



Virginia Railway Express

CHIEF EXECUTIVE OFFICER'S REPORT

February 2010

MONTHLY DELAY SUMMARY

	October	November	December	January
System wide				
Total delays	80	94	64	52
Average length of delay (mins.)	16	18	17	13
Number over 30 minutes	7	11	9	1
Days with Heat Restrictions/Total days	0/21	0/21	0/22	0/19
On-Time Performance	86.9%	82.40%	89.1%	90.6%
Fredericksburg Line				
Total delays	27	34	37	21
Average length of delay (mins.)	19	20	21	16
Number over 30 minutes	3	5	8	1
On-Time Performance	90.1%	85.80%	86.1%	91.5%
Manassas Line				
Total delays	53	60	27	31
Average length of delay (mins.)	14	17	13	12
Number over 30 minutes	4	6	1	0
On-Time Performance	84.2%	79.60%	91.6%	89.8%

SYSTEM RIDERSHIP

January's final average daily ridership was 17,519. This is the first time in VRE's history that average daily ridership was over 17,000. Nine of the highest ridership days ever were in the month of January 2010; with the highest day being January 12 at 18,915. We had 9 days in all over 18,000.

ON-TIME PERFORMANCE

On time performance on the Fredericksburg Line for the month of January was 91.5 % and the Manassas Line was 89.8%. February, however, did not get off to a very good start with on-time performance. After progressively better service over the last year, we had two major service issues in a row in February. On Monday evening, February 1st, we experienced a mechanical problem with the locomotive on train 303. As part of the fail-safe mechanism on locomotives, the brakes do not release if the system senses a malfunction. This is what happened to train 303 and it eventually had to be cancelled, causing extreme crowding and loading delays on train 305 that evening. Then, on Tuesday morning, February 2nd, a switch problem at the AF interlocking where the Manassas and Fredericksburg Lines come together created delays for most of our morning service.

FRA FUNDING OF CHERRY HILL TO ARKENDALE

On January 28, 2010, VRE received notification that the Federal Railroad Administration (FRA) recognized Virginia's role in advancing high speed rail in the U.S. with a grant award for \$75 million to support rail improvements in the Richmond-Washington, DC corridor. The Virginia Department of Rail and Public Transportation (DRPT) applied for federal funds to support rail improvements in this corridor, which is the highest priority for high speed rail expansion in Virginia. The specific project is 11 miles of third main line track between Cherry Hill and Arkendale on the Fredericksburg Line. VRE has been working on the project for the past 18 months and has completed environmental and preliminary engineering. It was the only "shovel ready" rail project submitted by the Commonwealth. The project is 100% federally funded with no match requirement. We will work with DRPT to gain the FRA funding as soon as possible to begin construction. Once completed, this track will help bring a 3rd main line to the corridor, increasing capacity and operational speeds.

UPDATE ON LEGISLATIVE BILLS IN GENERAL ASSEMBLY

With the General Assembly in full swing, VRE is advancing several initiatives. Of paramount importance is getting legislation passed on summons issues on VRE trains. Currently, Senator Puller and Senator Marsden have legislation advancing with approval of the Senate Courts of Justice. In the House, Delegate Jackson Miller is working with members of the House Courts of Justice, Criminal Subcommittee, to finalize language that is acceptable to the full committee. We expect the full Committee to see the amended version of HB 688 next week. Additionally, budget amendments are now starting to be considered. I will provide additional updates as more information becomes available.

BURKE CENTRE PLATFORM EXTENSION OPENED

The Burke Centre Platform Extension project was opened on January 26, 2010 after passing final inspections by Fairfax County. The additional 200 feet of platform, combined with the original 487-ft platform, allows an 8-car train set to open all of its doors at this station. The project also included full canopy cover of the new platform, which is located behind the parking garage. The original platform had dated and corroded pole lights which were all replaced as part of this project. The project took approximately seven months to construct and was completed within the approved budget.

WOODBIDGE STATION UPDATE

Construction of the Woodbridge station expansion is nearing completion. All major site and building elements are in place and Prince William County final inspections are in progress. The facility is expected to open in February. Construction of a temporary Kiss & Ride will follow as the cold weather subsides along with minor cosmetic improvements such as touch-up painting and landscaping.

PARKING SITUATION AT BROAD RUN

The parking situation at Broad Run continues to be a challenge. With record ridership in recent weeks, the station parking demands are higher than ever. VRE is currently working with Prince William County and the City of Manassas to come up with a possible solution to help find additional parking. VRE and Prince William County have received funding to begin an Environmental Assessment and preliminary engineering for a parking garage. This effort is expected to begin in the spring.

STATUS OF ENGINE HOUSE AT BROAD RUN

Construction of the Service and Inspection building is well underway. Utilities have been installed and foundations, including an underground inspection pit, have been completed. Building framing is underway and is expected to be completed by April. The remainder of the project, which includes extending tracks, is expected to be completed by June of this year.

DELIVERY OF FIRST MOTIVE POWER LOCOMOTIVE

The first new VRE locomotive (V50) is currently being assembled by Motive Power at their Boise, ID facility. The locomotive assembly process involves 5 major "spots" or assembly points (similar to an automobile assembly plant). The V50 is currently in spot 2 and will start spot 3 during the week of February 22, 2010. The V50 is currently on schedule to arrive at VRE on July 1, 2010. We will then perform a series of static and dynamic tests before entering the unit into revenue service.

FINAL TEN RAIL CARS

The final ten new Gallery rail cars were shipped and received at the Crossroads Yard in January. All cars passed static and operational tests and were placed into service the first week of February. This completes the contract for the purchase of new railcars. We plan to continue to operate two sets of older railcars – one on each line.

MONTHLY PERFORMANCE MEASURES – JANUARY 2010

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
January Fredericksburg OTP Average	91.5%
January Manassas OTP Average	89.8%
VRE JANUARY OVERALL OTP AVERAGE	90.6%

FINAL RIDERSHIP NUMBERS WILL BE PROVIDED AT FEBRUARY MEETING

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2010 Passenger Totals	2,295,756
VRE FY 2009 Passenger Totals	2,214,593
PERCENTAGE CHANGE	3.7%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
JANUARY 2010	332,868
JANUARY 2009	295,131
PERCENTAGE CHANGE	6.9%(NORMALIZED)
SERVICE DAYS (CURRENT/PRIOR)	19/18

Chief Executive Officer's Ridership Report



FEBRUARY 2010

*As Reported to the VRE Operations Board
February 19, 2010*

Monthly Ridership Changes: FY 2009 v. FY 2010

Current Month	MANASSAS				FREDERICKSBURG			
	Cumulative FY2009	Cumulative FY2010	% change	Cumulative FY2009	Cumulative FY2010	% change	Current Total	% change
July	154,066	163,100	5.9%	184,525	179,830	-2.5%	342,930	1.3%
August	298,659	317,944	6.5%	359,154	351,580	-2.1%	669,524	1.8%
September	456,054	479,425	5.1%	542,275	528,890	-2.5%	1,008,315	1.0%
October	620,865	646,968	4.2%	730,116	707,230	-3.1%	1,354,198	0.2%
November	746,905	795,248	6.5%	875,201	861,321	-1.6%	1,656,569	2.1%
December	883,468	945,530	7.0%	1,035,994	1,017,358	-1.8%	1,962,888	2.3%
January	1,021,679	1,110,585	8.7%	1,192,914	1,185,171	-0.6%	2,295,756	3.7%
February	1,165,667			1,352,042				
March	1,328,811			1,527,273				
April	1,492,195			1,707,585				
May	1,640,938			1,867,882				
June	1,808,366			2,049,280				

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

Monthly Ridership and OTP: January 2010

Date	Manassas AM	Manassas PM	Total Manassas	# Trains Op MSS	Trains Delayed MSS	Actual OTP TD	Fred'burg AM	Fred'burg PM	Fred'burg Total	# Trains OP Fred'burg	# Trains Delayed Fred'burg	Actual OTP TD	Total Trips	Actual OTP TD
1														
2														
3														
4	4,363	4,282	8,645	16	5	69%	4,618	4,481	9,099	13	2	85%	17,724	76%
5	4,634	4,423	9,057	16	0	100%	4,527	4,731	9,258	13	2	85%	18,315	93%
6	4,670	4,677	9,347	16	2	88%	4,583	4,701	9,284	13	0	100%	18,631	93%
7	4,497	4,510	9,007	16	3	81%	4,476	4,479	8,955	13	0	100%	17,982	90%
8	3,719	3,384	7,103	16	2	88%	3,931	4,213	8,144	13	2	85%	15,247	86%
9														
10														
11	4,636	4,426	9,062	16	4	75%	4,455	4,638	9,093	13	1	92%	18,155	83%
12	4,654	4,741	9,395	16	1	94%	4,764	4,756	9,520	13	0	100%	18,915	97%
13	4,487	4,706	9,193	16	0	100%	4,450	4,672	9,122	13	1	92%	18,315	97%
14	4,547	4,397	8,944	16	0	100%	4,652	4,578	9,230	13	3	77%	18,174	90%
15	3,498	3,554	7,052	16	0	100%	3,800	4,101	7,901	13	1	92%	14,953	97%
16														
17														
18														
19	4,510	4,322	8,832	16	3	81%	4,384	4,479	8,863	13	0	100%	17,695	90%
20	4,599	4,688	9,287	16	1	94%	4,486	4,670	9,156	13	2	85%	18,443	90%
21	4,643	4,700	9,343	16	2	88%	4,423	4,656	9,079	13	3	77%	18,422	83%
22	3,624	3,646	7,270	16	0	100%	3,880	4,186	8,066	13	2	85%	15,336	93%
23														
24														
25	4,209	4,458	8,667	16	0	100%	3,978	4,124	8,102	13	1	92%	16,769	97%
26	4,472	4,803	9,275	16	1	94%	4,324	4,521	8,845	13	0	100%	18,120	97%
27	4,457	4,601	9,058	16	3	81%	4,338	4,246	8,584	13	0	100%	17,642	90%
28	4,455	4,498	8,953	16	3	81%	4,352	4,453	8,805	13	1	92%	17,758	86%
29	3,709	3,682	7,391	16	1	94%	3,718	3,760	7,479	13	0	100%	14,870	97%
30														
31	82,383	82,498	164,881	304	31	90%	82,140	84,425	166,565	247	21	91%	331,446	91%
	Adjusted total:		165,055				Adjusted Total:		167,813			Adjusted Total:	332,868	
	# of Service Days:		19				Total Trips This Month:		332,868			Adjusted Total:	332,868	
	Manassas Daily Avg. Trips:		8,678				Prior Total FY-2010:		1,962,888			Adjusted Total:	332,868	
	Fred'burg Daily Avg. Trips:		8,767				Total Trips FY-2010:		2,295,756			Adjusted Total:	332,868	
	Total Avg. Daily Trips:		17,445				Total Prior Years:		44,455,982			Adjusted Total:	332,868	
							Grand Total:		46,761,738			Adjusted Total:	332,868	

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

Chief Executive Officer's Report



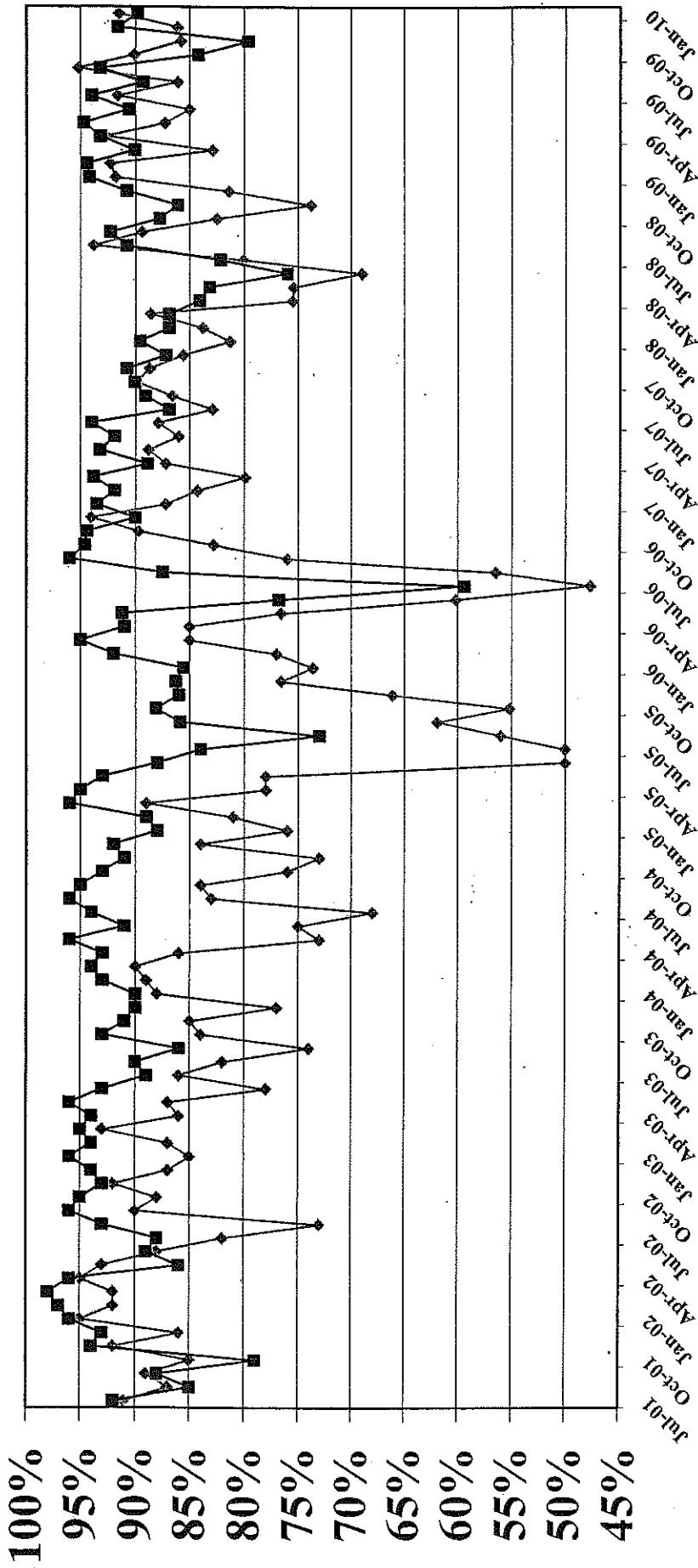
Chief Executive Officer's On-Time Performance

FEBRUARY 2010

*As Reported to the VRE Operations Board
February 19, 2010*

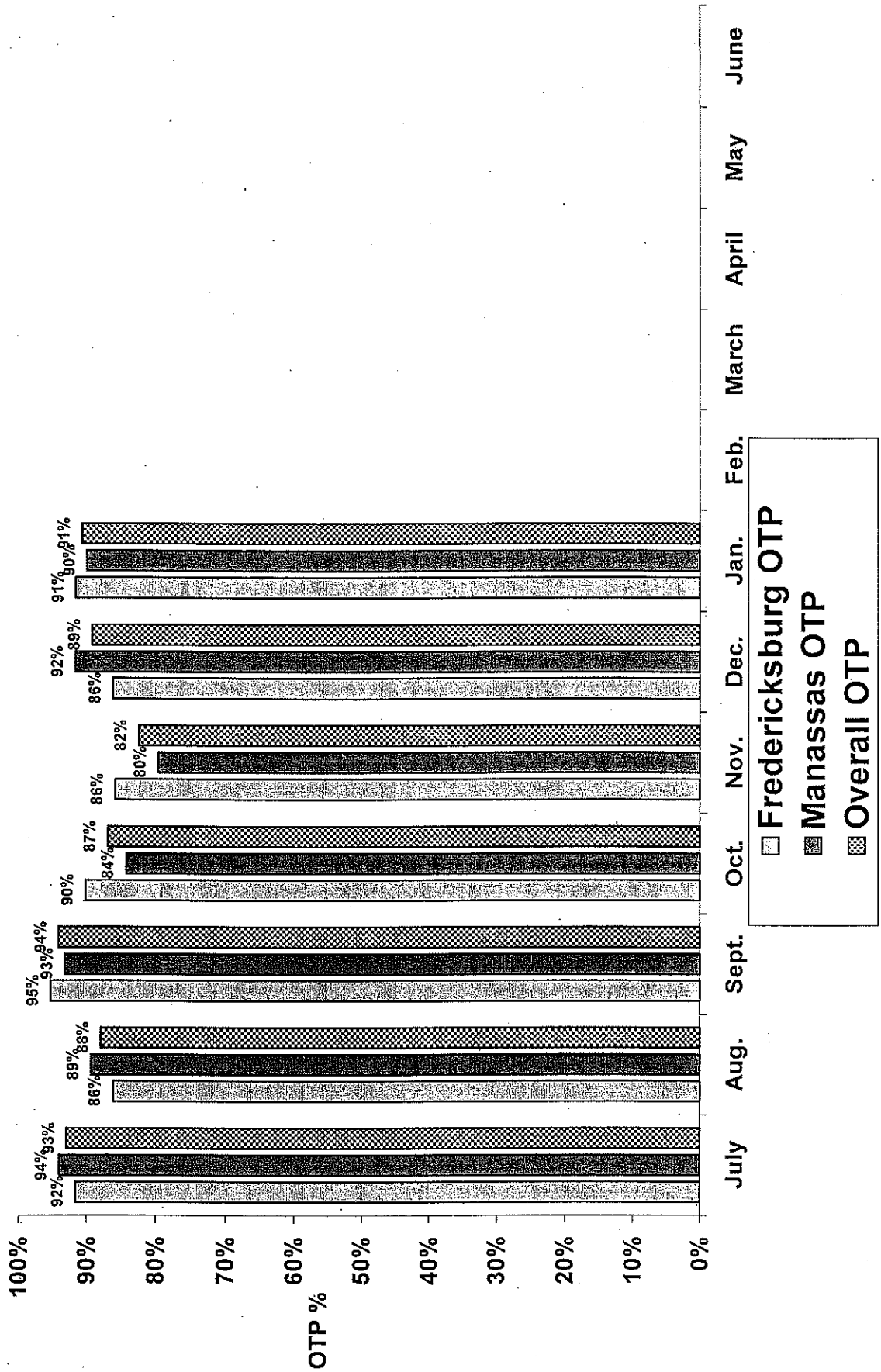
On-Time Performance

July 2001 – January 2010



◆ Fredericksburg Line ■ Manassas Line

Average On-Time Performance FY-2010



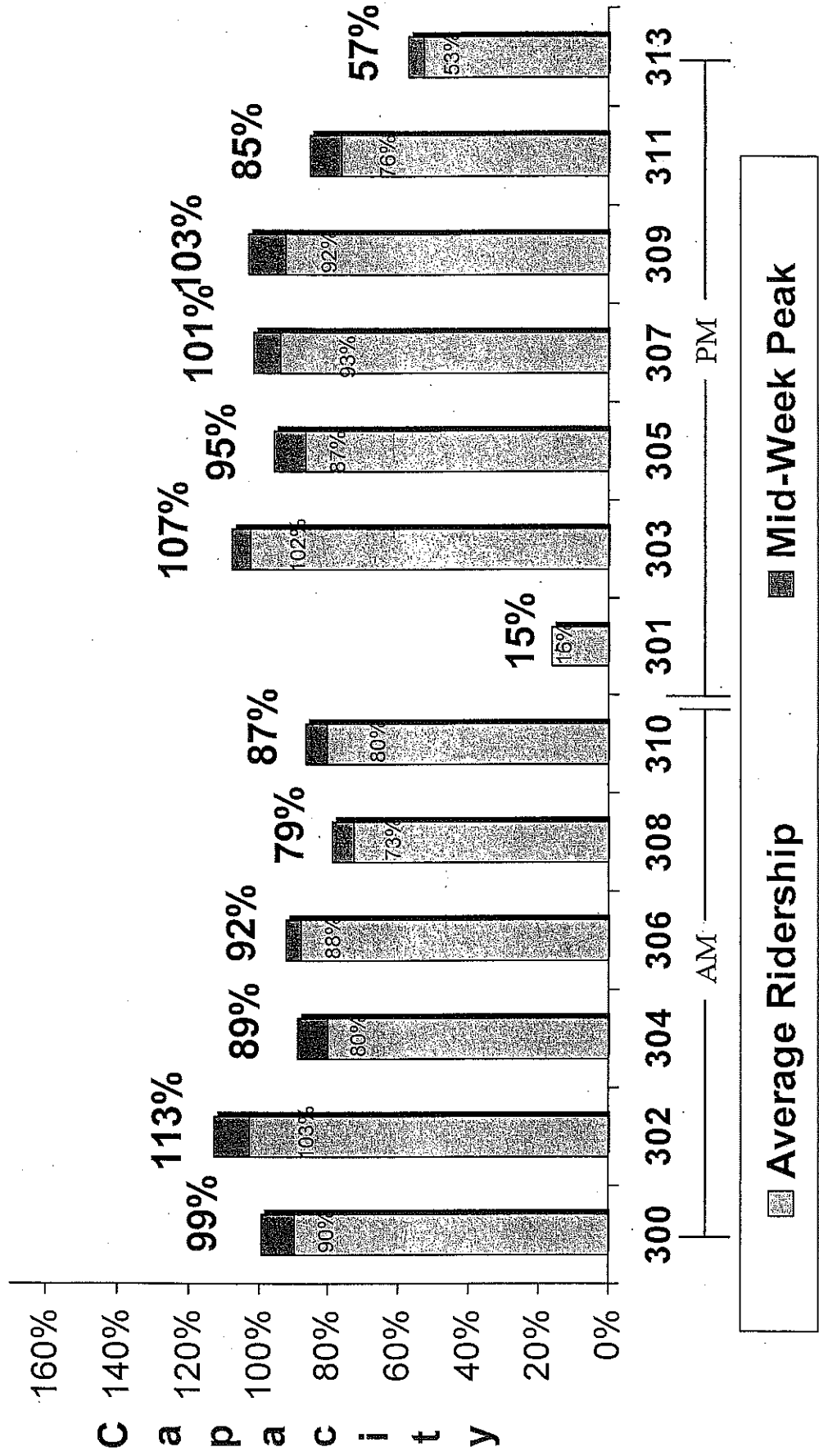
Chief Executive Officer's Train Utilization



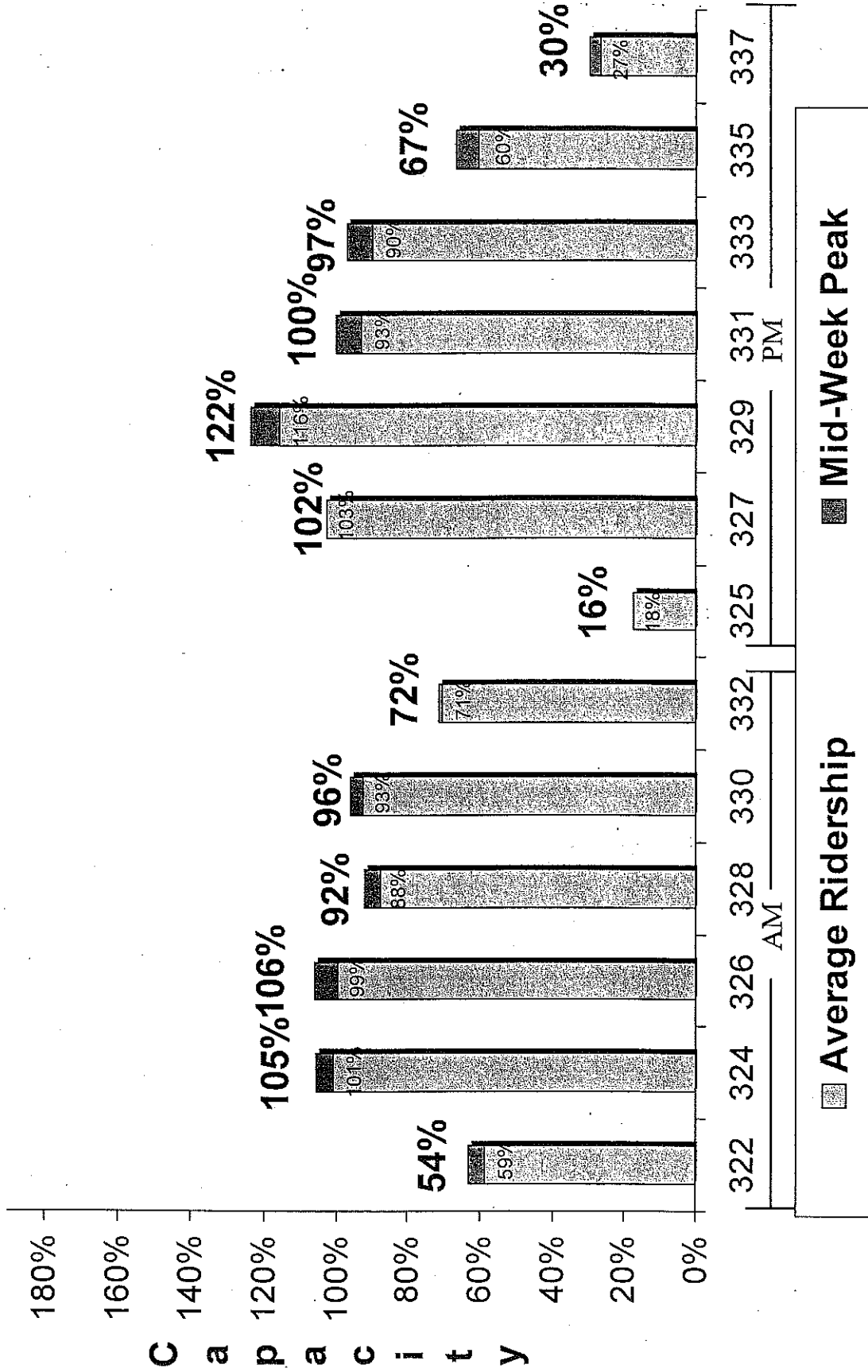
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Train Utilization: Fredericksburg Line – January 2010



Train Utilization: Manassas Line – January 2010



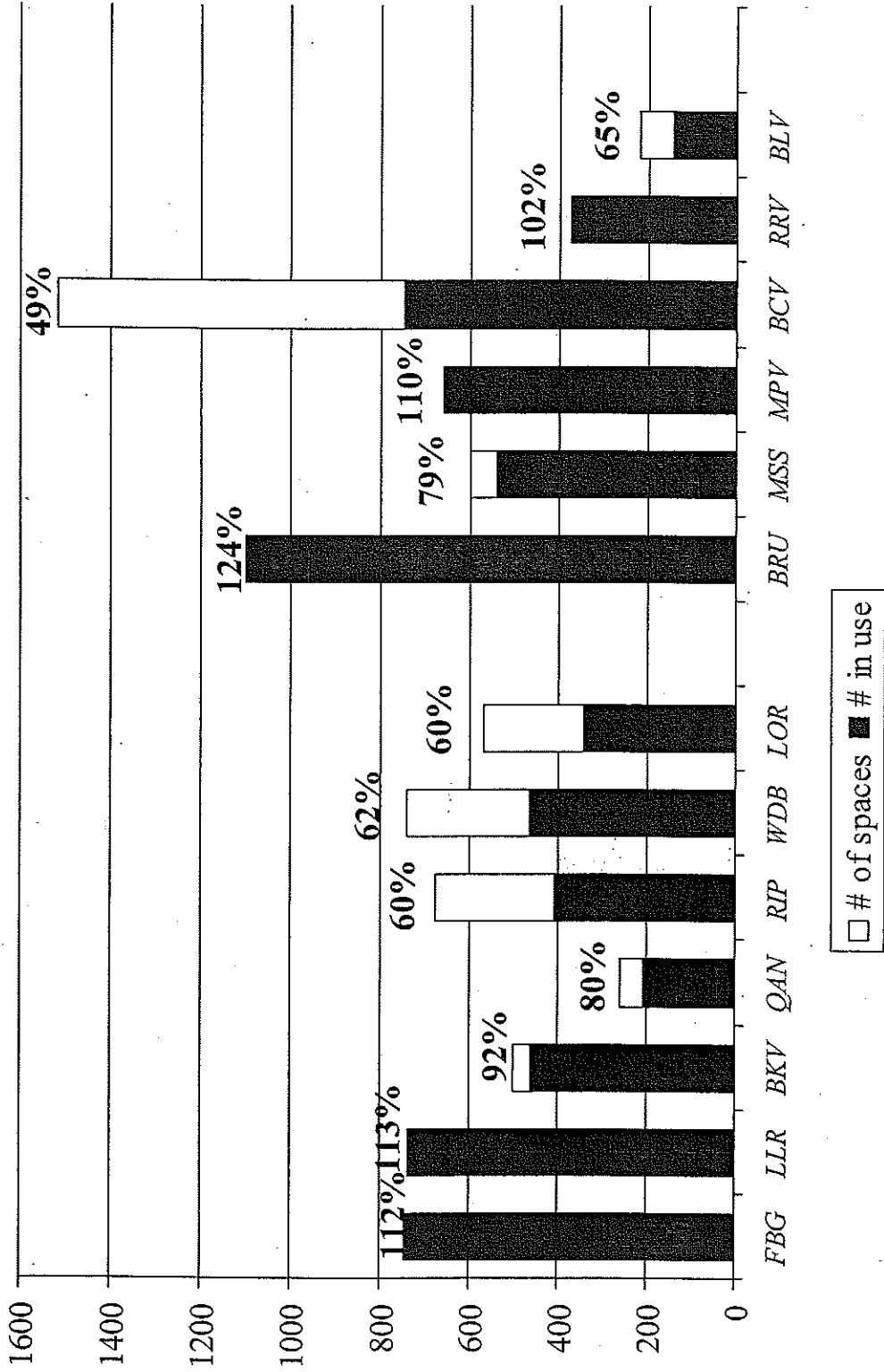
Chief Executive Officer's Parking Utilization



FEBRUARY 2010

*As Reported to the VRE Operations Board
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Parking Lot Utilization: January 2010



Chief Executive Officer's Capital Project Summary



FEBRUARY 2010

*As Reported to the VRE Operations Board
February 19, 2010*

**VIRGINIA RAILWAY EXPRESS
CAPITAL PROJECTS - PROGRESS REPORT
Projects Underway in FY10 As of
February 1, 2010**

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY09	TOTAL BOARD APPROVED FUNDS	PROJECT DESCRIPTION	PERCENTAGE (%) OF TOTAL PROJECT TASK COMPLETION	PROJECT COMPLETION DATE	STATUS
Track and Infrastructure							
Cherry Hill Third Track				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	Cherry Hill, Virginia	\$2,500,000	\$1,961,709	Prepare an environmental assessment and preliminary design for track alternatives and supporting structures.	95%	4th Quarter 2009	Flagging finally provided and geotech field work substantially completed.
Cherry Hill Third Track PE/EA Support			\$272,747	Provide flagging services and design reviews.	85%	4th Quarter 2009	CSX provided signal design and cost is estimated at \$12M.
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 (\$739,198.17).
L'Enfant Storage Track Wayside Power Design	L'Enfant	\$825,000	N/A	Design of wayside power for two train sets.	95%	4th Quarter 2009	HDR delivered final wayside power and compressed air design for CSX submission. CSX approved design. Waiting on receipt of agreement package.
L'Enfant Storage Track Wayside Power Construction			N/A	Construction of Wayside Power	20%	2nd Quarter 2010	NVE has ordered materials and is prepared to begin work upon CSX approval. CSX informed VRE that property planned for compressor building construction is owned by PEPCO, not CSX. PEPCO agreed to expedite VRE request to build on property. VRE pursuing CSX approval to begin construction on railroad property in meantime.
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 (eVA).	80%	4th Quarter 2009	Procurement process has been completed. Air compressor system has been delivered and is being stored at Crossroads Yard. VRE/NVE coordinating with Kaeser regarding construction details. Kaeser installed phase monitors on compressors.
Cab Signal Installation from CP RO to CP Virginia Avenue	Virginia / Washington, D.C.	\$1,260,000	\$1,260,000	Installation of cab signals from MP CFP 110.1 to MP CFP 112.2.	100%	4th Quarter 2009	Signal cutover completed weekend of October 24, 2009. Attended site visit with DRPT and CSX in mid January required for grant reimbursement.
Planning, Studies and Communications Projects							
SmartTrip Fare System Update							

Notes 1: Total adopted CIP budget will be revised upon receipt of FY09 grant.

**VIRGINIA RAILWAY EXPRESS
CAPITAL PROJECTS - PROGRESS REPORT
Projects Underway in FY10 As of
February 1, 2010**

Project Name	VRE offices/ system wide	\$1,102,750								
SmartTrip Fare System Update Technical Support			\$154,285	Technical assistance for the design, procurement, installation and testing of a SmartTrip compatible system for VRE.	38%	4th Quarter 2010	Proceeding with PCI compliance documentation review and technical support			
SmartTrip/PCI Fare System Update			\$947,750	Upgrade of the fare collection system to comply with PCI requirements	0%	4th Quarter 2010	Progress meeting scheduled 2/9/10. Hardware/communications on order. Fare collection application testing/certification scheduled for week 3/7/10. Contract amendment pending for SEC delay. Smart Benefits pilot continues.			
2-Way Radio System				To install a radio communication system that will allow monitoring of train communication and communication with trains during emergencies.						
2-Way Radio System Design	System-wide	\$346,400	\$98,000	Design and develop RFP for new two-way radio system	100%	Completed	Design completed.			
2-Way Radio System Construction			\$248,400	Installation of new two-way radio system	98%	4th quarter 2010	Finalizing lease with Diagonal Rd. Comm group is testing the radios; Planning order for additional handheld radios to use grant funding; Leeland Rd tower to become operational this Spring (waiting for electrical and dish install); Extra console to be installed at Keolis office.			
Spotsylvania Station Study	Spotsylvania		NA	Concept design and site feasibility study for new Spotsylvania station	0%	4th Quarter 2010	Held kick-off meeting on 1/27/10. Spotsylvania County is working on their project administration agreements. Work will continue once MOU is executed with VRE for reimbursement.			
Gainesville Haymarket MIS	New Line	\$1,537,340	\$1,537,338	Develop expansion alternatives for new service to Gainesville and Haymarket	100%	2nd Quarter 2010	Final invoice received 11/9/09; submitted for payment. Final Alternatives Analysis report completed 5/29/09. Final Feasibility Study completed 9/28/09.			
Commuter Station Projects										
Fredericksburg Viaduct Repairs										
Fredericksburg Viaduct Repairs Design	Fredericksburg	\$2,606,000	NA	Develop scope of work to address spalling concrete and drainage with available funding	100%	Completed	Final report submitted to VRE on May 15, 2007.			
Woodbridge Station Expansion			\$146,281	Develop detailed design to address necessary repairs	100%	3rd Quarter 2010	Final plans received and CSX approved project. Initiating permitting process and IFB.			
Woodbridge Station Expansion Design	Woodbridge, Virginia		\$910,000	This project includes a Kiss & Ride, Second Platform & Pedestrian Crossover - which will join the parking garage and Second Platform. Design and limited construction administration for second platform, pedestrian crossover and elevator/stair tower.	100%	Completed	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.			

Note 1: Total adopted CIP budget will be revised upon receipt of FY109 grant.

**VIRGINIA RAILWAY EXPRESS
CAPITAL PROJECTS - PROGRESS REPORT
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February 1, 2010**

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.	95%	1st Quarter 2010	Flagman required for several days of work near right-of-way upon improved weather conditions.
Woodbridge Station Expansion Construction	Woodbridge, Virginia	\$4,545,860	Construction of second platform, pedestrian crossover and elevator/stair tower.	95%	1st Quarter 2010	Undergoing final PWC inspections. Remaining work includes ramp construction at existing elevator, temporary kiss & ride construction and punch list items. Facility expected to open in February.
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.	95%	1st Quarter 2010	Submitted site and building plan revisions to PWC.
Woodbridge Station Expansion Special Inspection Services	Woodbridge, Virginia	\$86,570	Perform special inspection services for construction of second platform, pedestrian crossover and elevator/stair tower.	95%	1st Quarter 2010	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%	Completed	MCV resubmitted report in late October in response to VRE comments. Report finds no significant traffic impacts resulting from construction of proposed Kiss-&-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.
Broad Run Platform Extension Design	Bristow, VA	\$113,300	Extend platform by ~200ft	0%	4th Quarter 2010	Task order approved by Board in January; Kick off meeting this month.
Manassas Park Canopy Extension	Manassas Park Station	NA	Extend canopy on existing platform	40%	3rd Quarter 2010	Reviewing specs but asked for resubmitted from HDR; Reviewed and commented on 80% design, excluding electrical; HDR continues to work with City on Site Plan approval.
Burke Centre Platform Extension			Extend platform by 200ft and replace existing platform post lights	100%	3rd Quarter 2009	
Burke Centre Platform Extension Design		\$100,000	Design platform extension and provide limited construction support	100%	3rd Quarter 2009	Design Completed
Burke Centre Platform Extension Construction		\$1,084,500	General Contractor for construction	98%	2nd Quarter 2010	Work in field completed; Fairfax County approved final inspection and provided Certificate of Occupancy; Temporary lights are in place while contractors get replacement lights from supplier; platform is open to trains and riders.
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.	98%	3rd quarter 2010	FTA currently reviewing environmental document and planning to issue CE for environmental at same time as Brooke.
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.	95%	3rd quarter 2010	Received authorization from FTA to make offer to purchase Brooke property; Closing scheduled for mid February; FTA granted Categorical Exclusion for the purchase and hope to issue CE for environmental

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**VIRGINIA RAILWAY EXPRESS
CAPITAL PROJECTS - PROGRESS REPORT
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		Yard Projects					
Broad Run Yard Expansion / Maintenance Facility		Design and construction of additional storage tracks and locomotive and train wash facilities.					
Broad Run Yard Expansion / Maintenance Facility Design	\$768,887	Conceptual and final design of S&I building, carwash and track work.	100%	3rd Quarter 2008	Site plan, footing and foundation permit, and retaining wall permit have been approved and were pick-up from PWC on 5/5/2009. AECOM is currently providing on-going construction support.		
Broad Run Yard Expansion / Maintenance Facility Temp. Welfare Facility	\$26,888	Lease of a temporary welfare facility to support shift of fleet maintenance to Crossroads Yard	100%	Completed	Completed		
Broad Run Yard Expansion / Maintenance Facility Construction	\$4,558,500	Construction of S&I building and track work.	75%	1st Quarter 2010	Pulling of new electrical conductors has begun and is currently about 35% complete. Installation of track work in S&I Building is 75% complete and will be completed by late January 2010. Fabrication of switchgear and pre-engineered steel building has been completed. Erection of pre-engineered steel building is underway and will be completed by early March 2010. Installation of new switchgear anticipated to begin in late February 2010.		
Broad Run Yard Expansion / Maintenance Facility Special Inspections	N/A	Special inspection services required by PWC during construction phase.	90%	1st Quarter 2010	Limited soil and concrete inspections have been completed during Phase II. Concrete and soil special inspections for Phase III are substantially complete. Structural special inspections for S&I Building have begun and are expected to be completed by late February 2010.		
Broad Run Yard Expansion / Maintenance Facility Construction Support	N/A	Provide additional construction support during Phase II and III construction.	85%	1st Quarter 2010	Superstructure permit approved by PWC on 2/11/2010. Comments on switchgear SG-3 installation permit were received on 1/19/2010 and are currently being addressed. Switchgear SG-2 relocation permit was approved on 1/5/2010.		
Broad Run Yard Expansion / Maintenance Facility Electrical Service	N/A	Temporarily relocate existing power to avoid construction conflicts and install new permanent power to new S&I Building.	95%	1st Quarter 2010	PO for installation of new permanent power issued to Dominion on 9/18/2009. Installation of new permanent power is approximately 98% complete. Transformer has been tested and will be energized upon completion of switchgear SG-2 installed in early February 2010. New electrical services will be established as switchgear SG-2 and SG-3 work is completed.		
Broad Run Train Wash and Warehouse		Design and construction of Broad Run train wash facilities, warehouse and crew building. Design and implementation of modifications to Crossroads train wash facilities.					
Broad Run Train Wash and Warehouse Design	\$20,212	Conceptual and final design of new Broad Run train wash, warehouse and crew building. Design of modifications to existing Crossroads train wash.	0%	2nd Quarter 2010	Field kick-off meeting on 1/27/10. Final designs anticipated by May 2010. Construction to begin following completion of Broad Run Yard Expansion / Maintenance Facility project.		
		Rolling Stock					

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New Railcar Procurement Proj No 90-42-16060													
New Railcar Fabrication (50 Cars)	System-wide	\$2.5 million annual payment	\$80,427,748	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	90%	4th Quarter 2010	All work is now warranty work.						
Top Deck Rebuilds	System-wide	\$3,372,000	\$2,225,778	Top Deck Rebuild for 10 Locomotives	95%		V02, V07, V21, V06, V08, V09, V31, V24, V23, V10, V04 and V22 Top deck work has been completed. In the planning and preparation stage to send V20 for top deck overhaul work						
Work Management Software Project No 90-57-16270		\$95,000	N/R	Provide software and license agreements to track parts management.	100%	Completed							
Work Management Software Training and Setup	Yards & Warehouse			Design software modifications for conformity with VRE specific needs and train personnel in use product. Training underway. Transferring all inventory data from QuickBooks to new software.	100%	4th Quarter 2009	Validating updates; target December for start of work management implementation						
New Locomotive Procurement No. 90-55-16040													
New Locomotive Manufacture (2)	System-wide	\$64,725,912	\$60,579,992	Base Order is for five MP-36 locomotives at \$3,684,922 each (\$18,474,610)	25%	4th Quarter 2012	V50 production started on 11-10-09, on schedule; projected July 1, 2010 delivery date.						
New Locomotive Engineering Oversight			\$4,145,920	On site engineering through warranty administration.	20%	4th Quarter 2012	On-site inspectors in Boise; FAI work to be completed 1st QTR 2010						
New Railcar Procurement Proj No 90-56-16060													
New Railcar Fabrication (10 Cars)	System-wide	\$23,669,956	\$22,660,000	Construction of 10 trailer cars without toilets	85%	1st Quarter 2012	10 cars placed into revenue service on 2-1-10						
New Railcar Oversight (10 Cars)			\$1,009,956	Perform all engineering oversight and warranty follow-up for construction of 10 cars	65%	1st Quarter 2012	all 10 cars have been delivered and work will not shift to Warranty Administration						

Note 1: Total adopted CIP budget will be revised upon receipt of FY09 grant.

Chief Executive Officer's Financial Report



FEBRUARY 2010

*As Reported to the VRE Operations Board
February 19, 2010*

FINANCIAL STATISTICS FOR JANUARY 2010

Copies of the January 2010 Operating Budget Report are attached.

Fare income for the month of January 2010 was \$578,912 above the budget – a favorable variance of 28.41%. The cumulative variance for the year is 11.20% or \$1,741,101 above the adopted budget. Revenue in the first seven months of FY 2010 is up 19.3% over FY 2009. This positive variance is the result of higher than anticipated ridership and the January and July 2009 fare increases. Additionally, there are only 19 service days in January and we had our highest monthly revenue in our history, which accounts for the material monthly variance.

A summary of the financial results (unaudited) as of January 2010 follows. Detail on the major revenue and expense categories are provided in the attached Operating Budget Report. These figures reflect the Amended FY10 Budget.

Measures		Goal	Actual
Operating Ratio		55%	80%
Budgeted Revenue	72,109,066		
Budgeted Revenue YTD	45,232,129		
Actual Revenue YTD	46,878,840		
Cumulative Variance	1,646,711		1,646,711
Percent Collected FY 07 YTD		62.73%	65.01%
Budgeted Expenses	72,109,066		
Budgeted Expenses YTD	39,000,848		
Operating Expenses YTD	38,210,984		
Cumulative Variance	789,864		789,864
Percent Collected FY 07 YTD		54.09%	52.99%
Net Income (Loss) from Operations			2,436,575

These figures are preliminary and unaudited.

VIRGINIA RAILWAY EXPRESS
FY 2010 Operating Budget Report
 January 31, 2010

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE \$	YTD VARIANCE %	AMENDED TOTAL FY10 BUDGET
OPERATING REVENUE							
Passenger Ticket Revenue	2,616,506	2,037,594	17,291,157	16,550,056	1,741,101	11.2%	26,917,683
Equipment Rental and Other	29,588	11,468	192,576	87,520	105,056	120.0%	15,500
Subtotal Operating Revenue	2,646,094	2,049,062	17,483,733	15,637,576	1,846,157	11.8%	27,069,183
Jurisdictional Subsidy (1)		8,295,102	15,955,559	15,955,559		0.0%	15,955,559
Federal/State/Other Jurisdictional Subsidy	1,662,602	1,795,533	13,424,455	13,506,125	(81,670)	-0.6%	28,864,324
Appropriation from Reserve						0.0%	
Interest Income	1,454	17,410	15,092	132,869	(117,777)	-88.6%	290,000
Total Operating Revenue	4,310,150	12,157,107	46,878,840	45,232,129	1,646,711	3.6%	72,109,066
OPERATING EXPENSES							
Departmental Operating Expenses	3,976,001	3,689,689	27,364,424	28,118,180	753,756	2.7%	48,676,777
Debt Service	731,785	737,082	6,232,919	6,269,856	36,936	0.6%	13,582,380
Insurance			4,612,813	4,612,813		0.0%	6,006,000
Other Non-Departmental Expenses	120		828		(828)		3,842,909
Total Operating Expenses	4,707,906	4,426,771	38,210,984	39,000,848	789,864	2.0%	72,109,066
NET INCOME (LOSS) FROM OPERATIONS	(397,756)	7,730,336	8,667,856	6,231,280	2,436,575		0
CALCULATED OPERATING RATIO							
			80%				

(1) Total jurisdictional subsidy is \$16,376,967. Portion shown is attributed to Operating Fund only.