



Virginia Railway Express

# CHIEF EXECUTIVE OFFICER'S REPORT

March 2009

## MONTHLY DELAY SUMMARY

	November	December	January	February
<b>System wide</b>				
Total delays	99	75	39	36
Average length of delay (mins.)	16	14	21	17
Number over 30 minutes	7	3	7	4
Days with Heat Restrictions/Total days	0/17	0/19	0/18	0/19
On-Time Performance	80.6%	86.5%	93.1%	93.5%
<b>Fredericksburg Line</b>				
Total delays	60	47	21	19
Average length of delay (mins.)	15	15	22	17
Number over 30 minutes	3	2	4	2
On-Time Performance	73.8%	81.4%	91.8%	92.3%
<b>Manassas Line</b>				
Total delays	39	28	18	17
Average length of delay (mins.)	17	14	21	16
Number over 30 minutes	4	1	3	2
On-Time Performance	86.1%	90.8%	94.2%	94.4%

## SYSTEM RIDERSHIP

The total number of February trips in 2009 was 7.4% higher than in February 2008. The year-to-date gain through February in ridership was 7.3%. The growth in ridership is slowing when compared to previous months. Year-to-date growth in November was 11.8%, December was 9.1% and January was 8.1%. With improving on-time performance, the reasons for the decline are hard to pin point. With the potential increase in federal transit benefit from \$120 to \$230 in the coming months, VRE will hopefully see an uptick in ridership.

## SYSTEM ON TIME PERFORMANCE

VRE achieved 90% on-time performance for both lines in January and February, two months in a row. This is the first time that VRE has had back to back months of 90% on-time performance since November/December 2006. The renewed emphasis on VRE's mechanical maintenance and the railroads' attention to switch and signal issues has improved VRE's performance over the last two months.

## **2009 LEGISLATIVE SESSION**

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Results from the 2009 state legislative session are as follows:

Senate Bill 1066 (Puller) passed, prohibiting the use of counterfeit tickets or riding out of zone. It passed both Chambers unanimously and now awaits the Governor's signature.

A budget Amendment provision passed in both HB 1600 and SB 850. The respective budget bills allow VRE to secure and utilize a third party to manage the Insurance Trust Fund.

House Bill 2100 (Ebbin,) making it illegal to cross the tracks when a warning sign is down, did not pass. It made it out of the House Transportation Committee and the subcommittee, which were impressive first steps. When it reached the full House, a late challenge by Delegate Putney to the necessity of such a measure, turned the tables. The bill was defeated 55-43 in the House. Delegates Jackson Miller, Hugo and Bob Marshall were the lone local Republicans who supported the bill. All local Democrats voted in favor of the bill.

## **VRE NOW ON FACEBOOK**

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VRE has joined the social networking age! VRE has joined Facebook to provide an alternative, less formalized way to share train information. To see upcoming events, what's going on at VRE, chat on our discussion board, or engage in discussion topics with VRE and fellow riders, please visit <http://www.facebook.com/pages/Virginia-Railway-Express/53836370185>.

## **BURKE CENTRE PLATFORM CONSTRUCTION TO BEGIN SOON**

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Riders using the Burke Centre station will soon have a lot more elbow room as they wait for the train. Construction of a 200-foot long platform extension with a canopy is set to begin later this month. The platform will be located at the south end of the existing platform, behind the recently constructed parking garage. It is expected that construction will last about six months. The existing platform and parking garage will remain open and operating as usual, with minimal disruptions to accessibility. Once construction begins, the western most surface parking lot (128 spaces) will be closed to commuters for the duration of the construction period.

## **SECOND PLATFORM AT WOODBRIDGE TAKING SHAPE**

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Construction on the highly anticipated second platform at the Woodbridge station began in November and is on schedule with utilities identified and the concrete foundations for the pedestrian bridge and elevator tower poured. One of the more complicated aspects of the project, which will involve shifting the tracks westward in order to accommodate the new platform and an intertrack fence, is currently being coordinated with CSX. That phase, which is

expected to occur in late spring or early summer, will last approximately one week and will likely cause slight disruptions to service for a few days.

Once complete, the second 600-foot long platform with a canopy will run along the west side of the station and will be connected to the existing parking garage via a 142-foot long overhead pedestrian bridge. A new stair and elevator tower will allow commuters to access the new platform directly from Route 1 via a kiss and ride entrance, which will be constructed as part of this project. The second platform is scheduled for completion by fall 2009.

### **MEET THE MANAGEMENT BEGINS AGAIN**

Our annual "Meet the Management" events will start up again in April. The following schedule provides a list of dates and locations.

April 1	Union Station (pm)	June 10	Brooke (am)
April 8	L'Enfant (pm)	June 17	Manassas Park (am)
April 15	Crystal City (pm)	June 24	Quantico (am)
April 22	Alexandria (pm)	July 1	Burke Centre (am)
April 29	Franconia-Springfield (pm)	July 8	Rippon (am)
May 13	Fredericksburg (am)	July 15	Rolling Road (am)
May 20	Broad Run (am)	July 22	Woodbridge (am)
May 27	Leeland Road (am)	July 29	Backlick Road (am)
June 3	Manassas (am)	August 5	Lorton (am)

**MONTHLY PERFORMANCE MEASURES – FEBRUARY 2009**

<b>MONTHLY ON-TIME PERFORMANCE</b>	<b>ON-TIME PERCENTAGE</b>
February Fredericksburg OTP Average	92.3%
February Manassas OTP Average	94.4%
<b>VRE FEBRUARY OVERALL OTP AVERAGE</b>	<b>93.5%</b>

<b>RIDERSHIP YEAR TO DATE</b>	<b>RIDERSHIP</b>
VRE FY 2009 Passenger Totals	2,517,709
VRE FY 2008 Passenger Totals	2,345,892
<b>PERCENTAGE CHANGE</b>	<b>7.3%</b>

<b>RIDERSHIP MONTH TO MONTH COMPARISON</b>	
<b>DESCRIPTION</b>	<b>MONTHLY RIDERSHIP</b>
FEBRUARY 2009	303,116
FEBRUARY 2008	297,205
<b>PERCENTAGE CHANGE</b>	<b>7.4% NORMALIZED</b>
<b>SERVICE DAYS (CURRENT/PRIOR)</b>	<b>20 / 19</b>

# Chief Executive Officer's Ridership Report



**MARCH 2009**

*As Reported to the VRE Operations Board  
March 20, 2009*

# Monthly Ridership and OTP: February 2009

Date	Manassas AM	Manassas PM	Total Manassas	Actual OTP TD	Fred'burg AM	Fred'burg PM	Fred'burg Total	Actual OTP TD	Total Trips	Actual OTP TD
1										
2	3,802	3,849	7,651	100%	4,319	4,323	8,642	92%	16,293	97%
3	4,047	4,155	8,202	94%	4,309	4,389	8,698	100%	16,900	97%
4	4,058	3,981	8,039	100%	4,200	4,684	8,884	92%	16,923	97%
5	3,869	4,075	7,944	81%	4,331	4,353	8,684	54%	16,628	69%
6	3,221	3,336	6,557	100%	3,585	3,648	7,233	100%	13,790	100%
7										
8										
9	3,890	3,944	7,834	100%	4,090	4,335	8,425	100%	16,259	100%
10	3,979	4,045	8,024	88%	4,385	4,523	8,908	92%	16,932	90%
11	3,915	3,994	7,909	88%	4,020	4,584	8,604	92%	16,513	90%
12	3,971	3,910	7,881	88%	4,284	4,428	8,722	92%	16,603	90%
13	3,553	3,219	6,572	94%	3,639	3,567	7,206	100%	13,778	97%
14										
15										
16										
17	3,836	3,937	7,773	100%	3,896	4,340	8,236	100%	16,009	100%
18	3,941	3,973	7,914	100%	4,129	4,431	8,560	100%	16,474	100%
19	3,936	3,954	7,890	94%	4,337	4,338	8,675	100%	16,565	97%
20	3,256	3,408	6,664	94%	3,539	3,492	7,031	92%	13,695	93%
21										
22										
23	3,749	3,644	7,393	75%	4,036	4,096	8,132	85%	15,525	79%
24	3,723	3,934	7,657	100%	4,227	4,697	8,924	77%	16,581	90%
25	3,882	4,018	7,900	100%	4,295	4,296	8,591	100%	16,491	100%
26	3,723	4,017	7,740	100%	4,200	4,221	8,421	92%	16,161	97%
27	3,250	3,142	6,392	100%	3,624	3,537	7,161	92%	13,553	97%
28										
	71,401	72,535	143,936	94%	77,455	80,282	157,737	92%	301,673	93%
		Adjusted total:	143,988		Adjusted Total:	158,128	Adjusted Total:	303,116		

# of Service Days:	19	Total Trips This Month:	303,116	Adjusted Total:	303,116
Manassas Daily Avg. Trips:	7,576	Prior Total FY-2009:	2,214,593		
Fred'burg Daily Avg. Trips:	8,302	Total Trips FY-2009:	2,517,709		
Total Avg. Daily Trips:	15,878	Total Prior Years:	40,598,336		
		Grand Total:	43,116,045		

Note: Adjusted Averages & Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days.  
 \* designates "S" schedule day

## Monthly Ridership Changes: Fiscal Year 2008 vs. 2009

Current Month	MANASSAS			FREDERICKSBURG		
	Avg Daily FY2008	Avg Daily FY2009	% change	Avg Daily FY2008	Avg Daily FY2009	% change
July	6513	7003	7.52%	7393	8388	13.46%
August	6405	6885	7.49%	7379	8316	12.70%
September	6847	7495	9.46%	7652	8720	13.96%
October	6973	7491	7.43%	7754	8538	10.11%
November	6894	7330	6.32%	7707	8439	9.50%
December	6081	7158	17.71%	7235	8584	18.65%
January	6978	7610	9.06%	8148	8501	4.33%
February	6842	7578	10.76%	8018	8375	4.45%
March	6812			8050	0	
April	6988			8324	0	
May	6832			8094	0	
June	7123			8504	0	
Average growth			9.47%			10.89%
						10.22%

\*Ridership figures are shown in passenger trips. Includes Amtrak cross honor train riders.

\*\*Average daily ridership for May 2008 does not include 5/30/08 due to planned service disruption.

# Chief Executive Officer's Report

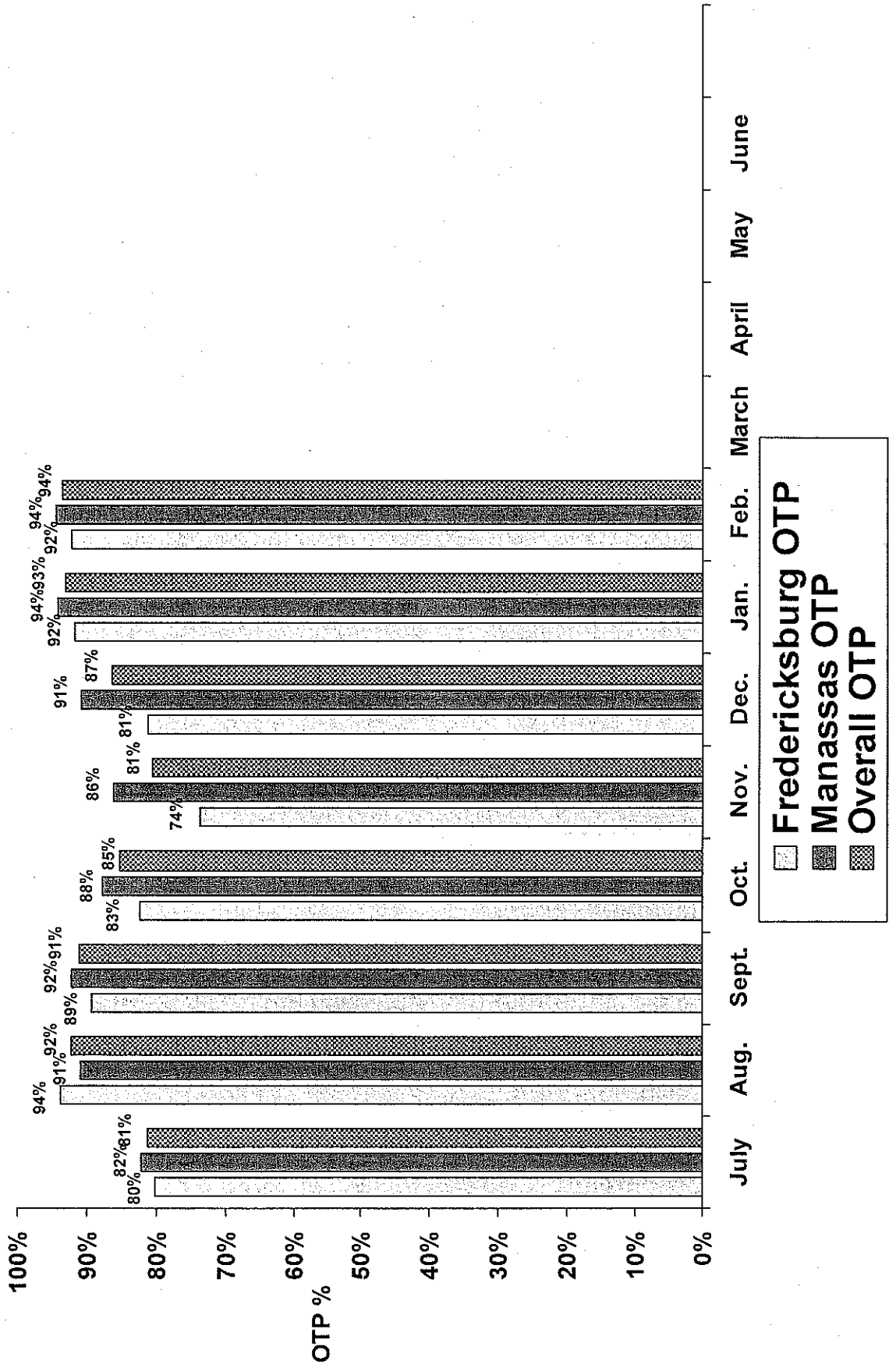


## Chief Executive Officer's On-Time Performance

**MARCH 2009**

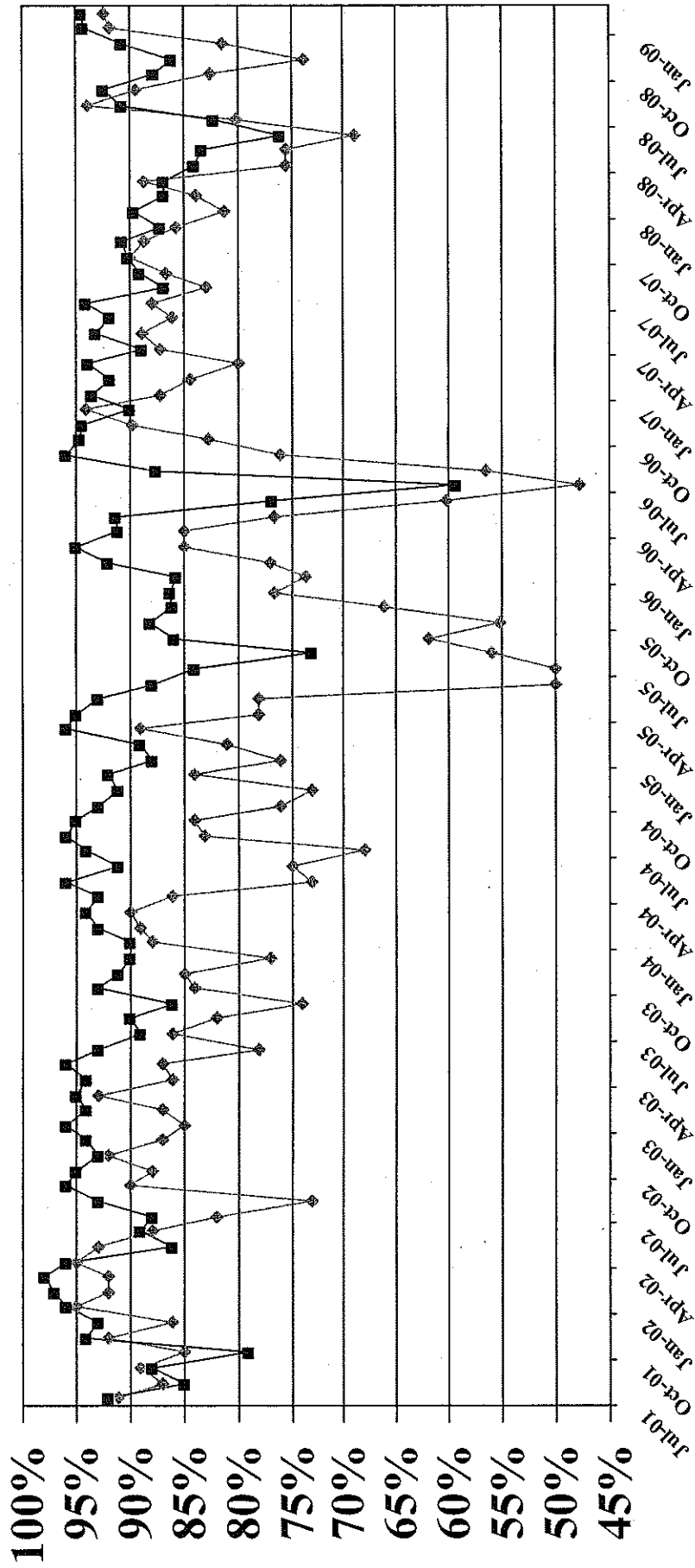
*As Reported to the VRE Operations Board  
March 20, 2009*

# Average On-Time Performance FY-2009



# On-Time Performance

July 2001 – February 2009



◆— Frederickburg Line    ■— Manassas Line

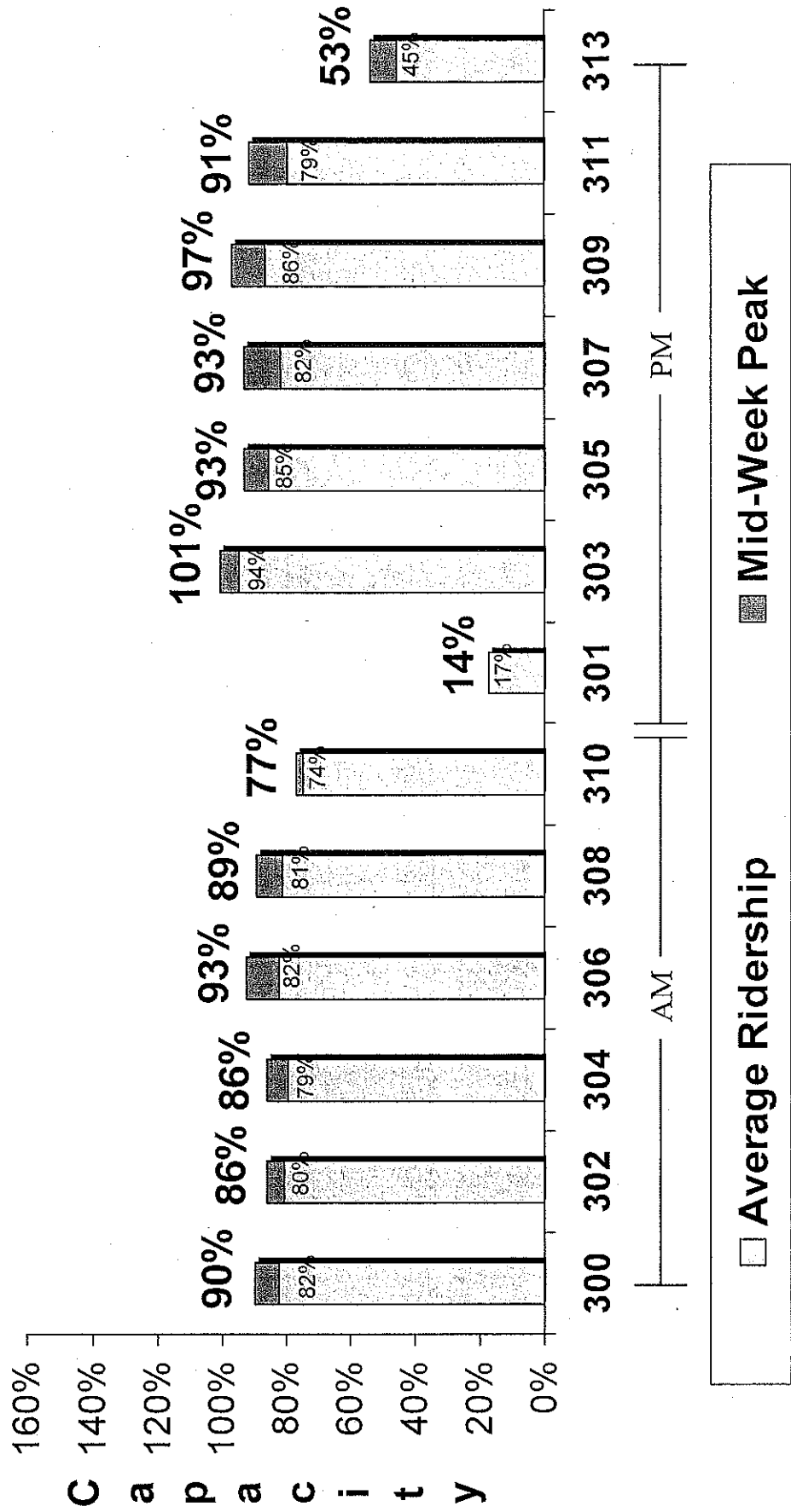
# Chief Executive Officer's Train Utilization



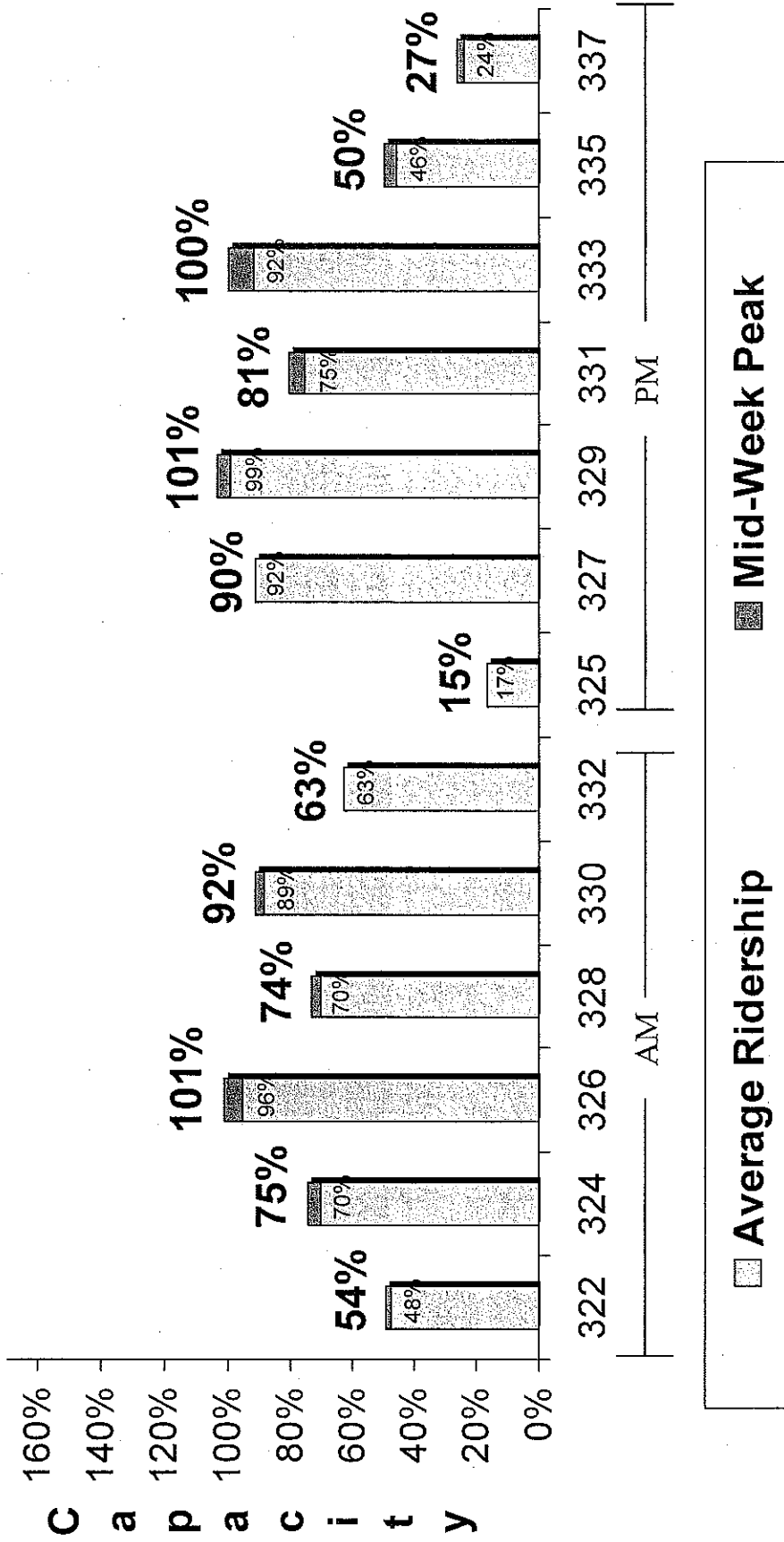
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# Train Utilization: Fredericksburg Line – February 2009



# Train Utilization: Manassas Line – February 2009



Average Ridership
  Mid-Week Peak

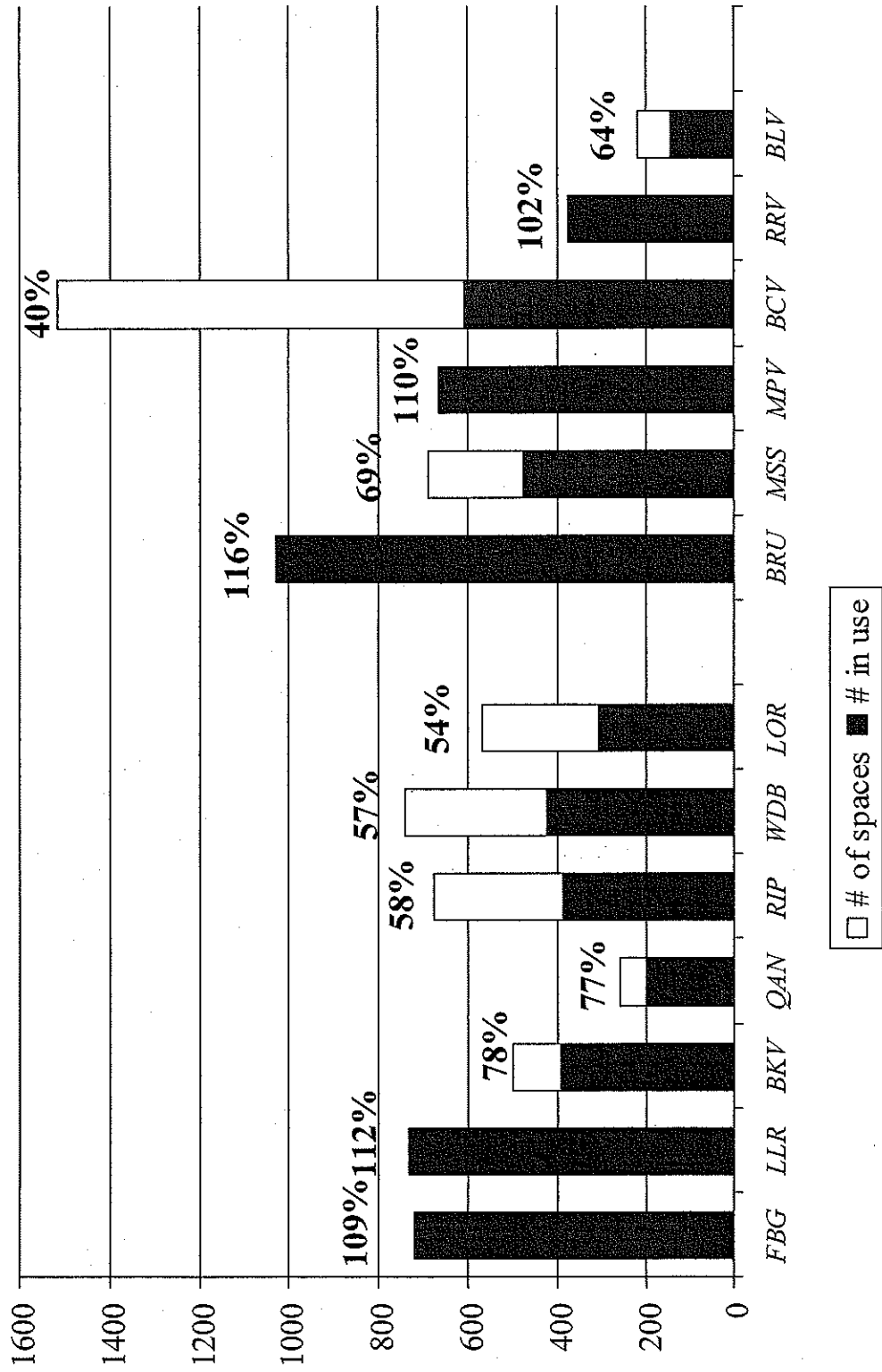
# Chief Executive Officer's Parking Utilization



**MARCH 2009**

*As Reported to the VRE Operations Board  
March 20, 2009*

# Parking Lot Utilization: February 2009



# Chief Executive Officer's Capital Project Summary



**MARCH 2009**

*As Reported to the VRE Operations Board  
March 20, 2009*

**VIRGINIA RAILWAY EXPRESS**  
**CAPITAL PROJECTS - PROGRESS REPORT**  
**Projects Underway in FY09 As of**  
**March 1, 2009**

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY09	TOTAL BOARD APPROVED FUNDS	PROJECT DESCRIPTION	PERCENTAGE (%) OF TOTAL PROJECT TASK COMPLETION	PROJECT COMPLETION DATE	STATUS
<b>Track and Infrastructure</b>							
Cherry Hill Third Track	Cherry Hill, Virginia	\$2,500,000		This project includes the development of VRE's 13th station on the Fredericksburg Line. The VRE station is part of a larger development project on the Cherry Hill Peninsula. Proposed 3rd track will extend from MP 72.0 to MP 83.4.			
Cherry Hill Third Track PE/EA			\$1,961,709	Prepare an environmental assessment and preliminary design for track alternatives and supporting structures.	35%	3rd Quarter 2009	VRE provided comments on draft EA and draft feasibility report submitted last month. Preferred track alignment alternative submitted to CSX for their approval. In total 3 bridges will be built/modified and one overhead bridge. Coordinating geotech field work with CSX.
Cherry Hill Third Track PE/EA Support			\$272,747	Provide flagging services and design reviews.	35%	3rd Quarter 2009	CSX continues to provide flagging, attend meetings and review design alternatives. Formal request to comment on preferred track alternative provided to CSX.
L'Enfant Storage Track				Construct approximately 1400 ft storage track just north of the existing platform and provide wayside power for two train sets.			
L'Enfant Storage Track Construction			\$830,000	Construct approximately 1400 ft storage track just north of the existing platform	100%	Completed	Siding construction completed in late September. Passed CSX inspection upon completion. Paid final invoice (\$139,198.17).
L'Enfant Storage Track Wayside Power Design	L'Enfant	\$825,000	N/A	Design of wayside power for two train sets.	90%	1st Quarter 2009	HDR provided draft design for wayside power, incorporating air compressor and shift of pedestal to north end of storage track. Finalizing compressor equipment and building layout with Kaeser Compressors. Preliminary layout has been sent to CSX for approval.
L'Enfant Storage Track Wayside Power Construction			N/A	Construction of Wayside Power	20%	2nd Quarter 2009	Requested grant extension until 9/30/09 from DHS. C/T cabinet construction on hold until funding issue resolved. Working with CSX to resolve clearance issue regarding compressor building. Requested CSX approval for conduit (and potentially air line) installation. Awaiting CSX decision.
L'Enfant Storage Track Wayside Power Air Compressor Procurement			N/A	Procure and oversee installation of air compressor equipment for new storage track air system through Virginia state procurement process (e/A).	90%	2nd Quarter 2009	Procurement process has been completed. Air compressor system has been delivered and is being stored at Crossroads Yard.
<b>Planning Studies and Communications Projects</b>							
SmartTrip Technical Support Proj. No. 1310 020	VRE offices/ system wide	\$155,000	\$154,265	Technical assistance for the design, procurement, installation and testing of a SmartTrip compatible system for VRE.	31%	2nd Quarter 2010	Awaiting revised S&B price proposal. Existing contract general terms and conditions will carry forward to contract amendment. S&B comments will be addressed in special T&C, currently under development. Smart Benefits pilot continues.
WUT Train Movement Study	Washington, D.C.	\$180,000	\$179,677	Investigate train movements in WUT, Ivy City and Coach Yard and allocate cost to utilize the facility.	99%	4th Quarter 2008	Negotiations underway.

**VIRGINIA RAILWAY EXPRESS**  
**CAPITAL PROJECTS - PROGRESS REPORT**  
**Projects Underway in FY09 As of**  
**March 1, 2009**

Project Name	Location	Estimated Cost	FY09 Budget	Actual Cost	Progress %	Completion Date	Notes
2-Way Radio System							
2-Way Radio System Design	System-wide	\$98,000	\$346,400		100%	Completed	To install a radio communication system that will allow monitoring of train communication and communication with trains during emergencies. Design completed.
2-Way Radio System Construction		\$248,400			97%	3rd quarter 2009	All equipment installed at Fairfax Station and Alexandria. Once system is tested, the console can be installed at Union Station. Training for staff to occur later this month; Leeland Rd is only remaining location - In rezoning process with Stafford County.
Gainesville Haymarket MIS	New Line	\$1,537,338	\$1,537,340		85%	2nd Quarter 2009	Draft Alternatives Analysis report completed 2/27/09. Draft Feasibility Study completed 3/6/09. Jurisdiction/stakeholder meeting scheduled for 4/9/09.
<b>Computer Station Projects</b>							
Fredericksburg Viaduct Repairs							
Fredericksburg Viaduct Repairs Design	Fredericksburg	NA	\$2,608,000		100%	Completed	Develop scope of work to address spalling concrete and drainage with available funding. Final report submitted to VRE on May 15, 2007.
Manassas City Parking Deck		\$148,281			30%	2nd Quarter 2009	60% design submittal due this month. Once received, we'll coordinate with CSX and City of Fredericksburg.
Manassas City parking Deck Environmental		\$170,675			100%	Completed	Completed
Manassas City parking Deck Design		\$596,534			100%	4th Quarter 2008	PB resubmitted revised as-builts to City of Manassas as requested for issuance of Certificate of Occupancy.
Manassas City parking Deck Construction	Manassas, Virginia	\$9,189,400	\$12,750,000		98%	2nd Quarter 2009	Punch list items essentially complete, with exception of minor leak repairs at caulked joints. VRE approved canopy design submittal. Costello Construction submitted plans to City of Manassas for building permit. Anticipate approx. six weeks for fabrication and construction. VRE began coordination with NS flagman.
Manassas City parking Deck Security Camera Installation		\$0			5%	Apr-09	Site survey completed; drawings approved by VRE and City of Manassas; Quote obtained from sole source ADT Advanced Integration; docs submitted to Jan for review then to be submitted to the Board for approval; amount approx \$120K.
Manassas City Parking Deck Electrical Line Relocation		\$416,000			100%	Completed	Relocation of new pole and transmission line work complete. Paid final Dominion invoice (\$157,060.23).
Woodbridge Station Expansion							

**VIRGINIA RAILWAY EXPRESS  
CAPITAL PROJECTS - PROGRESS REPORT  
Projects Underway in FY09 As of  
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Woodbridge Station Expansion Design	Woodbridge, Virginia	\$910,000	Design and limited construction administration for second platform, pedestrian crossover and elevator/stair tower.	100%	3rd Quarter 2007	Improvements to Route 1 in VDOT right-of-way eliminated, along with sidewalk connection from Route 1 to elevator/stair tower. These improvements to be addressed during later phase of project. Received PWC final site plan approval on 5/13/08.	
Woodbridge Station Expansion Track Relocation	Woodbridge, Virginia	\$870,543	Shifting of track 3 to the west to allow for future third track between platforms and flagging services.	5%	3rd Quarter 2009	Force account agreement for track shifting and flagging services executed by VRE & CSX in late September. Met with CSX personnel to discuss construction schedule and sequencing issues. CSX currently replacing ties throughout project area. Temporary crossing completed. Flagging services are ongoing.	
Woodbridge Station Expansion Construction	Woodbridge, Virginia	\$7,013,000	Construction of second platform, pedestrian crossover and elevator/stair tower.	10%	3rd Quarter 2009	Test pitting of two Verizon fiber optics lines completed - data and relocation recommendation sent to Verizon. Completed work includes; construction of lower caissons, grade beams, elevator pit and force main casing. Current and upcoming work includes forming and pouring lower walls, Level 1 columns, conduit installation and bridge pier spread footer.	
Woodbridge Station Expansion Construction Engineering Services	Woodbridge, Virginia	N/A	Perform construction engineering services for construction of second platform, pedestrian crossover and elevator/stair tower.	10%	3rd Quarter 2009	Reviewing RFIs and submittals.	
Woodbridge Station Expansion Special Inspection Services	Woodbridge, Virginia	N/A	Perform special inspection services for construction of second platform, pedestrian crossover and elevator/stair tower.	10%	3rd Quarter 2009	Performing special inspections and reporting to PWC Special Inspections Branch.	
Woodbridge Station Expansion K&R Traffic Analysis	Woodbridge, Virginia	N/A	To obtain traffic data and prepare report of analysis results	100%	4th Quarter 2008	MCV resubmitted report in late October in response to VRE comments. Report finds no significant traffic impacts resulting from construction of proposed Kiss-n-Ride facility.	
Woodbridge Station Expansion Land Acquisition	Woodbridge, Virginia	\$4,311,928	Acquisition of 8 parcels, relocation fees, relocation assistance, appraisals, surveys, and legal fees associated with those acquisitions.	100%	Completed	All property has been acquired and tenants and business relocated.	
Burke Centre Platform Extension			Extend platform by 200ft and replace existing platform post lights	100%	3rd Quarter 2009		
Burke Centre Platform Extension Design		\$1,200,000	Design platform extension and provide limited construction support	100%	3rd Quarter 2009	Design Completed	
Burke Centre Platform Extension Construction		\$1,094,500	General Contractor for construction	1%	2nd Quarter 2010	Pre-con scheduled for March 23, 2009. Right of entry process nearly complete; Submittal review is underway; Construction to start by end of month.	
Leeland Rd Station Parking Lot Expansion Environmental	Stafford, VA	\$172,700	Prepare an environmental assessment (EA) and Preliminary Engineering for an expansion of the VRE Leeland Road Station Park and Ride Lot.	96%	4th Quarter 2009	Submitted report to VDHR; once cleared, will submit EA to FTA	
Brooke Station Parking Lot Expansion Environmental	Stafford, VA	\$275,124	Prepare an environmental assessment (EA) and Preliminary Engineering for an expansion of the VRE Brooke Station Park and Ride Lot.	92%	2nd Quarter 2010	Submitted Phase 1 findings to VDHR; Waiting for VDHR feedback prior to beginning Phase II work; Homeowner is interested in findings	
<b>Yard Projects</b>							
Broad Run Yard Expansion / Maintenance Facility			Design and construction of additional storage tracks and locomotive and train wash facilities.				

**VIRGINIA RAILWAY EXPRESS**  
**CAPITAL PROJECTS - PROGRESS REPORT**  
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Broad Run Expansion / Maintenance Facility Design	\$9,886,000	\$766,887	Conceptual and final design of S&I building, carwash and track work.	100%	3rd Quarter 2008	Site plan was resubmitted to PWC on 2/23/2009. Preliminary comments from PWC were received on 3/5/2009 and are being addressed by AECOM. Still awaiting comments from City of Manassas. Site plan approval anticipated for mid to late 3/2009. Foundation and groundworks permit application submitted to PWC on 2/25/2009. Review comments are anticipated by mid to late 3/2009.	
Broad Run Expansion / Maintenance Facility Construction		\$4,559,500	Construction of S&I building and track work.	100%	3rd Quarter 2008	Five bids received with Costello Construction of Maryland, Inc. being the low bidder at \$4,145,000. Board authorization given on 2/20/2009. Contract award underway.	
Crossroads Yard Expansion / Maintenance Facility			Design and construction of additional storage tracks and locomotive and train wash facilities.				
Crossroads Yard Expansion / Maintenance Facility Design		\$524,628	Perform design of S&I building and car wash and limited construction support services	100%	4th Quarter 2007	Providing construction support as needed.	
Crossroads Yard Expansion / Maintenance Facility Yard Air Installation	\$7,167,000	N/A	Install compressed air system to be used for air brake testing of train sets and communication lines for Train Wash system.	100%	1st Quarter 2009	Installation work is complete and punch list work is complete. Communication lines to the train wash system have been installed and activated by Vertzon. Air compressor, tool air, and brake air systems are fully operational.	
Crossroads Yard Expansion / Air Compressor Procurement		N/A	Procure and oversee installation of air compressor system for new S&I Building and yard air system through Virginia state procurement process (eVA).	100%	1st Quarter 2009	Completed	
Crossroads Yard Expansion / Maintenance Facility Construction		\$6,262,550	Construction of Service and Inspection Building, Train Wash and Additional Storage Tracks within the Crossroads Yard.	100%	1st Quarter 2009	S&I Building is currently in use. Train wash modifications and testing continue. Anticipate completion by 4/2009. VRE is working with Spotsylvania County to resolve issues (i.e., utility easement and water pressure) holding back permanent occupancy.	
<b>Rolling Stock</b>							
New Railcar Procurement Proj No 90-42-16060							
New Railcar Fabrication (50 Cars)	\$2.5 million annual payment	\$90,427,748	Construction of OPTION ORDER consisting of 10 cab cars, 20 trailers with toilets and 20 trailers without toilets.	95%	4th Quarter 2010	All 50 cars now in service. Still making field mods and working numerous warranty issues.	
New Railcar Oversight (50 Cars)		\$3,033,212	Perform all engineering oversight and warranty follow-up for construction of 50 car option order	89%	4th Quarter 2010	All work is now warranty work. Requesting a \$700,000 increase in funding for the oversight at the January Board.	
Top Deck Rebuilds Work Management Software Project No 90-57-16270	\$3,372,000	\$2,225,776	Top Deck Rebuild for 10 Locomotives	93%	On going Project	V02, V07, V21, V06, V08, V09, Y31, V24, V23, V10, V04 Top deck work has been completed. V22 is currently in Altoona getting top deck work. Board Approval for additional top deck work	
Work Management Software Training and Set-up	\$95,000	N/R	Provide software and License agreements to track parts management.	100%	Completed	Warehouse converted to MM on May 1, 2008. Work management still not running. Version upgrade scheduled for December 2008; delayed until March 2009; will implement work management portion after version upgrade; purchase and install of VPN gateway for better connection to HQ and performance of remote client desktops	
Locomotive Lease	\$597,000	\$202,575/year	3-year lease of 3 locomotives	95%	2nd Quarter 2009		
				70%	2nd Quarter 2008	Third loco now on VRE, property awaiting acceptance testing.	

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New Locomotive Procurement No. 90-55-16040									
New Locomotive Manufacture (2)	System-wide	\$23,832,103	\$20,322,071	Base Order is for five MP-36 locomotives at \$3,694,922 each (\$18,474,610). Option units are between \$500,000 and \$700,000 less per unit.	2%	4th Quarter 2012	Locos go into production in July, 2009, complete in October, 2010. Going to Board in March for approval to add three locos to base order of 5. Awaiting firm pricing proposal from MPI.		
New Locomotive Engineering Oversight			\$3,165,548	On site engineering through warranty administration.	3%	4th Quarter 2012			
New Railcar Procurement Proj No 90-66-16060	System-wide	\$23,889,956	\$22,660,000	Construction of 10 trailer cars without toilets	12%	1st Quarter 2012	Car shells under production in Toyokawa. Cars are to arrive in February and March of 2010.		
New Railcar Fabrication (10 Cars)			\$1,009,956	Perform all engineering oversight and warranty follow-up for construction of 10 cars	5%	1st Quarter 2012	In-plant inspector on site in Japan.		
New Railcar Oversight (10 Cars)									

# Chief Executive Officer's Financial Report



**MARCH 2009**

*As Reported to the VRE Operations Board  
March 20, 2009*

## FINANCIAL STATISTICS FOR FEBRUARY 2009

Copies of the February 2009 Operating Budget Report are attached.

Fare income for the month of February 2009 was \$207,618 above the budget – a favorable variance of 10.64%. The cumulative variance for the year is 4.08% or \$652,860 above the amended budget. Revenue in the first eight months of FY 2009 is up 17.3% over FY 2008. This positive variance is the result of higher than anticipated ridership.

A summary of the financial results (unaudited) as of February 2009 follows. Detail on the major revenue and expense categories are provided in the attached Operating Budget Report.

Measures		Goal	Actual	Trend
Operating Ratio		55%	70%	↑
<b>Budgeted Revenue</b>	65,263,822			
Budgeted Revenue YTD	49,976,055			
Actual Revenue YTD	50,694,747			
Cumulative Variance	718,692		718,692	↑
Percent Collected FY 07 YTD		76.58%	77.68%	
<b>Budgeted Expenses</b>	65,263,822			
Budgeted Expenses YTD	43,121,646			
Operating Expenses YTD	41,650,406			
Cumulative Variance	1,471,240		1,471,240	↑
Percent Collected FY 07 YTD		66.07%	63.82%	
<b>Net Income (Loss) from Operations</b>			2,189,932	↑

These figures are preliminary and unaudited.

**VIRGINIA RAILWAY EXPRESS**  
**FY 2009 Operating Budget Report**  
 February 28, 2009

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE \$	%	TOTAL FY09 BUDGET
<b>OPERATING REVENUE</b>							
Passenger Ticket Revenue	2,159,425	1,951,807	16,657,679	16,004,819	652,860	4.1%	24,300,000
Equipment Rental and Other	9,863	12,169	280,649	99,783	180,866	181.3%	151,500
<b>Subtotal Operating Revenue</b>	<b>2,169,288</b>	<b>1,963,976</b>	<b>16,938,328</b>	<b>16,104,602</b>	<b>833,726</b>	<b>5.2%</b>	<b>24,451,500</b>
<b>Jurisdictional Subsidy (1)</b>							
Federal/State/Other Jurisdictional Subsidy	-	-	16,361,819	16,361,819	-	0.0%	16,361,819
Appropriation from Reserve	3,109,489	3,236,257	17,299,076	17,394,372	(95,296)	-0.5%	26,630,594
Interest Income	6,648	14,056	95,524	115,261	-	0.0%	-
<b>Total Operating Revenue</b>	<b>5,285,425</b>	<b>5,214,289</b>	<b>50,694,747</b>	<b>49,976,055</b>	<b>718,693</b>	<b>1.4%</b>	<b>67,653,913</b>
<b>OPERATING EXPENSES</b>							
Departmental Operating Expenses	3,676,073	4,095,779	29,973,909	31,423,693	1,449,784	4.6%	48,738,978
Debt Service	547,992	517,988	7,812,975	7,848,460	35,485	0.5%	13,487,241
Insurance	-	-	3,849,493	3,849,493	-	0.0%	4,400,000
Other Non-Departmental Expenses	-	-	14,029	-	(14,029)	-	1,027,694
<b>Total Operating Expenses</b>	<b>4,224,065</b>	<b>4,613,767</b>	<b>41,650,406</b>	<b>43,121,646</b>	<b>1,471,240</b>	<b>3.4%</b>	<b>67,653,913</b>
<b>NET INCOME (LOSS) FROM OPERATIONS</b>							
	1,061,360	600,522	9,044,341	6,854,408	2,189,933		0
<b>CALCULATED OPERATING RATIO</b>							
						70%	

(1) Total jurisdictional subsidy is \$17,275,500. Portion shown is attributed to Operating Fund only.