

**Southwest Chief Commission (SWC Commission)
Meeting Minutes
October 9, 2014
Pueblo County Commissioners Chambers**

Member	Representing via HB 14-1161	Yes	No
Sal Pace, Chairman	Resident of Pueblo or Huerfano County – public rail advocate	X	
Rick Klein, Vice Chairman	Resident of Las Animas, Otero, or Prowers County – public rail advocate	X	
Elena Wilken	Public Rail Transportation Advocate	X	
Jim Souby	Tourist Industry in Colorado	X	
Pete Rickershauser	Freight Rail Industry	X	
Mark Imhoff	Colorado Department of Transportation Representative	X	
Ray Lang	Amtrak Representative	X	

Other Attendees:

Aaron Greco	Dave Mynatt
John Denny	Senator Mark Udall
Patricia Duffy	Joe Szabo, Federal Railroad Administrator
Richard Reiff	John Catalano
Dwight Gardner	Beverly Babb
Charles Paulsen	Donn J. Miller
Lance Benninghoff	Laura Morales-Garcia

Attended via Phone: Frank Sharpless, Dennis Slimmer

I. ATTENDANCE/EXCUSED

A. Call to Order/Roll Call

Chairman Pace called the third meeting of the Southwest Chief Commission to order at 11:05 a.m. Chairman Pace expressed excitement to have everyone attending today's meeting.

B. Approval of Minutes (September 17, 2014)

Chairman Pace asked for corrections or changes to the minutes of the Southwest Chief Commission for September 17, 2014. No changes noted. Chairman Pace motioned for the Commission to approve the minutes for September 17, 2014 with Vice Chairman Klein providing a second on the motion. The motion carried unanimously.

II. REGULAR AGENDA

A. Update from FRA Administrator, Szabo; members of the General Assembly/Congressional delegation staff

Chairman Pace welcomed special attendees to today's meeting of the Southwest Chief Commission; Senator Mark Udall and Joe Szabo, Federal Railroad Administrator of the United States. The Commission is honored to have them both present today. Chairman Pace invited them to speak to those present at today's meeting.

Senator Udall –

- TIGER Grant approved for Garden City, Kansas is a game changer
- DC needs to know this is a priority
- Scope of need (9.5 billion in applications for \$600 million in grants)

Joe Szabo, Administrator of FRA –

- Important subject not just locally but to the nation
- Very strong and well put together TIGER application from Kansas
- Benefits to movement of goods and people
- Freight and passenger rail traffic is growing and it is important to invest in rail assets.
- Deserve better investment – growth needs continue to outpace availability of funds

Chairman Pace opened the floor to the Commission Members for questions to Senator Udall and Joe Szabo.

Jim Souby asked what steps this Commission and our Department of Transportation could take to accomplish our mission. Mr. Szabo recommended we have a strong plan in place. A plan that includes all levels; community, city, regional, and state. The three states involved will need to have strong credibility if you are looking at competing in the next round for a TIGER grant. Rail planning needs to get to the same place as highway planning. Be ready with a strong and unified vision and plan in place. Senator Udall noted that it would be good if there was an expansion of the TIGER grant and it would be preferable to have some federal funding bills passed in order to have funds available.

Vice Chairman Klein stated that the passenger rail format is more of a placeholder when it comes to the Federal Railroad Administration, but there is a bigger picture. The Commission is trying to find out what tools are needed to try and make this vision a reality. There is agreement that this format could be a motivator for other areas affected to include the economy and multi-modal transportation. This line affects several other states along with Colorado, New Mexico, and Kansas.

Elena Wilken asked if Mr. Szabo and Senator Udall see a change in the authorization and responsibilities of Amtrak. Are we witnessing a sea change on this being a regional responsibility or is it a federal responsibility and is this a model you are seeing around the country or are we at the forefront of this? Mr. Szabo responded by saying he thinks about this as a partnership and we have tools we need to use to be an effective partner to support the Commission. Ultimately it is about you, your region, and your state and it has to be in a much more multi-modal system. Senator Udall noted that the government and citizen groups are seeing the forefront of rail issues, and he thinks this is because the cost per mile is so much more competitive.

Mark Imhoff noted that the TIGER grant award for Garden City, Kansas was definitely a game changer, and he is inquiring on what other programs are out there that might be good to look into. Since we would like to look anywhere we could for available funding for this project. Please provide your guidance and comments on where we might start.

Joe Szabo said it is a good idea to look under every stone and to pursue everything available. This will all come back to a strong plan and being able to show how it fits the market needs. Senator Udall agrees that the stronger the plan is the better chance a match for these dollars. Senator Udall noted that he has a Grant Administrator in his office that can assist to help the Commission look under those rocks. Senator Udall said his part will be to try and help to make sure there is money to use in the TIGER grant world. It is crucial to our economic future.

Pete Rickershauser who relayed that he is a retired railroader wanted to point out that funding is only one of two big challenges before this commission. This Commission is tasked with not only maintaining the Southwest Chief on the existing route but also placing an additional route to Pueblo. In addition to Elena's question, the Southwest Chief is part of a national Amtrak network and at the end of the day this affects more than just the three states involved in this Commission. If states through the SWC line from Illinois to California are impacted how do we at the local, state, regional levels get the resources to indicate our concern about the entire route? Joe Szabo responded saying that the more the Commission does and the more we engage with those affected up and down the entire route the more it will have an effect in assisting to get the support and resources needed. That support is needed in order to have a strong partner in the federal system. Senator Udall stated that this serves as a good reminder for him to stay in contact with those other state senators on this issue.

Chairman Pace noted that some of the dollars for the matching funds for the TIGER application were provided by Colorado to assist in covering part of the southeast line between Kansas and Las Animas. Garden City, Kansas put this application together and they did a great job leading the way on the lobbying effort. Initially a strategy for funding included a five way split (Colorado, New Mexico, Kansas, Amtrak, & BNSF). There is now dialogue on a strategy of application for TIGER grants. Ray Lang added that we should put a lot of effort into this TIGER grant, but then if it does not produce, we have lost a lot of time that could have been used raising monies from other resources and wonders what the chances of our success are for a second TIGER grant. Joe Szabo replied that we were definitely at risk if we put all of our eggs in one basket. All options should clearly be pursued, but there is no guarantee as these grants are extremely competitive. The need outweighs the available funds and predictable funding is better for planning. Like any business operator running his business that is how you need to look at this. This does not mean you should not pursue additional TIGER grants, but clearly organization up and down the line is required. Senator Udall responded saying that he will need to return to the Federal level with a stronger level of commitment. The good is that this project draws attention to this and there is real demand and we need to go to work.

Rick Klein asked if it is better to mix up the strategy. Joe Szabo said he does not believe there is any harm in applying for a big bite as long as you can show incremental pieces where you can break it off.

Chairman Pace thanked Senator Udall and Administrator Szabo for attending and announced a 5 minute break.

Chairman Pace invited Senator Rivera to say a few words to everyone present today. Senator Rivera stated he was optimistic and said he would welcome these changes in the area so that we can start becoming more competitive.

B. TIGER Grant Update

i. BNSF

ii. Colorado Role – Discussion by all

Pete Rickershauser presented a question for the Commission to think about. With the grant being approved, what role should Colorado play regarding the oversight of the work and understanding what work is being done so we know what remains to be done?

Elena Wilken stated that all the entities in Colorado need to be involved. Dennis Slimmer said there is an initial meeting to discuss the service outcome agreement in Topeka. He did not call the meeting, so he is not sure who will be attending or if it is open for others to attend. It is his understanding that this meeting will only start with discussion on the next steps and it will not be formal.

Ray Lang noted that he brought Mike Dwyer, Route Director for the Southwest Chief with him from Chicago, they rode the train.

Pete Rickershauser did note that the service outcome agreement must be in place before the TIGER grant monies are released and work can start.

Ray Lang was not sure who would be required to sign this agreement. Ray will do some investigating on this and report back to the Commission.

Chairman Pace stated he would like for the SWC Commission to have a seat at the table for this meeting since there are multiple parties that are affected and engaged in this.

Mark Imhoff noted that this particular section from Kansas to Las Animas is not within the CDOT right of way; this is all privately owned rail section. The Commission would be the better representative in this instance.

Chairman Pace and Vice Chair Klein are willing to provide SWC Commission representation at this meeting.

C. Amtrak Update

Ray Lang said it might be a good idea for the Commission to set up a rolling meeting on the Southwest Chief so that everyone can experience the full impact of what it is we are working towards. Ray Lang attended the NMDOT Transportation Infrastructure Revenue Subcommittee Meeting on October 2, 2014. There was a big crowd with a great show of support. At this meeting there was a pre-session presentation of information regarding their economic study relating to the SWC and New Mexico. The entire study and the answer to their donation clause is expected to be presented at their next regular legislative session.

D. Update from DOT's

i. Colorado

Mark Imhoff stated the only update from the last meeting for CDOT is that David Krutsinger, CDOT and Pete Rickershauser produced a list of questions to be presented later in the meeting.

ii. New Mexico (study results)

Frank Sharpless stated the results of the study on the economic impact will be presented the first week of November at the New Mexico State Capital. A link to the subcommittee meeting was sent out to Mark Imhoff and Laura Morales-Garcia. Laura will forward that link to the committee members early next week.

iii. Kansas

Dennis Slimmer said he has been in touch with Amtrak and BNSF and is looking forward to the discussion to take place on October 30, 2014 in Topeka.

E. Intermodal Transportation Centers, La Junta/Trinidad; relationship to Chief – CDOT

Mark Imhoff noted that the Federal Transit Administration (FTA) funds and state transit funds are ready to be dispersed as soon as the land deal is sorted out and the designs are presented.

La Junta had \$413,000 from 2011 that has not been utilized for renovating the La Junta station so those funds will be required to be returned. Rick Klein said with the age of the building it has been determined that renovations are not ideal. They are investigating further into the possibility of a new building.

F. Presentation about Colorado Rail Products

Chris Markelson works in the rail industry in Pueblo County. Rail plays a critical role in the economy in our neighborhoods. There are employers in Pueblo that produce concrete rail ties and they are one of the largest producers of these rail ties in the United States. There are about 1,300 citizens now employed in the Pueblo community. Since 2007 this represents a 15% job growth in this field. The SWC is tied to the economy.

Rick Klein noted that La Junta is also affected by the industry. Lewis Nut and Bolt has expanded their production and this directly affects them. It is not just the economic impact of the rail line, but the business manufacturer is affected too.

G. Formal requests in writing to BNSF

Pete Rickershauser said he thought the questions should first be presented to Amtrak and not BNSF. The questions need to state: (1) what is needed, (2) what is it for/how will the answer be used, and (3) by when does it need to be secured. Then the ongoing track maintenance can be addressed separately and these questions all need to be addressed in separate segments.

Ray Lang noted that there is a legal right for passenger rail service for incremental cost and the rights are very well defined. In addition, there are contracts that encapsulate the legal issues between Amtrak and BNSF and the current contracts expire in 2016. Studies must be completed and a formal request is required. These studies will require funding.

Capital funds would also be required to be reviewed, everything must be spelled out. There must be a very thorough analysis into the matter.

Pete Rickershauser commented that we keep in mind if the reroute to Pueblo is completed, this will affect the route to Trinidad.

The questions were discussed and it was determined that some of the questions needed to be more specific and with a written response. Chairman Pace motioned to accept questions 1, 3, 4 with Pete's suggestions be presented to Amtrak and the other questions reviewed by David Krutsinger, CDOT Rail and Special Projects Manager and Pete Rickershauser next week. Vice Chairman Klein seconded the motion. Mark Imhoff did note that originally it was proposed that these questions should go to BNSF, but he is fine with presenting them to Amtrak. The motion was unanimously passed. Amtrak is to provide a formal written response to the questions.

H. SB 228 – CDOT

Aaron Greco, CDOT Budget & Policy Analyst, stated that SB 228 is a state law governing general fund transfers. CDOT is projected to receive some extra funds and the amount to be received has not yet been determined. The amount is dependent on income growth. These funds are not for annual continued funding. They are a one-time source. No one is sure of the amount to be received. CDOT Division of Transit and Rail will receive 10 percent of the total amount CDOT receives.

Mark Imhoff added that the legislation is written and defined as any money received from this fund is required to be utilized for strategic projects. The Transportation Commission has added emphasis that these strategic projects be used on mobility and economic vitality. This emphasis falls in line with the studies that showed the needs regarding our State Transportation Plan. Using this strategy, CDOT has compiled a list of projects. Projects considered for SB 228 funding must be stand-alone projects. Stand-alone projects are part of the eligibility and evaluation criteria. CDOT will not be ranking or scoring the list of projects. The Transportation Commission will be selecting the specific projects that will be funded if CDOT receives these funds. The list of projects CDOT has compiled is far above the funds available. The SWC is one of the projects listed. The Transportation Commission controls these funds. The Commission is reminded that there is no assurance that CDOT will receive these funds.

I. Formal funding request to General Assembly

(See agenda item J.)

J. Upcoming meetings – final meeting in 2014 / establishing regular 2015 meeting schedule

Chairman Pace presented agenda items I & J together stating that the goal for the next and last meeting of 2014 is to make preparations on a unified strategy prior to the next Colorado General Assembly which takes place in early January. Then in 2015 the Commission can possibly meet every other month. Chairman Pace would like to have at minimum three things in order for this last meeting of 2014.

- What studies do we want to get done (pertains to one of the questions for Amtrak)?

- Do we need to ask for one time funding to other matching grant opportunities?
- Unification of the Commission specifically regarding the funding.

Laura will send out a doodle poll for the SWC Commission to meet in late December 2014 or early January 2015.

K. Public comment

Senator Rivera thanked everyone at today's meeting and complimented the Commission on a good job.

III. Adjourn

Chairman Pace motioned to adjourn, Vice Chair Klein seconded with all in favor. Meeting was adjourned at 13:45