To: Chairman Skinner and the VRE Operations Board  
From: Rich Dalton  
Date: May 15, 2020  
Re: Recommend Authorization to Extend the Amended and Restated Operating/Access Agreement with CSX Transportation

**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions authorize the Acting Chief Executive Officer to execute a one-year extension of the existing Amended and Restated Operating/Access Agreement with CSX Transportation (CSXT) through June 30, 2021.

**Summary:**

VRE's current operating access agreement with CSXT expires June 30, 2020, and staff recommends extending the current agreement for one year. During the one-year extension, staff will work with the Department of Rail and Public Transportation (DRPT), CSXT and the new Virginia Rail Authority (VRA) to transition operating and access authority.

**Background:**

VRE has an Operating/Access Agreement with CSXT related to VRE operations in the Fredericksburg to Washington corridor. That agreement, entered into in 1994, has been amended and extended several times. In June 2011, a new amended and restated agreement was executed with a five-year term ending June 30, 2016.

In May of 2016, the VRE Operations Board recommended, and the Commissions subsequently authorized, the VRE CEO to execute an amendment to extend the current
agreement through June 30, 2017. In May of 2017, the VRE Operations Board recommended, and the Commissions subsequently authorized, the VRE CEO to execute an amendment to extend the current agreement through June 30, 2018. In April of 2018, the VRE Operations Board recommended, and the Commissions subsequently authorized, the VRE CEO to execute an amendment to extend the current agreement through June 30, 2019. In May of 2019, the VRE Operations Board recommended, and the Commissions subsequently authorized, the VRE CEO to execute an amendment to extend the current agreement through June 30, 2020.

In December of 2019, the Commonwealth of Virginia announced the Virginia Rail Improvement Program. One of the many elements of the program is the acquisition of CSXT right-of-way in the Commonwealth. During the 2020 Virginia General Assembly session, the VRA was established. Among its many responsibilities, the VRA will manage the right-of-way, including operating agreements, acquired by the Commonwealth. This extension will also include the implementation of new seasonal schedules for the Fredericksburg line afternoon trains to mitigate the effects of heat orders during the summer months.

Throughout the one-year extension period, VRE will continue to work with the Commonwealth, including DRPT and VRA, and CSXT on the necessary agreements to continue VRE operations, consistent with the Virginia Rail Improvement Plan. This extension will allow time to complete the agreements in FY 2021.

**Fiscal Impact:**

Funding is provided for in the approved FY 2021 budget for CSXT track access fees.
Virginia Railway Express
Operations Board

Resolution
8A-05-2020

Recommend Authorization to Extend the Amended and Restated Operating/Access Agreement with CSX Transportation

WHEREAS, the Commissions currently have an Amended and Restated Operating/Access Agreement with CSX Transportation relating to VRE operations in the Fredericksburg to Washington corridor, with the agreement ending June 30, 2020; and,

WHEREAS, in December of 2019, the Commonwealth of Virginia announced the Virginia Rail Improvement Plan which includes the acquisition of CSX Transportation right-of-way in the Commonwealth; and,

WHEREAS, during the 2020 Virginia General Assembly session, the Virginia Rail Authority was established; and,

WHEREAS, the Virginia Rail Authority will manage the right-of-way acquired by the Commonwealth, including operating access agreements with VRE; and,

WHEREAS, VRE staff is currently working with the Commonwealth and CSX Transportation on agreements to continue VRE service consistent with the Virginia Rail Improvement Plan; and,

WHEREAS, necessary funding has been incorporated into the FY 2021 budget to allow VRE to continue its operations over CSX Transportation tracks via this extension;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions find that, in accordance with recently adopted amendments to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on May 15, 2020, and that meeting by electronic means is authorized because the items on the May 15, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board's lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the May 15, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,
Resolution 8A-05-2020 continued

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize the Acting Chief Executive Officer to execute an extension of the existing Restated and Amended Operating/Access Agreement with CSX Transportation through June 30, 2021 in a form approved by legal counsel.

Approved this 15th day of May 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary