To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: June 20, 2014

Re: Authorization to Sell Six Legacy Gallery Cars

Recommendation:

The VRE Operations Board is being asked to recommend the Commissions authorize the Chief Executive Officer to sell six legacy Gallery cars and spare parts to Metra of Chicago, IL for a total amount of $3000.

Background:

In February of 2013, the Operations Board granted the CEO authority to sell the remaining legacy Gallery cars as new passenger cars are delivered and placed into revenue service. Since that time, a Request For Interest (RFI) has been posted on the VRE website for public sale and staff received a single proposal from Metra of Chicago, IL to purchase six legacy Gallery cars V430, V431, V433, V437, V440 and V449 and spare parts.

VRE staff recommends execution of a sales agreement as no other offers have been received and the cost to dispose of these cars is higher than this proposal. The spare parts are unique to these cars and would be considered obsolete for use by VRE once the cars are no longer in VRE service. The sales agreement will include no warranties, implied or expressed, and the sale will be considered “as is, where is”. There is no federal, state, or local interest remaining in these cars. However, because federal and state funds were used to purchase and renovate the above listed cars, both FTA and the state will be notified of the sale in accordance with grant requirements.
**Fiscal Impact:**

The proceeds from this sale will be placed into the capital reserve and used for the future purchase of rolling stock equipment.
Virginia Railway Express
Operations Board

Resolution
9H-06-2014

Authorization to Sell Six Legacy Gallery Cars

WHEREAS; in February of 2013, the Operations Board granted authority to sell the remaining legacy Gallery cars in anticipation of the new railcar delivery; and

WHEREAS, VRE posted a Request for Interest (RFI) on the VRE website for public sale; and,

WHEREAS, a proposal was received from Metra of Chicago, IL to purchase the V430, V431, V433, V437, V440 and V449 legacy Gallery cars and spare parts.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to sell six legacy Gallery cars V430, V431, V433, V437, V440 and V449 and spare parts to Metra of Chicago, IL for a total amount of $3000.

Approved this 20th day of June 2014

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Paul Milde
Chairman

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Gary Skinner
Secretary