To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: June 20, 2014

Re: Authorization to Execute the Second Amendment to the Corridor Improvement Project MOU Between VRE, DRPT, and CSXT for the Addition of the Potomac Shores Station

**Recommendation:**

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute the attached Second Amendment to the January 31, 2002, Memorandum of Understanding (MOU) with CSX Transportation (CSXT) and the Commonwealth of Virginia’s Department of Rail and Public Transportation (DRPT) pertaining to the CSXT Third Mainline Corridor Improvement Project. This proposed amendment allows the Potomac Shores station to open when it is complete.

**Background:**

On January 31, 2002, VRE executed a MOU with CSXT and DRPT that memorialized the process for how the Commissions would fulfill their commitment to build a third mainline track in the CSXT Washington to Richmond rail corridor. The MOU identifies the Group 1 Improvements to the CP Virginia to XR rail corridor to expand its capacity and corresponding enhancements in VRE service enabled by the implementation of those improvements.

In March 2009, a First Amendment to the MOU was approved by all parties addressing details concerning the allocation of passenger service benefits resulting from corridor improvement made pursuant to the MOU.

The addition of the VRE Potomac Shores station and/or the initiation of VRE service to that station are not addressed in the MOU. This Second Amendment to the MOU details the Group 2 Improvements necessary to allow Potomac Shores Station to open.
VRE plans for a station at Potomac Shores in Prince William County (formerly referred to as Cherry Hill or Harbor Station) date to the early years of VRE operations. Following several earlier attempts, Prince William County and the current developer agreed on a proffer approved by Prince William County in July 2013 (REZ #PLN2012-00420) that includes a commitment by the current developer to fund and construct the VRE Potomac Shores station. The station will consist of dual station platforms connected by a pedestrian bridge and 550 parking spaces for VRE patron priority use.

The developer will commence the design and construction of the station facilities upon receipt of the following:
- A written request from VRE or Prince William County, subject to VRE and the County approving the plans for the station,
- The provision of evidence that funding is available and all permits and approvals have been issued to enable VRE rail service to the Potomac Shores station (i.e., approval from CSXT to permit VRE service to the station), and
- A commitment by VRE or the County to assume maintenance of all station facilities.

In order to permit Potomac Shore Station, CSX has asked that improvements according to the time commitments reflected in Exhibit A of Addendum B, are made at each of the stations along the CSX line to accommodate serving each station from more than one track. These commitments are shown in the table below.

<table>
<thead>
<tr>
<th>Project</th>
<th>Preliminary Engineering Entry</th>
<th>Final Design Entry</th>
<th>Construction Notice to Proceed</th>
<th>Revenue Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alex. Station Pedestrian Tunnel</td>
<td>March 2014</td>
<td>September 2014</td>
<td>June 2015</td>
<td>September 2016</td>
</tr>
<tr>
<td>Slaters Lane Crossover</td>
<td>June 2015</td>
<td>June 2016</td>
<td>July 2017</td>
<td>January 2018</td>
</tr>
<tr>
<td>Lorton Station Second Platform</td>
<td>Complete</td>
<td>September 2014</td>
<td>January 2016</td>
<td>December 2017</td>
</tr>
<tr>
<td>Brooke Station Second Platform</td>
<td>September 2014</td>
<td>July 2016</td>
<td>July 2018</td>
<td>July 2020</td>
</tr>
<tr>
<td>Leeland Station Second Platform</td>
<td>September 2014</td>
<td>July 2016</td>
<td>July 2018</td>
<td>July 2020</td>
</tr>
</tbody>
</table>

This will provide operational flexibility to CSX and VRE as well as throughput capacity. The list of improvements (a.k.a. Group 2 Interim Improvements) is shown in Exhibit A of Addendum B.
(The proposed MOU Second Amendment, Addendum B, and Exhibit A drafts are attached and are subject to final revision based on further discussion among the parties.)

**Fiscal Impact:**

Funding for the bulk of the Group 2 Interim Improvements has been secured from the federal CMAQ program, various state programs, allocations of NVTA funds, and a small amount of VRE formula funds. Funding for two projects, the track and signal improvements at Slater’s Lane and the remaining funding for a second platform at Rippon were submitted to NVTA for funding consideration for the FY14-FY16 round of funding. If not fully awarded in this round, the proposed timing would allow for resubmission in future years.

The expanded station facilities will add to VRE’s ongoing operating and maintenance costs, which will be reflected in future annual budgets. The maintenance portion will be quantified as part of the facilities asset management plan, currently in process.
Virginia Railway Express
Operations Board

Resolution
9J-06-2014

Authorization to Execute the Second Amendment to the Corridor Improvement Project MOU Between VRE, DRPT, and CSXT for the Addition of the Potomac Shores Station

WHEREAS, on January 31, 2002, VRE executed a Memorandum of Understanding (MOU) with CSX Transportation (CSXT) and the Commonwealth of Virginia’s Department of Rail and Public Transportation (DRPT) that detailed the process to jointly identify and implement improvements to the CSXT rail corridor between Washington, DC and the VRE Crossroads Yard and corresponding enhancements in VRE rail service following such improvements in order to implement VRE’s commitment to build a third mainline in the rail corridor as set forth in the Operating Access Agreement with CSXT; and,

WHEREAS, VRE and Prince William County have long-held plans for a station at the Potomac Shores site; and,

WHEREAS, a proffer statement was approved by the Prince William County Board of Supervisors in July 2013 that included a commitment by the Potomac Shores developer to fund and construct the VRE Potomac Shores station; and,

WHEREAS, the Potomac Shores developer will commence design and construction of the VRE Potomac Shores station upon receipt of evidence of CSXT approval to permit VRE service to the station.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer to execute the attached Second Amendment to the January 31, 2002, Memorandum of Understanding (MOU) with CSX Transportation (CSXT) and the Commonwealth of Virginia’s Department of Rail and Public Transportation (DRPT) pertaining to the addition of the Potomac Shores Station.

Approved this 20th Day of June 2014.

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Paul Milde
Chairman

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Gary Skinner
Secretary