

# Department of Rail and Public Transportation

## *Freight and Passenger Rail Programs*

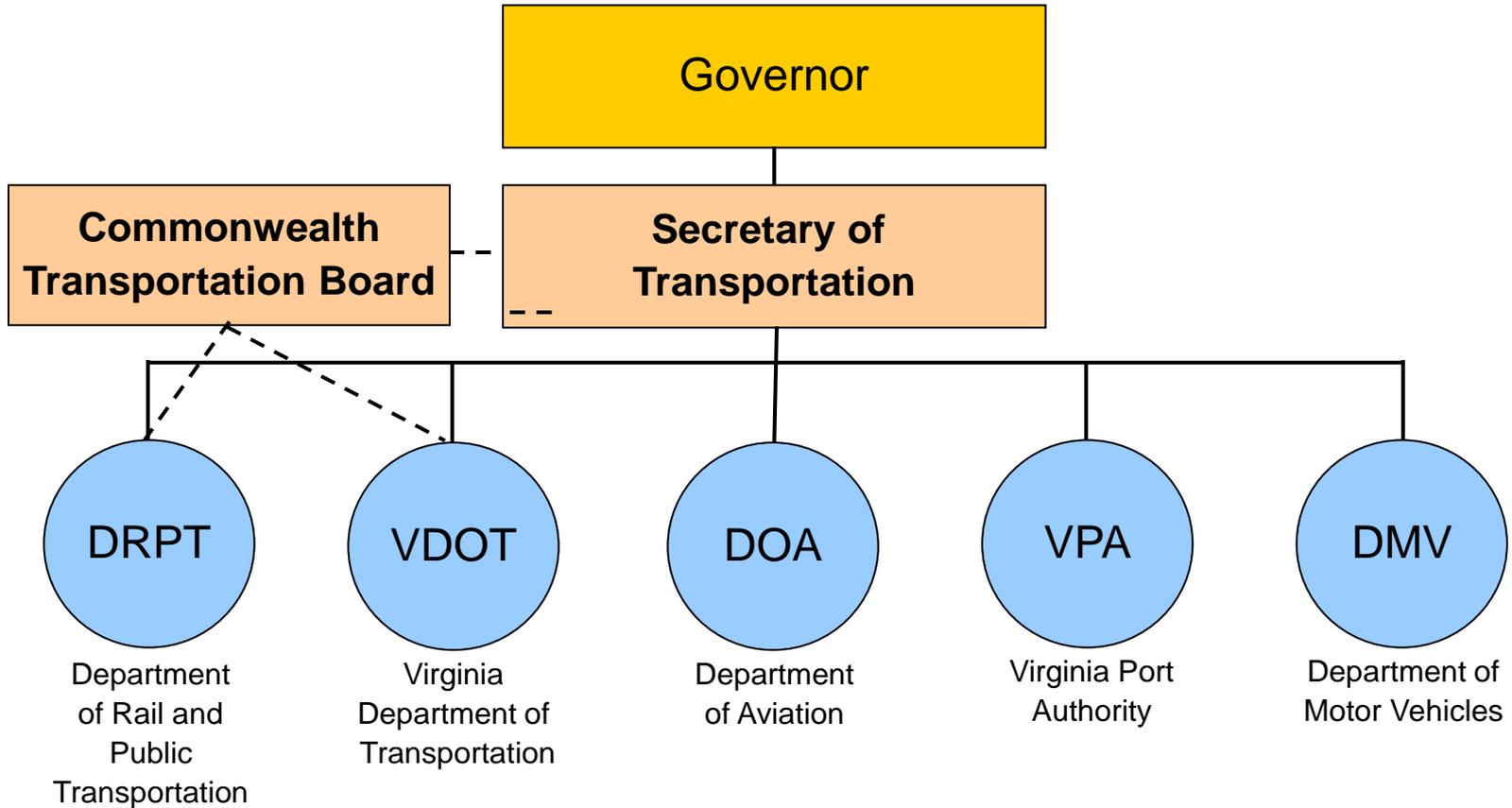
**Kevin Page**  
**Chief Operating Officer**

**November 6, 2012**

# Presentation Overview

- ❑ Overview of DRPT
- ❑ Freight Rail Programs
  - Rail Enhancement Fund
  - Rail Preservation & Development Fund
  - Rail Industrial Access Fund
- ❑ Passenger Rail Programs & Planning
  - Intercity Passenger Rail Operation and Capital Fund
  - Environmental Impact Studies for HSR
- ❑ Transit Funding Initiatives

# Who is DRPT?



# Virginia Rail System



- Two passenger rail operators – Amtrak and Virginia Railway Express
- Eleven freight railroads –
  - Two national Class I Railroads: Norfolk Southern and CSX
  - Nine local shortline railroads

# Rail Enhancement Fund

- ❑ Capital Investment in Rail Infrastructure with substantial public benefit.
- ❑ Projects must break 1.0 on Benefit-Cost Analysis
- ❑ Dedicated revenue stream from Rental Car Tax
- ❑ Grantees include:
  - Class I Railroads: CSXT, NS
  - Port of Virginia
  - Virginia Railway Express

# REF Funded Initiatives

## Norfolk Southern Heartland Corridor (Route 460) (Phase 1)



Norfolk Souther Heartland Corridor Development Status - Phase 1	
Task	Proposed Completion Dates
Planning and Analysis	2006
Preliminary Engineering	2007
Final Design	2007
Construction	2009
Operation	2009

### Annual Benefits



Removes 150,000 trucks from Virginia highways



Saves over 20.06 million gallons of fuel



Saves 55,804 tons of CO<sub>2</sub> emissions

### At a Glance

- ∴ Doubles freight capacity parallel to Route 460
- ∴ Freight benefit: Cuts 1.5 days of shipping time between Hampton Roads and Chicago
- ∴ Passenger benefit: Could support expanded Amtrak service between Washington, DC and Bristol
- ∴ Planning has begun on Phase 2

# REF Funded Initiatives

## Norfolk Southern Crescent Corridor (I-81)



### At a Glance

- ⌘ Improves freight rail shipping along I-20, I-40, I-75, I-85 and I-81
- ⌘ Freight benefit:  
Expands capacity, diverting trucks from congested roadways
- ⌘ Passenger benefit:  
Could expand Amtrak to serve Charlottesville, Lynchburg, Roanoke and Bristol and expand VRE service from Manassas to Haymarket

### Norfolk Southern Crescent Corridor Development Status

Task	Proposed Completion Dates
Planning and Analysis	2008
Preliminary Engineering	2008
Final Design	2009
Construction	2010
Operation	2020

### Annual Benefits



Removes 1.6 million trucks (base estimate) from I-81 Corridor by 2035



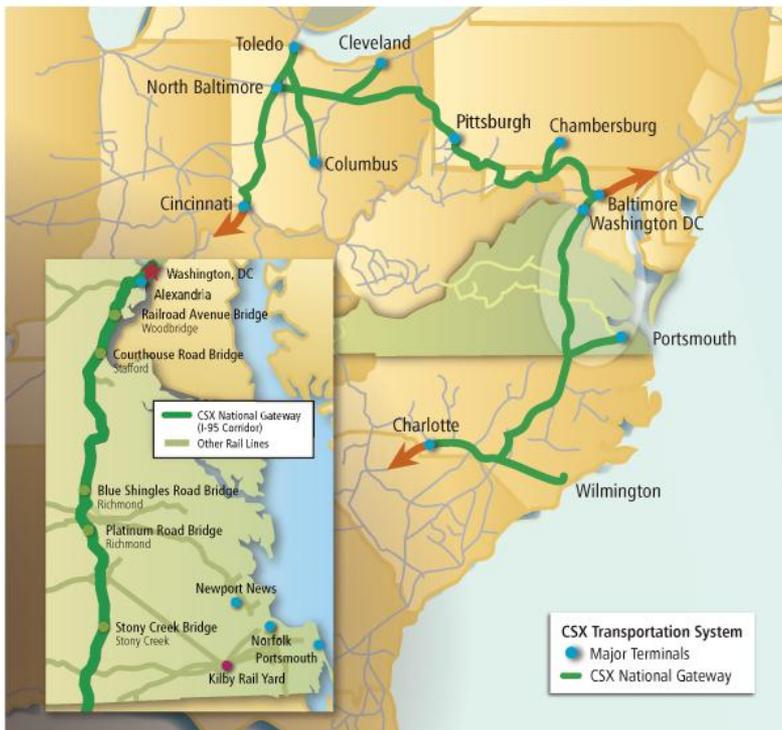
Saves over 227 million gallons of fuel



Saves 674,000 tons of CO<sub>2</sub> emissions

# REF Funded Initiatives

## CSX National Gateway Corridor (I-95, I-295, I-495)



### At a Glance

- :: Parallels I-95 through Virginia
- :: Improves efficiency of freight rail shipping from ports of MD, VA and NC and to markets in PA, WV and OH
- :: Virginia improvements:
  - Kilby Rail Yard
  - Double-stack train clearances
- :: Freight benefit:  
Expands capacity
- :: Passenger benefit:  
Improves on-time performance

### CSX National Gateway Corridor Development Status

Task	Proposed Completion Dates
Planning and Analysis	2008
Preliminary Engineering	2009
Final Design	2010
Construction	2013
Operation	2013

### Annual Benefits



Removes 130,000 trucks from I-95 Corridor



Saves over 31.9 million gallons of fuel



Saves 61,705 tons of CO<sub>2</sub> emissions

# Virginia Shortline Railroads



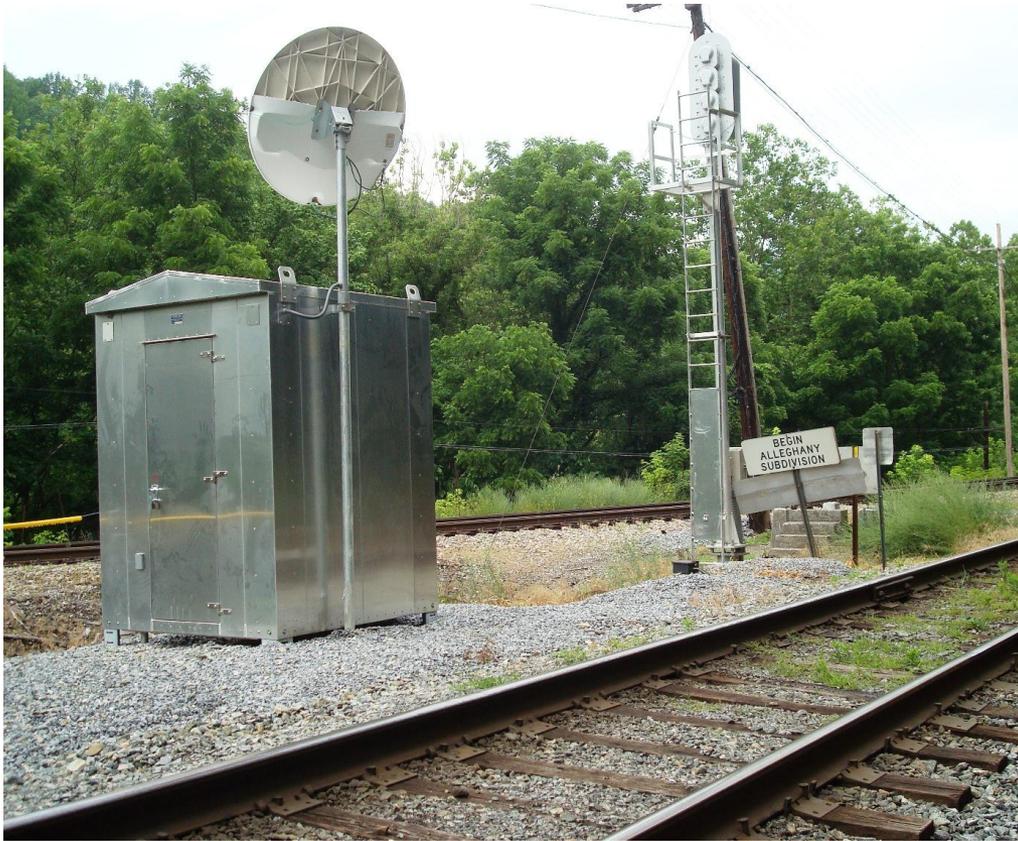
\$82.3 Million programmed in the FY13 – FY18 SYIP

# Rail Preservation & Development Program

§ [33.1-221.1:1.2](#). Shortline Railway Preservation and Development Fund.

- Preservation of Shortline Railroads
- Continuation of Rail Service
- Funded annually through Appropriation Act
- 70/30 Program

# Rail Preservation & Development Program



Signal System Upgrade on the N. Mtn Division  
Buckingham Branch Railroad

# Rail Preservation & Development Program



Switch Rehabilitation in Berkley Yard  
Norfolk Portsmouth Beltline Railway

# Rail Preservation & Development Program



Rail and Tie Replacement Projects on All Virginia Shortlines to maintain Track II Safety Standards.

# Rail Industrial Access Program

- ❑ Shared with VDOT and DOAV
- ❑ § [33.1-221.1:1](#). Fund for construction of industrial access railroad tracks
- ❑ Grant program to provide funds for the construction of rail access tracks to new or expanding industry or commercial enterprise

# Rail Industrial Access Program

- ❑ Up to \$450,000 in grant funds for construction of rails to serve industry per jurisdiction per year
  - First \$300K unmatched
  - Additional \$150K matched 50/50
  - All \$450K can be applied to one project
  
- ❑ Applications are ranked on:
  - Rail cars (trucks off the roads)
  - Employment
  - Investment Ratios
  - Location on a Shortline
  
- ❑ Grantees who do not meet Rail Car and Employment goals must repay funds.
  - Railcars met within 5 years
  - Employment met within 2 years
  - 15 Year project lifetime

# Rail Industrial Access Program

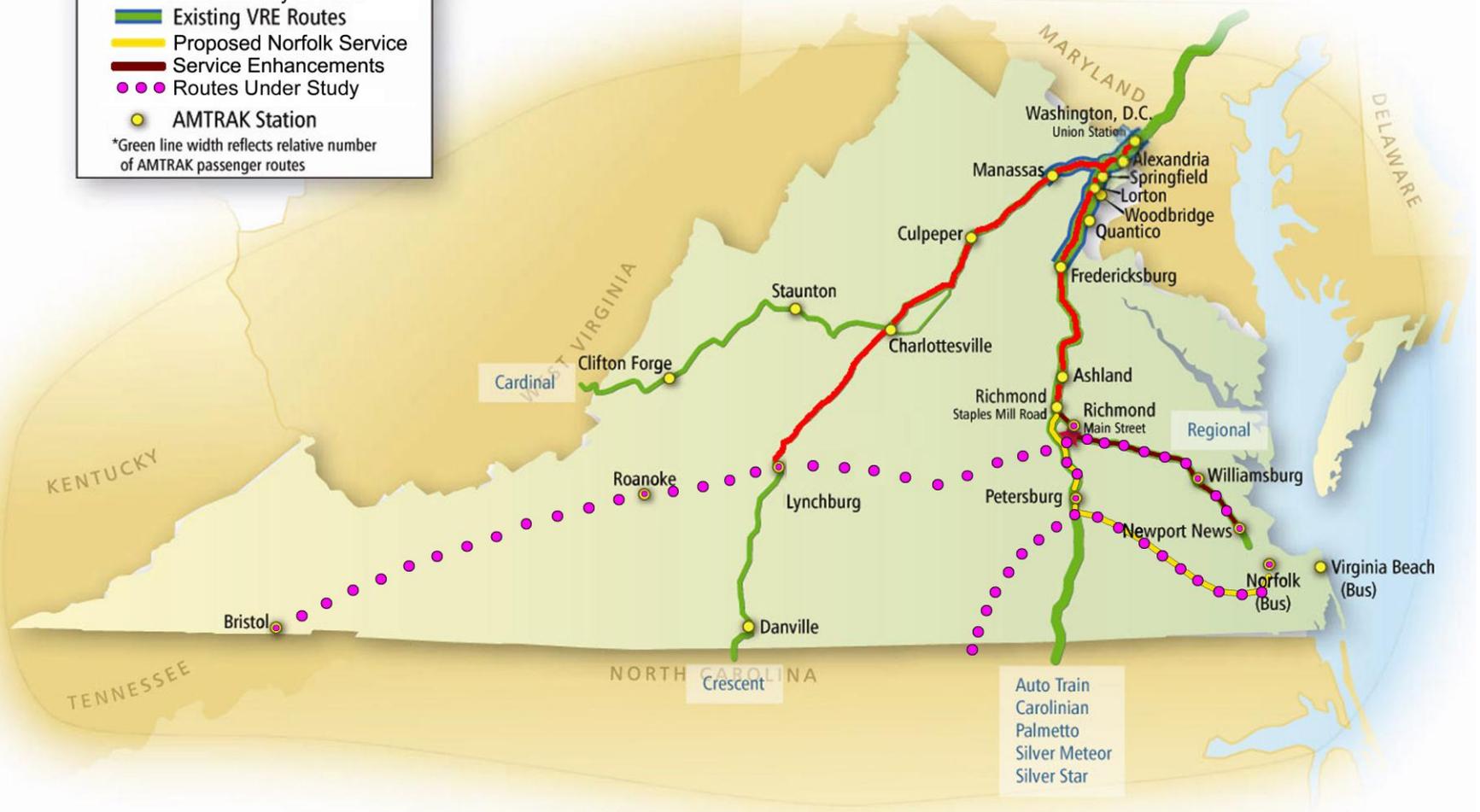


RIA Project: Carmeuse Lime & Stone of Northern Virginia

- ❑ Applications have been picking up since the Recovery
- ❑ In FY12 DRPT awarded \$1,380,000
- ❑ Evaluation of Applications receives 10 additional points if located on a Shortline
- ❑ DRPT willing to meet with potential applicants on site.

# Passenger Rail Service In Virginia Present and Future

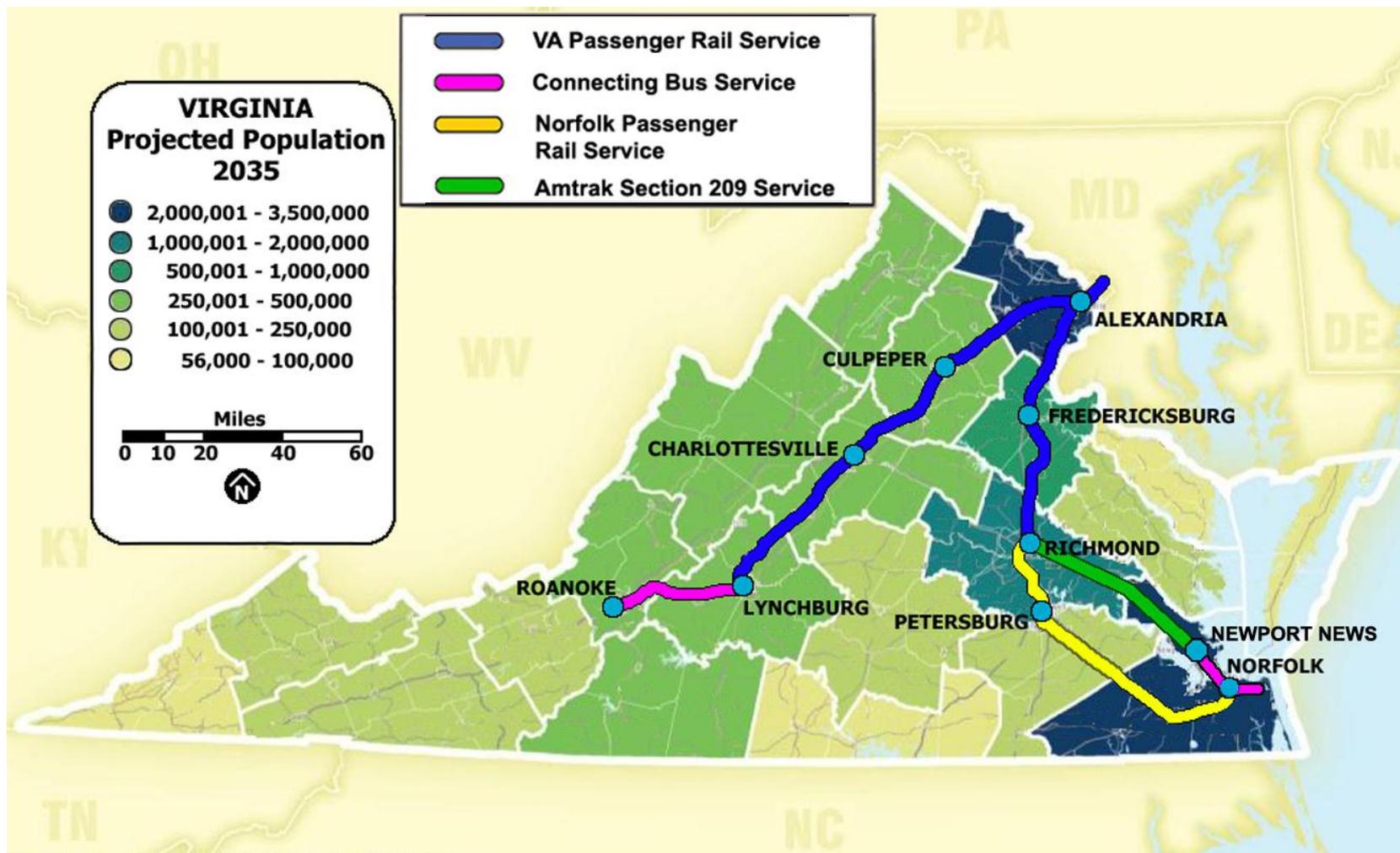
- Existing AMTRAK Routes\*
  - New Intercity Service
  - Existing VRE Routes
  - Proposed Norfolk Service
  - Service Enhancements
  - Routes Under Study
  - AMTRAK Station
- \*Green line width reflects relative number of AMTRAK passenger routes



# Virginia Regional Amtrak Passenger Service



# Virginia's Intercity Passenger Rail Initiatives Will Serve 2035 High Population Centers



Vtrans - Population by PDC

# Intercity Passenger Rail Operating and Capital Fund

- ❑ 2011 – General Assembly created IPROC with no dedicated funding source
  - General Assembly can make appropriations
  - CTB can allocate funding through Commonwealth Transportation funds
  
- ❑ 2012 – General Assembly authorized \$55M to IPROC, funds second year of Roanoke-Lynchburg intercity thru-way bus
  
- ❑ Beginning 2013, all regional train service must be paid for by the states. Virginia will absorb four regional trains it does not currently pay for today

# State Funded Train Service

## Lynchburg



- ❑ One daily roundtrip train between Lynchburg and Boston
- ❑ No changing trains in D.C., MD or NY – Same seat ride Lynchburg to Boston – Locomotive change in D.C.
- ❑ Faster than driving to D.C.
- ❑ Most successful state funded regional train in the Amtrak system.
- ❑ Depart Lynchburg at 7:38 a.m. Arrive in NYC by 3:30 p.m.

# State Funded Train Service

Richmond

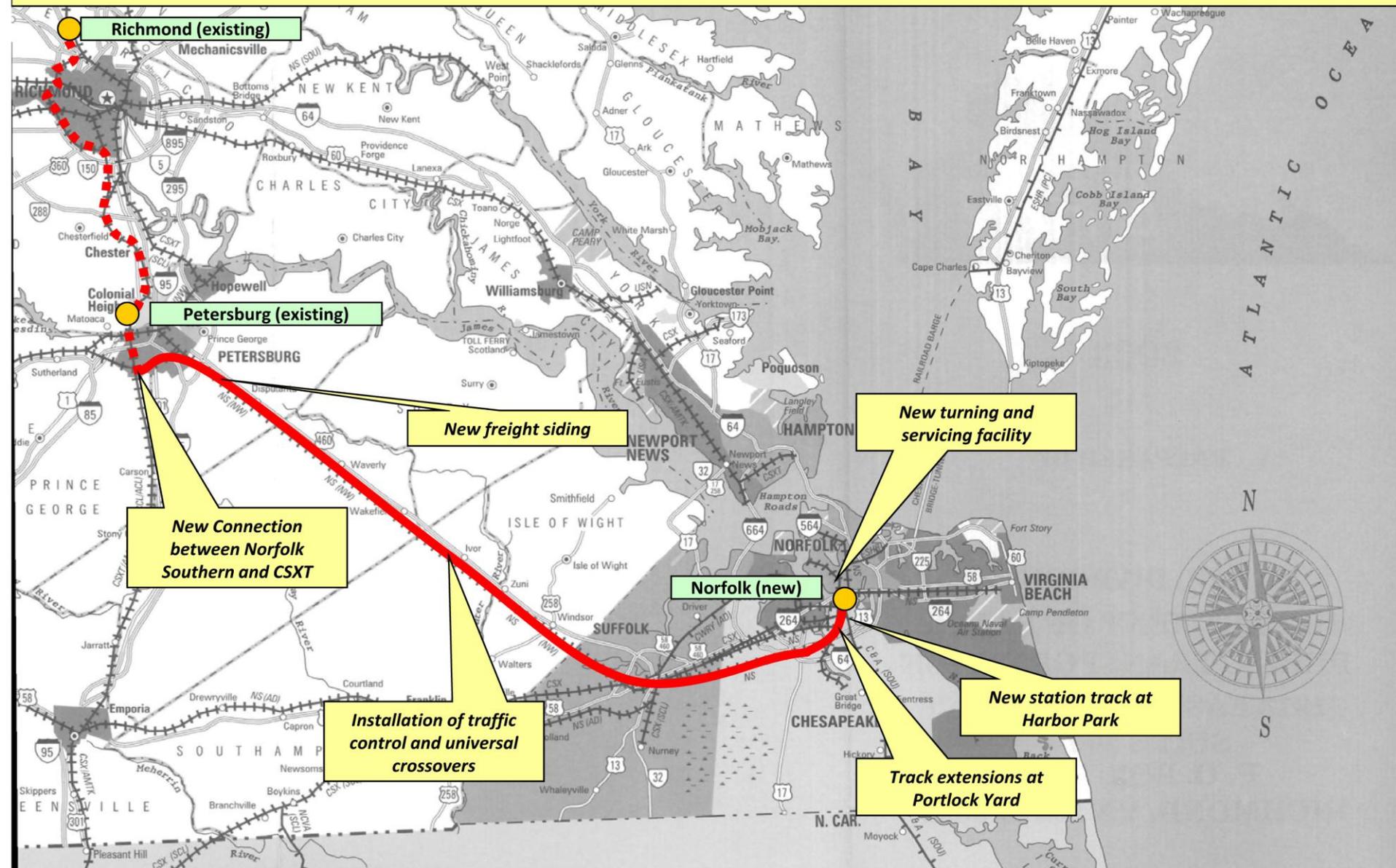


- ❑ One daily roundtrip train between Richmond and Boston
- ❑ No changing trains in D.C., MD or NY – Same seat ride Richmond to Boston – Locomotive change in DC
- ❑ 7:00 a.m. departure offers hourly northbound service, more flexible southbound departures, D.C. to Richmond

# State-Funded Amtrak Service Norfolk Service Extension

- ❑ December 15, 2010 – DRPT and NS executed agreement to start improvements necessary for three train slots between Petersburg and Norfolk.
- ❑ Passenger Operations scheduled to begin mid-December 2012.
- ❑ Norfolk will build the train station.
- ❑ DRPT web site project updates available at:  
<http://www.drpt.virginia.gov/activities/norfolk.aspx>

# Improvements for Norfolk-Petersburg-Richmond Intercity Passenger Service



**Richmond (existing)**

**Petersburg (existing)**

**Norfolk (new)**

**New freight siding**

**New turning and servicing facility**

**New Connection between Norfolk Southern and CSXT**

**Installation of traffic control and universal crossovers**

**New station track at Harbor Park**

**Track extensions at Portlock Yard**

Norfolk Southern ——— CSXT Trackage - - - -

# State-Funded Amtrak Service Norfolk Station

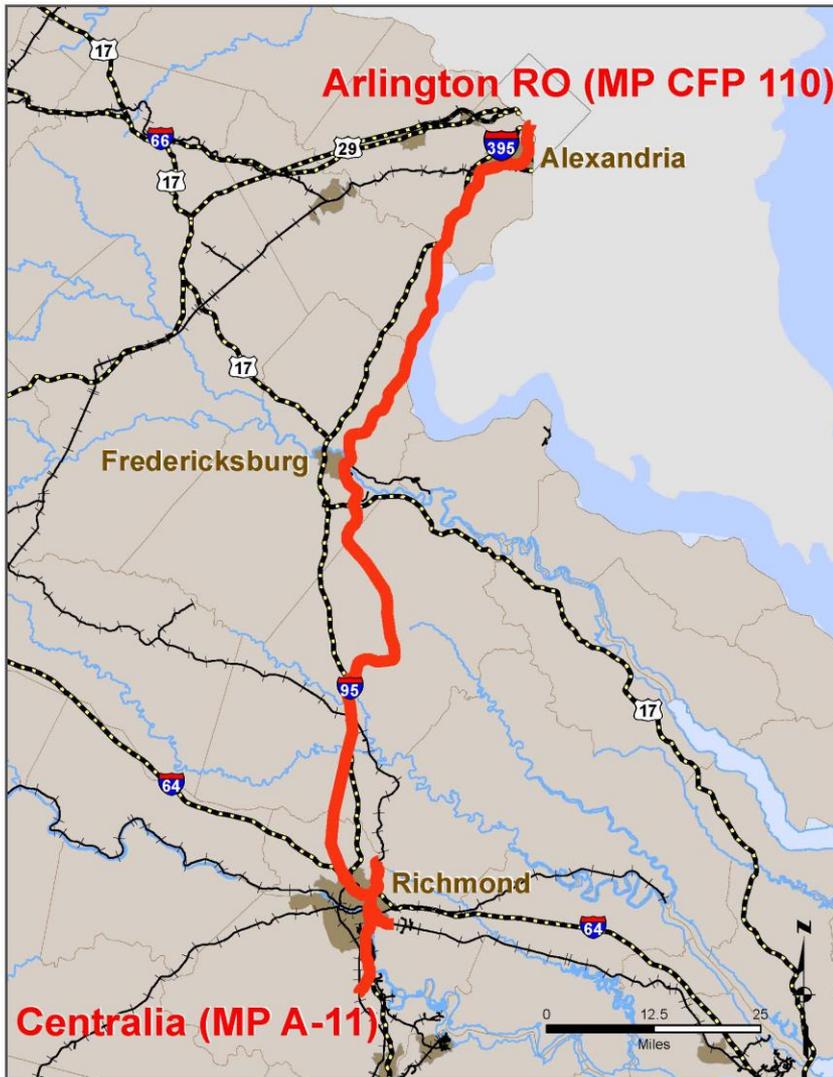


# Federal HSR Planning Process- Arkendale to Powell's Creek

- ❑ January 28, 2010 – FRA issued intent to Award \$75M ARRA Stimulus grant
- ❑ February 4, 2011 – FRA issued Environmental Assessment Finding of No Significant Impact (FONSI) that clears path for next step - environmental permitting
- ❑ September 10, 2012 – FRA and DRPT sign Agreement for \$75M ARRA Stimulus Grant to build 11 miles of 3<sup>rd</sup> Track.

# Federal HSR Planning Process- Richmond Area to Potomac River Segment

## “RAPS” Tier II EIS



- ❑ 110 mile segment
- ❑ Extends from junction of CSX A-Line and CSX S-Line at Centralia (MP A-11) northward via the S-Line through Richmond's Main Street Station.
- ❑ Rejoins A-Line near Staples Mill Station.
- ❑ Extends northward along the CSX Richmond, Fredericksburg and Potomac Subdivision (RF&P) to Control Point RO in Arlington (MP CFP-110).
- ❑ Also includes the following improvement areas:
  - CSX Peninsula Subdivision in the Richmond area between AM Junction and Beulah to the east.
  - Buckingham Branch Railroad from AM Junction to Ruffin.

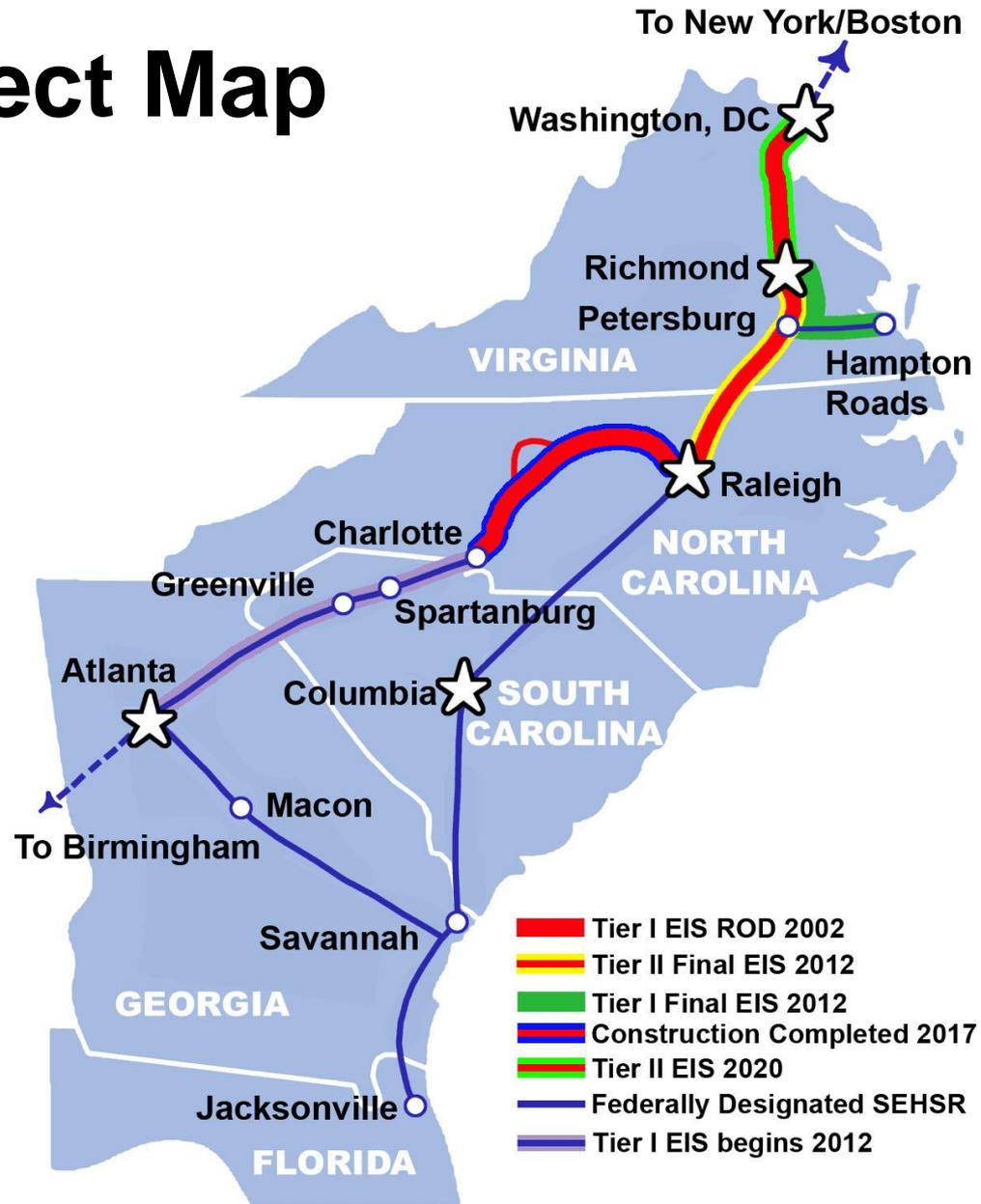
# Federal HSR Planning Process- Richmond to Hampton Roads FEIS

- ❑ December 8, 2010 – DRPT transmitted the Final Environmental Impact Statement (FEIS) to the Federal Railroad Administration for review and Record of Decision for Alternative 1
- ❑ April 28, 2011 – FRA and DRPT met and discussed FRA’s administrative comments on the FEIS and await the FRA Chief Counsel’s comments
- ❑ July 16, 2012 - DRPT forwards signature page of FEIS to FRA - awaiting Record of Decision

# Federal HSR Planning Process- Richmond to Raleigh Tier II EIS

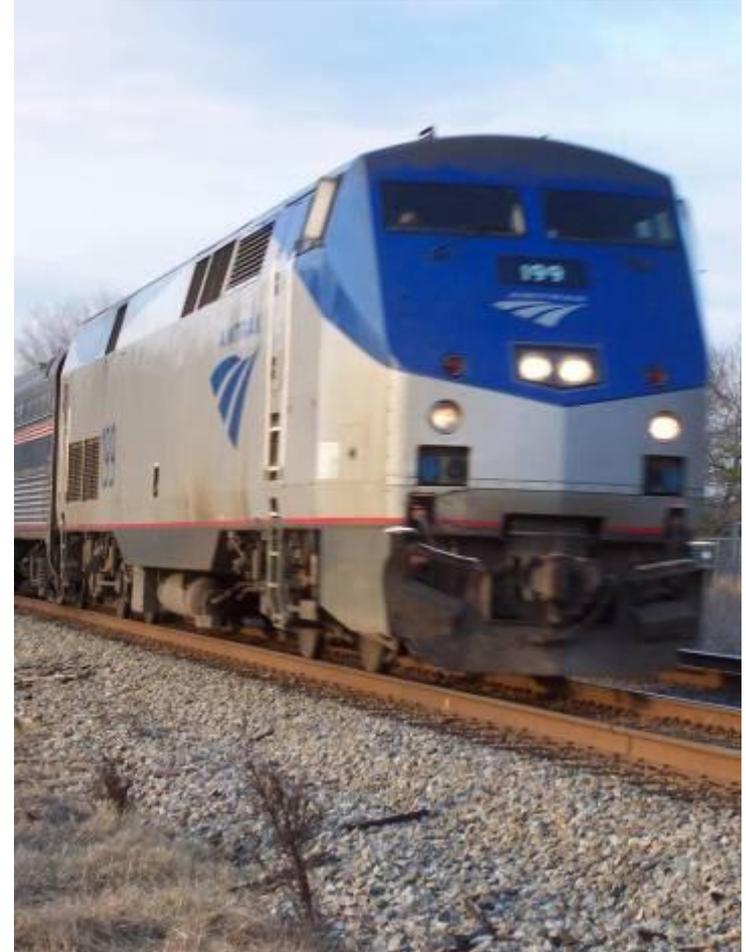
- ❑ DRPT and NCDOT continue to advance the Richmond to Raleigh Tier II EIS
  - NCDOT applied for \$4.1M in federal funding on April 4, 2011 and received an award of those funds on May 9, 2011
- ❑ April 28, 2011 – FRA and DRPT met and discussed FRA's review of the Tier II EIS document
- ❑ DRPT has accommodated the third track alignment for high speed rail operations as a part of the Collier Connection alignment for the Norfolk train service extension
- ❑ Before SEHSR service is to begin, significant track capacity improvements must be made between Raleigh and Washington, D.C.

# SEHSR Project Map



# SEHSR Next Steps

- ❑ Complete Environmental and Design
- ❑ Track improvements on existing segments
  1. Richmond, VA to Washington, DC
  2. Petersburg, VA to Richmond, VA
  3. Petersburg, VA to Norfolk, VA\*
  4. Petersburg to Raleigh, NC
- ❑ Subject to funding
- ❑ Coordinate with
  - FRA
  - Amtrak
  - Railroads
  - Local Governments
  - Property Owners



\*Advancing under Hampton Roads EIS

# Challenges for Passenger Rail development

## ❑ Need for a National Rail Plan

- Guiding principles on defining passenger and freight rail development
  - High speed intercity passenger rail and at what speed – is it co-mingled with freight as high capacity corridors or right-of-way of its own?
  - What is the federal role and participation both in planning and function?

## ❑ Need for a dedicated funding source for Virginia funded intercity passenger rail

- The Intercity Passenger Rail Operating and Capital fund was created in 2011 but there is no dedicated revenue source
  - PRIIA Section 209 shifts all Amtrak regional service to the states beginning October 1, 2013 – Virginia state funding for continued Amtrak regional service will increase from 2 to 6 trains.
  - FY2013-FY2018 Six Year Improvement Program identifies \$162M in unmet need.

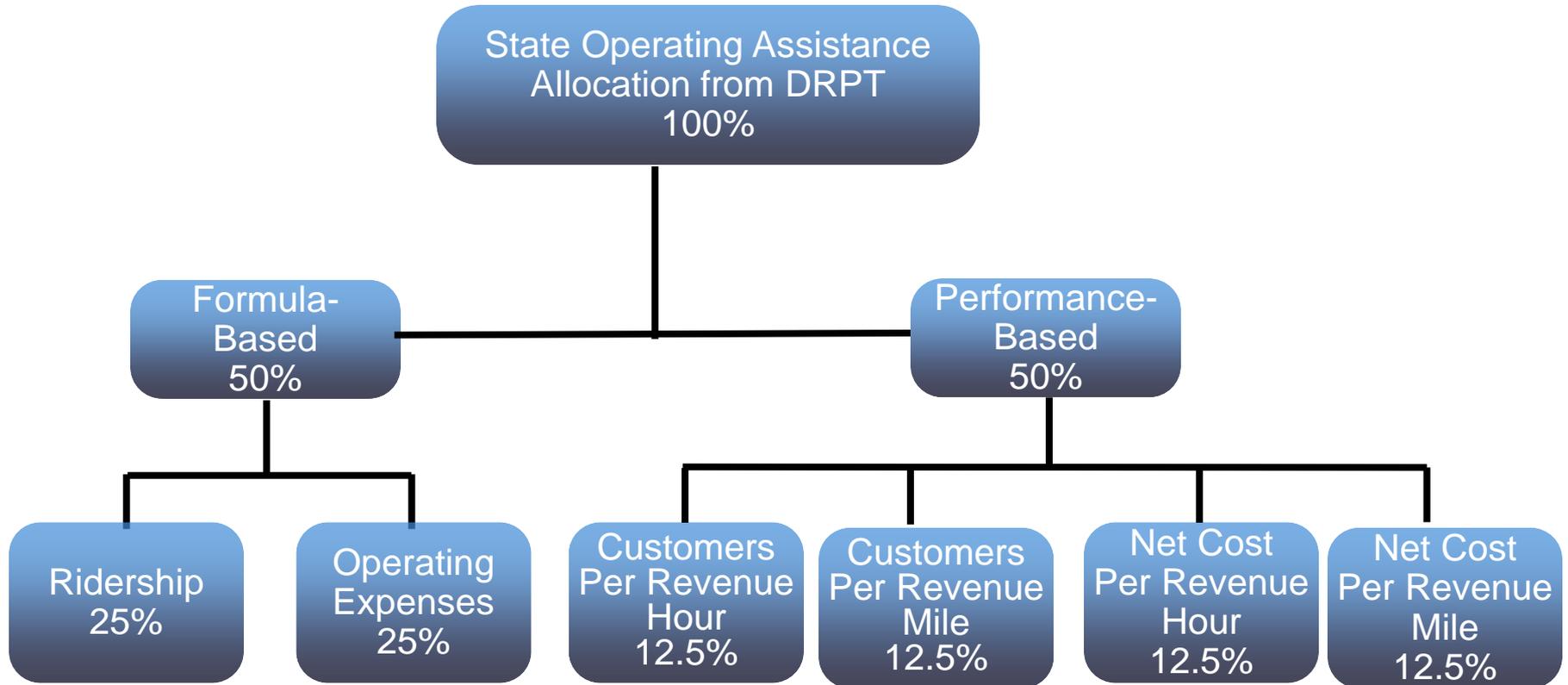
# Transit Funding Initiatives

- ❑ Senate Joint Resolution No. 297
  - In February 2011, The General Assembly passed Senate Joint Resolution 297 (SJR297), which directed the Virginia Department of Rail and Public Transportation to study key issues relating to the distribution of funding to transit agencies within the Commonwealth of Virginia.
  
- ❑ In conducting its study, DRPT shall study, but not be limited to the following issues:
  - Performance
  - Prioritization
  - Stability
  - Allocation

# Current Operating Assistance Funding Allocation

- ❑ Current funding allocation formula is based on one factor, operating cost
- ❑ The amount of operating assistance provided to each grantee is equivalent to the relative share of expenditures for each of the State's various transit providers proportional to all transit providers' expenditures
- ❑ No direct link to the Commonwealth Transportation Board's policy goals
- ❑ The funding allocation is based on two year old data
- ❑ Ineligible versus eligible costs add unnecessary complexities
- ❑ Data can be validated based on audited information

# Recommended Operating Assistance Hybrid Allocation Approach



**CTB will conduct periodic reviews with public input**

# Current Capital Assistance Funding and Allocation

## ❑ Mass Transit Trust Fund (MTTF)

- Twenty-five percent, approximately \$30M annually, of the MTTF
- Allocate based on non-federal share of project compared to total for all projects
- Application driven process
- No flexibility to prioritize funding
- All capital items under this program funded at the same blended rate as bonds, approximately 50%

## ❑ Mass Transit Capital Fund

- Bond funding will be exhausted by 2018
- Application driven process
- Flexibility to prioritize funding
- Ability to fund State of Good Repair at 80%  
(ex. rolling stock replacement and major mid-life overhauls)
- Ability to fund other capital items at blended rate of 50%  
(ex. Bus shelters, sidewalks, landscaping, etc)

# Recommended Capital Assistance Allocation

- ❑ Continue application driven process
  
- ❑ Allow flexibility to prioritize funding via a tiered approach
  - Example: Bus replacement and overhauls 20% total cost
  - Example: Bus shelters and bike racks 10% total cost
  - Example: Computers and landscaping 5% total cost
  
- ❑ Revisit funding priorities every three to five years
  
- ❑ Allow capital funds to supplement operating assistance

# Recommendations

## ❑ Performance

- Revise the Code of Virginia to implement a hybrid formula and performance-based allocation system

## ❑ Prioritization

- Establish allocation processes that allow the CTB to prioritize capital investment decisions

## ❑ Stability

- Identify a source of transitional assistance to minimize impacts of implementing the new allocation system
- Establish a reserve fund to stabilize match ratios for capital and operating expenses

# Recommendations

## □ Allocation

- Allow capital and special programs funds to be used to supplement operating funds
- Funds may not be allocated without requiring a local match from the recipient

# Recommendations

## □ Capital and Operating Needs

- Document the gap between transit needs and available funding as part of the Statewide Transit and TDM Plan in order to advocate for increased funding to maximize the capacity of the existing infrastructure
- Findings will be incorporated into the SJ297 report

# Recommendations

## □ Transition Assistance

- 2015 100% Transition Assistance Funding
- 2016 50% Transition Assistance Funding
- 2017 100% Hybrid Performance Based Funding Allocation

Thank You!

