

Rail Technical Advisory Team

Meeting #2

Meeting Summary Notes

March 25, 2009, 10:00 a.m.

Hilton Garden Inn, Sedona Room

The meeting was called to order at approximately 10:00 am by Kristin Bornstein, Public Involvement Management Consultant. Jim Zumpf, ADOT Project Manager, led introductions and reviewed the agenda. Mr. Zumpf turned the meeting over to Jose Bustamante, AECOM Project Manager, to go through the preliminary key issues discussion.

Mr. Bustamante briefly reviewed discussions from the kick-off meeting held in January 2009 and reminded the Rail TAT that since that time the team has been working on:

- Data collection
- Interviews/discussions
- Travel demand for passenger and freight

He reminded the group during the course of the discussion that the cost of doing nothing is a compelling communication idea brought up at the first meeting by ADEQ. Also during this introductory portion of the meeting, FHWA indicated that there is still a need to engage trucking companies as this will affect their business.

Mr. Bustamante explained that the team is back in this second meeting to share the critical issues as promised at the first meeting. The five issue categories are as follows:

1. Systems Planning
2. Operations
3. Project Implementation
4. Sustainability
5. Policy

Within each of the five categories the project team and Rail TAT discussed key issues, challenges, and opportunities. The following is a summary of the participant's discussions,

Systems Planning

Mr. Bustamante began the discussion of the five categories with Systems Planning. From the overall global perspective, the key issues of systems planning are creating multimodal connections and trying to address a mobility problem. Rail is not the solution everywhere, nor is it wanted. A balanced system that provides surface transportation options is desired. The word "options" is key.

The following were discussed concerning systems planning by the Rail TAT:

- Jurisdictional boundaries (city, county, state, federal, etc), and gaining consensus among elected officials.
- The need for strong local systems. There are challenges right now implementing services at local levels due to financial constraints. The local services are key to making a statewide system work.
- Transit operators all have their own systems right now; they all need to tie together.
- Get a plan in place. Other states who had a plan received federal stimulus money. A plan will help Arizona get federal money.
- Urban versus rural is an issue. Rural freight rail issues are completely different than urban issues. Rural issues focus on grade crossings, safety, noise, etc. For example, Safford is not concerned about multimodal connections. Their concern is getting trucks off city streets and moving freight by rail.
- Arizona seems to be developer driven versus state driven. There needs to be a distinction made between planning for entitled developments and planning a transportation system that makes sense.
- Interstate right-of-way areas are ideal for rail facilities. Look at using current right-of-way for rail.
- There is a need to keep freight and passenger rail separated for safety reasons. The two need to effectively coexist with one another.
- The cost of safety is a major challenge. There needs to be separation for safety.
- Identify high-speed corridors to eventually get funding.
- If high speed corridors are identified, the development of interconnections would be more feasible.
- Shared capacity of both freight and passenger rail pose specific challenges. There are many safety and cost issues in regards to this challenge which will need to be decided upon early in the study.
- FHWA will look at improvements needed to accommodate the overall transportation system, including overall system performance and associated highways, inland ports, etc.
- Partnerships with organizations and better communication is key.
- Keep high speed and freight separate. This could be a safety issue; customers come first; share capacity between freight/high speed; should it be shared or exclusive; identify the best and safest way, and then cost; identify corridors for high speed rail opportunities system planning; identify traffic interchanges upfront which would lead developers to a specific location.

Opportunities discussed by the group include:

- Planning for future highway corridors can take eventual rail services into account. There should be requirements for developers to build grade separated traffic interchanges at these locations.
- Get all key players on board to approach multimodal viewpoint.
- Highway planning needs to be multimodal planning.
- There are potential opportunities extending rail line from Riverside, California into Arizona. This could be one opportunity to replace vehicle traffic between these two areas.



- There should be opportunities for people to take a train at the airport for both tourism and business travel. There needs to be a system in place at airports to accommodate travelers no matter where their final destination may be.
- A regional transportation system needs to be put in place in order for rail to work.

Thoughts on Homeland Security discussed by the group include:

- Inland ports—Tucson Regional Economic Opportunities, Inc. (TREO) met with Homeland Security recently and decided that a secure supply chain makes for fluidity in freight movement. It is not a good idea to share passenger rail lines and freight rail lines, because it could ultimately interrupt the freight movement fluidity.
- More freight will have to move by rail. If freight movement is slowed down it will increase costs for all.

Other thoughts discussed by the group include:

- Public, political, and stakeholder support is key to make anything happen. There needs to be public education to adjust perceptions related to rail.
- Political support is key.
- The first thing needs to be identifying the purpose and need and developing a statement.

Operations

Mr. Bustamante continued onto the second category of Operations. The key issue is developing a functional and effective way to provide incentives to the private sector to join in.

Challenges discussed by the group include:

- Be careful we do not get stuck in a research project associated with motive power and technology issues. The technology is there to achieve our goals. There is no need to invent anything new.
- If we are doing something different we may need to be more competitive to gain funding.
- Mr. Bustamante clarified that some new technology is mandated by government.
- Other ideas such as solar powered trains may sound like good ideas but in reality are not "shovel ready".
- The rationalization with regard to existing right-of-way surrounding high-speed corridors is the footprint may need to be larger, not smaller.
- Short line faces challenges with investment and how to fund infrastructure. There needs to be a facilitated dialogue to see if short lines can work into the overall system.
- Look into new industry development in rural areas for economic development purposes.
- Current priorities of railroad companies are meeting the needs of existing customers, the ability to grow within Arizona, safety, and freedom within their right-of-way.
- Minimize need for engine idling. Smooth flow is optimal from many perspectives.
- To do something a little different allows us to be outside the box. Creativity might give us an edge on the others seeking funding.

Opportunities discussed by the group include:

- Identifying existing safety problems that could be solved by a statewide rail system.
- Reduce the footprint of roads, railroads, and utility corridors. Use the right-of-way wisely.
- Should grade separation planning be done at COG/MPO level?

Other thoughts discussed by the group include:

- What level of grade separation is necessary to maintain a safe environment for freight and passengers? This would greatly affect the cost. Who would pay for it? Can we start identifying the potential grade separations in long range planning and start reserving right-of-way?

Project Implementation

Challenges discussed by the group include:

- Federal, state, local regulations, rules, responsiveness.
- Conflicting processes.
- It is difficult to get organizations to work together.
- There is a great need to get political support. This can be accomplished through good communication and education.
- There are challenges with funding, right-of-way, and properties adjacent to right-of-way.
- Proposition 207 in Arizona. Proposition 207, officially titled the "Private Property Rights Protection Act", was a 2006 ballot initiative. The proposition requires the government to reimburse land owners when regulations result in a decrease of property value, and also prevents the government from exercising eminent domain on behalf of a private party.
- There is poor interagency coordination. State agencies, other than ADOT, cause major delays with time extensions. Transportation projects are not priorities with agencies other than ADOT, plus they are understaffed and under funded.
- There needs to be a clear understanding of authority and responsibility.
- There is a lack of understanding of the wealth of opportunities that come with public private partnerships. Start with private money, not public money. If you start with public funding, adding private money can be problematic.
- Economic development and land use should be important.

Opportunities discussed by the group include:

- There is an opportunity to create better and more efficient ways to get things done.
- There is an opportunity for political buy-in.
- Rail brings economic development. It is likely that we will be given credit by the federal government to demonstrate economic development benefits. Currently credit is given for being cost-effective (cost vs. riders). Land use and economic development should be just as important. There is more to evaluate than just straight cost effectiveness.

- Advanced land use planning will be an opportunity to get future funding.
- State of Arizona needs to prioritize projects based on more than just cost and need. Projects that can be more easily cleared could be prioritized. We need to make sure we are organized up front to ensure the project actually happens.
- There needs to be a system to evaluate projects for implementation ability.
- The environment can be an opportunity. Environmental consideration can help generate public support. Be very up front that environmental consideration is a priority. Use the TIME Initiative as an example.
- There are opportunities to implement new public private partnerships (on-train concessions, depot designs and services available, etc.).
- Work with local jurisdictions to understand and address their priorities and needs. This too will help to gain widespread support (Prop 400 example).

Sustainability

Mr. Bustamante continued onto the fourth category, Sustainability. One key issue is the critical connection between transportation and energy is prominent. There are expectations that new requirements will be coming from Washington to link transportation and energy. Other key issues are land use, focused growth, and livable communities.

Challenges discussed by the group include:

- Air quality standards are getting more and more stringent.
- Reduce water use by not creating new heat islands instead build in shaded areas at stations.
- To allow for focused growth, State Trust land needs to be reformed.
- Energy efficient rail is essential. Taking trucks off the highway will positively impact energy use.
- Financial sustainability seems to be the focus.
- Unless you have a long-term funding source, you get Amtrak limping from year to year looking for the next number of dollars
- There needs to be community support.
- Good pedestrian environments and adequate park and ride facilities are essential.
- Protect rail right-of-way. Don't allow politicians to change their minds on this issue once a decision is made.
- There needs to be education of politicians.

Opportunities discussed by the group include:

- Rail is more efficient than trucking and allows freight to grow. By increasing rail, this provides an opportunity to get as many trucks off streets as possible. This will ultimately help the environment too.
- Passenger rail provides opportunities to remove personal vehicles from streets as well.
- This is an opportunity to define what sustainability means in Arizona and will help move things forward.
- Connect with the Office of Smart Growth and the Maricopa Association of Governments.
- This is a good opportunity to gain community support.

Policy

Mr. Bustamante continued onto the final category, Policy, and explained that this study will not set policy. However, it is important to understand the intrinsic details associated with policy in order to provide good recommendations for the advancement of a statewide rail system.

Challenges discussed by the group include:

- Proposition 207 may impact the ability to plan for focused growth or other land use changes that would be key to successful system.
- Public Private Partnerships.
- There are Arizona State Land Department (ASLD) challenges with the inability to do long term planning. It is the responsibility of ASLD to maximize return on sales
- Do not allow wastage of resources.
- The state legislature opposes rail and transit.
- There are firewalls that prevents spending HURF money on rail.
- Regulations change throughout the project development process. You take one step forward, and two steps back.
- There is a need for public and political education with emphasis on tradeoffs to accompany this decision making document for the state.

Opportunities discussed by the group include:

- This provides the opportunity in the beginning to coordinate with the Arizona Corporation Commission.
- Modal neutrality.
- Capacity neutrality.
- Cost neutrality.
- Look at peer states like Wisconsin, Ohio, and Indiana. All of which are radically progressive compared to Arizona.
- Incorporate strategies to deal with regulations and policy hurdles towards the beginning of project implementation.

After the brief lunch break, the study team gathered to discuss the "passenger and freight demand forecasting" portion of the presentation. Roger Figera discussed freight and the objectives to find economic development opportunities for the State of Arizona with regard to freight.

Through traffic coming from the Port of Los Angeles and Port of Long Beach, maybe Punta Colonet in the future roughly triples by 2050 from 83 million tons to 243 million tons. State benefit is getting trucks off interstates.

The team described Commodities in Tonnage and Value for 2005 shipped through Ports of LA/LB, projected to double/triple by 2030/2050. In addition, the team described potential value-added activities by commodity. Existing ports (LA/LB) will not be able to handle this kind of tonnage (needs will outpace capacity by 500%). There will be a need to get containers off the dock as quickly as possible and use inland ports.

Arizona has many advantages in terms of siting facilities to relieve Southern California freight congestion. Not the least of which is the fact that we will grow so much here, we will have a demand for freight (3 million containers). We will be as big as LA by 2030 and will need those goods! We have some favorable tax angles as well.

There then was a discussion of passenger rail in terms of demand potential. Bruce Williams discussed potential passenger corridors (listed and shown on map). Existing studies were used to begin forecasting; reviewed all of the studies and tried to convert them in to common units for our uses. He then provided a summary of initial forecasts for intercity and commuter rail based on the previous work.

There was discussion about the Summary of Intercity Forecasts – Provide benchmark comparisons for the intercity forecasts.

Closing Comments:

The project team appreciates the continued interest and involvement of all participants in the second Rail Technical Advisory Team meeting. We look forward to your continuing contribution to this important project.

The next meeting will be held June 24, 2009 at the Phoenix Construction District Office from 10am-1pm. Please remember lunch will be served.

Meeting adjourned at approximately 1:00pm.