



RESOLUTION #2539

- SUBJECT:** Authorize the VRE CEO to Execute an Interim Operating Access Agreement with the Virginia Passenger Rail Authority (VPRA) and Direct the VRE CEO to Finalize Operating Access Agreements with VPRA and Norfolk Southern Railway and a Funding Agreement with VPRA for VRE Manassas Line Acquisition
- WHEREAS:** The Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission, (the "Commissions"), as owners and operators of the Virginia Railway Express ("VRE") commuter rail service, have provided service on the railroad right of way owned by Norfolk Southern Railway Company ("Norfolk Southern") since 1992 (the "VRE Manassas Line") pursuant to successive operating access agreements between VRE and Norfolk Southern;
- WHEREAS:** The Virginia Passenger Rail Authority ("VPRA") executed a term sheet with Norfolk Southern on May 23, 2024, regarding a transaction that includes the purchase by VPRA of the VRE Manassas Line by September 2024;
- WHEREAS:** In the event the VPRA purchase occurs, the Commissions' current operating access agreement with Norfolk Southern will end, and it will be necessary for the Commissions to enter into an operating access agreement with VPRA and a new operating access agreement with Norfolk Southern in order to continue to provide VRE commuter rail service on the portions of the VRE Manassas Line purchased by VPRA and the portions of the VRE Manassas Line retained by Norfolk Southern;
- WHEREAS:** Until a new operating access agreement between the Commissions and VPRA can be negotiated and approved by the Commissions for execution, an interim operating access agreement between the Commissions and VPRA has been proposed that continues the terms of the current Norfolk Southern operating access agreement with the exception of substituting the compensation terms with the reduced annual costs for access and dispatching anticipated to be in the new operating access agreement with VPRA;
- WHEREAS:** The current operating access agreement with Norfolk Southern has been extended and will remain in effect until October 10, 2024, and a new operating access agreement with Norfolk Southern has been proposed that is substantially similar to the current agreement except for reduced annual costs for access and dispatch similar to the compensation terms anticipated to be in the new operating access agreement with VPRA;
- WHEREAS:** VPRA has requested that, in the event the VPRA purchase occurs, the Commissions contribute to the purchase price VPRA pays for the VRE Manassas Line pursuant to a funding agreement, the terms of which would have to be negotiated and brought to the Commissions for approval; and

WHEREAS: After detailed discussion with the VRE Operations Board, the VRE Chief Executive Officer ("CEO") recommends (1) that he be authorized to execute an interim operating access agreement with VPRA in the event the VPRA's purchase of the VRE Manassas Line occurs, and (2) that he be further directed to negotiate the terms of a new operating access agreement with VPRA, the terms of a new operating access agreement with Norfolk Southern, and the terms of a funding agreement with VPRA providing for a contribution by the Commissions to the VPRA's purchase of the VRE Manassas Line, which agreements shall be brought to the VRE Operations Board for its consideration of a recommendation and to the Commissions for their consideration of approval.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes the VRE CEO to execute an interim operating access agreement with VPRA in the event the VPRA's purchase of the VRE Manassas Line occurs.

BE IT FURTHER RESOLVED that the Northern Virginia Transportation Commission hereby directs the VRE CEO to negotiate the terms of a new operating access agreement with VPRA, the terms of a new operating access agreement with Norfolk Southern, and the terms of a funding agreement with VPRA providing for a contribution by the Commissions to the VPRA's purchase of the VRE Manassas Line, which agreements shall be brought to the VRE Operations Board for its consideration of a recommendation and to the Commissions for consideration of their approval.

Approved this 18th day of July 2024.



Sarah Bagley
Secretary-Treasurer



Matt de Ferranti
Chair