



# Meeting Notes – Southwest Chief & Front Range Passenger Rail Commission

May 30, 2018

1:00 p.m. – 3:00 p.m.

Colorado Department of Transportation

2829 W. Howard Place, Denver, CO 80204; Valley Highway Conference room #158

Call in: 1-646-558-8656, 626 836 5834#

## COMMISSION MEMBERS IN ATTENDANCE:

Member Name	Member Role	Organization	Attendance
Sara Cassidy	Class 1 Railroad Representative	Union Pacific	Yes
Jill Gaebler	Pikes Peak Area Council of Governments	City of Colorado Springs	Yes
Terry Hart	Pueblo Area Council of Governments	Pueblo County	Yes
Becky Karasko	North Front Range Metropolitan Planning Organization	NFRMPO	Yes
Rick Klein	Resident of Huerfano, Las Animas, Otero, or Pueblo Counties	City of La Junta	Yes
Sal Pace	Passenger Rail Advocate	Resident of Pueblo	Yes
Pete Rickershauser	Class 1 Railroad Representative	BNSF Railway	No
Phil Rico	South Central Council of Governments	Trinidad Mayor	Yes
Jacob Riger	Denver Regional Council of Governments	DRCOG	Yes
Jim Souby	Passenger Rail Advocate	Colorail	Yes
Bill Van Meter	Regional Transportation District	RTD	Yes
David Krutsinger*	Colorado Department of Transportation	CDOT	Yes
Robert Eaton*	Amtrak	Amtrak	Yes
Dale Steenbergen*	Cheyenne, Wyoming	Chamber of Commerce	Yes

\* Non-voting member

Additional attendees: Jep Seman (BNSF); Sharon Terranova (CDOT); Grant Bennett (representing Pueblo); Randy Grauberger (Parsons Brinckerhoff); Wendy Wallach, Cathy Storey (HDR)

Attending by phone: Rick Klein (City of LaJunta); Chelsea Gaylord (City of Colorado Springs Economic Development)

- I. ATTENDANCE / EXCUSED
  - A. Call to Order / Roll Call
  - B. Opening remarks / Welcome & Introduction of Guests
  
- II. REGULAR AGENDA
  - A. Next Meeting(s) – Date(s) and Place – discussion moved to end of meeting.
  - B. Discussion / Debrief of Legislative Session - \$2.5 Million approved
    - a. Strategy Development

Amtrak Support

First, the group discussed a letter developed by some members of the Commission and signed by a tri-state (Colorado, Kansas, and New Mexico) Senate coalition (all 6 Senators and 5 house Representatives, possibly more). The letter will go out tomorrow and be made public then. The letter contains strongly worded language expressing dissatisfaction with Amtrak for threatening to withhold money from the Southwest Chief. The Commission discussed a recent letter sent from Amtrak to Colfax County, N.M., officials warning them that Amtrak wouldn't be providing a previously awarded \$3 million federal grant to the Southwest Chief project until the three states and the BNSF Railway can present Amtrak with a long-term plan for preventing any further loss of service or increased expense along the route. Jep Seman of BNSF asked that the Commission push for a meeting with Amtrak Leadership. Jim Souby recommended that the Commission should draft a letter describing the plan for continued funding and requesting that the issue of transparency be corrected. Jill Gaebler asked if the Commission agreed, and it was decided that Jim Souby will draft a letter and send it to Pete Rickershauser and Sal Pace for review. Jim noted that 175 mayors have signed onto national letter to Congress, and he will provide Phil Rico with information. Rob Eaton stated that it is clear that Amtrak's long distance train service will be changing and that rail advocates and communities will have to be supportive and vigilant. Rob noted that Amtrak is a private corporation that provides a public service and receives public funding. Jim Souby stated that there is a large amount of maintenance and replacement that Amtrak will soon have to fund, such as replacement of about 250 engines currently waived from air quality regulations and the need to replace many superliner cars.

Front Range Rail Funding

Second, the Commission discussed the good news that \$2.5 million in funding was received from the Colorado Legislature. Sal Pace noted there was no discussion in legislature about the line item, but that the intention is to advance Front Range Passenger Rail. Sal gave credit to Speaker Duran, Faith Winter on the Transportation committee. He noted that the Commission laid out a good argument why this proposal would be helpful. The Commission has sole delegation authority for this fund, and it takes 5 of 9 voting members to agree to spend these funds. This allocation is expected to get the Commission into 2020 and will create the infrastructure and means of communication to get us perhaps to a referred ballot issue for 2020. Sal also noted that a lobbyist for Pueblo County, Will Coin, worked very hard on this effort.

- b. Review of the "Study" Scope of Work Document or Scope Elements – Becky Karasko updated the Commission on the Scope of Work document and noted that she had incorporated comments from Chelsea and Pete but because she had not received other comments, the draft document was not

distributed to the Commission in advance of this meeting. Becky asked for input: Should the RFP be open for 30 or 60 days, and do we want to specify who can apply? Sal asked – this is the RFP for the Plan. This would be phase 1 of the plan. Corridor Definition, etc as shown in doc. Sal Pace asked if the Commission sees the Study being more service-driven or more communications? The group agreed that it needs to be both; could be 2 firms. Jacob Riger provided background information on the scope and noted that the Commission requested money to (first) hire a consultant to provide transportation analysis and also to confirm public desire for Front Range Rail and define what is wanted and (second) that the Commission appreciates CDOT support but needs to hire a helper. Sal Pace noted that all funds would be transferred in July. David Krutsinger noted that for amounts over \$100,000, the Commission would have to follow the CDOT RFP process and get 3 bids. David recommended an addition to Part II of the RFP, that bids are welcome from “qualified” sources, and that Part V provide a format for submissions, such as a 25-30 page limit for core materials. For the timeframe, Sal Pace noted that if the Commission wants a referred ballot measure in 2020, a proposal would have to be submitted to the legislature in December 2019. However, continuing outreach support through 2020 would be beneficial. David Krutsinger said he completely supports that approach: should set schedule of deliverables for perhaps Jan 2020 but keep consulting support and contract through 2020.

Jim Souby discussed the process for corridor definition – need to define the freight corridor extending to Fort Collins and that we are using BNSF and UP track. He also asked if the Commission has the resources in this round to develop a service development plan? Sal Pace asked Bill Van Meter to describe RTD’s process for Fast Tracks. Bill stated that before the ballot measure, RTD did a Major Investment Study for each of the corridors – the cost of each corridor then was \$1.5 million, so now they would likely be in the \$3-4 million dollar range. For Fast Tracks, RTD did 10 % engineering, but it might be appropriate to do less engineering for the Front Range Rail and to focus on stakeholder and public engagement. Bill recommended a fatal flaw analysis and some environmental work, and spending a fair amount on station location, alignment, operating plan and cost estimates to go with those. Some engineering needed to ground truth the costs. The group agreed that the funding is not sufficient to do everything, so need to identify the critical components. It was agreed to cut down on engineering piece, focus on alignments, service plan, and enough engineering to give us a reasonable estimate for costs. The Commission may need to cut back on the scope. Becky Karasko suggested sending the scope document to Bill Van Meter and Jim Souby to get their comments. Bill Van Meter noted that he thinks the Commission can accomplish a lot with \$2.5 million and must focus and prioritize. Jim Souby noted that it might be just \$2 million since would also hire staff. Jacob Riger noted that the Commission had requested \$8.7 million so we need to right-size our work for budget we now have, and volunteered to also review the scope document. Jacob gave the analogy of the Mobility Choice project which is similar. The Mobility Choice team hired Don Hunt as manager and a consulting team, and Jacob could share the RFP for Mobility Change with the Commission. Jacob also noted that the Front Range Rail corridor is much larger than the Fast Tracks corridors, so important to scale the scope. Sal Pace noted that there will be a large turnover next year in state government, which could result in additional funding, but there would not be much time to develop the needed deliverables. Jim Souby expressed a desire to focus clearly on federal resources and how we get FRA money into this process. Getting federal

matching funds would be an enticement to legislature to support. Rob Eaton noted that as long as this plan meets the requirements of the Colorado Rail Plan, it would qualify for federal dollars. Dale Steenbergen suggested that the Commission think outside of where you usually think for federal funding. The BUILD grant program looks for rural projects. By including small communities, such as Eaton, along the route, the project could qualify for a BUILD grant. Dale also noted that the government is redoing missile funding in Cheyenne and that transportation between bases in Cheyenne and Colorado Springs would be seen favorably. Providing a project that is multi-state is useful to getting funding, and Dale would be happy to participate in developing a group to look at funding. The Commission discussed the governance model (item 6 in the scope document). Sal Pace stated that the goal of 2020 ballot measure would be a new district that is statutorily created (as opposed to a regional transportation authority) to implement long range passenger rail vision. Rob Eaton stated that some other states use other governance models, such as the state DOT, or a JPA. Jim Souby expressed concern that the document should be as focused as possible and the scope should set forth the Commission's views on governance rather than leaving it up to consultants or public. Randy Grauberger noted that the RFP for the passenger service plan completed in last few years might give the Commission some ideas. Jim Souby reiterated Dale Steenbergen's point that thinking multi-state might help get federal funding, and it might be useful to reach out to New Mexico as well as Wyoming.

Jill Gaebler stated that the Commission should work on the scope document this month and asked who would work with Dale to Steenbergen follow up on the multi-state idea. Sal Pace and Jim Souby volunteered. Rob Eaton stated that leveraging limited dollars by use of rail for moving military members for the Defense Dept would be a great idea. Dale Steenbergen will email the team and suggested a call with his lobbyist to fill in the details. Rob Eaton noted that the Commission needs to make sure that the consultant provides a work product that follows FRA guidelines to get federal funding.

- c. Review of Executive Director / Project Manager duty descriptions – David Krutsinger described how the description was developed, by collecting 6 or 7 different job descriptions and salaries, including RTD and national positions. If hiring a consultant, would need to multiply by a factor of about 2.6 to get the true cost. David posed 4 questions for the Commission to consider: (1) What will be the role of the Commission? (2) What level of expertise is wanted? Does the Commission want to emphasize technical skills or leadership skills or a combination? (3) Does the Commission intend for the Executive Director / Project Manager to have support staff or not? (4) What is the term of the contract? That drives budget commitment from \$2.5 million and the length of the contract may play a role in the type of talent you can attract. The term length would probably be about 2.5 years. Jim Souby noted that applicant could foresee future years once they were hired. Sal Pace noted that part of the job responsibility is securing future funding. The group discussed Question 1 – how big a role in the strategy does the Commission want compared to the strategy role of the Executive Director / Project Manager? Sal Pace noted that someone with a level of understanding of state government and outreach and good communication skills would be valuable. A political background may be helpful. Being able to secure future funding is better for the Commission than a person who can write the best technical document. Jill Gaebler stated that the Commission would still want to be hands-on.

Jim Souby asked if the Commission could still rely on Amtrak for a lot of information, and Rob Eaton answered that Amtrak will still be able to provide rider revenue studies for a cost. Jim asked if UP or BNSF have any ability to support? Sara Cassidy noted that UP real estate teams could respond to very specific questions but wouldn't be involved beyond that. Jep Seman agreed that the same would be true for BNSF. David Krutstinger has put in a question whether CDOT or State would issue the RFP. Bill Van Meter asked if the Commission is assuming that the new employee would have housing and ability to process an expense account, etc.? The group discussed whether the new hire should be a CDOT employee. Sal Pace, Jill Gaebler, and Rob Eaton were in favor. Jacob Riger disagreed and stated that the Commission needs a senior person who knows how to manage the technical consulting team, someone like Mark Imhoff (Jacob has already asked but he declined) who can reach out to politicians and represent the Commission, but who is independent from CDOT though perhaps could use CDOT housing. Phil Rico noted the need to consider benefits, especially if the person is a Commission employee. David Krutstinger is working on finding out if the employee could get benefits from the State but could report directly to Commission. Dale Steenbergen noted that lobbying by the Executive Director / Project Manager would not be allowable under Wyoming law. David Krutstinger noted that technical advising or serving as a legislative liaison is different from lobbying, and this should be included as a role in the RFP. Sal Pace noted that if the Executive Director would be managing consultants, it would be nice to hire that position first so that the person could be part of the process of evaluating the consultants who respond to the RFP. David Krutstinger noted that the Colorado Attorney General office would give legal advice to this Commission.

C. Discussion of Grants & Grant Opportunities

- a. TIGER 9 –Rick Klein stated that there has been a lot of interest in Southwest Chief and believes that Amtrak is fully committed to TIGER 9, having signed a commitment letter for \$3 million in funding. Rick would like to reduce uncertainty about Amtrak service and is trying to get a statement from Amtrak so people don't think the national network of long-distance trains is disappearing. Rick noted there has been news coverage of rallies (including in La Junta) of people on long-distance train lines such as the Southwest Chief who are opposing loss of long-distance train service. Phil Rico noted that he had received a letter from someone in New York expressing concern that the Southwest Chief might go away in rural areas. Mennonites have expressed that train is their only means of long-distance travel, and Amtrak should take that into account.

Rob Eaton acknowledged that Amtrak is undergoing a lot of change with its new CEO and has undertaken "right-sizing" measures and has lost about 10 % of management. Amtrak is also looking at making its operations more efficient and some stations may lose ticketing agents. Changes to long-distance service are in the works. Mr. Anderson, the Amtrak CEO has an airline background (previously president of Delta Airlines) and a strong focus on safety and Positive Train Control (PTC) or other acceptable safety measure. Rob noted that Amtrak's approval of Tiger 9 was a bit different with qualifications and the Commission may need to answer some of the questions on financial plan and business case. Rob will discuss with Ray to develop a plan. Rick Klein noted that a real timeline is needed, and that New Mexico has applied for an exemption. Rob Eaton agreed with the need to

determine scope and the timeline, and will start working on plan. June 19 is CRISI grant deadline.

Phil Rico asked who citizens of Trinidad could write letters to. Jim Souby recommended Congressional Reps. Jim noted that he has met with Senator Gardner and Mr. Anderson and they reiterated that Amtrak is a national network. The biggest issue is PTC. In Jim's view, we have achieved the safety margin but Amtrak hasn't yet agreed. Another concern is the improvements required in New Mexico. Jim stated that the recent letter of arguments against the Southwest Chief was sent to members of Congress, and that we rebutted letter very strongly and were supported by our senators. Jim feels that the Commission already has a plan – getting federal grants, especially TIGER, and finding matching funds. Federal funding is the only way to resolve some issues as New Mexico will not appropriate money for improvements in Colorado and BNSF doesn't run trains in New Mexico so not interested in spending money there. Economic benefits have to be developed for all 3 states – New Mexico has lower freight traffic. Our 3-state approach has been very successful and 3 of 4 TIGER grant applications have been awarded. Jim noted that it is important for the Commission to address Amtrak and remind them that our current plan is highly successful. Although it could be improved, it would not be reasonable to come up with a new plan. Rob Eaton noted that while previous Amtrak leadership was familiar with the plan, we might need to get the plan reiterated in front of new senior leadership. An approach might be to meet and familiarize and educate. Phil Rico asked if we could invite senior Amtrak leadership to Commission meetings, and noted a concern that Amtrak is not open to discussion. Jim Souby concurred that transparency has not been there, and Amtrak will now hold meetings with Rail Passenger Association or national group which is a big change. Jim stated that this Commission should help Amtrak understand that this TIGER grant plan has been developed from the bottom up and has been successful. Local and state-based approach. Letter didn't recognize that history.

- b. BUILD (TIGER 10) – Jim Souby noted that the Commission should have a plan for obtaining this grant. Bill Van Meter noted that the application deadline is July 19. Rick Klein hasn't had any discussions on TIGER 10 and is waiting to hear back from Amtrak to get past commitment letter. Jim Souby will work with Rick Klein on this grant. Jim asked if it would also be possible to apply for a CRISI grant. David Krutsinger noted that there is also a 3<sup>rd</sup> grant for \$250 million for PTC that was just released Friday. Rob Eaton noted that Amtrak administration is thinking of pulling back some but maintaining the PTC funding. Bill stated that the Commission may not have a very good shot at TIGER 10 given TIGER 9 and the deadline.
- c. CRISI - Grant Bennett noted that Pueblo County has money to support developing a grant application and David Krutsinger will send Grant information on the CRISI.

- D. Amtrak Discussion / TIGER 9 – See Above
- E. Hyperloop & Arrivo – Not Discussed
  - a. CDOT feasibility studies of new technologies and alternative funding opportunities
  - b. Visioning agreement / alternate corridor alignments consideration
- F. Summation of Next Steps / Action Items: Vote on job description and RFP by next meeting.

- G. Next Meeting(s) – Date(s) and Place – Jill recommended meeting again in a month but noted that July 4 may interfere. For location, she recommended meeting again at the new CDOT HQ, although after today’s traffic and accident, maybe farther south would be better. Jacob recommended sending out Doodle poll for date. It was noted that it could be nice to have the meeting farther south – it normally takes Phil Rico 3 hours to get here. Jim Souby suggested sending out press release and inviting more people to attend such as mayors, as part of public involvement. Jacob Riger noted that DRCOG could possibly host at new office downtown at 17<sup>th</sup> and Arapahoe. David Krutsinger will send poll and can suggest locations.

III. ADJOURN