## RESOLUTION

EXHIBIT

## RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTHEAST TEXAS RURAL RAILROAD TRANSPORTATION DISTRICT SUPPORTING STATE FUNDING FOR TRACK AND BRIDGE REHABILITATION.

- WHEREAS, Rural Rail Districts were created in 1981 to form a mechanism for accepting abandoned track and right-of-way from private railroads to endeavor to provide continuous service to rural parts of Texas, and
- WHEREAS, The Northeast Texas Rural Railroad Authority (NETEX) was founded in 1994 to address the impending abandonment of Southern Pacific's rail line from Winfield, Texas to Greenville, Texas, and included right-of-way that had no track from Greenville to near Wylie, Texas, serving 6 counties; and
- WHEREAS, the Texas Department of Transportation Rail Division has made efforts to allocate state funds for a limited amount of track and bridge rehabilitation on the NETEX freight rail line from Greenville to Winfield, and
- WHEREAS, freight rail is an integral part and engine of our economy, and
- WHEREAS, funding from the Texas Department of Transportation will allow for rail improvement projects that the local, regional and state level needs to move goods, and
- WHEREAS, the Texas Legislature passed, during the 2001 legislative session, Senate Bill 406 which included a provision stating that any railroad lines purchased by rural rail transportation districts using state appropriated funds are not to be abandoned without the approval of the Texas Transportation Commission; and
- WHEREAS, the Texas Legislature did not provide rural rail transportation districts with the authority to provide funding through property tax revenue, but only revenue bonds, loans, or federal grants, and NETEX has unsuccessfully attempted to use all of these methods of funding; and
- WHEREAS, NETEX has over 65 miles of track and 72 bridges to served unserved and underserved communities; and
- WHEREAS, track speeds on the NETEX line are limited to 10 miles an hour due to defective cross ties and bridge deficiencies; and
- WHEREAS, the rail line continues to deteriorate due to the lack of past rehabilitation and funding; and
- WHEREAS, the NETEX rail line must be rehabilitated to continue providing service to existing customers and to attract new business to the region; and
- WHEREAS, the livelihood of the growing Northeast Texas economy depends on a strong multi modal transportation network that includes rail.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTHEAST TEXAS RURAL RAIL TRANSPORTATION DISTRICT THAT: the Northeast Texas Rural Railroad Transportation District does hereby petition the Texas Department of Transportation and the Texas Legislature to address its rehabilitation needs with a \$30 million dollar investment of General Revenue Funds and other available funds during the interim to upgrade from an accepted track to a Class 2 track.

APPROVED this 29th day of May 2024.

Robert Newsom, Hopkins County Judge

Mickey Barker, Commissioner, Pct. 1

Wade Bartley, Commissioner, Pct. 3

Greg Anglin, Commissioner, Pct. 2

e Price, Commissioner, Pct. 4

ATTEST: Tracy Smith, County Clerk

