



**Transit and Rail Advisory Committee
Meeting Minutes
September 9, 2011
9:30 AM - 1:00 PM
CASTA/CDOT Fall Conference
Sheraton Steamboat Resort, Steamboat Springs, CO**

Members Present	Yes	No	Members Present	Yes	No
Tom Allen	x		Matthew O'Neill		x
Gary Beedy		x	Ann Rajewski	x	
Terri A. Binder		x	Peter J. Rickershauser	x	
Craig Blewitt	x		James Souby	x	
Richard Hartman		x	Michael E. Timlin	x	
Todd Hollenbeck		x	Bill VanMeter	x	
Jonathan Hutchison		x	Scott Weeks (Phone)	x	
David Johnson		x			

Others Present

Alice de Stigter, UP Public Affairs
 David Hollis, HNTB Corporation
 Edie Bryant, ColoRail
 Gary Thomas, Care-A-Van/SAINT, Inc
 Noelle Melchizedek, TransitPlus, Inc
 Steven Marfitano, Felsburg Hold & Ullevig
 Ted Soltis, City Manager of Kremmling
 Thomas Clark, Mayor of Kremmling

CDOT Present

Don Hunt, CDOT Executive Director
 Division of Transit and Rail: Mark Imhoff,
 Wendy Wallach, John Valerio, Robin Foote

FTA Region 8 Present

David Beckhouse
 Charmaine Knighton

I. Call to order

Ann Rajewski called to order the regular meeting of the Transit and Rail Advisory Committee (TRAC) at 9:40 am on September 9, 2011, in the Sheraton Steamboat Resort Twilight Room.

II. Agenda items

1. **Introductions:** Ann opened the meeting and introduced Don Hunt, CDOT Executive Director. Don wanted to thank the TRAC members for all their efforts, as well as those guests that attended the CASTA/CDOT conference. Due to a prior commitment, Don could only stay for a brief time. Ann also thanked those individuals that participated in the conference and those that were presenters for some of the sessions.
2. **Monthly Updates:** Jim Souby announced the next ColoRail General Meeting will be held in Longmont on Saturday, October 1 from 9:30 am - 1:00 pm at the Public Library. Front Range passenger rail transportation will be the theme of the meeting and the Longmont venue will provide a forum for ideas from the regions that make up Colorado's northern "travelshed" as well as its links to the south. Among those participating are Colorado State Senate President Brandon Shaffer, State Assembly Representative Randy Fischer, Loveland City Council Member and ColoRail Board Member Joan Shaffer, and Colorado Transit and Rail Director Mark Imhoff. Jim Souby, ColoRail President, will introduce and moderate a panel to discuss the vision, benefits, issues and challenges facing passenger rail along the Front Range. Other experts are expected including Karen Benker, former RTD Board Member and Longmont City Council member and Bob Yunhke,

Transportation Director for the Southwest Energy Efficiency Project. Representatives from Cheyenne, WY, Colorado Springs, Pueblo, and southern Colorado have also been invited to attend the meeting. Jim requested to share this invitation with your colleagues.

Jim mentioned the Southwest Chief was struggling and the train should stay in Colorado for tourism in Southeastern Colorado. Jim met with several Southeastern Colorado activists to attempt a coalition with Action 22. Action 22 is a volunteer-driven membership organization of individuals, cities, communities, counties, associations, businesses and organizations in a [22-county region](#), banding together for a stronger voice on statewide discussion tables, the state legislature, and in Washington, D.C. Action 22's mission is to give voice to Southern Colorado and serve as a leader for cohesive action to affect change and shape the future of Southern Colorado.

Craig Blewitt announced the 2011 Colorado Springs City Budget has been approved and the Front Range Express (FREX) bus service will continue to run in 2011. Operated by Mountain Metropolitan Transit, FREX is the first and only intercity commuter service connecting the Pikes Peak region with the Denver metropolitan area. Introduced in 2004 as a Congestion Mitigation and Air Quality (CMAQ) demonstration project, FREX has quickly become the most successful transportation project to date in the Pikes Peak region and continues to improve mobility options and air quality by reducing traffic congestion along the I-25 corridor each day.

Bill Van Meter announced that on August 31, 2011, U.S. Transportation Secretary Ray LaHood and Federal Transit Administration Administrator Peter Rogoff officially awarded the Regional Transportation District a \$1.03 billion grant for the FasTrack Gold Line/East Corridor to Denver International Airport and Arvada/Wheat Ridge. This is a major milestone for the FasTracks Transit Expansion Program. A special signing ceremony was followed by the groundbreaking for the Gold Line at the site of the future Olde Town Arvada rail station.

Pete Rickershauser announced the floods of 2011 along the Missouri River had a dramatic impact on BNSF's network and tracks were shut down or traffic was rerouted. UP also had problems with Missouri Valley, IA, which also shut down their east-west main. Pete stated both lines have now been resumed.

Funding Freight Rail: Pete Rickershauser provided a PowerPoint presentation (attached) on Funding Freight Rail. Some of the characteristics of freight include privately-owned network; the same company usually owns, manages, and maintains the track and operates trains over it; and there is no automatic access to another railroad's tracks. There is little government funding; however, the regulations are still substantial. For example networks must comply with the Federal Rail Administration safety regulations and the Surface Transportation Board regulations for rates and services.

The Class I Second Quarter Earnings for Operating Revenues for 2011 compared to 2010 increased 16 percent. This revenue is used for maintenance and expansion in order to keep the facilities in services today, for tomorrow. Pete mentioned that 70-80 percent of today's profits are spent on maintenance for tomorrow's railroads. The balance is spent on capital; for example, cars, computers, and the expansion of the network.

According to the 2006 U.S. Department of Transportation Projections, the future demand for freight transportation will double by the year 2035; from 19 billion tons of freight transported in the U.S. in 2002 to 38 billion tons in 2035. This was a projection before the economy crashed. The National Rail Capacity Study conducted in 2007 was requested by the National Surface

Transportation Policy and Revenue Study Commission, commissioned by the Association of American Railroads, and prepared by Cambridge Systematics, Inc. The study participants included BNSF Railway, CSX, Norfolk Southern, Union Pacific, Association of American Railroads, and the American Short Line and Regional Railroad Association. The full report can be accessed by going to the Association of American Railroads' website at www.aar.org.

The purpose of the study was to estimate the rail freight infrastructure improvements and investments needed to meet the U.S. Department of Transportation's projected demand for rail freight transportation in 2035. Key findings included a \$148 billion investment (in 2007 dollars) for infrastructure expansion over the next 28 years is required to keep pace with economic growth and meet the U.S. DOT's forecasted demands. Class I freight railroads' share is projected to be \$135 billion; shortline and regional freight railroads' share is projected to be \$13 billion. Without this investment, 30 percent of the rail miles in the primary corridors will be operating above capacity by 2035, causing severe congestion that will affect every region of the country and potentially shift freight to an already heavily congested highway system. The Class I railroads anticipate that they will be able to generate approximately \$96 billion of their \$135 billion share through increased earnings from revenue growth, higher volumes, and productivity improvements, while continuing to renew existing infrastructure and equipment. This leaves a balance for the Class I railroads of \$39 billion or about \$1.4 billion per year. This could be funded from railroad investment tax incentives, public-private partnerships, or other sources. For example the Investment Tax Credit for new capacity. This is the first study of its kind to put a "price tag" on a 30 year look into the future for freight rail infrastructure needs. The study demonstrates that public-private partnerships will be necessary in order for the public to realize the full benefits of freight rail and maintain capacity.

Pete mentioned several Federal Funding Programs. These include the Railroad Rehabilitation and Improvement Financing (RRIF), Congestion Mitigation and Air Quality Improvement Program (CMAQ), Surface Transportation Program (STP), Rail Line Relocation Grant Program, Transportation Infrastructure Finance and Innovation Act (TIFIA), Private Activity Bonds, and the Transportation Investment Generating Economic Recovery (Tiger) III.

On December 17, 2010, President signed the Middle Class Tax Relief Act of 2010 extending short line's Section 45G Tax Credit for tax years 2010 and 2011. Section 45G enables regionals and short lines to claim a tax credit of 50 cents for every dollar spent on infrastructure improvements, up to an annual cap of \$3,500/mile of owned or leased track. Efforts to extend the act into 2012 are now underway.

- 3. *Union Pacific (UP) Update:*** Alice de Stigter, Interim Corporate Relations Coordinator, announced Dick Hartman will be out due to illness. Alice is an attorney and has worked as a UP litigator for 11 years. Alice emphasized safety rules are developed working with engineering departments versus operating departments and how difficult it can be to coordinate. Alice informed the group that Kelly Aberay manages the UP website, works with the contracting department, and on public projects. Alice discussed the protocol for "Safety First" as protection of 1) employees, 2) community, and 3) property all while providing goods and services. A brief discussion occurred regarding the Craig subdivision; UP runs track through Steamboat along the river and next to the bike path. The bike path is very popular. To ensure safety, UP has Special Agents (rail road police) to identify issues that pass through this area and bring the issues to the community. UP wants to encourage use of the bike path, but to do it safely. To do this they created two concrete boxes; the rail goes above and the bike path goes underneath. This is one example of how the railroad and the community can solve key issues. Trespassing is also a huge issue and discussions are

currently in place regarding the placement of fences adjacent to portions of the rail. Rail safety requires no one within 25 feet of the track. Until the fence can be placed, UP has posted no trespassing signs.

Someone asked how often the Special Agents inspect the track. Alice responded daily or every three days depending on the weather. There are vehicles placed on the track that detect rail and crossing deficiencies using technologies and cameras.

4. DTR Update: Mark Imhoff provided the following updates.

- State Rail Plan: Six workshops were held around the state in August and September to receive input from key stakeholders on various elements of Colorado's State Freight and Passenger Rail Plan (SFPRP). The draft of the study will be available in October.
- Interregional Connectivity Study: Proposals were received in August and a short-list was created. Two firms will be interviewed and a consultant selection will occur in October.
- Advanced Guideway System (AGS) Study for the I-70 Mountain Corridor: The scope of work is being finalized and will be reviewed by the AGS Project Leadership Team. The Request for Proposals will be advertised in October.
- Southwest Chief: CDOT has had two meetings with Amtrack regarding this line. Discussions are on hold until Amtrack coordinates with New Mexico and Kansas.
- Towner Line: The V&S has indicated they will purchase the line. The initial thought for the funds would be a Loan Program for short lines; however, indications from the Government Relations Office are the funds would be used to balance the state budget. Wendy Wallach put together a report for the legislature on the abandonment of the line.
- 2012 FTA Grants: Contracts expected to be executed by January 1, 2012. Reconciling old funds to help grantees at the 2011 operating level and the opportunity for increased funding. A new template has been developed for FASTER contracts. Contracts are now flowing with little to no hurdles.
- Senate Bill (SB) 37: The Transportation Commission will review the report regarding the preservation of the rail road right-of-way. The SB was established in 2000 with the directive to report annually on what line(s) may be abandoned and what should be preserved. The situation and recommendations have remained constant.
- Comment period for the State Rail Plan: Currently there is no deadline; however, please submit written comments as soon as possible. Mark would like comments by the middle of the month; all comments received will be considered in the study.
- General Professional III: The Rail and Special Projects Sections will be announcing a full-time position in October. This employee will work with Wendy on performance integration, 2040 Plan, and other rail projects and studies. Mike Cheroutes, Director, High Performance Transportation Enterprise (HPTE) (a subsidiary of CDOT) has filled a position to oversee financial feasibility, which can support DTR. HPTE is an enterprise authorized under legislation and intentionally set for public-private partnerships.

- InterCity Bus: John Valerio announced that grants have been selected for 2012 and \$225,000 has been set-aside for the Amtrack Southwest Chief (La Junta, Pueblo, Denver). There are additional needs and the Statewide Planning Team will look at multi-model activity. DTR has received a number of letters requesting intermodal facilities; DTR staff will look at the gaps.
- Denver Union Station: Denver Union Station has two bus bays for intercity bus. Some believe this is not adequate. Greyhound is looking for a new location that is cost effective, as well as being able to buy new busses. Greyhound is exploring the I-25 and Alameda location; this would be the hub and would need to feed into Denver Union Station. It is unsure if costs would increase due to this relocation. The Intercity Bus will be considered in our study.

5. **Establishing Performance Measures (TRAC Purpose, Vision Statement, Vision Values):** Wendy provided an updated on establishing performance measures. Don Hunt, CDOT Executive Director, has requested all departments prioritize projects using performance measures. One of the primary roles of TRAC is to advise DTR; therefore, performance measures will be coordinated with TRAC. DTR will work with the Department of Transportation Development (DTD) because DTD has a Performance Branch. Wendy has asked Bob Felsburg to facilitate the framework for performance measures with TRAC. The Transit Section currently has performance measures in the transit grants, which will roll-up to DTR. Mark would like to maximize or expand on the measure so the Transportation Commission can make the best decisions. Wendy suggested TRAC start with the approved TRAC Purpose, Vision Statement, and Vision Values. Bob Felsburg will attend the October TRAC meeting and facilitate TRAC on what measures to consider and determine if data is available. Bob will facilitate a half-day workshop with TRAC to discuss the framework. Eventually, performance measures will be added that can be presented to the Transportation Commission for consideration.

Ann provided a handout on Performance Measures regarding the thoughts and concepts from the CASTA Session and the types of measures to consider. Mark requested the TRAC review the approved TRAC vision and values prior to the half day workshop.

6. **Wrap up:** Wendy mentioned possible changes to TRAC due to the passing of Doug Lehman, Rocky Mountain Rail Authority, and the resignation of Michael Penny who accepted another position. Mark stated the Executive Director makes the decisions for TRAC appointments. TRAC will need to make a recommendation based on what we are missing.

III. Adjournment

Ann adjourned the meeting at 1:00 pm.

Minutes submitted by: Robin Foote

Minutes approved by: Wendy Wallach