

**MOTION:**

**SECOND:**

**RE:            AUTHORIZE THE ACTING VIRGINIA RAILWAY EXPRESS CHIEF EXECUTIVE OFFICER TO EXECUTE AN AMENDMENT FOR THE SECOND OPTION PERIOD AND THE FIRST YEAR OF THE SECOND OPTION PERIOD OF THE CONTRACT WITH KEOLIS RAIL SERVICES VIRGINIA LLC FOR OPERATING SERVICES FOR COMMUTER RAIL**

**ACTION:**

**WHEREAS**, on October 16, 2009, the Virginia Railway Express (VRE) Operations Board approved a five (5)-year contract with two five (5)-year option periods with Keolis Rail Services Virginia LLC for VRE operations and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011; and

**WHEREAS**, a contract amendment was approved on December 17, 2010 in the amount of \$2,085,000; and

**WHEREAS**, on May 20, 2011 the VRE Operations Board approved the second contract year, through June 30, 2012, in the amount of \$17,954,527 for a total contract value not to exceed \$38,498,875; and

**WHEREAS**, on April 20, 2012 the VRE Operations Board approved the third contract year, through June 30, 2013, in the amount of \$18,008,591 for a total contract value not to exceed \$56,507,466; and

**WHEREAS**, on April 19, 2013 the VRE Operations Board approved the fourth contract year, through June 30, 2014, in the amount of \$18,974,041 for a total contract value not to exceed \$75,481,507; and

**WHEREAS**, on April 18, 2014 the VRE Operations Board approved the fifth contract year, through June 30, 2015, in the amount of \$20,115,047 for a total contract value not to exceed \$95,596,554; and

**WHEREAS**, on May 15, 2015 the VRE Operations Board approved the first year of the first option period, through June 30, 2016, in the amount of \$20,931,000 for a total contract value not to exceed \$116,527,554; and

**WHEREAS**, on May 20, 2016 the VRE Operations Board further authorized amending the agreement to remove the requirements for the Maintenance of Equipment and Facilities; and

**WHEREAS**, on May 20, 2016 the VRE Operations Board approved the second year of the first option period, through June 30, 2017, in the amount of \$15,463,003 for a total contract value not to exceed \$131,990,557; and

**WHEREAS**, on April 21, 2017 the VRE Operations Board approved the third year of the first option period, through June 30, 2018, in the amount of \$15,416,000 for a total contract value not to exceed \$147,406,557; and

**WHEREAS**, on April 20, 2018 the VRE Operations Board approved the fourth year of the first option period, through June 30, 2019, in the amount of \$15,718,000 for a total contract value not to exceed \$163,124,557; and

**WHEREAS**, on May 17, 2019 the VRE Operations Board approved the fifth year of the first option period, through June 30, 2020, in the amount of \$16,287,000 for a total contract value not to exceed \$179,411,557; and

**WHEREAS**, approval of this resolution will authorize execution of the second, and final, five-year option period; and

**WHEREAS**, approval of this resolution will allow for continued train operations in FY 2021; and

**WHEREAS**, the VRE Operations Board recommends the Potomac and Rappahannock Transportation Commission and the Northern Virginia Transportation Commission authorize the Acting VRE Chief Executive Officer to execute the second five (5)-year option period of the contract with Keolis Rail Services Virginia LLC for operating services for commuter rail.

**NOW, THEREFORE, BE IT RESOLVED** that the Potomac and Rappahannock Transportation Commission finds 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 Commission to assemble in a single location on June 4, 2020, and that meeting by electronic means is authorized because the items on the June 4, 2020 Commission Meeting Agenda are statutorily required or necessary to continue operations of the Commission and the discharge of the Commission's lawful purposes, duties, and responsibilities; and further finds that meeting by electronic means is authorized because the items on the June 4, 2020 Commission Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Commission to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and

**BE IT FURTHER RESOLVED** that the Potomac and Rappahannock Transportation Commission hereby authorizes the Acting VRE Chief Executive Officer to amend the contract with Keolis Rail Services Virginia LLC for operating services for commuter rail by approving up to \$16,591,500 for the first year of the second option period, for a total contract value not to exceed \$196,003,057, through June 30, 2021.

**Votes:**  
**Ayes:**

**Nays:**

**Abstentions:**

**Absent from Vote:**

**Alternate(s) Present Not Voting:**

**Absent from Meeting:**



VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 8-C**  
**Action Item**

**To: Chairman Skinner and the VRE Operations Board**

**From: Rich Dalton**

**Date: May 15, 2020**

**Re: Recommend Authorization to Execute an Amendment for the Second Option Period and the First Year of the Second Option Period of the Contract for Operating Services for Commuter Rail**

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**Recommendation:**

The VRE Operations Board is asked to recommend the Commissions authorize the Acting Chief Executive Officer to amend the Contract for Operating Services for Commuter Rail with Keolis Rail Services Virginia, LLC (KRSV) by approving the second five-year option period and approving up to \$16,591,500 for the first year of the second option period, for a total contract value not to exceed \$196,003,057 through June 30, 2021.

**Summary:**

This action will authorize the award of the second and final five-year option period and continue the contracted services for management, supervision and certified locomotive engineers and conductors to operate VRE commuter rail trains for FY 2021.

**Background:**

On October 16, 2009, following a competitive solicitation process, the VRE Operations Board recommended, and the Commissions subsequently approved, a five-year contract with KRSV for commuter rail operations and maintenance with two five-year option periods. The maintenance activities were later removed from this contract in 2016 and those services are now included in a separate contract with KRSV. The second option period for this contract, which now only covers operating services, will start July 1, 2020. This is the final five-year option period of the operating services contract.



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

The work performed under this contract includes providing certified locomotive engineers and conductors to operate VRE commuter rail trains. The contract also includes Federal Railroad Administration reporting and claims management. Below is a list of the amendments, contract modifications and proposed actions for this contract:

<b>Date</b>	<b>Description</b>	<b>Amount</b>	<b>Authorized Value (Cumulative)</b>
10-16-2009	1 <sup>st</sup> Contract Year & Mobilization	\$18,459,348	\$18,459,348
12-17-2010	Amendment (a)	\$2,085,000	\$20,544,348
5-20-2011	2 <sup>nd</sup> Contract Year	\$17,954,527	\$38,498,875
4-20-2012	3 <sup>rd</sup> Contract Year (b)	\$18,008,591	\$56,507,466
4-19-2013	4 <sup>th</sup> Contract Year	\$18,974,041	\$75,481,507
4-18-2014	5 <sup>th</sup> Contract Year (c)	\$20,115,047	\$95,596,554
5-15-2015	1 <sup>st</sup> Year of the First Option Period (6 <sup>th</sup> Contract Year)	\$20,931,000	\$116,527,554
5-20-2016	2 <sup>nd</sup> Year of the First Option Period (7 <sup>th</sup> Contract Year) (d)	\$15,463,003	\$131,990,557
4-21-2017	3 <sup>rd</sup> Year of First Option Period (8 <sup>th</sup> Contract Year)	\$15,416,000	\$147,406,557
4-20-2018	4 <sup>th</sup> Year of the First Option Period (9 <sup>th</sup> Contract Year)	\$15,718,000	\$163,124,557
5-17-2019	5 <sup>th</sup> Year of the First Option Period (10 <sup>th</sup> Contract Year)	\$16,287,000	\$179,411,557
5-15-2020	1 <sup>st</sup> Year of the Second Option Period (11 <sup>th</sup> Contract Year) (e)	\$16,591,500	\$196,003,057

(a) Amendment included service enhancements, higher than anticipated insurance costs; items included in the original negotiations, contingency funds, and removed the requirement that Keolis indemnify VRE for all liability claims arising from the contract service with a value of up to \$5,000,000.

(b) FY 2013 budget amended mid-year for service enhancements resulting in the lengthening of two trains. This increased the FY 2013 contract budget amount to \$18,248,591. Authorization available from prior year approvals.

(c) FY 2015 budget includes adding the new Fredericksburg line train for half of the fiscal year.

(d) FY 2017 budget reflects the amended agreement removing the maintenance of equipment and facilities maintenance functions.

(e) Pending Approval

This action will increase the contract value by \$16,591,500 for a cumulative amount not to exceed \$196,003,057. The year over year increase is due to a contractually mandated increase of 2.46% based on the Consumer Price Index for the fixed cost components of the contract.

**Fiscal Impact:**

Funding for the first year of the second option period (11<sup>th</sup> year) is included in the approved FY 2021 operating budget. The total amount budgeted for train operations is \$16,591,500.

**Virginia Railway Express  
Operations Board**

**Resolution  
8C-05-2020**

**Recommend Authorization to Execute an Amendment for the Second  
Option Period and the First Year of the Second Option Period of the  
Contract for Operating Services for Commuter Rail**

**WHEREAS**, on October 16, 2009, the VRE Operations Board approved a five-year contract, with two five-year option periods, with Keolis Rail Services Virginia for VRE operations and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011; and,

**WHEREAS**, a contract amendment was approved on December 17, 2010 in the amount of \$2,085,000; and,

**WHEREAS**, on May 20, 2011, the Operations Board approved the second contract year, through June 30, 2012, in the amount of \$17,954,527, for a total contract value not to exceed \$38,498,875; and,

**WHEREAS**, on April 20, 2012, the Operations Board approved the third contract year, through June 30, 2013, in the amount of \$18,008,591, for a total contract value not to exceed \$56,507,466; and,

**WHEREAS**, on April 19, 2013, the Operations Board approved the fourth contract year, through June 30, 2014, in the amount of \$18,974,041, for a total contract value not to exceed \$75,481,507, and;

**WHEREAS**, on April 18, 2014, the Operations Board approved the fifth contract year, through June 30, 2015, in the amount of \$20,115,047, for a total contract value not to exceed \$95,596,554; and,

**WHEREAS**, on May 15, 2015, the Operations Board approved the first year of the first option period, through June 30, 2016, in the amount of \$20,931,000, for a total contract value not to exceed \$116,527,554; and,

**WHEREAS**, on May 20, 2016, the Operations Board further authorized amending the agreement to remove the requirements for the Maintenance of Equipment and Facilities; and,

**WHEREAS**, on May 20, 2016, the Operations Board approved the second year of the first option period, through June 30, 2017, in the amount of \$15,463,003, for a total contract value not to exceed \$131,990,557; and,

*Resolution 8C-05-2020 continued*

**WHEREAS**, on April 21, 2017, the Operations Board approved the third year of the first option period, through June 30, 2018, in the amount of \$15,416,000, for a total contract value not to exceed \$147,406,557; and,

**WHEREAS**, on April 20, 2018, the Operations Board approved the fourth year of the first option period, through June 30, 2019, in the amount of \$15,718,000, for a total contract value not to exceed \$163,124,557; and,

**WHEREAS**, on May 17, 2019, the Operations Board approved the fifth year of the first option period, through June 30, 2020, in the amount of \$16,287,000, for a total contract value not to exceed \$179,411,557; and,

**WHEREAS**, approval of this resolution will award the second and final five-year option period; and,

**WHEREAS**, approval of this resolution will allow for continued train operations in FY 2021;

**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,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Acting Chief Executive Officer to execute the second five-year option period of the Contract for Operating Services for Commuter Rail; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Acting Chief Executive Officer to amend the Contract for Operating Services for Commuter Rail with Keolis Rail Services Virginia, LLC by approving up to \$16,591,500 for the first year of the second option period, for a total Contract value not to exceed \$196,003,057 through June 30, 2021.



*Resolution 8C-05-2020 continued*

Approved this 15<sup>th</sup> day of May 2020

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Jeanine Lawson  
Secretary

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Gary Skinner  
Chairman