

Meeting Notes

Technical Advisory Committee

Colorado Rail Relocation Implementation Study

CDOT Auditorium, May 8, 2008

Tammy Lang, CDOT's Project Manager for the Rail Relocation Implementation Study, opened the meeting at 12:10 p.m. and asked those in attendance to make self introductions. A list of meeting attendees is included at the end of these meeting minutes.

Tammy welcomed those in attendance to the third meeting of the Technical Advisory Committee (TAC). She next introduced Cassie Gouger, the Rail Team Lead for the Consultant Team. Cassie showed diagrams of the various wye interchange connections to existing railroads for Alignments A and B. She indicated that she was currently working on a Beshoar Jct. connection (northeast of Trinidad) for the routing of the empty northbound coal trains as they head northeast toward La Junta and Las Animas.

Jack Tone next discussed a handout labeled "Update on RTC Model Coordination". The modeling team held meetings with the railroads in Omaha and Fort Worth in early April. Refinements are now being finalized to the "No Build" (base case) network based on comments made by the railroads at those April meetings. PB will send the revised network to both railroads to be sure that all comments have been addressed. Both railroads agreed to provide a memo to CDOT stating their concurrence that the modeled base case fairly represents the current operations of the railroads. Jack reported that the modeling of Alignment A is complete and the modeling for Alignment B should be complete the week near the end of May.

Jack next discussed some of the preliminary rail operations data coming from the base case. The Sterling to Amarillo coal trains range between 21 and 24 hours for that trip. Empties are returning from Amarillo to Sterling in 16.75 – 17.75 hours. Three crews are required; Sterling to Denver, Denver to La Junta, and La Junta to Amarillo. On the return trip, crews change at Trinidad.

An existing round trip from Brush to Amarillo is 1082 miles. The round trip on Alignment A from Brush to Amarillo would be 1004 miles, a savings of 78 miles over the base case. The round trip on Alignment B would be 924 miles, a savings of 158 miles over the base case. UP's Grant Janke asked if these mileages included the new Beshoar Jct. connection. Jack noted that "yes", that connection was included in the above mileages.

Paul Smith asked if there were any improvements being proposed for the Beshoar Jct. to La Junta existing route of the BNSF. It was noted that no improvements to this route were being considered at this time.

Grant Janke asked if the Public Benefits Study had included any improvements to the existing Boise City Sub (from Las Animas to Amarillo). Randy Grauberger, PB's R2C2 Project Manager indicated he believed that there may have been some improvements included on the Boise City Sub in the cost estimate for the Public Benefits Study. He noted he would check on that and report back to the TAC. *(In reviewing Tech. Memo #4 of the Public Benefits Study, it appears that no improvements to the Boise City sub were included in the \$1.1 billion of rail infrastructure and related improvements in that Study. However, the improvements considered did include CTC and 9,300 foot of new sidings to the UP's KP line between Watkins and Aroya).*

Ira Hirschman next discussed the Draft document that had been provide to the TAC on May 5th entitled "Benefit Analysis Update". Ira noted that this document was a work in progress because two key pieces of information were not yet available that are required to develop a final Draft of the document: 1) Detailed modeling results comparing Alignments A and B to the base case, and 2) the cost estimates for Alignments A and B. Both are expected to be completed by the end of May. In the meantime, "place holders" have been used in some of the analysis provided in the May 5 Draft of the Benefit Analysis Update.

BNSF's Colleen Deines suggested that this Study should include detailed analysis of the potential benefits related to new passenger services that would accrue to the state if 85% of the through rail freight traffic is relocated into the eastern plains. Ira noted that the savings from not having to buy the right of way or build the new infrastructure were being included. Ira also noted that many other factors played into the development of passenger rail along the Front Range and that the realization of potential passenger rail benefits were not simply contingent on moving some of the freight trains off of the existing alignment.

Colleen and Grant Janke both stated that the benefits should also include the potential "savings" from future I 25 widening that might not be necessary if rail passenger service is initiated along the joint line. It was noted that the Rocky Mountain Rail Authority's (RMRA) Feasibility Study would be evaluating specifics related to the benefits associated with passenger rail in the I-25 Corridor. It was noted that the R2C2 Study is to be completed by the end of November and that the RMRA Study is scheduled to take 18 months and hasn't yet been initiated.

UP's Dick Hartman noted that there may be issues with the basic assumption to run passenger trains on the existing freight lines between Denver and Pueblo even if the through trains are moved out onto a Bypass. He said that even though such joint operations are occurring in Chicago and other places, the railroads may not approve any more of these types of operations where freight and passenger trains share the same tracks. It was also clarified that all freight service to existing rail customers along the

Joint Line (Denver to Pueblo) would not occur at night; there would need to be some service provided during daylight hours.

The railroads objected to the figure of \$2,000 per train hour for operating costs; suggesting that a figure more like \$469 per train hour was appropriate. Also, the railroads suggested the discount rate of 2.15% shown by the project team should be more in the 10% or more range since the funding for this project would not be by “3-month Treasury bills”. Both of these figures will be investigated further by members of the Project Team.

It was suggested that there are “hard” costs and “soft” costs in these types of benefit/cost analyses and that future draft versions of this document should break out the hard vs. soft costs. Some clarification was made in regard to this comment that the Benefits Analysis Update did not actually designate “hard” dollars accounted for to pay for the project – the analysis is a means to begin negotiations regarding cost allocation.

Next there was a discussion regarding the criteria used to establish the grade separations that would either need to be built along a new bypass alignment or not need to be built in the Front Range due to the removal of 85 % of the slow moving freight trains. More detail needs to be included in the updated Draft of this document in terms of which crossings will or will not need to be separated. Also, the report needs to include a discussion of the “warrants” being assumed for grade separation structures.

It was determined that an updated Draft of this benefits Analysis Update would be distributed to the TAC membership on June 5.

Nick Amrhein next provided a briefing on the status of the funding and financing research for the Study. UP’s Dick Hartman suggested that the Investment Tax Credit Legislation being considered in the Congress should be explored in more detail as it might relate to this project.

Randy next discussed the series of Open House meetings held in Brush on April 29, Pueblo May 1, Limon May 5, and Castle Rock May 6. Around 140 individuals attended the meetings and provided very good input to the project team. At the Limon meeting, it was pointed out that the mountain plover has nesting sites south of Haswell in Kiowa County that should be avoided by any new alignment. There was a request to hold an additional Open House in Las Animas in the next few weeks and the TAC will be notified when that date is set. *(The meeting will be held in Las Animas from 4 to 7 p.m. on June 17. More detail will be forthcoming in a press release.)*

There was consensus that the next round of Open Houses, now anticipated to be held in the mid-September timeframe, should have more lead time with the press releases and public notices.

Randy noted that the FAQs (Frequently Asked Questions) portion of the CDOT website for the R2C2 project will be updated to reflect some of the more common questions

asked at the Open Houses. Also, a “summary” of comments provided at the Open Houses will be added to the website.

Randy Grauberger next referred to the second Draft of the Purpose and Need Statement for the R2C2 project. He said that comments received on the first draft had been incorporated into this second draft and asked that additional comments on the document be provided to him by no later than May 23.

Randy asked if any of the TAC members had additional comments they wanted to make. There were none, so the next item of business was to schedule the next TAC meeting. It was agreed that the next meeting of the TAC would be held at CDOT’s Headquarters building on June 27 from 9:30 to noon.

The meeting adjourned at 3:05 p.m.

Meeting Attendees

TAC Members:

Grant Janke	UP Railroad
Dick Hartman	UP Railroad
Colleen Deines	BNSF Railway
Jack Moy	BNSF Railway
Michael Sickler	BNSF Railway
Steve Rudy	DRCOG
Pam Fischaber	Colorado Public Utilities Commission
Kirk Strand	RTD
Paul Smith	Smith Consulting
Joe Kiely	Town of Limon/Ports to Plains
Jim Orchard	Rio Tinto Energy America
Scott McDaniel	CDOT Region 1
Paul Westhoff	CDOT Region 2
Pete Graham	CDOT Region 4
Jim Paulmeno	CDOT Region 6
Mehdi Baziar	CDOT Mobility Section
Tom Mauser	CDOT Intermodal Planning

TAC Members not in attendance:

Mike VanWagenen	VST Railroad
Mike Ramsey	Federal Railroad Administration
Doug Lehnen	Town of Castle Rock/Rocky Mtn. Rail Assoc.
Bill Moore	Pueblo MPO
Ron Davis	Action 22
Eric Bergman	DOLA

Other Attendees:

Tammy Lang
Randy Grauberger
Jack Tone
Cassie Gouger
Jerry Albin
Ira Hirschman
Nick Amrhein
Jennifer Finch
Tim Baker

CDOT Project Manager
Parsons Brinckerhoff Project Manager
PB – Implementation Team Lead
FHU – Consultant Team Rail Lead
FHU – Consultant Team
PB Strategic Consulting
PB Strategic Consulting
CDOT - DTD Director
CDOT – Mobility Analysis Unit Manager