



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

W. Sheppard Miller, III
Chairperson

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Agenda item # 7

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 14, 2025

MOTION

Made By: Mr. Kasprowicz, **Seconded By:** Ms. Sellers

Action: Motion Carried, Unanimously

Title: Authorization for the Director of the Department of Rail and Public Transportation to Enter into an Agreement with the North Carolina Department of Transportation and the Virginia-North Carolina Interstate High-Speed Rail Compact Relating to the Receipt of Federal Funding for the Virginia-North Carolina High-Speed Rail Interstate Compact

WHEREAS, the Federal Railroad Administration (“FRA”) awarded the North Carolina Department of Transportation (“NCDOT”) and the Virginia Department of Rail and Public Transportation (“DRPT”), on behalf of the Virginia-North Carolina High-Speed Rail Interstate Compact (“Compact”), a \$200,000 Fiscal Years 2022-2023 Interstate Rail Compact Grant to continue efforts to improve passenger and freight rail in both states and the Southeast; and

WHEREAS, Virginia and North Carolina have proposed entering into an agreement (the “Agreement”), which specifies the terms and conditions for the coordination between the two agencies for the project;

WHEREAS, the Compact was established in 2004 to study, develop, and promote a plan for the design, construction, financing, and operation of interstate high-speed rail service through and between points in the Commonwealth of Virginia and the State of North Carolina and adjacent states; to coordinate efforts to establish high-speed rail service at the federal, state, and local governmental levels; to advocate for federal funding to support the establishment of high-speed rail service within and through Virginia and North Carolina and to receive federal funds made available for rail development; and to provide funding and resources to the Virginia-North Carolina High-Speed Rail Compact Commission from funds that are or may become available and are appropriated for that purpose; and

Resolution of the Board

Authorization for the Director of the Department of Rail and Public Transportation to Enter into an Agreement with the North Carolina Department of Transportation and the Virginia-North Carolina Interstate High-Speed Rail Compact Relating to the Receipt of Federal Funding for the Virginia-North Carolina High-Speed Rail Interstate Compact

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WHEREAS, the FRA awarded the funds for a Southeast Rail Network Analysis to evaluate the Southeast rail network constraints and identify opportunities to improve the fluidity of the network to benefit passenger and freight rail and for administrative and operational expenses related to the Compact and other technical coordination among states, Amtrak, FRA, and railroads to advance rail connections throughout the Southeast; and

WHEREAS, Virginia and North Carolina committed \$100,000 each for the non-federal match for the grant, which is to be memorialized in a memorandum of agreement between DRPT and NCDOT; and

WHEREAS, DRPT's Fiscal Year 2025 Six Year Improvement Program allocates \$461,700 in funds for "federal grant match"; and

WHEREAS, the Commonwealth Transportation Board approved the "Six-Year Improvement Program and Rail and Public Transportation Allocations for Fiscal Years 2025-2030" resolution on June 18, 2024, stating that the DRPT Director "is authorized up to \$200,000 to reallocate funds among existing grants"; and

WHEREAS, the Agreement states that DRPT, NCDOT, and the Compact shall be responsible for the administration of the grant, including:

1. Preparation, review, and approval of the project work plan, budget, and schedule.
2. Participation in meetings with the Southeast Rail Corridor Commission ("SEC") Technical Committee and additional project stakeholders.
3. Preparation, review, and approval of an existing conditions review and analysis and screening results memoranda to evaluate and report on previous rail network analysis, document identified network capacity constraints and identify project opportunities for passenger and freight rail growth, screening methodologies, and other SEC stakeholder priorities.
4. Development, review, and approval of a report that summarizes the existing conditions, analysis and screening results, and recommendations for next steps.
5. Submission to FRA of a final performance report describing the cumulative activities of the Project as required by the grant agreement.

WHEREAS, the Agreement states that NCDOT will submit itemized invoices to DRPT no more than once every thirty days with appropriate supporting documentation to DRPT for reimbursement of Project costs; and

WHEREAS, §33.2-221 B of the Code of Virginia empowers the Commonwealth Transportation Board to enter into all contracts and agreements with other states necessary for the proper coordination of the location, construction, maintenance, improvement, and operation

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of transportation systems, including the systems of state highways, with the highways of such other states, and where necessary, seek the approval of such contracts by the Congress of the United States.

NOW, THEREFORE, BE IT RESOLVED, the Commonwealth Transportation Board hereby authorizes the Director of the Department of Rail and Public Transportation to enter into an Agreement, attached hereto as Exhibit A, with the North Carolina Department of Transportation and the Virginia-North Carolina Interstate High-Speed Rail Compact relating to the receipt of federal funding for the Southeast Rail Network Analysis and administrative and operational expenses related to the Compact with such changes and additions as the Director deems necessary.

#####

CTB Decision Brief

Authorization for the Director of the Department of Rail and Public Transportation to Enter into an Agreement with the North Carolina Department of Transportation and the Virginia-North Carolina Interstate High-Speed Rail Compact Relating to and Providing a Non-Federal Match to the Receipt of Federal Funding for Administration of the Virginia-North Carolina High-Speed Rail Interstate Compact and An Analysis of the Southeast Rail Network

Issue: Pursuant to §33.2-221 B of the Code of Virginia, the Virginia Department of Rail and Public Transportation (DRPT) is requesting that the Commonwealth Transportation Board (Board) authorize the DRPT Director to enter into an Agreement with the North Carolina Department of Transportation (NCDOT) and the Virginia-North Carolina Interstate High-Speed Rail Compact (Compact) relating to the receipt of federal funding for the administration of the Virginia-North Carolina High-Speed Rail Interstate Compact and an analysis of the Southeast Rail Network.

Facts: The Federal Railroad Administration (FRA) awarded NCDOT on behalf of the Compact a \$200,000 FY22-23 Interstate Rail Compact Grant toward a \$400,000 project to continue efforts to improve passenger and freight rail in both states and the Southeast. DRPT and NCDOT are to provide \$100,000 each for the non-federal match, which is to be memorialized in a memorandum of agreement between DRPT, NCDOT, and the Compact. (VA funds included in DRPT Rail Planning section of the FY25 SYIP.) Code of Virginia § 33.2-221 and CTB policy requires Board approval for an MOA with another state.

§ 33.2-1400 establishes the Virginia-North Carolina Interstate High-Speed Rail Compact. The Compact is to: i) study, develop, and promote a plan for the design, construction, financing, and operation of interstate high-speed rail service through and between points in the Commonwealth of Virginia and the State of North Carolina and adjacent states; ii) coordinate efforts to establish high-speed rail service at the federal, state, and local governmental levels; iii) advocate for federal funding to support the establishment of high-speed interstate rail service within and through Virginia and North Carolina and to receive federal funds made available for rail development; and iv) provide funding and resources to the Virginia-North Carolina High-Speed Rail Compact Commission from funds that are or may become available and are appropriated for that purpose. The Compact is comprised of five legislators from Virginia and five legislators from North Carolina.

FRA awarded funds to conduct a Southeast Rail Network Analysis that will evaluate the Southeast rail network constraints and identify opportunities to improve the fluidity of the network to benefit passenger and freight rail. The funds also were awarded for administrative and operational expenses related to VA-NC Compact and other technical coordination among states, Amtrak, FRA, and railroads to advance rail connections

throughout the Southeast, including the Southeast Corridor Commission (SEC), which extends to Tennessee, South Carolina, Georgia, and Florida.

DRPT's participation in Southeast Corridor Commission (SEC) gives Virginia a seat at the table as multi-state rail plans and federal funding strategies are developed. It is a vehicle to advocate for Virginia's freight needs as the SEC produces a network analysis, including the needs of the Port of Virginia. It also builds support and awareness for the value of Virginia's Corridor Identification and Development (CID) rail corridors - Commonwealth, DC to Bristol, and DC to Charlotte.

Recommendation: DRPT recommends that the Board delegate to the Director the authority to enter into the attached Agreement with the North Carolina Department of Transportation and the Virginia-North Carolina Interstate High-Speed Rail Compact with such changes and additions as the DRPT Director deems necessary.

Action Required by CTB: Approve by majority vote the resolution providing the authorization recommended herein.

Options: Approve, Deny, or Defer

MONTH DD, YYYY

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

**VA-NC COMPACT ADMINISTRATION
& SOUTHEAST RAIL NETWORK
ANALYSIS PROJECT AGREEMENT**

AND

WBS NO.

VIRGINIA DEPARTMENT OF RAIL AND
PUBLIC TRANSPORTATION

AND

VIRGINIA-NORTH CAROLINA
INTERSTATE HIGH-SPEED RAIL
COMPACT

This **VA-NC COMPACT ADMINISTRATION & SOUTHEAST RAIL NETWORK ANALYSIS PROJECT AGREEMENT** (Agreement) is made and entered into on the last date executed below, by and among the North Carolina Department of Transportation (NCDOT), an agency of the State of North Carolina, Virginia Department of Rail and Public Transportation (DRPT), an agency of the Commonwealth of Virginia, and the Virginia-North Carolina Interstate High-Speed Rail Compact (Compact), an Interstate Compact legislatively established by the General Assemblies of North Carolina and Virginia. Unless otherwise provided, the NCDOT, DRPT, and Compact will be referred to individually as “Party” and collectively as “Parties.”

WITNESSETH:

WHEREAS, in 1992, the U.S. Department of Transportation (USDOT) designated the Southeast High Speed Rail Corridor as one of the first five (5) federally designated future high speed rail corridors, presently known as the Southeast Corridor (SEC); and

WHEREAS, pursuant to congressional authorization for the formation of Interstate Rail Compacts under 49 U.S.C. § 24101, North Carolina and Virginia established and designated the NCDOT and DRPT as primary staff to the Compact under N.C. Gen. Stat. §§ 136-220 to 136-222 and Va. Code § 33.2-1400; and

WHEREAS, on behalf of the Compact, the NCDOT applied for, and the Federal Railroad Administration (FRA) awarded to the Compact, FY 2022-2023 Interstate Rail Compacts Grant

Program (FRA IRC Grant) funding, incorporated into this Agreement in Attachment A, for the VA-NC Compact Administration & Southeast Rail Network Analysis project (Project); and

WHEREAS, the total cost of the Project is estimated at up to four hundred thousand dollars (\$400,000), of which the NCDOT and DRPT will each provide one hundred thousand dollars (\$100,000) in non-federal funds, and the Compact will provide two hundred thousand dollars (\$200,000) in FRA IRC Grant funds; and

WHEREAS, on June 22, 2023, as part of that FRA IRC Grant application, the DRPT provided to the USDOT a letter expressing support for the FRA IRC Grant application and committing a one hundred thousand dollar (\$100,000) non-federal match contribution toward Project costs; and

NOW THEREFORE, the Parties hereby incorporate the above recitals into this Agreement, and each in consideration of the promises and undertakings of the other as provided in this Agreement, covenant and agree to the following.

1. PURPOSE

This Agreement defines each Party's responsibilities for the Project, the intent of which is to coordinate and administer meetings for the Compact and identify, evaluate, and report on opportunities to improve the SEC rail network for both passengers and freight rail through coordination with the SEC Commission, Amtrak, other intercity passenger rail operators, freight railroads, and other stakeholders.

2. FUNDING

- A. The NCDOT shall fund fifty percent (50%) of the non-federal portion of Project costs, not to exceed one hundred thousand dollars (\$100,000).
- B. The DRPT shall fund fifty percent (50%) of the non-federal portion of Project costs, not to exceed one hundred thousand dollars (\$100,000).
- C. The Compact shall fund fifty percent (50%) of total Project costs utilizing FRA IRC Grant funds, not to exceed two hundred thousand dollars (\$200,000).

3. RESPONSIBILITIES

- A. Grant Administration.

The NCDOT, its agents, or contractors shall serve as the FRA IRC Grant Administrator for the Project and assist the Compact with the development and execution of a grant agreement with the FRA (FRA IRC Grant Agreement) for the FRA IRC Grant.

- B. Financial Administration.

The NCDOT, its agents, or contractors shall serve as fiscal agent of the Compact for the purposes of the FRA IRC Grant and be responsible for budget administration, cost allocation, and invoicing as follows:

- (1) Receive, manage, and disperse the Compact's FRA IRC Grant funds in accordance with the FRA IRC Grant Agreement.
- (2) Maintain accurate and transparent financial records related to the Project.
- (3) Invoice the DRPT for reimbursement of Project costs as provided under Section 4 of this Agreement.
- (4) Provide the Compact with an itemized Project financial report for Project expenditures once per federal fiscal quarter following execution of this Agreement and until Project completion detailing (i) the FRA IRC Grant funds expended, (ii) amounts reimbursed by the DRPT, and (iii) amounts expended by the NCDOT.

C. Project Administration.

The Parties shall be responsible for FRA IRC Grant Project Administration as follows:

- (1) The NCDOT shall prepare and DRPT shall provide review and approval of the draft Detailed Project Work Plan, Budget, and Schedule. The NCDOT shall coordinate with the FRA for review and approval of the draft Detailed Project Work Plan, Budget, and Schedule. The NCDOT will involve the DRPT in the preparation and coordination of the documents prior to finalization.
- (2) The NCDOT shall coordinate and administer and the DRPT shall participate in Project meetings with the Compact, SEC Technical Committee, and additional Project stakeholders, including the FRA, Amtrak, and freight railroads.
- (3) The NCDOT shall prepare and DRPT shall provide review and approval of an Existing Conditions Review and Analysis and Screening Result memoranda to evaluate and report on previous rail network analysis, document identified network capacity constraints and identify project opportunities for passenger and freight rail growth, screening methodologies, and other SEC stakeholder priorities.
- (4) The NCDOT shall develop and DRPT shall provide review and approval of a draft report for the SEC Technical Committee's review that summarizes the Existing Conditions Review, Analysis and Screening Results, and recommendations for next steps.

- (5) The NCDOT shall prepare and DRPT shall provide review and approval of a final report that addresses comments from the Compact, SEC Technical Committee, and SEC Commission members for publication on the SEC Commission website.
- (6) The NCDOT shall prepare and the DRPT shall provide review and approval of a draft final performance report describing the cumulative activities of the Project as required by the FRA IRC Grant Agreement. NCDOT shall submit the final report to the FRA with a copy to the DRPT.

4. REIMBURSEMENT

- A. The NCDOT shall submit an itemized invoice based on the actual cost of work completed to the DRPT for reimbursement of Project costs that are in accordance with the FRA IRC Grant, as provided in Attachment A.
- B. The NCDOT may not invoice more frequently than once every thirty (30) days and shall include appropriate supporting documentation with each invoice as may be reasonably required by the DRPT.
- C. The DRPT shall reimburse the NCDOT for actual eligible costs within thirty (30) days of receipt of a properly itemized invoice.

5. PROJECT ADDENDUM AND AMENDMENT

The Parties agree that the NCDOT shall perform or cause to be performed the Project in accordance with this Agreement unless otherwise specified in writing by Project Addendum or an Amendment to this Agreement. No oral statement by any person shall be interpreted as modifying or otherwise affecting the terms of this Agreement.

6. TERM OF AGREEMENT

- A. This Agreement will become effective when signed by the Parties, on the last date executed below.
- B. This Agreement will remain in effect until (i) terminated by a Party pursuant to Section 6.C of this Agreement or (ii) such time that the Project responsibilities provided under Section 3 of this Agreement are complete.
- C. Any may terminate this Agreement for convenience at any time for any reason upon thirty (30) days' notice to the other Parties. Any such termination will not result in any liability or obligation for the terminating Party to the other Parties, except that the FRA IRC Grant funds shall continue to be available to the NCDOT for responsibilities provided under Section 3 of this Agreement for any compensation owed to the NCDOT, its agents, or contractors arising from the Project prior to the

NCDOT receiving notice of a termination for convenience by the Compact or DRPT, including any costs necessitated by a termination for convenience.

7. MISCELLANEOUS

- A. Nothing in this Agreement shall be deemed to create any right in any person that is not a party to this Agreement other than permitted successors and assigns of a Party, and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of a third party except as otherwise provided by this Agreement.
- B. If any terms or conditions of this Agreement are found by a competent court to be invalid or unenforceable, such term or provision shall in no way affect the validity or enforceability of any other term or provision contained herein.
- C. The headings contained in this Agreement are for convenience only and shall not be interpreted to limit, control, or affect the meaning or construction of the provisions of this Agreement. This Agreement has been prepared and negotiated by the Parties and their respective counsel and shall be interpreted fairly in accordance with its terms and without any strict construction in favor of or against any Party.
- D. This Agreement may be executed in any number of counterparts, each of which shall constitute an original agreement and all of which taken together shall be deemed one and the same agreement. The counterparts of this Agreement may be executed and delivered by PDF, facsimile, or other electronic signature by email transmission by the Parties. The receiving Party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original has been received. No Party shall contest the admissibility or enforceability of the electronically signed copy of the Agreement in any proceeding arising out of the terms and conditions of this Agreement.

8. TIMELY REVIEW AND DISPUTE RESOLUTION

- A. The Parties shall review and make any determinations required under this Agreement in a timely manner, ensuring compliance with the deadlines and timeframes of the Project. Each Party agrees to act in good faith and exercise reasonable diligence in performing its review and issuing determinations.
- B. If any Party anticipates that it will be unable to meet a required deadline, it shall promptly notify the other Party as provided under Section 10 of this Agreement, stating the reasons for the delay and proposing a revised timeframe for completion.
- C. In the event of a dispute between the Parties regarding this Agreement, the Designated Representatives shall attempt to resolve the dispute. The affected Party shall, within seven (7) business days of becoming aware of the disputed matter, contact the other Parties' Designated Representative in writing and inform the other

Parties' Designated Representative of the need for resolution of the dispute in accordance with this provision. If the Designated Representatives cannot resolve the matter within ten (10) business days, then the Parties will elevate the dispute to the senior level of both organizations to resolve within twenty (20) business days. If the Parties cannot resolve at the senior level, then the Parties agree to a good faith meeting. The Parties shall use their best efforts to ensure that dispute resolution hereunder does not delay, interfere with, or impede activities under this Agreement. If the NCDOT determines that any aspect of the dispute constitutes an emergency, the NCDOT will address the emergency aspect while the dispute is being resolved.

9. ETHICS

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this Agreement, you attest, for your entire organization and its employees or agents, that you are not aware that any gift in violation of N.C.G.S. § 133-32 and Executive Order 24 has been offered, accepted, or promised by any employees of your organization.

10. NOTICES

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted by this Agreement to be made, given, or furnished to the NCDOT, DRPT, or Compact shall be in writing and delivered by (i) hand, (ii) certified mail, return receipt requested, or (iii) overnight delivery service, addressed as follows with Compact notices sent to both the NCDOT and DRPT:

NCDOT: North Carolina Department of Transportation
Rail Division
1553 Mail Service Center
Raleigh, North Carolina 27699-1553
ATTN: Jason Orthner
Rail Division Director
jorthner@ncdot.gov
919.707.4714

DRPT: Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, Virginia 23219
ATTN: Emily Stock
Chief of Rail Transportation
emily.stock@drpt.virginia.gov
(804) 971-1381

IN WITNESS WHEREOF, this VA-NC COMPACT ADMINISTRATION & SOUTHEAST RAIL NETWORK ANALYSIS PROJECT AGREEMENT has been executed, in duplicate originals, the last day and year set out below, on the part of the NCDOT, DRPT, and Compact by authority duly given.

VIRGINIA-NORTH CAROLINA
INTERSTATE HIGH-SPEED RAIL
COMPACT

BY: _____

NAME: Julie White

TITLE: Deputy Secretary for Multi-Modal
Transportation

DATE: _____

SEAL

MAILING ADDRESS

North Carolina Department of Transportation
Rail Division
1501 MSC
Raleigh, North Carolina 27699-1501

ATTN: Julie White
Deputy Secretary for Multi-Modal
Transportation

IN WITNESS WHEREOF, this VA-NC COMPACT ADMINISTRATION & SOUTHEAST RAIL NETWORK ANALYSIS PROJECT AGREEMENT has been executed, in duplicate originals, the last day and year set out below, on the part of the NCDOT, DRPT, and Compact by authority duly given.

VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

BY: _____

NAME: _____

TITLE: _____

DATE: _____

SEAL

MAILING ADDRESS

Virginia Department of Rail and Public Transportation

Address

City, Virginia Zip

ATTN: NAME
TITLE

IN WITNESS WHEREOF, this VA-NC COMPACT ADMINISTRATION & SOUTHEAST RAIL NETWORK ANALYSIS PROJECT AGREEMENT has been executed, in duplicate originals, the last day and year set out below, on the part of the NCDOT, DRPT, and Compact by authority duly given.

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

BY: _____

NAME: Julie White

TITLE: Deputy Secretary for Multi-Modal
Transportation

DATE: _____

SEAL

MAILING ADDRESS

North Carolina Department of Transportation
Rail Division
1556 MSC
Raleigh, North Carolina 27699-1556

ATTN: Julie White
Deputy Secretary for Multi-Modal
Transportation

APPROVED BY NC BOARD OF TRANSPORTATION
ITEM O:

October 2, 2024

(Date)

Virginia –North Carolina Compact
Administration
&
Southeast Rail Network Analysis

FRA Interstate Rail Compacts Grant Program FY 22-23





I. Cover Page

Project Title	VA-NC Compact Administration & Southeast Rail Network Analysis
Applicant	North Carolina Department of Transportation (NCDOT) on behalf of the VA-NC Interstate High Speed Rail Compact
Federal Funding Requested in this Application	\$200,000
Proposed Non-Federal Match	\$200,000
Total Project Cost	\$400,000
Was a Federal Grant Application Previously Submitted for this Project?	<ul style="list-style-type: none"> • Yes • Federal Grant Program: CRISI FY 22 • Title: Southeast Corridor (SEC) Commission Southeast Shared Freight Rail Network Analysis (submitted by NCDOT) • Activities: Project Work Plan, Budget, Schedule, Existing Conditions Review, Analysis and Screening, Draft and Final Reports; Technical Committee Meetings
City(ies), State(s) where the Project is located	District of Columbia, Virginia, North Carolina, South Carolina, Georgia, Tennessee, Florida
Has the applicant engaged in any prior corridor or service planning activities such as Service Development Plans, State rail plans, etc.?	No, the VA-NC Interstate High-Speed Rail Compact has not directly engaged in prior corridor or service planning activities. However, regional rail plans and NEPA documents on the Southeast Corridor have been completed by NCDOT, the Southeast Corridor Commission, and respective member states. Documents can be found at https://www.southeastcorridor-commission.org/ under “Commission Reports” and “Resources – Document Center”.



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Appendices

Appendix A. Statement of Work

Appendix B. Letters of Support

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II. Project Summary

The *Virginia-North Carolina Interstate High Speed Rail Compact Administration & Southeast Rail Network Analysis* will evaluate the Southeast rail network constraints and build on previous work done by the Southeast Corridor (SEC) Commission¹. The analysis will identify opportunities to improve the fluidity of the network to benefit both passenger and freight rail. It will also identify challenges and opportunities, and recommend next steps, including the identification of potential funding sources for further analysis and identified improvements. This grant will provide the Virginia-North Carolina Interstate High Speed Rail Compact (VA-NC Compact) administrative and analysis funding to lead technical committee meetings and the evaluation of the Southeast rail network with the SEC Commission, the Federal Railroad Administration (FRA), Amtrak, other passenger rail operators and freight railroads.

The Southeast Rail Network Analysis will address three key transportation challenges:

- Challenge #1: Improving the Frequency and Reliability of Passenger Rail Service
- Challenge #2: Meeting the Growing Freight Demand
- Challenge #3: Developing a Coordinated Roadmap to Advance Rail Projects

III. Project Funding

This application is submitted by North Carolina Department of Transportation (NCDOT) in partnership with Virginia Department of Rail and Public Transportation (DRPT) on behalf of the VA-NC Compact and requests **\$200,000** of Interstate Rail Compact (IRC) funding to support the Southeast Rail Network Analysis and VA-NC Compact administration. The non-Federal funding match includes \$100,000 each of state funds from NCDOT and Virginia DRPT. Funding commitment letters are attached in **Appendix B**. The non-federal funding does not have an obligation or spending deadline. **Table 1** summarizes the project cost and funding. While VA-NC Compact work is ongoing, no prior costs associated with this application's scope have been incurred. No other sources of Federal funding have been committed to the analysis or VA-NC Compact administration in this scope.

A more detailed scope of the rail network analysis was included in the SEC Commission's *Southeast Shared Freight Rail Network Analysis* CRISI FY 22 grant application submitted by NCDOT. The IRC funding request includes a revised scope² for the analysis as well as VA-NC Compact administration and technical committee meeting components to guide the analysis efforts and support the organization's overall tasks.

¹ The Southeast Corridor (SEC) Commission is a multi-state organization with the goal to improve the mutual cooperation and planning between member states and stakeholders.

<https://www.southeastcorridor-commission.org>

² The revision reduces the overall scope of the rail network analysis as a result of non-Federal matching funds available to support the study and eligible compact administration tasks.



Table 1: VA-NC Compact Administrative & Southeast Rail Network Analysis Funding

Task #	Task Name/Project Component	Cost	% of Total Cost
1	Project Work Plan, Budget, and Schedule	\$25,000	6.25%
2	VA-NC Compact Administration and Technical Committee Meetings	\$125,000	31.25%
3	Existing Conditions Review	\$50,000	12.5%
4	Analysis and Screening	\$100,000	25%
5	Draft Report	\$75,000	18.75%
6	Final Report	\$25,000	6.25%
Total Project Cost		\$400,000	100%
Federal Funds Received from Previous Grant		\$0	0%
Federal Funding under this NOFO Request		\$200,000	50%
Non-Federal Funding/Match		Cash: \$200,000 (NCDOT and DRPT \$100,000 each) In-Kind: \$0	50%
Portion of Non-Federal Funding from the Private Sector		\$0	0%
Portion or Total Project Costs Spent in a Rural Area		\$0*	0%*
Pending Federal Funding Requests		\$400,000**	-

* The project study area encompasses the entire Southeast region, both urban and rural areas. Portion of total cost spent evaluating rural sections is currently unknown.
** Estimated cost includes a more detailed scope for the rail network analysis.

IV. Applicant Eligibility

The Virginia-North Carolina Interstate High Speed Rail Compact was established pursuant to 49 U.S.C. 24101. Each state’s legislation³ denotes primary staff to the Virginia-North Carolina Interstate High Speed Rail Compact Commission shall be provided by the Virginia DRPT and NCDOT. NCDOT, as the lead applicant for this IRC grant, meets the applicant eligibility criteria defined under Section 410 of 49 U.S.C. 24101 as a state agency.

NCDOT will serve as the lead applicant and grant administrator for the proposed *VA-NC Compact Administration & Southeast Rail Network Analysis*. NCDOT reports to the North Carolina Secretary of Transportation and is authorized by North Carolina General Statutes under Chapter 136, Article 1 (Organization), and Article 2 (Powers and Duties)⁴. The agency’s powers include the authorization to accept grants from and enter into contracts and agreements with the United States government.

³ https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_136/Article_18.pdf; <https://law.lis.virginia.gov/compacts/virginia-north-carolina-interstate-high-speed-rail-compact/>

⁴ <https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter136>

V. Project Eligibility

The *VA-NC Compact Administration and Southeast Rail Network Analysis* is eligible for IRC funding under the following categories described in the NOFO:

- **Costs of Administration**
- **Operations Coordination**

The mission and goals of the VA-NC Compact include studying and developing plans for design through construction, operation, and financing of interstate higher-speed rail service between the two states. Administrative costs will be incurred by professional, technical, and contracted staff members of NCDOT and DRPT to achieve the mission and goals of the VA-NC Compact which includes producing The Southeast Rail Network Analysis.

The Southeast Rail Network Analysis is a planning study that will evaluate the rail network to identify existing challenges and opportunities to advance high-performance passenger rail in the greater southeastern region. It will also identify opportunities to improve the fluidity of the Southeast rail network for both freight and intercity passenger rail customers. State supported intercity rail service within North Carolina and Virginia is operated by Amtrak. NCDOT and the VA-NC Compact will lead the study but will include members of the Southeast Corridor Commission in the development of the study.

VI. Detailed Project Description

The *VA-NC Compact Administration & Southeast Rail Network Analysis* contains two project components for the funding requested. The components include the analysis of the rail network and the compact's administration. The following sections describe the components in detail.

Project Components

Southeast Rail Network Analysis

The Southeast Rail Network Analysis is an important next step in advancing the mission of the VA-NC Compact and SEC Commission which is to advance high-performance passenger rail in the Southeast region. The Southeast rail network includes nationally and regionally significant freight rail corridors, passenger rail corridors, and major terminals in Washington, D.C., Virginia, North Carolina, South Carolina, Georgia, Tennessee, and Florida.

This project will bring SEC states, freight railroads, and passenger rail operators together to evaluate the existing network constraints and identify opportunities to improve rail operations. The analysis will also evaluate the network as a system, identify primary freight corridors, potential intercity passenger corridors, and identify locations where there are shared needs. The project will include an evaluation of existing conditions through a literature review and interviews with stakeholders to identify: existing capacity constraints and bottlenecks, project opportunities to support passenger and freight rail growth, and priorities for Southeast stakeholders. Based on the existing conditions analysis, identified rail improvements will be screened based on a variety of factors to assess the benefits and challenges associated with

these improvements. The plan will recommend next steps for advancing opportunities with the greatest identified benefits and potential funding sources.

Challenges the Project Aims to Address

The Southeast Rail Network Analysis aims to address three key transportation challenges in the Southeast by identifying local and regional benefits as well as benefits to neighboring regions with connections to the Southeast.

Challenge #1: Improving the Frequency and Reliability of Passenger Rail Service

The Southeast is home to over 64 million residents⁵ (roughly 19 percent of the US population). The region's population grew by 10 percent from 2010 to 2020, which is faster than the country as a whole. This rapid population growth, particularly in urbanized areas, places additional demand on the transportation network. As roadways become more congested and unreliable due to this increasing demand, the importance of efficient and reliable rail transportation to support the movement of goods and people continues to grow.

Existing intercity passenger rail service in the region, has varied levels of frequency. In Virginia, Amtrak's Northeast Regional service has two primary routes with multiple daily round trips throughout the state; however, service in Georgia is limited to daily Amtrak long distance trains. In addition, existing intercity passenger rail service in the Southeast tends to be unreliable, with most routes reporting poor on-time performance (OTP). **Table 2** summarizes the OTP for Amtrak routes in the Southeast for 2021. FRA's final rule published on November 16, 2020, on Metrics and Minimum Standards for Intercity Passenger Rail Service set an OTP minimum standard of 80% for any two consecutive calendar quarters. In 2021 every route except Virginia's Northeast Regional service to Roanoke did not meet that standard.⁶

Table 2: Southeast Amtrak Routes, On-Time Performance (OTP), Host Railroads

Route Name	Route Type	OTP	Host Railroad
NE Regional - Roanoke	State Supported	81%	NS
NE Regional - Richmond/Newport News/Norfolk	State Supported	77%	CSXT, NS
Piedmont	State Supported	76%	NS
Carolinian	State Supported	67%	CSX, NS
Palmetto	Long Distance	62%	CSXT
Crescent	Long Distance	57%	NS
Cardinal	Long Distance	55%	CSXT, NS, BBRR
Silver Meteor	Long Distance	49%	CSXT
Auto Train	Long Distance	44%	CSXT
Silver Star	Long Distance	42%	CSXT, NS

Source: Amtrak Host Railroad Report Card (2021)

NS = Norfolk Southern, CSXT = CSX Transportation, BBRR = Buckingham Branch Railroad

Current passenger services and capacities are not adequate to address OTP issues due to bottlenecks and operational challenges along the network. Despite these constraints, North

⁵ U.S. Census Bureau (2020)

⁶ Amtrak Host Railroad Report Card (2021)

Carolina and Virginia continue to see record ridership gains, surpassing pre-pandemic volumes⁷. Riders' interest in rail as a mode choice continues to grow in both states. With improvements to performance times, the states can continue capitalizing on those gains in North Carolina, Virginia, and the greater Southeast region.

The use and competitiveness of rail transportation depends on the efficiency and reliability of the service. Shorter travel times and on-time arrivals are important factors in the selection of travel mode. The Southeast Rail Network Analysis will build on previous SEC studies which developed preliminary service plans, as shown in **Figure 1, Future Service in the Southeast**, to increase frequencies and provide additional passenger rail connections. These service plans reflect the long-term vision for the corridor and the Southeast Rail Network Analysis will look to evaluate shorter-term opportunities to advance toward the longer-term vision. The analysis will help identify opportunities for improving the reliability and on-time performance and increasing the efficiency of the rail network with the aim of decreasing travel times and making passenger and freight rail service more attractive relative to other modes.

Challenge #2: Meeting the Growing Freight Demand

Freight demand continues to grow throughout the United States, and the ability to build high capacity and resilient supply chains has become increasingly salient in recent years. Meeting this demand is critical to the economic growth of both the Southeast and the United States. Since intercity passenger rail services in the Southeast are largely dependent on a shared use network that is primarily owned and operated by freight railroads, identifying opportunities that benefit freight rail owners and help meet the growing freight demand, will be critical to success of rail in the Southeast.

The economy of SEC states has a gross domestic product (GDP) of \$4.1 trillion⁸, or roughly 17 percent of U.S. GDP. Agriculture, manufacturing, and logistics are all strong economic drivers in the region, and all heavily rely on the Southeast's multimodal transportation system, including rail, roads, and marine ports. The Southeast is also an important link in supply chains connecting shippers to foreign markets via ports on the Atlantic Coast.

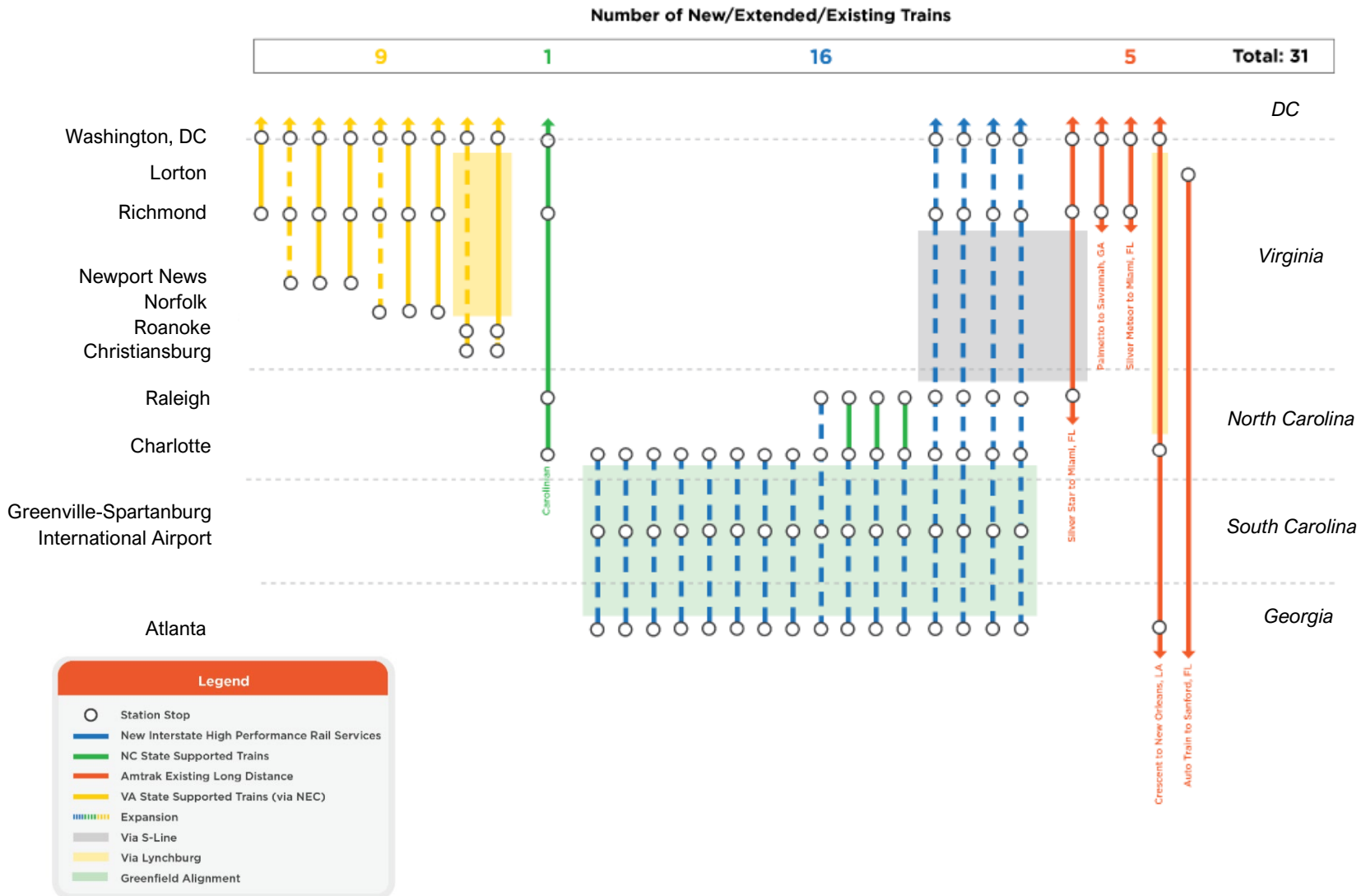
Challenge #3: Developing a Coordinated Roadmap to Advance Rail Projects

Advancing rail improvements in the Southeast will require a coordinated approach among numerous stakeholders, including the VA-NC Compact, the SEC Commission member states, Amtrak, other intercity passenger rail service providers, freight railroads, and the FRA. Coordinating and establishing consensus between the stakeholders will be critical to secure funding and move projects forward into environmental, design, and construction phases.

⁷ <https://www.ncdot.gov/news/press-releases/Pages/2023/2023-04-14-nc-by-train-record-breaking-ridership.aspx> (NC), <https://vapassengerrailauthority.org/ridership-on-virginias-state-supported-trains-continues-to-set-records/> (VA)

⁸ US Bureau of Economic Analysis (2021 \$)

Figure 1: Future Service in the Southeast



Source: Southeast Corridor Development Strategy (2022)



The VA-NC Compact was established for the purpose of promoting plans to finance, design, construct, and operate an interstate rail service through Virginia and North Carolina. Through previous work, the VA-NC Compact voted to expand by adding other states as they become ready to pass legislation. As a result, the SEC Commission was established in 2019 by the VA-NC Compact with the mission of bringing together the states in the Southeast (Virginia, North Carolina, South Carolina, Georgia, Tennessee, Florida, and the District of Columbia) to cooperate and implement a common vision for high-performance rail in the region. The SEC Commission has since worked with the FRA, Amtrak, and freight rail partners to establish and progress planning efforts for the Southeast rail network through the development of the *Southeast Regional Rail Plan*⁹, *Economic Benefits of High-Performance Rail in the Southeast*¹⁰, and the *SEC Development Strategy for High-Performance Rail in the Southeast*¹¹. The Southeast Rail Network Analysis will continue to use the framework established by the SEC Commission to foster coordination among the stakeholders. The project will include monthly stakeholder meetings with the SEC Technical Committee as well as regular briefings with the SEC Commission and VA-NC Compact members.

The analysis will also evaluate the regional benefits of potential rail projects as well as develop and refresh tools to help build consensus for projects that may be in one state but have broader benefits throughout the network. Respective examples would be identifying and removing bottlenecks that result in shorter travel times or more reliable service across multiple states; and producing updated and accurate freight volumes to recognize current capacities and demand by multiple entities.

VA-NC Compact Administration and Technical Meetings

The VA-NC High-Speed Rail Compact was established in 2004 in accordance with 49 U.S.C. 24101. It is a legislative entity populated by five Virginia legislators and four North Carolina legislators plus an appointee by the North Carolina Governor. The VA-NC Compact meets biannually to develop and promote plans to finance, design, construct, and operate an interstate rail service through Virginia and North Carolina. This application requests funding for administrative and operational expenses related to VA-NC Compact and other technical meetings to continue progressing the states' collective mission and vision for advancing intercity passenger rail throughout the Southeast. Continuing the efforts of the existing VA-NC Compact will help provide intercity passenger rail now and into the future. The VA-NC Compact has voted to expand and, ultimately, would like to include neighboring Southeastern states (and Southeast Corridor Commission members).

⁹ <https://www.southeastcorridor-commission.org/southeast-regional-rail-plan>

¹⁰ <https://www.southeastcorridor-commission.org/sec-economic-benefits-of-rail>

¹¹ <https://www.southeastcorridor-commission.org/sec-development-strategy-for-high-performance-rail-in-the-southeast>



Expected Project Users and Beneficiaries

Passenger Rail Users

Amtrak and other passenger rail operators will benefit from the identification of opportunities to improve the reliability of existing service and advance new and more frequent services along the corridor. More reliable and frequent service and new connections will provide travelers more flexibility in their travel mode choices.

Freight Users

Freight rail service providers (e.g., CSXT, NS) and shippers will benefit from the identification of opportunities to improve the efficiency and reliability of the Southeast rail network. Advancing rail improvements in the region will allow for more resilient supply chains as well as accommodate the projected growth of freight shipping by rail.

Rural and Urban Communities

Both rural and urban communities within the Southeast will benefit from the improvements identified during the project. Sixty percent of the approximately 1,500 route miles of backbone Southeast rail network, which extends between Washington, DC and Atlanta, GA and between Nashville, TN and Orlando, FL, is in rural areas. Improvements to passenger rail service will benefit rural communities by providing additional transportation options and connections, while promoting economic growth. Urban areas with overwhelming demand on their transportation network will benefit from additional and more reliable service.

Other Supporting Project Information

Alignment with Other Rail Projects

The Southeast Rail Network Analysis will build upon the following three previous studies conducted by the SEC to advance high-performance rail in the Southeast:

Southeast Regional Rail Plan

<https://www.southeastcorridor-commission.org/southeast-regional-rail-plan>

The *Southeast Regional Rail Plan*, completed in 2020, was a multistate network planning study that created a long-term regional passenger rail vision for the Southeast. The study was led by the SEC Commission in partnership with FRA and developed a vision for high performance rail and intercity passenger rail connections over a 40-year timeframe. The plan is intended to complement state rail plans and long-range planning documents to identify future corridors and service characteristics.

Economic Benefits of High-Performance Rail in the Southeast

<https://www.southeastcorridor-commission.org/sec-economic-benefits-of-rail>

The *Economic Benefits of High-Performance Rail in the Southeast*, completed in 2021, documented the key economic benefits of developing high-performance rail service in the Southeast. The study identified and quantified how new and improved rail infrastructure in the

Benefitting Railroad Operators

Amtrak
Other passenger rail operators
CSX
Norfolk Southern
Shortline Railroads

Benefitting States

Washington, D.C.
Virginia
North Carolina
South Carolina
Tennessee
Georgia
Florida

Southeast will help transport goods, reduce highway congestion, improve safety, reduce emissions, and expand connectivity for passengers and freight throughout the Southeast, as well as enhance connectivity between the Southeast and major urban centers along the NEC. The economic benefits calculated by the study considered the number of direct and indirect jobs supported, job market accessibility, increased mobility, improved safety, change in real estate values, and reduced vehicles emissions.

Development Strategy for High-Performance Rail in the Southeast

<https://www.southeastcorridor-commission.org/sec-development-strategy-for-high-performance-rail-in-the-southeast>

The Southeast Corridor *Development Strategy for High-Performance Rail in the Southeast*, completed in 2022, proposed a high-level path for achieving the vision for high-performance rail laid out in the Southeast Regional Rail Plan. The strategy focused on the next 30 to 40 years of development in the corridor and concentrated on connecting the core of the network to provide high-performance rail service between major metropolitan areas and connections to state-supported service throughout the Southeast.

The development strategy proposed phasing segments of the corridor based on the readiness of current segments and the priority of providing interstate connections. In addition, the strategy recommends that the specific infrastructure needs of each future segment be determined through a “service first” approach to planning, where the intercity and interstate markets determine what rail infrastructure is appropriate to build. In parallel, North Carolina, Virginia, and Florida are progressing regional and emerging segments of the corridor to meet market demands in their respective states. The Transforming Rail in Virginia program is increasing services to Roanoke and the Hampton Roads area, with planned extensions to the New River Valley. North Carolina is studying further connections to the SEC – Western NC Service to Asheville, Southeastern NC service to Wilmington, and Eastern NC service to Greenville (NC). Florida is partnering with Brightline to deliver a new rail segment linking Orlando with Cocoa Beach and Miami and is entering preliminary engineering on a segment between Orlando and Tampa.

Performance Measures

NCDOT will comply with all standard FRA program evaluation and performance measure requirements, as required in 2 CFR 200.301 and mutually agreed upon with FRA. Proposed performance measures are included in **Table 3**.

Table 3: Proposed Performance Measures

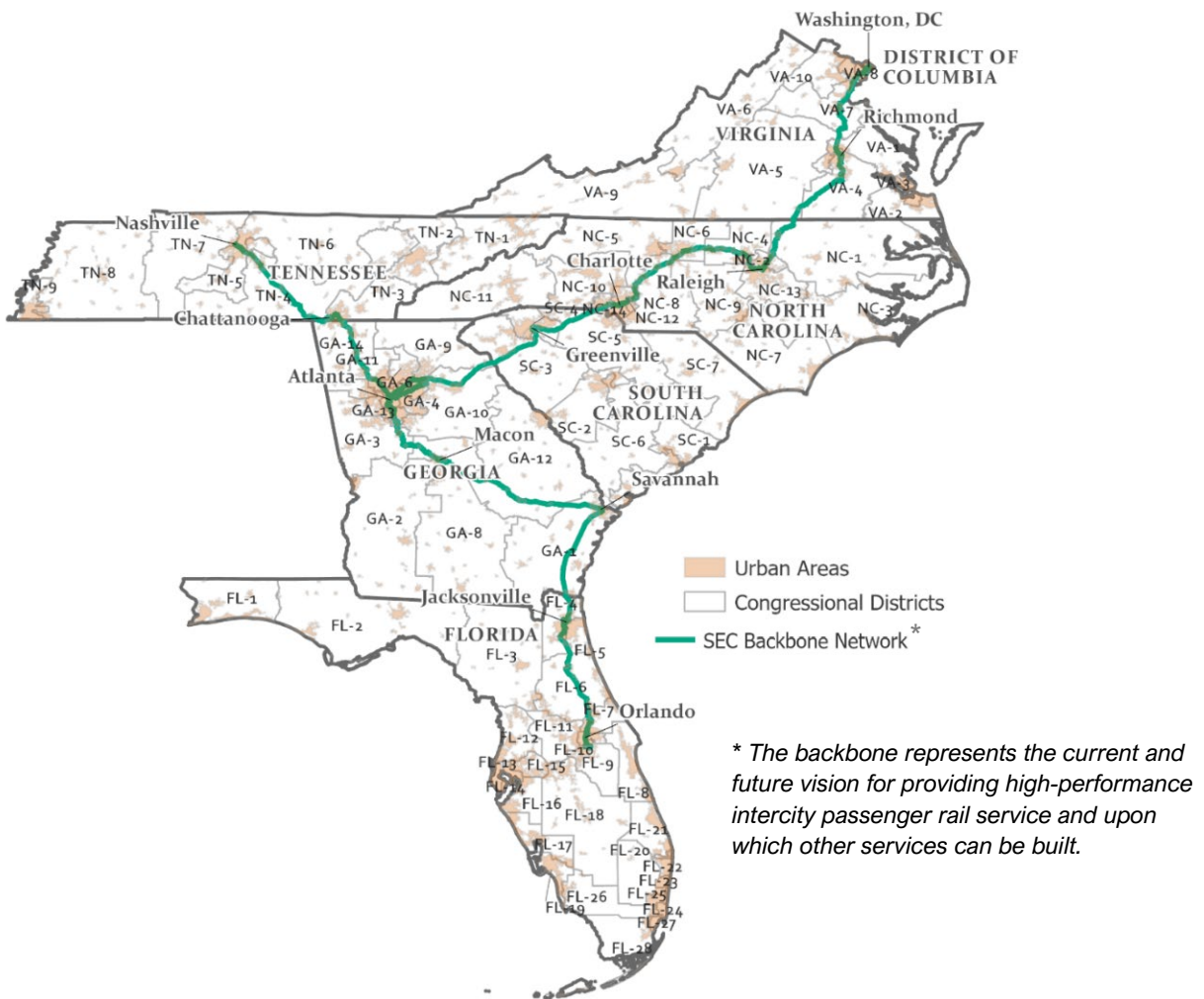
Programmatic Measures	Unit Measured	Temporal	Description
Administrative Support Provided	Additional staff capacity	Annual	Addition of staff to support the activities or work products that facilitate Interstate Rail Compacts carrying out their duties effectively and timely.
Creation of new Rail Network Analysis	Number of reports	Annual	Development of a high-level planning study that evaluates the existing network as a system and its constraints. It will identify opportunities to improve rail operations, potential intercity passenger and primary freight corridors, and locations where there are shared needs.

VII. Project Location

The VA-NC Compact Administration & Southeast Rail Network Analysis will focus on the rail network within the member states of the SEC (Washington, D.C., Virginia, North Carolina, South Carolina, Georgia, Tennessee, and Florida) as shown in **Figure 2**. The SEC connects major cities in the region including Washington, D.C., Richmond, Raleigh, Charlotte, Atlanta, Nashville, Jacksonville, and Orlando with connections to smaller urban areas such as Chattanooga, Savannah, Greenville, and Greensboro.

In total, over nine million people live within ten miles of existing and proposed passenger stations along the corridor, and six million jobs are located within the same radius¹². Additionally, the regional rail network connects major ports such as the Port of Savannah and the Port of Virginia to businesses and manufacturing in the region. Multimodal connections also exist between the corridor and major international airports such as Atlanta’s Hartsfield-Jackson International Airport. A map of the passenger rail network long-term vision for the SEC is illustrated in Appendix C.

Figure 2: Project Study Area Including Congressional Districts



¹² *Economic Benefits of High-Performance Rail in the Southeast* (2021), p. 48

VIII. Evaluation and Selection Criteria and DOT Strategic Goals

Meeting the Evaluation and Selection Criteria

Project Benefits

The VA-NC Compact Administration & Southeast Rail Network Analysis (Project) anticipates the following benefits through the analysis, identification, and advancement of projects that improve the fluidity of the network. Recommendations from the project will serve to advance both passenger and freight services.

Effects on system and service performance along an interstate passenger rail route:

The Project will identify ways to improve on-time performance and capitalize on rail’s growth as a mode choice along the Southeast Corridor and region.

Effects on the promotion of intercity passenger rail service:

The Project is expected to result in recommendations that increase rail capacity and improve reliability of service, thereby increasing economic competitiveness in the region.

Efficiencies from improved coordination of interstate passenger rail services with shared freight operations:

The Project will identify opportunities to improve the fluidity of the network to benefit both passenger and freight rail.

Ability to incorporate community and stakeholder engagement in transportation planning:

The VA-NC Compact and SEC Commission members rely heavily on local and regional support for transportation projects and will continue to engage with communities supported with passenger rail services currently and in the future.

Evaluation Criteria – Technical Merit

Criteria	Justification and Further Information
A. The tasks and subtasks outlined in the SOW are appropriate to achieve the expected outcomes of the proposed project.	The proposed tasks and subtasks are appropriate and in accordance with best practices for planning studies of similar size and scope, based on the team’s experience. A detailed Statement of Work (SOW) is attached as Appendix A .
B. Applications indicate ongoing commitment from each member state to achieving the proposed project	This application was prepared with full commitment of both Virginia and North Carolina. Letters of funding commitments are included in Appendix B . NCDOT, Virginia DRPT, and Virginia Passenger Rail Authority continue working together to deliver interstate rail projects along the SEC network. This study builds

upon current relationships that both states' departments of transportation have with neighboring states within the SEC Commission, whose Executive Team is led by North Carolina (Chair), Virginia (Vice Chair), and Georgia (Secretary).

C. The applicant has, or will have the legal, financial, and technical capacity to carry out the proposed project. The technical qualifications and experience of key personnel proposed to lead and perform the technical efforts, and the qualifications of the primary and supporting organizations to execute the proposed project fully and successfully within the proposed timeframe and budget are demonstrated.

NCDOT and the SEC Commission have technical staff which are experienced and qualified to support the scope of this application. The previous studies conducted by NCDOT and the SEC Commission on advancing high-performance rail in the region have provided staff with experience. NCDOT also has significant experience managing federal grants and major rail projects. In addition, NCDOT will contract a consultant with the appropriate level of expertise to support the project. Further information about the project management team is provided in IX. *Project Implementation and Management*.

D. The proposed project is consistent with planning guidance and documents set forth by DOT, including those required by law or State rail plans developed under Title 49, United State Code, chapter 227.

This project is consistent with the planning guidance and documents set forth by the DOT. The project is the natural continuation of previous studies conducted by the SEC Commission, which reviewed and incorporated recommendations from SEC member state rail plans.

The following describes the merits of the VA-NC Compact & Southeast Rail Network Analysis project in response to the selection criteria outlined in the NOFO.

Selection Criteria

Criteria	Justification and Further Information
i. The amount of funding received or other participation by State, local, and regional governments and the private sector	This application is supported through funding from the states of the existing VA-NC Interstate High Speed Rail Compact (North Carolina and Virginia). Participation in the analysis is expected by all member states of the SEC Commission.
ii. The applicant's work to foster economic development through rail service, particularly in rural communities	The mission of the VA-NC Compact is to study, develop, and promote a plan for the design, construction, financing, and operation of interstate high-speed rail service through and between points Virginia and North Carolina, and adjacent states. Previous work of the VA-NC Compact supported the preparation of the NEPA documentation for the Raleigh to Richmond segment of the Southeast Corridor. The VA-NC Compact has issued letters of support for grants like the Atlantic Gateway Project (FASTLANE) in

Virginia and Blue Ridge Road and Charlotte Wye projects (TIGER) in North Carolina. The VA-NC Compact also asked FRA to obligate \$1 million to create the Southeast Corridor Commission so that those states could be added when they are ready. The majority of the network to be analyzed by the study is located within rural communities throughout the identified Southeastern states and connects them to urbanized areas.

iii. Whether the applicant seeks to restore service over routes formerly operated by Amtrak, including routes described in section 11304(a) of the Passenger Rail Reform and investment Act of 2015

The network analysis will look at corridors throughout the southeast to determine where passenger services and freight services are needed. In some cases, these will be existing Amtrak routes where more service is being pursued. In other locations, corridors may have had service in the past, and the region may be considering re-establishing services.

iv. The applicant’s dedication to providing intercity passenger rail service to regions and communities that are underserved or not served by other intercity public transportation

The VA-NC Compact’s vision identifies locations for enhanced or new passenger service throughout the Southeast that would greatly expand transportation service and provide additional passenger rail connections throughout the region. Many geographic regions of the Southeastern US are underserved or not served currently by intercity rail or fixed-route transit service.

v. Whether the applicant is enhancing connectivity and geographic coverage of the existing national network of intercity passenger rail service

The goals of this application extend beyond the current network of intercity passenger rail service into neighboring Southeastern states and into rural areas within each state not currently served, or underserved, by public transportation. More information about planned expansion is included in the [SEC Development Strategy for High-Performance Rail in the Southeast](#).

vi. Whether the applicant has prepared regional rail or corridor service development plans and corresponding environmental analysis

Prior regional rail plans were completed by VA-NC Compact staff along with other members of the SEC Commission. Completed regional plans and NEPA documents on SEC are posted under “Commission Reports” and “Resources – Document Center,” respectively at <https://www.southeastcorridor-commission.org/>

vii. Whether the applicant has engaged with appropriate government entities and transportation providers to identify projects necessary to enhance multimodal connections or facilitate

VA-NC Compact staff, as members of the SEC Commission, engaged with stakeholders from each state represented on the SEC Commission and the region’s operating railroads for the development of four scenarios considered in the *SEC Economic*

service integration between rail service and other modes, including between intercity passenger rail service and intercity bus service or commercial air service.

Benefits of Rail report. In addition, state DOTs included in the proposed analysis are collaborating with their respective state transit agencies for multi-modal connections at passenger rail stations, as applicable. NCDOT continues to lead collaborative efforts with FTA and local communities for Transit-Oriented Development and Mobility Hub studies along the southeast rail network.

DOT Strategic Goals

The *VA-NC Compact Administration & Southeast Rail Network Analysis* (Project) aims to address the following key DOT strategic goals through the analysis, identification, and advancement of projects that improve the fluidity of the network to benefit both passenger rail and freight. As a planning project, the *VA-NC Compact Administration & Southeast Rail Network Analysis* will consider these strategic goals throughout the planning process.

Safety

The Project will foster safety through the advancement of rail network improvements that aim to increase freight capacity and passenger rail ridership, allowing more freight and passengers to shift from highways to rail. Rail is generally a much safer mode than either automobile or bus and accident rates for these modes far surpass those for rail trips. Shifting trips from highways to rail helps to reduce transportation-related fatalities and serious injuries across the transportation system. Improving passenger rail services along the SEC will have profound benefits to the entire region, including an **estimated \$1.3 billion saved in avoided accidents, including eight fatal roadway crashes avoided per year.**¹³

Economic Strength and Global Competitiveness

The Project will contribute to increasing economic strength by advancing rail improvements that will create short-term construction and long-term, sustainable jobs. The development of the Southeast Corridor Backbone network, which this project will help to advance, is projected to **create between 41,000 to 95,000 new jobs in the region during construction and sustain between approximately 28,000 and 48,000 new jobs in the region due to station area developments.**¹⁴

In addition, the Project will also advance improvements that promote the efficiency and resilience of supply chains by removing bottlenecks, reducing congestion, and increasing freight rail capacity. This will also help to improve labor market access by increasing the connections between communities and job opportunities.

Globally competitive projects also must incorporate strategies for advancing climate solutions. The Project will promote improvements that produce climate and sustainability benefits in the form of reduced emissions resulting from shifting passengers from highways to rail. Reduced

¹³ [Development Strategy for High-Performance Rail in the Southeast \(2022\)](#), Executive Summary

¹⁴ [The Economic Benefits of High-Performance Rail in the Southeast \(2021\)](#), Executive Summary



emissions of CO₂ and other pollutants are attributable to the net decrease in the consumption of gasoline and diesel fuel from shifting vehicle passengers to rail.

Equity

Sixty percent of the backbone Southeast rail network is in rural areas, many of which do not have convenient access to an airport. Offering new passenger rail service and/or providing more reliable rail service improves intercity transportation options for these communities. Many rural communities rely on transportation options to major metropolitan centers for jobs, healthcare, education, and economic development opportunities.

IX. Project Implementation and Management

NCDOT will lead the *VA-NC Compact Administration & Southeast Rail Network Analysis* and facilitate VA-NC Compact meetings and administration, on behalf of the compact and the greater SEC Commission. NCDOT's team consists of experienced and qualified personnel available to lead and support this project to successful completion within the proposed timeframe and budget. The NCDOT also has extensive federal grant administration experience and will set agreements as needed with DRPT. In addition, NCDOT plans to procure a consultant team to complete the technical analysis. NCDOT will oversee the consultant team and ensure conformance to Federal requirements for project progress reporting.

The SEC Commission and Technical Committee will also provide support for this project. The SEC Technical Committee, which is comprised of multi-disciplined professionals that specialize in rail or multimodal transportation program development and implementation from each member state, will participate in monthly meetings with the consultant team to provide direction. In addition, the SEC Commission, which consists of executive level members from the Departments of Transportation in seven member states and the FRA, will be briefed and review major project deliverables.

NCDOT and the SEC Commission have experience managing and overseeing similar projects, including the *Southeast Regional Rail Plan*, *Economic Benefits of High-Performance Rail in the Southeast*, and *Development Strategy for High-Performance Rail in the Southeast*. A similar project implementation and management approach will be employed for the *VA-NC Compact Administration & Southeast Rail Network Analysis*.