



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 786-2940

Agenda item # 13D

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 14, 2015

MOTION

Made By: Mr. Fralin, Seconded By: Mr. Whitworth

Action: Motion Carried, Unanimously

Title: Industrial Access Railroad Track Repayment Policy

WHEREAS, § 33.2-1600 establishes the fund for construction of industrial access railroad tracks; and

WHEREAS, in § 33.2-1600 the General Assembly declared it to be in the public interest that access railroad tracks and facilities be constructed to certain industrial commercial sites; and

WHEREAS, pursuant to § 33.2.-1600, the Industrial Access Railroad Track fund is intended to be comparable to the fund for access roads to economic development sites established pursuant to § 33.2-1509 and administered by VDOT; and

WHEREAS, the Department of Rail and Public Transportation (“the Department”) administers the Rail Industrial Access Program (“RIA”) which is subject to the approval of the Commonwealth Transportation Board (“CTB”); and

WHEREAS, revenue rail carloads provide a public benefit by diverting truck traffic from Virginia’s highways; and

WHEREAS, the Department requires in its grant agreements that Grantees report performance, which includes revenue rail carloads run over the track funded through the RIA Program; and

WHEREAS, during the recession and the slow economic recovery, some Grantees have been unable to meet the performance requirements, and

Resolution of the Board
January 14, 2015
Industrial Access Railroad Track Repayment Policy
Page two

WHEREAS, the Department has notified these Grantees that the grant agreement requires repayment of grant funds if Grantees fail to meet performance requirements of the grant agreement; and

WHEREAS, Grantees have missed their target carload performance requirements by varying margins, in large part due to the recession and slow economic recovery; and

WHEREAS, the current policy of the RIA program requires partial repayment if performance targets are not achieved; and

WHEREAS, most Grantees have come close to meeting their performance requirements despite the recession, and have pursued program goals in good faith; and

WHEREAS, the Department wishes to recognize the public benefit achieved by each Grantee; and

NOW THEREFORE, BE IT RESOLVED, that the Commonwealth Transportation Board hereby authorizes the Director of the Department of Rail and Public Transportation to take the following actions for grantees subject to the 90-day review findings:

Pursue repayment of one grantee that has ceased business operations in Virginia and is not utilizing the rail built with Rail Industrial Access funds.

Repayment forgiveness and time extensions will be specified in amendments to the grant agreements between the Department and the Grantees.

#####