



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 10-B
Action Item

To: Chair Bohmke and the VRE Operations Board

From: Rich Dalton

Date: May 17, 2024

Re: Recommend Authorization to Execute an Amendment for the Fourth Year of the First Option Period of the Contract for Maintenance Services for Commuter Rail

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize the Chief Executive Officer to amend the contract for Maintenance Services for Commuter Rail with Keolis Rail Services Virginia, LLC (KRSV) by approving up to \$12,273,550 for the fourth year of the first option period, for a total contract value not to exceed \$83,025,329 through June 30, 2025.

Summary:

This action will authorize contracted services for the maintenance, inspection, and repairs of VRE locomotives, passenger rail cars and maintenance facilities for FY 2025.

Background:

On January 15, 2015, the VRE Operations Board recommended, and the Commissions subsequently authorized, the CEO to execute a Contract with KRSV for Maintenance Services for Commuter Rail.

The work performed under this contract includes daily and periodic servicing, inspection and repairs of locomotives and passenger rail cars. Life Cycle maintenance and extensive rolling stock repair work are included in this contract through a task order process. In addition to locomotive and passenger rail car work, the scope of work includes inspection,



Northern Virginia
Transportation Commission
2300 Wilson Blvd., Suite 230
Arlington, VA 22201
703-524-3322



Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703-684-1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703-580-6121

maintenance and repair of facilities equipment including yard tracks and buildings. There are no material changes to the scope of work for the upcoming fiscal year.

On May 20, 2016, the VRE Operations Board recommended, and the Commissions subsequently authorized an amended start date for the first year of the Contract to July 1, 2016, and the total Contract amount for the first year of \$7,252,371. Below is a list of the amendments, contract modifications and proposed action for this Contract:

Date	Description	Amount	Authorized Value (Cumulative)
May 20, 2016	1 st Contract Year & Mobilization	\$7,252,371	\$7,252,371
April 21, 2017	2 nd Contract Year	\$7,092,267	\$14,344,638
April 20, 2018	3 rd Contract Year	\$7,674,000	\$22,018,638
May 19, 2019	4 th Contract Year	\$8,889,465	\$30,908,102
May 15, 2020	5 th Contract Year	\$9,012,749	\$39,920,851
May 21, 2021	1 st Year of the 1 st Option Period (6 th Year)	\$8,980,774	\$48,901,626
May 20, 2022	2 nd Year of the 1 st Option Period (7 th Year)	\$10,024,653	\$58,926,279
May 19, 2023	3 rd Year of the 1 st Option Period (8 th Year)	\$11,825,500	\$70,751,779
May 17, 2024	4 th Year of the 1 st Option Period (9 th Year) (a)	\$12,273,550	\$83,025,329

(a) Pending Approval

This action will increase the contract value by \$12,273,550 for a cumulative amount not to exceed \$83,025,329 through the ninth year including the fourth year of the first 5-year option period. The year-over-year increase is primarily due to a contractually mandated annual increase of 3.20% based on the Consumer Price Index. The estimated cost for the proposed service enhancements for CY 2024, as authorized in the FY 2025 operation budget, is also factored into the total authorized cumulative value. If additional contract authorization is needed, staff will return to the Operations Board.

Fiscal Impact:

Funding is provided for in the FY 2025 Operating budget for Maintenance Services for Commuter Rail and the CIP budget for Asset Management – Rolling Stock Equipment and Asset Management- Facilities includes funding for the ninth year of this work.

FY 2025 Operating Budget: Maintenance Services for Commuter Rail	\$9,920,411
FY 2025 CIP Budget: Asset Management – Rolling Stock Equipment and Asset Management - Facilities	\$2,353,139
Total:	\$12,273,550

**Virginia Railway Express
Operations Board Resolution**

10B-05-2024

**Recommend Authorization to Execute and Amendment for the Fourth
Year of the First Option Period of the Contract for Maintenance Services
for Commuter Rail**

WHEREAS, in 2015; the VRE Operations Board recommended, and the Commissions approved, a five-year Contract for Maintenance Services for Commuter Rail with Keolis Rail Services Virginia, LLC (KRSV); and,

WHEREAS, the Contract start date and total authorization was amended in May of 2016; and,

WHEREAS, on April 21, 2017, the Operations Board recommended, and the Commissions subsequently approved the second contract year, through June 30, 2018, in the amount of \$7,092,267, for a total contract value not to exceed \$14,344,638; and,

WHEREAS, on April 20, 2018, the Operations Board recommended, and the Commissions subsequently approved the third contract year, through June 30, 2019, in the amount of \$7,674,000, for a total contract value not to exceed \$22,018,638; and,

WHEREAS, on May 19, 2019, the Operations Board recommended, and the Commissions subsequently approved the fourth contract year, through June 30, 2020, in the amount of \$8,889,465 for a total contract value not to exceed \$30,908,102; and,

WHEREAS, on May 15, 2020, the Operations Board recommended, and the Commissions subsequently approved the fifth contract year, through June 30, 2021, in the amount of \$9,012,749 for a total contract value not to exceed \$39,920,852; and

WHEREAS, on May 21, 2021, the Operations Board recommended, and the Commissions subsequently approved the first year of the first option period, through June 30, 2022, in the amount of \$8,980,774 for a total contract value not to exceed \$39,920,852; and

WHEREAS, on May 20, 2022, the Operations Board recommended, and the Commissions subsequently approved the second year of the first option period, through June 30, 2023, in the amount of \$10,024,653 for a total contract value not to exceed \$58,926,279; and

WHEREAS, on May 19, 2023, the Operations Board recommended, and the Commissions subsequently approved the third year of the first option period, through June 30, 2024, in the amount of \$11,825,500 for a total contract value not to exceed \$70,751,779; and

WHEREAS, the current Contract authorization runs through June 30, 2024; and,

WHEREAS, the increase in Contract authorization will allow for continued maintenance services and life cycle maintenance work scheduled for FY 2025;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize recommend the Commissions authorize the Chief Executive Officer to amend the contract for Maintenance Services for Commuter Rail with Keolis Rail Services Virginia, LLC (KRSV) by increasing the total contract authorization by \$12,273,550 for the third year of the first option period, for a total Contract value not to exceed \$83,025,329 through June 30, 2025.

Approved this 17th day of May 2024

Meg Bohmke
Chair

Ralph Smith
Secretary