MEMORANDUM

DEPARTMENT OF TRANSPORTATION

Division of Transit and Rail 4201 East Arkansas Avenue, Room 280

Denver, CO 80222 Phone: 303-757-9646 Fax: 303-757-9656



TO: Transportation Commission

FROM: Mark Imhoff, Director, Division of Transit & Rail

DATE: February 6, 1012

RE: Draft State Freight & Passenger Rail Plan Briefing

We are concluding a 15 month effort to prepare a State Freight & Passenger Rail Plan for Colorado. CDOT received a grant from the Federal Railroad Administration (FRA) that was matched with FASTER Transit funds for a study budget of \$800k. A state Rail Plan is required in order to be eligible for any future Federal Railroad Administration (FRA) funding. The purpose of the Plan is to guide improvement for the overall effectiveness of the freight and passenger rail system within the state, and create a vision for rail improvements that can enhance the effectiveness and efficiency of the state's overall transportation system. The plan includes a history of rail in Colorado and an inventory of current rail facilities in the state. The Plan presents rail issues and opportunities, an assessment of rail system needs, and funding availability and constraints. The Plan document concludes with a summary containing a framework for short and long range investments, and strategy and action recommendations. The entire Draft State Freight & Passenger Rail Plan may be viewed by using the following link.

http://www.coloradodot.info/projects/PassengerFreightRailPlan

The Plan has been reviewed by CDOT staff, FRA, and the Class 1 Railroads; and currently is being reviewed by the Steering Committee and Stakeholders. The findings and the recommendations of the Draft State Freight & Passenger Rail Plan will be presented to the Statewide Transportation Advisory Committee (STAC) and the Transit & Rail Advisory Committee (TRAC) on February 10, 2012. The Draft Rail Plan and recommendations, and comment summaries from the STAC and TRAC, will be presented to the Transportation Commission at a Workshop on February 15; we will be seeking Commission input, comments and policy feedback. Following the TC Workshop the State Freight & Passenger Rail Plan will be finalized and an Executive Summary will be prepared.

The Transportation Commission will be asked to approve the final document at the March Commission meeting; the Executive Summary will be included in your March Packet. Upon Transportation Commission approval, the Rail Plan will be submitted to the Federal Railroad Administration for their approval. Below are the recommendations that are provided in the Draft Rail Plan.

Development of the State Rail Plan

The Draft State Freight and Passenger Rail Plan was created with review and input at 20 meetings, including 12 monthly Project Management Team meetings, five Steering Committee meetings, and three Stakeholder Group meetings. The Project Management Team consisted of CDOT leaders from several divisions and also included the Federal Railroad Administration staff. The Steering Committee included representatives of passenger and freight rail interests from across the state. The Stakeholder Group consisted of over 325 self-selected community leaders who represented a diverse population of individuals and ideas from across the state.

Draft Plan Recommendations

Position Colorado for future federal funding for freight and passenger-related infrastructure improvements

The Passenger Rail Investment and Improvement Act (PRIIA) of 2008 requires a state rail plan approved by the Federal Railroad Administration prior to applying for federal passenger rail funding. The intent of this Plan is to provide a framework for future direction for improving and expanding freight and passenger rail services in Colorado. The state rail plan includes a listing and prioritization of *potential* future projects by category. Potential project categories include safety, overpasses/underpasses, corridor preservation, short line improvements, facilities, station-related projects, Class I freight, industrial spur track, and several subcategories of existing and future passenger rail projects.

Explore new state and local funding sources for rail-related programs, infrastructure, and services Many of these programs and projects are currently unfunded, so it will be important to actively pursue alternative strategies for securing additional funding. The plan reviews both funding and financing mechanisms which may be used to meet the funding needs.

Facilitate improved communication between communities and railroads

The Stakeholder Group suggested that CDOT facilitate a forum where organizations such as the Colorado Municipal League and the Class I and short line railroads could discuss ways to further improve communications related to such issues as vegetation control, grade-crossing maintenance, and land use planning guidelines. CDOT is currently developing a "Communication Guide."

Ensure integration and connectivity with other existing and planned transportation system improvements

An efficient transportation system that integrates all modes and provides connectivity for passengers, goods, and services plays an important role in ensuring Colorado's economic success. A multimodal system requires that connections between modes of transportation be fully integrated to increase system efficiency and operations, ultimately saving time and costs. CDOT has begun an Interregional Connectivity Study to address passenger rail connectivity along the Front Range.

Develop and explore implementation options for a Front Range regional commuter rail system.

The Front Range of Colorado is continuing to grow into a linear economic region from Fort Collins to Pueblo with increasing traffic congestion throughout. At the workshops and open houses a high level of support was expressed by many communities throughout Colorado to implement a passenger rail system. CDOT has

completed environmental documents in the form of the North I-25 EIS between the Denver metro area and Fort Collins with commuter rail improvements addressed. The next phase of the passenger rail planning effort is the Interregional Connectivity Study, evaluating future north-south commuter rail passenger connections to and through the Denver metropolitan area. CDOT should work with MPO's along I-25 to identify reasonable funding strategies and financing mechanisms for the furtherance of Front Range regional commuter rail.

Maximize use of existing infrastructure and monitor significant rail corridor infrastructure to ensure future corridor preservation and expansion

The Colorado Transportation Commission passed Policy Directive #1607.0 in July 2000. This policy describes a framework for identifying and preserving rail corridors for future use and to supplement the highway system, among other things. The state should continue to monitor The Tennessee Pass line owned by the UP that has been in "out of service status" since late 1996. Another corridor to monitor is the Towner Line in southeastern Colorado. It was owned by the state from 1998 to October 4, 2011.

Facilitate meetings among the Colorado Office of Economic Development, the Class I and short line railroads, regional economic development agencies, and representatives of various economic sectors, such as agriculture, defense, and energy, to explore win/win opportunities to grow the Colorado and local/regional economies

Economic development was a key theme at each of the workshops. Access to rail transportation is crucial for many businesses and industries looking to locate or relocate in Colorado's cities and communities. These meetings could initiate discussions and develop relationships that would improve business for the railroads, enhance economic development in Colorado's communities, and address issues pertaining to railroad abandonment. CDOT and its partners should seek to maximize the participation of the private sector in rail improvement projects and establish responsibilities and performance standards for the railroads in return for public participation.

Develop and implement a Short Line Railroad Assistance Program

Short line railroads are a critical component of the rail industry and benefit shippers and local communities trying to support economic development to many industries. These short line railroads have customers that rely on these railroads to either get their products to market or receive inputs critical to their businesses. The short line assistance programs consist of low interest revolving loans and grants that Colorado should explore as to their adequacy for the conditions and requirements of the short lines that are key economic drivers in many regions of the state. The Short Line Railroad Assistance Program would be expected to benefit agricultural and other industries, and promote economic development in rural Colorado.

Support linking of Colorado's passenger rail systems to the developing national intercity and highspeed rail networks

A very strong level of support existed at the workshops and open houses for rail passenger service in the state, both existing long distance Amtrak services and new proposed regional commuter rail and high-speed rail services.

CDOT has completed an environmental document for the I-70 mountain corridor in the form of the I-70 Mountain PEIS study. The next phase of that effort will be the Advanced Guideway System (AGS) Feasibility study. The AGS study will define the technology and alignment of future AGS along the I-70 corridor. CDOT

should work with the mountain Transportation Planning Regions along I-70 to identify reasonable funding strategies and financing mechanisms for the I-70 PEIS commitments.

The state should consider supporting the retention of all Amtrak services in Colorado. CDOT should work with the New Mexico and Kansas Departments of Transportation to determine if a strategy can be developed and presented to Amtrak and BNSF to maintain the existing Southwest Chief Amtrak route.

Use the Stakeholder Group convened for this Plan as a resource for the upcoming Interregional Connectivity and Advanced Guideway Systems studies and to advise on future updates to the Plan CDOT should consider using appropriate rail stakeholders from this Plan for public involvement activities as it moves forward with the Interregional Connectivity and Advanced Guideway System studies.