valley Platform & Track Improvements	9.8	0.8	9.0	91%	Cause: VPRA is currently progressing 30% PE design on two options for where the future passenger rail station will be located. The VPRA project team is anticipating receiving this design work by December 2023, and at that time, will have a better understanding of the future direction of the project. Impact: TBD
V-Line Tunnels	15.5	0.9	14.6	94%	Cause: VPRA is currently progressing 30% PE design on the Virginian Line – Safety Improvements. The VPRA project team is anticipating receiving this design work by December 2023, and at that time, will have a better understanding of the future direction of the project. Impact: TBD
Other Capital Projects (design only)					
Route 1 Bridge	3.6	0.3	3.3	92%	Cause: Engineering has been paused at 30% design per new project methodology, as a result, engineering spend is well under the FY23 budget.
Richmond Layover Facility	3.0	0.5	2.5	83%	Cause: The feasibility study and conceptual design was finalized in May 2023. Project was delayed two months while awaiting concurrence from CSX/Amtrak on project location. NTP was issued to begin PE in June 2023 causing the spend to be under for FY23.
King and Commonwealth Bridges	3.1	0.5	2.6	84%	Cause: Due to the timing of agreement execution, final design is scheduled to be completed in FY24, causing underspend in the FY23.

Recent Site Visits



Quantico

- VRE/CSX project
- Elevators & ped overpass
- 3rd track, new island platform, extend existing platform
- Completion early 2024



Siding C
Washington Hwy Rt. 1 bridge

- Construct 3rd track siding
- Replace Washington Hwy bridge – VDOT coordination



Fulton Yard, site of future
Richmond Layover Facility

- Construct layover facility east of Main St station for maintenance and overnight storage
- Accommodate new Airo trains



New River Valley
Merrimac Tunnel

- Evaluating sites for future passenger station and layover facility
- 30% design by end of 2023

Project Highlight: Franconia to Lorton Third Track

- CSX-led project to extend third track from Franconia-Springfield station to Lorton
- Replacing rail bridges over Newington Road, Pohick Creek, Accotink Creek; additional bridge over Lorton Rd
- 60% design from CSX expected in October
- Construction begins late 2025



Newington Road



Bridges over Accotink Creek

Project Stakeholders:



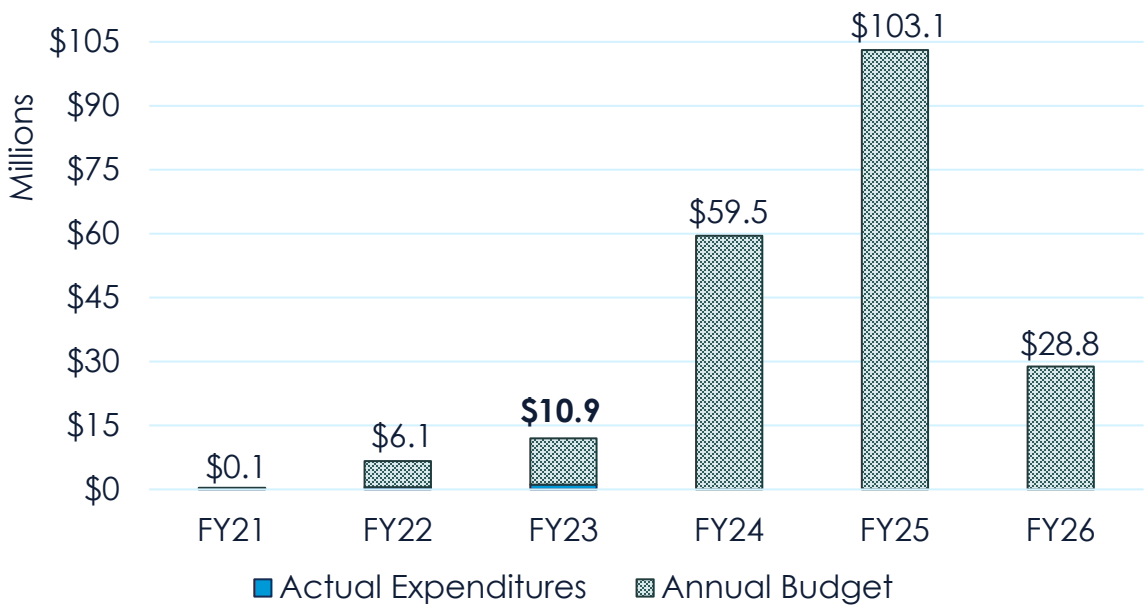
Capital Projects: Franconia to Lorton 3rd Track

Project Information			Financial Information (\$M)**				
Completion Year	Project Lead	Project Status	Project Cost*	Inception to Date Expense	FY23 Budget	FY23 YTD Actual	Variance (%)
2026	CSXT	30% Design	\$229.5 M	\$3.2	\$10.9	\$2.2	80%

NOTES:
The 30% PE design review comments were reviewed and accepted. **The delineation of surface water and tree environmental conditions, as well as confirming railroad right-of-way and private property boundaries, was completed in July. Draft reports and the draft boundary surveys are expected by the end of August. VPRA is anticipating 60% design plans in October 2023.**
Note: **Bold** indicates new information.

* Proposed FY 24 Budget estimates used throughout this report for "Project Cost"

** Financial information included is through 5/31/2023. Year-end results will be provided as part of the year-end variance analysis.



Capital Projects: Long Bridge

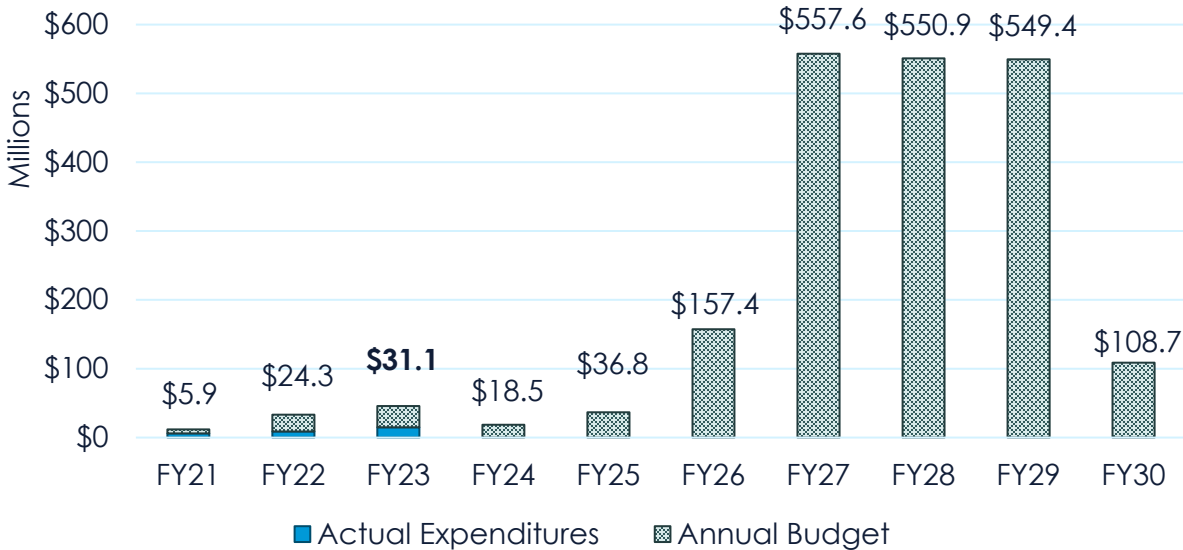
Project Information			Financial Information (\$M)**				
Completion Year	Project Lead	Project Status	Project Cost*	Inception to Date Expense	FY23 Budget	FY23 YTD Actual	Variance (%)
2030	VPRA	30% Design	\$2.279 B	\$32.6	\$31.1	\$ 17.7	43%

NOTES:
Conformed 30% design plans will be complete in Fall 2023. **Test piles will be driven in East Potomac Park starting in mid-September once all National Park Service approvals are received. The North Package Proposals are due on September 15, 2023. South Package Statements of Qualifications (SOQ) are due on November 30, 2023.** The North Package is fully funded and the South Package funds cover design and partial construction. VPRA applied for full funding for the South Package through Fed-State Partnership from FRA on April 21, 2023.

Note: **Bold** indicates new information.

* Proposed FY 24 Budget estimates used throughout this report for "Project Cost"

** Financial information included is through 5/31/2023. Year-end results will be provided as part of the year-end variance analysis.



Capital Projects: Alexandria 4th Track

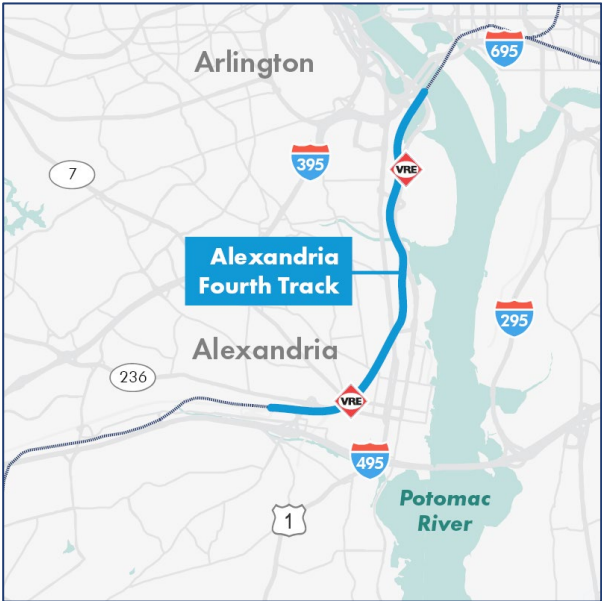
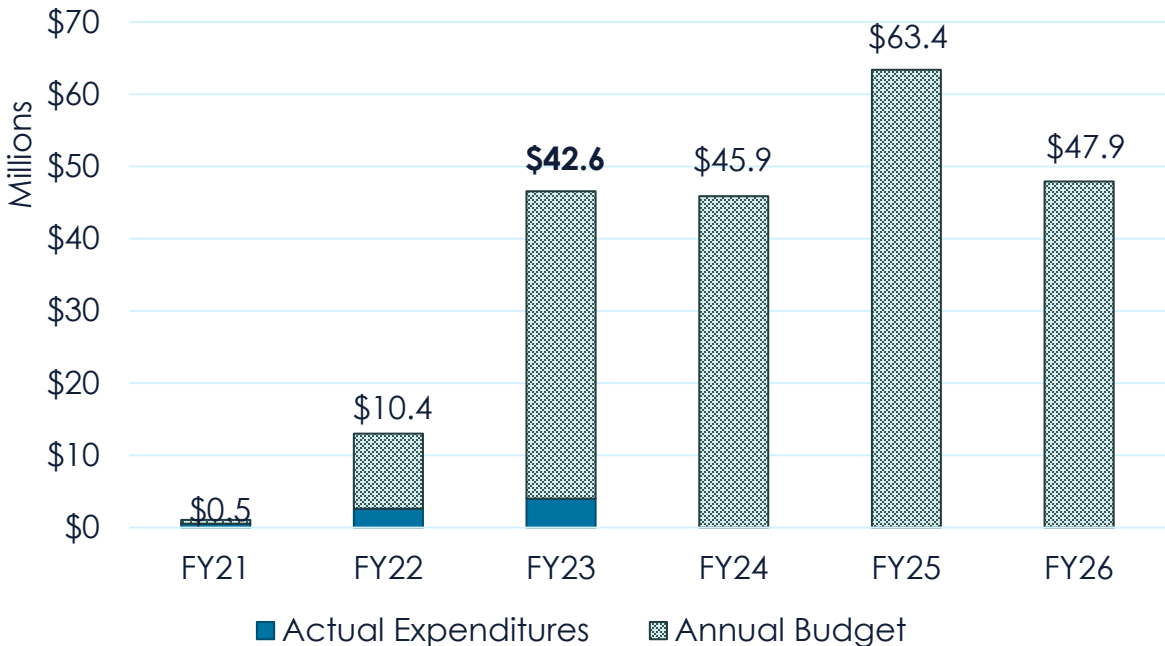
Project Information			Financial Information (\$M)**				
Completion Year	Project Lead	Project Status	Project Cost*	Inception to Date Expense	FY23 Budget	FY23 YTD Actual	Variance (%)
2026	CSXT	60% Design	\$210.5 M	\$8.1	\$42.6	\$5.0	88%

NOTES:
The CSXT-led design team is working to incorporate a track profile modification (Tracks #0 and #1) through VRE's Alexandria Station to accommodate slope design changes to the center platform dictated by FRA. **Alexandria area projects in-person stakeholder meeting was held 8/15/23 to further discuss construction sequencing for all projects occurring within the 4th Track project segment.** 90% design submittal is expected in September 2023.

Note: **Bold** indicates new information.

* Proposed FY 24 Budget estimates used throughout this report for "Project Cost".

** Financial information included is through 5/31/2023. Year-end results will be provided as part of the year-end variance analysis.



Capital Projects: Franconia-Springfield Bypass

Project Information			Financial Information (\$M)**				
Completion Year	Project Lead	Project Status	Project Cost	Inception to Date Expense	FY23 Budget	FY23 YTD Actual	Variance (%)
2026	VPRA	30% Design	\$435 M	\$3.9	\$10.2	\$ 3.1	70%

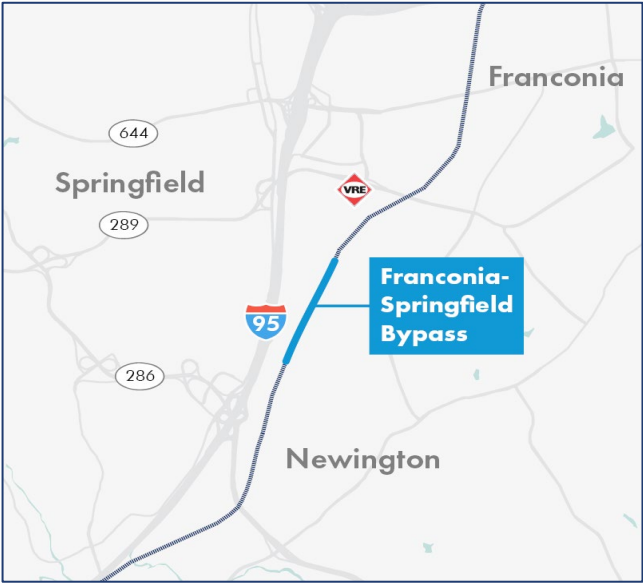
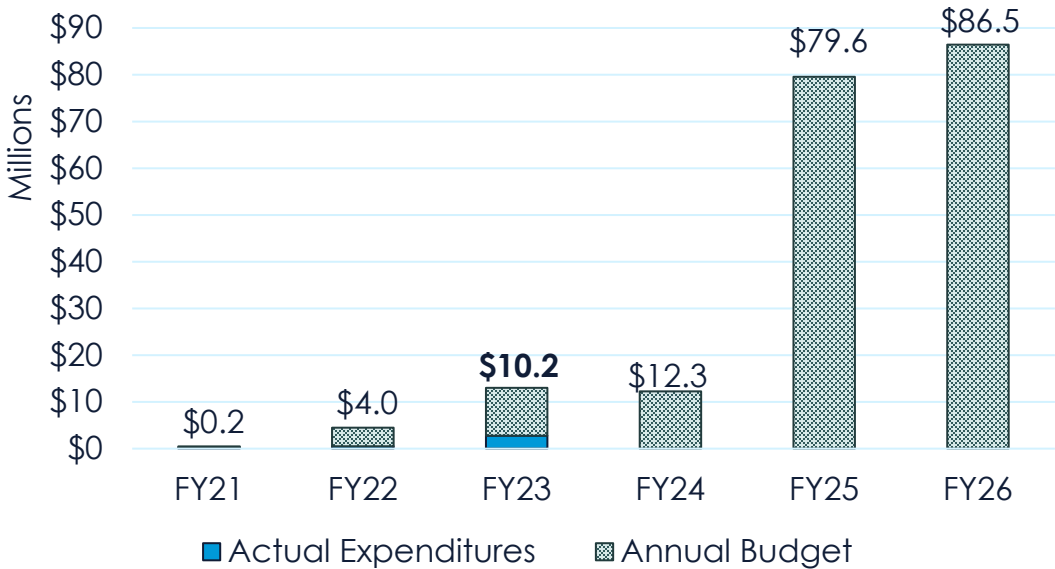
NOTES:

The 30% PE design review comments were reviewed and accepted. VPRA is in the process of negotiating with Parsons for the final design option (which was part of the design contract). **The CM/GC Request for Proposal (RFP) was advertised on August 4th. The proposals are due September 11, 2023.**

Note: **Bold** indicates new information.

* Proposed FY 24 Budget estimates used throughout this report for "Project Cost"

** Financial information included is through 5/31/2023. Year-end results will be provided as part of the year-end variance analysis.



Other Capital Projects Updates

Project	Project Cost (\$M)	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
King & Commonwealth Bridges	\$3.9M	2026	CSX	■	●	●			Commonwealth 60% review comments were sent to CSX; King Street 60% plans were delivered 8/07 for stakeholder review. 90% design for both bridges are anticipated in October. Phasing coordination with VRE's Alexandria Station project is ongoing. *\$3.9M cost covers final design
Newington Road RR Bridge	\$61	2026	CSX	■	●	■			Incorporated into Franconia-Lorton project, grant pre-award activities underway.
Potomac Creek Third Track (Siding A)	\$143	2026	CSX	■	●	■			CSXT project authorization notice (PAN) was executed on November 10, 2022. 30% design plans are anticipated in September 2023. CTB resolution allows VPRA to proceed with Leeland Rd bridge replacement. VDOT/VPRA Interagency Agreement was executed 8/4.
Woodford to Milford Third Track (Siding B)	\$85.2	2026	CSX	●		■			CSXT PAN was executed on April 12, 2023. Conceptual design alignments were received from CSXT on June 23, 2023. 30% plans are anticipated in November 2023. The project will be entered into the rural long range transportation plan in 2023.
Hanover Third Track (Siding C)	\$84.4	2026	CSX	●		■			CSXT PAN was executed on July 13, 2023. Notice to proceed (NTP) for design was issued to CSX on July 24, 2023. VPRA/CSXT site walk occurred on August 14. CTB resolution allows VPRA to move forward with the Washington Hwy bridge replacement.
New River Valley Improvements & Service Facility	\$85.5	2026	VPRA	●		●			VPRA met with FRA on July 17th where FRA advised that NRV environmental process (NEPA) should follow Corridor ID requirements. ~30% PE to be completed by end of 2023. Geotechnical borings are ongoing and scheduled to be completed in September.



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EC = Environmental Clearance;

▲ = On Hold

FD = Final Design;

CN = Construction

Note: **Bold** indicates new information.



Capital & Operating Grants Updates

Capital & Operating Grant BTA – FY23 (Unaudited)

Project Description (in millions)	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)
Crystal City Platform	\$0.7	-	\$0.7	100%
L'Enfant Platform	1.4	-	1.4	100%
Alexandria Station Improvements	3.8	-	3.8	100%
Brooke & Leeland Road Station Improvements	2.9	-	2.9	100%
Broad Run Station & 3rd Track Improvements	33.0	0.1	32.9	100%
Manassas Station and Platform Extension	0.3	-	0.3	100%
Manassas Park Parking Garage and Bridge	21.4	-	21.4	100%
Real Time Multimodal Information	1.8	-	1.8	100%
Quantico Station Improvements	10.2	2.9	7.3	72%
Rolling Road Platform Extension	-	-	-	-
Crossroads Storage Expansion	0.4	-	0.4	100%
Track Lease Payment-Amtrak	5.7	5.5	0.2	4%
Track Lease Payment-Norfolk Southern	2.8	2.8	-	0%
Newport News Station, Platform, and Service Facility	5.0	5.3	(0.3)	-6%
Ettrick Station Improvements – State-of-Good-Repair	0.5	0.2	0.3	60%
Arkendale to Powell's Creek Third Track	5.5	3.3	2.2	40%
Amtrak Passenger Information Display System: Ashland & Richmond Main St. Stations	0.4	0.1	0.3	75%
Station Program & Planning	2.4	0.1	2.3	96%
Positive Train Control	15.4	7.4	8.0	52%
Amtrak Train Equipment - New Service	16.0	-	16.0	100%
Western Rail Initiative Grant	26.2	26.2	-	-
Roanoke Yard Improvements	20.0	0.2	19.8	99%
S-Line Planning & Development	1.0	0.3	0.7	70%
DRPT Managed	9.1	5.5	3.6	40%
Total	\$185.9	\$59.9	\$126.0	68%

Orange (■) indicates a variance exceeding \$2M and 15% of planned annual expenditures. See subsequent pages for variance analysis.

Capital & Operating Grant Variance Analysis – FY23

Project Description (in millions)	Grantee	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)	Analysis
Alexandria Station Improvements	VRE	\$3.8	-	3.8	100%	Project has been paused to assess scope change as a result of the King and Commonwealth bridges project. Significant project progress and spend is expected to pick up in late FY24.
Brooke & Leeland Road Station Improvements	VRE	2.9	-	2.9	100%	Projects are on hold indefinitely. Scope may change from center platforms to platform extensions, but these are now low priority projects for VRE.
Broad Run Station & 3rd Track Improvements	VRE	33.0	0.1	32.9	100%	Project remains in conceptual design phase. No construction activity is planned in the coming years.
Manassas Park Parking Garage and Bridge	VRE	21.4	-	21.4	100%	Construction NTP was awarded 6/2023. Significant draw down anticipated in FY24, with project completion in Dec 2025.
Quantico Station Improvements	VRE	10.2	2.9	7.3	72%	Project work is underway and final spend is expected to occur in the coming year.
Arkendale to Powell's Creek Third Track Construction & Island Platforms	CSX	5.5	3.3	2.2	40%	Remaining track work is expected to get underway in Q1 of FY24. Project schedule shifted out due to Quantico project coordination and CSX crew availability.

Capital & Operating Grant Variance Analysis – FY23

Project Description (in millions)	Grantee	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)	Analysis
Station Program & Planning	Amtrak	2.4	0.1	2.3	96%	VPRA is defining ADA & SOGR needs before advancing design and construction of improvements for stations.
Positive Train Control	Amtrak	15.4	7.4	8.0	52%	Current actuals are expected to be the full cost for the PTC project. Remaining budget will be deobligated in the next budget cycle.
Amtrak Train Equipment - New Service	Amtrak	16.0	-	16.0	100%	It was determined that VPRA did not need to pay for additional train cars to start the new FY23 service, this amount was removed from FY24 budget.
Roanoke Yard Improvements	Norfolk Southern	20.0	0.2	19.8	99%	Norfolk Southern is currently proceeding with final design, with anticipated completion in Fall 2023, and to start construction shortly thereafter.
DRPT Managed	Various	9.1	5.5	3.6	40%	Amendment of the DC2RVA grant was done in the beginning of this fiscal year halting spend on the grant. Two of the outstanding Port Authority grants spend has not begun as the grants are not currently under agreement.

Capital & Operating Grants Update

Project	Project Cost	Completion Year	Project Lead	CD	PE	EC	FD	CN	Notes
Nokesville to Calverton (Western Rail Initiative Grant)	\$50	2025	NS	●	●		●		Seven miles of double track by grant to Norfolk Southern (NS). Completion of definitive agreements 1/10/22; Financial close occurred in June 2022, NS to bill VPRA for ongoing design work. Construction is anticipated to start in late 2023 and be complete in Q4 2025.
Roanoke West Yard	\$36.5	2026	NS	●	●		●		Five miles of track by grant to better streamline passenger and freight operations in Roanoke Yard. Horizontal track layout plans received from NS on 12/8/22. NS is aiming to begin construction work in late 2023. Estimated completion early 2026.
Arkendale to Powell's Creek Third Track	\$101	2024	CSX	■	■	■	■	●	CSXT is performing track and signal work at the northern project limits. CSXT to perform track work in the Quantico Station area beginning in late August 2023 in coordination with VRE construction activities at Quantico Station. Estimated completion Spring 2024.
Quantico Station	\$24	2024	VRE	■	■	■	■	●	VRE-led project, CSXT will construct track. Ongoing construction activities include masonry work on the towers, electrical work at the station, and constructing the retaining wall north of the station. Estimated completion Spring 2024.
Newport News Station	\$44	2024	City of NPN	■	■	■	■	●	Relocation and construction of a new multimodal transportation center on Bland Boulevard. \$20.5M from VPRA. Estimated start of Amtrak service in Spring 2024. \$1.2M CDS request (earmark) included in Federal FY23 Omnibus Bill.



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Budget-to-Actual Analysis for FY23

FY23 Budget-to-Actual Summary (Unaudited)

Budget Component (in millions)	FY23 Budget	FY23 Actual	Variance	
			\$	%
Operations	\$124.3	\$119.6	\$4.7	4%
Capital Projects	165.9	44.1	121.8	74%
Capital Projects: ROW Purchase	125.0	125.0	-	0%
Total Capital Projects	290.9	169.1	121.8	42%
Capital & Operating Grants	185.9	59.9	126.0	68%
Total	\$601.1	\$348.6	\$252.5	42%

- Overall, the capital projects spend did not meet expectations in FY23. Reevaluation of project schedules and expenditure plans will be developed as the core projects progress to and pass 30% design.
- Capital grants were delayed due to the grantor reevaluating projects and related project coordination efforts. Greater coordination with grantees is needed to solidify accurate expenditure plans.
- Operating revenues finished the year strong, surpassing estimates, and operating expenses were within 4% of budget.

Operations – FY23 Budget-to-Actual (Unaudited)

- Revenues covered 96% of direct operating costs for FY23.
- Total Train Operations Expense** was **4% under** the FY23 budget.
 - While the NEC Expense was 42% over budget, this was offset by a 15% underspend in route cost in additives.
 - NEC expenses were matched with a 25% increase in NEC revenues, attributable to a coordinated effort on Amtrak fare setting providing higher net returns in Q3 & Q4.
 - As post-pandemic ridership trends towards leisure longer distance travel, we expect the higher NEC Expenses to continue.
- Other Operating Expense** was a **4% under** the FY23 budget.

Operations Category (in millions)	FY23 Budget	FY23 Actual	Variance (\$)	Variance (%)
Train Operating Revenues				
Train Revenue	\$33.1	\$45.0	(\$11.9)	-36%
Food Service Revenue	1.0	1.4	(0.4)	-40%
Other Revenue	0.6	1.5	(0.9)	-150%
NEC Through Revenue	28.0	34.9	(6.9)	-25%
Total Train Operating Revenues	\$62.7	\$82.8	(\$20.1)	-32%
Train Operations Expenses				
Route Costs and Additives	59.7	51.0	8.7	15%
Fuel Costs	4.1	5.1	(1.0)	-24%
Host Railroad Costs	3.3	2.3	1.0	30%
Host RR Performance Incentives	3.0	2.1	0.9	30%
NEC Through Credit Expense	18.4	26.2	(7.8)	-42%
Total Train Operations Expense	\$88.5	\$86.7	\$1.8	2%
Other Operating Expenses				
Capital Equipment Maintenance	8.2	8.6	(0.4)	-5%
Bedford Amtrak Thruway Intercity Bus Connector	0.4	-	0.4	100%
Amtrak Marketing	0.9	0.9	-	0%
I-95 Corridor Maintenance of Way (VRE Access Rate)	7.8	7.7	0.1	1%
Western Rail Maintenance of Way	2.1	0.8	1.3	62%
Norfolk Southern Access Fee	-	(2.5)	2.5	100%
Western Rail Access Fee	3.7	3.4	0.3	8%
Insurance	1.5	0.9	0.6	40%
Depreciation (non-cash expense)	1.0	3.0	(2.0)	-200%
Administrative Budget	10.2	10.1	0.1	1%
Total Operating Expenses	\$124.3	\$119.6	\$4.7	4%
Additional Funding Required	\$61.6	\$36.8	\$24.8	
Federal Credits Applied to Train Operation Expense	4.4	3.8	0.6	14%
Additional Funding Required - w/o Federal Credits	\$66.0	\$40.6	\$25.4	\$0.4
Overall Cost Recovery	50%	69%		
Overall Cost Recovery - Without Federal Credits	49%	67%		

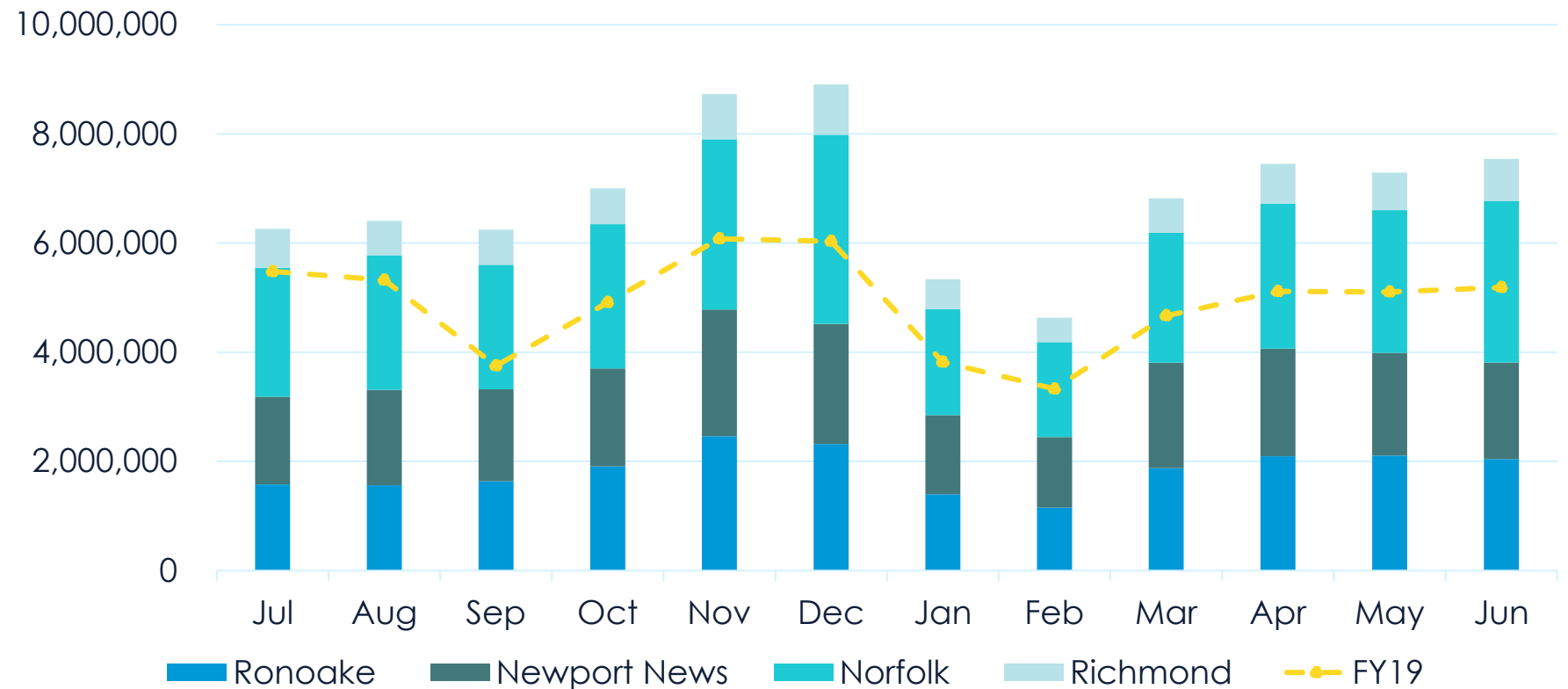
Amtrak Revenues by Route - (Unaudited)

FY23 vs. FY19

Revenues **exceeded FY23 forecast by 32%**, and surpassed pre-pandemic revenues by 41%.

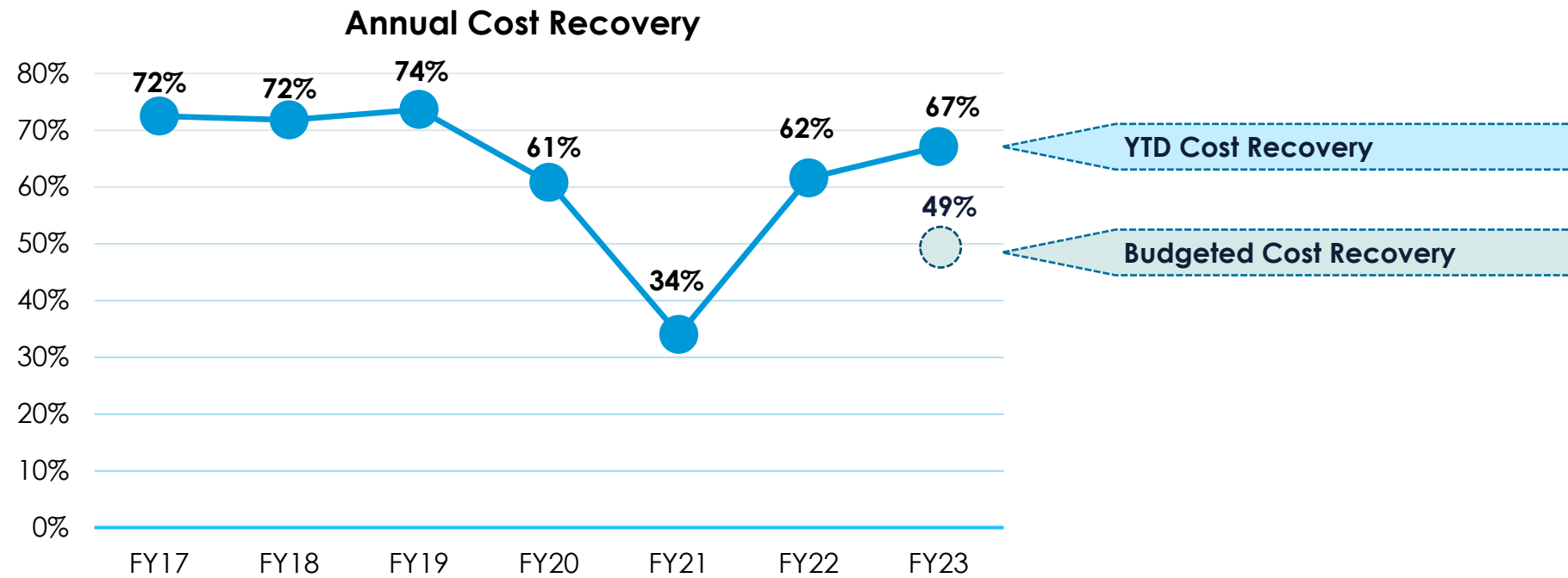
Continuing this trend of **strong operational revenues** is **paramount** to ensure VPRRA will be able to fund its capital project portfolio & expand passenger rail service.

Total Amtrak Revenues
FY23 vs. FY19



Annual Cost Recovery Trend Comparison

FY23 annual cost recovery continues to climb to pre-pandemic levels.



Administrative costs included in FY17-FY19 were applied using an average of actual administrative costs since the inception of the VPRA. CSX Access fees have been included for all years.

Administrative Budget – FY23 (Unaudited)

Expense Category	FY23 Budget	FY23 Actual	Variance (\$)
Payroll & Benefits	\$6,650,000	6,902,954	(\$252,954)
Professional Services	2,012,000	1,764,353	247,647
Information & Technology	550,000	451,661	98,339
Building & Office Related	590,000	588,039	1,961
Other Employee Costs	420,000	431,622	(11,622)
Total	\$10,222,000	\$10,138,629	\$83,371

The lines within the administrative budget were redistributed through-out the year to reflect the needs of the entity in FY23. For example, Payroll & Benefits was approved at \$7,390,000 in the original budget. **VPRA ended the year under the total administrative budget.**

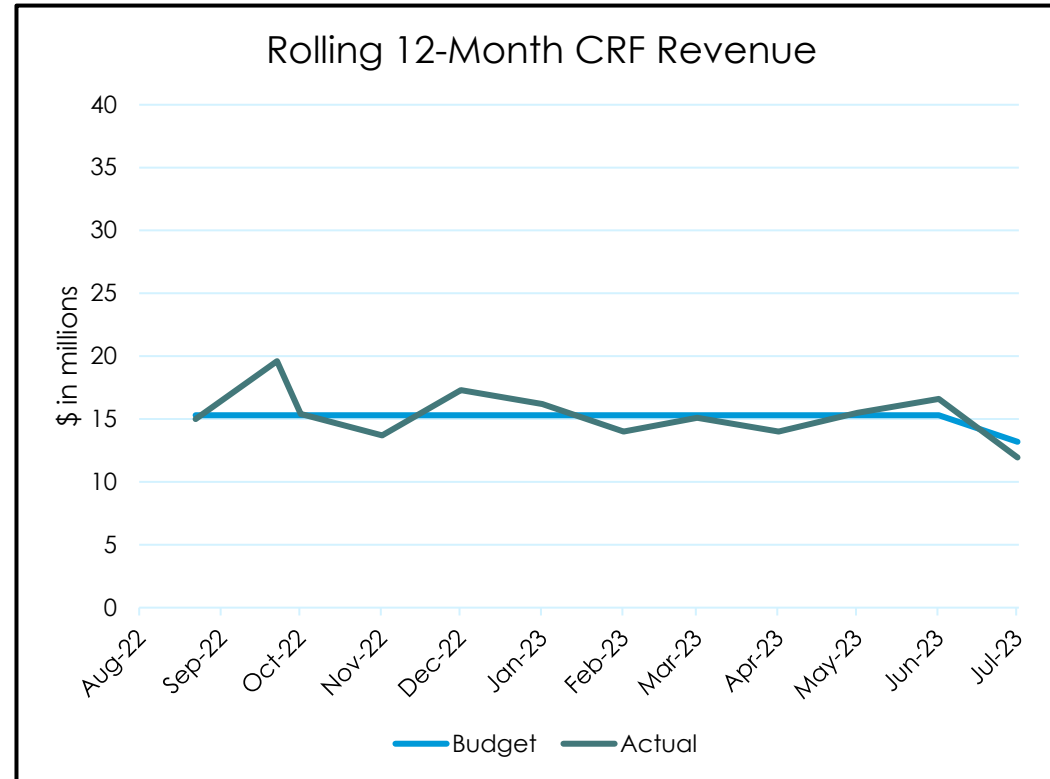


Revenue & Investment Updates

VPRA Monthly Revenues

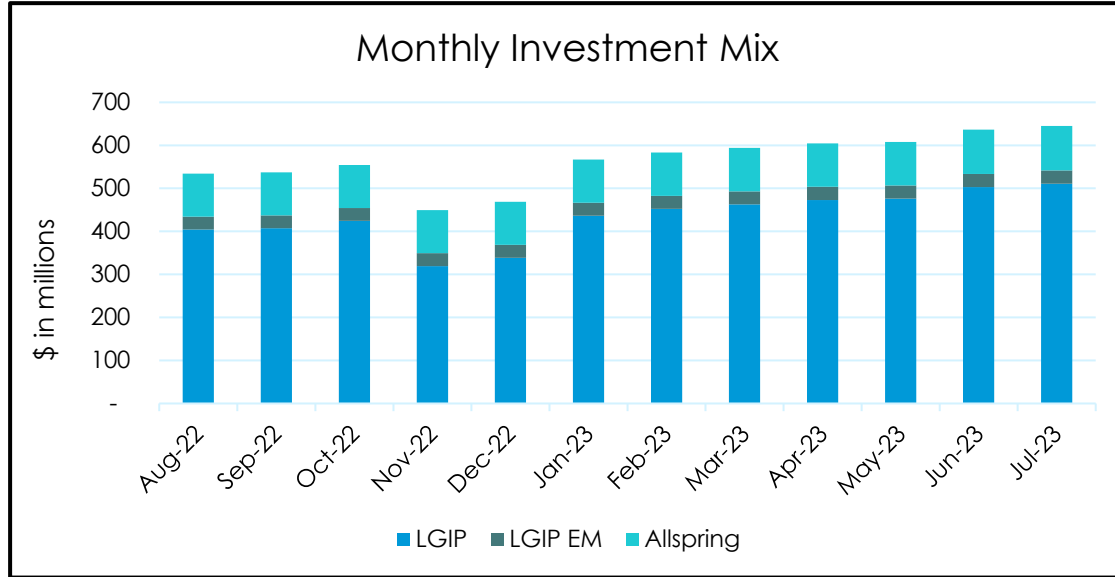
Rolling 12-Month Trend Analysis

- FY24 Commonwealth Rail Fund (CRF) revenues are projected to be \$158.4M, a 13.5% decrease from FY23 as the 'on the top' allocations do not continue into FY24.
- For July, CRF revenues are on track with the estimate.



VPRA Investment Mix & Earnings

Rolling 12-Month Trend Analysis



\$2.6M
FY24 income
generated

4.9%
FY24
annualized
rate of return

\$644.9M
Current
invested
balance



VPRA Investment Policy Principals

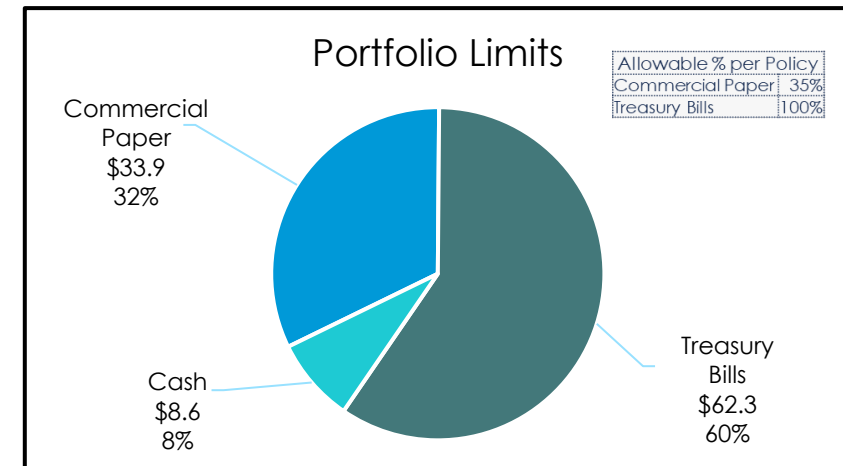
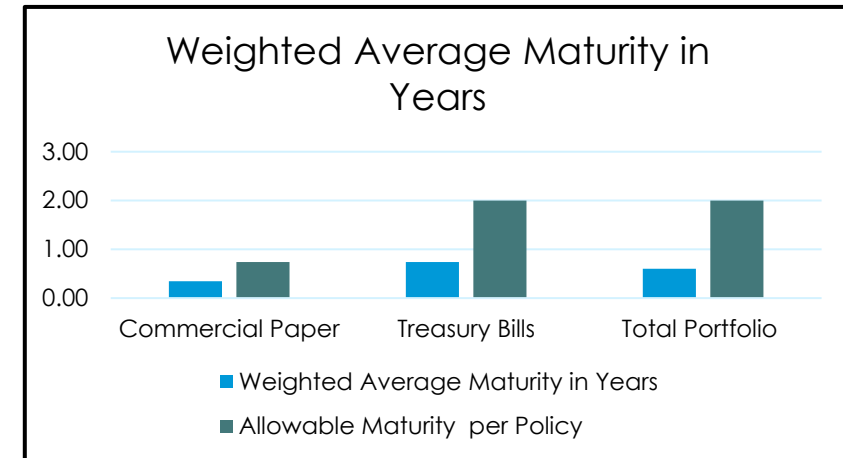
Principal and Liquidity as of July 31, 2023

1. Principal

	Base	Market Value	Gain/(Loss) (\$)	Gain/(Loss) (%)
LGIP EM	30,978,352	30,805,223	(173,129)	(0.6%)
Allspring	103,166,741	102,538,401	(620,340)	(0.6%)

Currently, the investments have a 0.6% market value loss. As assets in the portfolio are reinvested in higher-yield securities, the market value will continue to rebound. The VPRA has the ability and intent to hold the investments until the market value has rebounded.

2. Liquidity

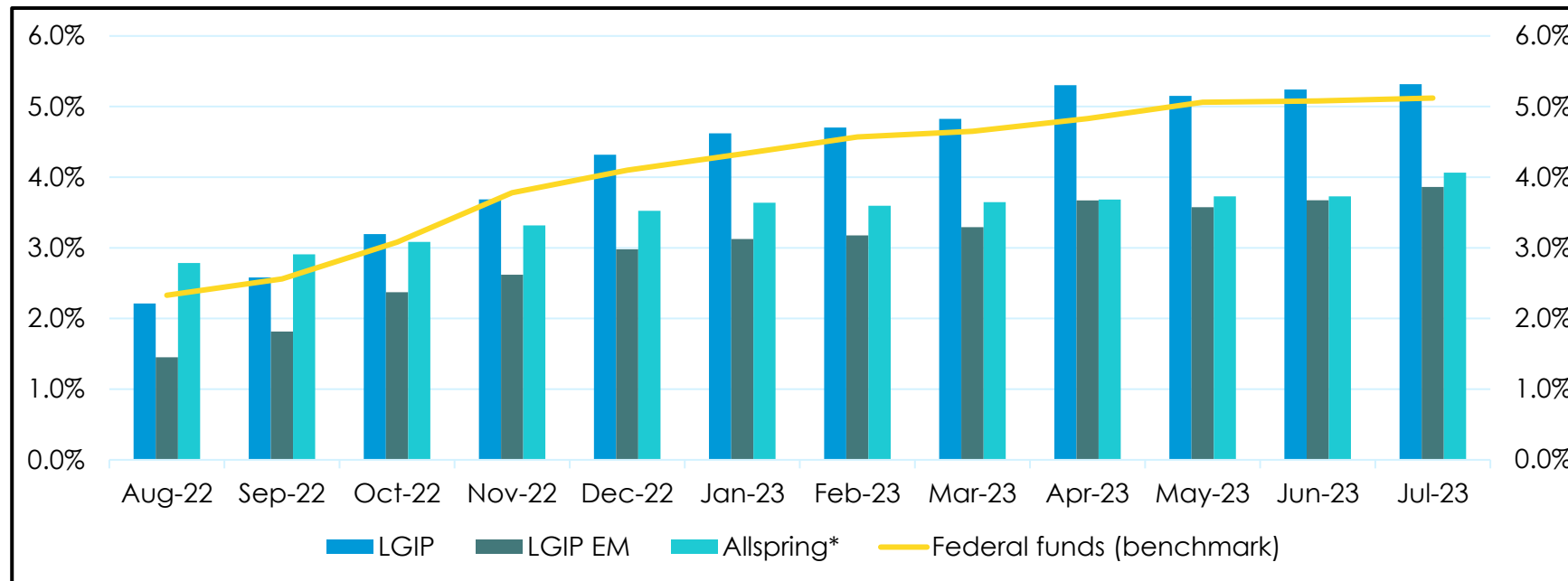


*The notable amount of cash at month-end was due to the timing of investment maturities.

VPRA Investment Policy Principals Cont.

Return through July 31, 2023

3. Return



**Allspring's Effective Yield has been reduced by investment management & custodian fees.*

- VPRA continues to invest a majority (over 75%) of its cash in the LGIP as interest rates are expected to increase in the near term.
- LGIP's short-term strategy is advantageous during a time of interest rate increases. The longer-term maturities in Allspring and LGIP-EM will produce greater returns as interest rates level-off or decline.
- The selection process for investment management services is currently underway.

Federal Funding Status

Project	Federal Programs	Requested Amount	Awarded Amount
Franconia-Springfield Bypass	FRA - CRISI	100,000,000	Open
Long Bridge & Phase 2 Sidings	Fed-State Partnership	729,000,000	Open
New Ettrick/Petersburg Station & Platform (Project Development)	Fed-State Partnership	2,000,000	Open
Long Bridge & Phase 2 Sidings	USDOT Multimodal Project Discretionary Grant	729,000,000	Open

VPRA applied for Fed-State Partnership Grants on the Long Bridge Project & Phase 2 Sidings and the new Ettrick/Petersburg Station & Platform on April 21st.

VPRA applied for the USDOT MPDG on August 21st.

VPRA notified the FTA of its decision to halt activities related to the Capital Investment Grants (CIG) Program on July 31st.

Project	Congressional Earmarks	Amount Requested	Appropriations Amount	Awarded Amount
New Ettrick/Petersburg Station & Platform (Project Development)	FY24 House Earmark Request	2,000,000	1,000,000	Open
Central Virginia Passenger Rail Network and Station Improvements	FY24 Senate Earmark Request	2,000,000	Not included In Senate Bill	Closed



THANK YOU

Questions?