

RESOLUTION NO. 2010 - 82 R

A resolution expressing the City Council's support for the efforts by The Kansas City Southern Railway Company ("KCSR") and the City of Victoria Texas to find a mutually acceptable means by which KCSR's through trains can be rerouted outside of the downtown area and onto a newly constructed bypass route and authorizing the City Manager to negotiate and develop a Memorandum of Understanding ("MOU") between the City and KCSR to govern such efforts, including the preparation of an application with the United States Department of Transportation seeking grant funds under the Rail Line Relocation and Improvement Capital Grant Program to fund the acquisition of right-of-way for the bypass project; and declaring an effective date.

WHEREAS, The Texas Mexican Railway Company ("Tex Mex") and KCSR are affiliated companies, each being directly or indirectly owned by Kansas City Southern, a Delaware corporation;

WHEREAS, Tex Mex owns a railroad right-of-way extending generally from a point near Rosenberg, Texas to a point within the municipal limits of Victoria, Texas (said right-of-way being herein referred to as "the ROW") and such ROW has been leased, pursuant to Surface Transportation Board authorization, to KCSR;

WHEREAS, KCSR has reconstructed a rail line on the ROW and operates its trains thereon, providing service to shippers and receivers of freight transported by rail on and over the ROW, including through the downtown areas of the City;

WHEREAS, it is KCSR's objective to increase the volume of its through train movements by providing additional service to additional rail shippers, and KCSR and the City expect such efforts to succeed;

WHEREAS, the increase in volume of KCSR through train movements through the City could, over time, lead to both longer trains and more numerous trains moving through the City;

WHEREAS, the operation of KCSR's through trains through the City is conducted at relatively low speeds;

WHEREAS, the City is a vital and growing community, with an expanding population and increasing levels of motor vehicle traffic utilizing the City's streets;

WHEREAS, the City and KCSR expect that as the City and the City's motor vehicle traffic grow and as the number and length of KCSR through trains operating on and over the ROW also grow, there could be increasing delays to motor vehicle traffic including emergency response vehicles or other traffic congestion consequences; and

WHEREAS, the City and KCSR desire to ameliorate any future traffic congestion consequences by providing a means for KCSR to bypass the City by providing an alternative right of way for the movement of KCSR's through trains to a route outside the center of the City and by taking other actions to facilitate the movement of KCSR's through train operations away from the downtown area while continuing rail service to the Lone Tree Business Center;

WHEREAS, Congress has authorized and appropriated funds to the Rail Line Relocation and Improvement Capital Grant Program whereby the United States Department of Transportation provides federal grant funds for any construction project that improves the relocation of any portion of a rail line for the purpose of mitigating the adverse effects of rail traffic on safety, motor vehicle traffic flow, community quality of life, or economic development; and

WHEREAS, the City and KCSR desire to apply for and fund any proposed bypass project through funds obtained under the Rail Line Relocation and Improvement Capital Grant Program.

THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF VICTORIA, TEXAS:

1.

The Mayor and City Council are fully supportive of the efforts by KCSR and the City to find a mutually acceptable means by which KCSR's through trains can be rerouted outside of the downtown area and onto a newly constructed bypass route while continuing rail service to the Lone Tree Business Center.

2.

The City Council hereby authorizes the City Manager to negotiate, develop ~~and execute~~ a MOU between the City and KCSR to govern such rail relocation efforts, including the preparation of an application with the United States Department of Transportation seeking grant funds under the Rail Line Relocation and Improvement Capital Grant Program to fund the acquisition of right-of-way for the bypass project.

3.

This resolution shall become effective immediately upon adoption.

PASSED, this the 1st day of June, 2010.

AYES: 7

NAYS: 0

ABSTENTIONS: 0

APPROVED AND ADOPTED, this the 1st day of June, 2010.



ATTEST:

Scarlet Swoboda
SCARLET SWOBODA, City Secretary

Will Armstrong
WILL ARMSTRONG, Mayor of the
City of Victoria, Texas

APPROVED AS TO LEGAL FORM:
Thomas A. Gwosdz
THOMAS A. GWOSDZ, City Attorney

Distribution: Legal Department

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