

## Rail Technical Advisory Team

### Meeting #3

#### Meeting Summary Notes

June 24, 2009, 10:00 a.m.

Phoenix Construction District Office

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The meeting was called to order at approximately 10:00 am by Jim Zumpf, ADOT Project Manager, who led the participants through introductions and reviewed the agenda. Mr. Zumpf turned the meeting over to John McNamara, AECOM Management Consultant, to give an update of the meetings held to date and review the focus groups.

Mr. McNamara discussed that there have been many meetings and coordination over the past few months. He gave a brief update of the Northern and Southern Rail Focus Groups.

#### **Northern and Southern Rail Focus Group Overview**

Two focus groups were held, one in Southern Arizona on April 16 and another in Northern Arizona on April 24. Each Focus Group was designed to help define the issues and opportunities for the study, to describe and evaluate alternatives, and to identify representatives from interest groups. Both of the focus groups centered on Class I railroads and took place prior to the formation of the Western States High Speed Rail Alliance.

#### **Highlights from the Northern Focus Group include:**

- Relocation of BNSF mainline through Flagstaff may be required to further capacity enhancements.
- Shared right-of-way for freight and passenger services requires careful planning and coordination.
- Multistate authority required to plan and implement regional high-speed passenger rail.
- Expansion of freight and passenger rail transport can have positive influences on climate change.
- Coordination of land use, transportation, and economic development can provide opportunities for expansion of rail.
- Preserve existing railroad corridors for future expansion.

**Highlights from the Southern Focus Group include:**

- Discussion of Union Pacific mainline (Sunset Corridor) through Southern Arizona and the Tucson metro area.
- Rail improvements should minimize impact to critical environmental/conservation areas. This is reflective of discussions between the team and Arizona Game and Fish Department about how rail can become "moving walls" and barriers to wildlife habitats.
- Increase rail traffic from international markets provides economic development opportunities.
- Short line railroads can ease Class I operating pressures. What can be done to enhance the ability of short line railroads to strengthen relationships with Class I railroads? What role can they play in economic development?
- State Trust Land reform could facilitate regional rail improvements by providing rights-of-way. Relationships need to develop between railroads, planning departments, and land departments.
- HURF money is not available for rail improvements.
- Preserve existing railroad corridors for future expansion.
- Tucson streetcar system should be connected to any future intercity/commuter rail passenger systems.

**New Mexico Rail Runner**

Mr. McNamara turned the presentation over to Jim Dickey, project team member to discuss the New Mexico Rail Runner service. Mr. Dickey explained that the rail team met with the primary staff responsible for the New Mexico Rail Runner program and the operating staff (Herzog). Mr. Dickey reviewed the following points in regards to the Rail Runner:

- It was built by NMDOT and operated by the MPO (Middle Region Council of Governments).
- Initially used as a commuter line and has since opened a line into Santa Fe making it an intercity program.
- Average trip length is over 40 miles.
- Program was put together in five years, going from nothing to completion.
- Not federally funded therefore it bypassed the federal process; instead it was funded with state money.
- An agreement was made to purchase right-of-way from BNSF.
- Used an intense community involvement process to develop rail stations, location and access. The community involvement was as intense as if it had been a federally funded project.
- The key component of the program is it accesses the I-25 right-of-way. The right-of-way is 500 feet wide north of Albuquerque, and tunnels under the freeway lanes and enters from the tunnel to the center of the right-of-way.
- All new track construction included creative elements such as the tunnel length to meet federal guidelines.
- A lot of lessons were learned including the technology that works well for both intercity and commuter rail types.
- The system is limited to 79 miles per hour to meet Federal Rail Association standards with at grade crossings. Improvements can be made to increase speeds by constructing fully grade separated crossings.
- One concern with the early success of this system is the capacity of the park and rides not being adequate for growth.

### **Highlights from Arizona – Mexico Coordination**

Mr. Dickey then continued the presentation by discussing the coordination between the Arizona/Mexico Border Commission. The Arizona/Mexico Border Commission meets twice a year, once in Mexico and once in Arizona. The meeting in Arizona occurred a few weeks before this meeting. There have been many discussions with the Port of Guaymas officials because transportation issues are an important element to them. Guaymas is immediately south of Nogales and there is a rail corridor that exists there. Should the Port be expanded, Arizona could see more freight coming through. There are other ports that are planned for improvement; however, the Port of Guaymas is expected to be implemented first..

Free Trade Zone is being proposed in Guaymas. A rail line goes through the heart of many communities; carrying hazardous materials and moving slowly creating bottlenecks. The ultimate solution is to relocate this rail corridor removing it from the heart of communities. A bypass has been proposed but there are no detailed studies yet.

A project in Mexico is the development of a complete new Deep Water Port that would be built in Baja called Punta Colonet. The government was about to issue Requests for Proposals (RFP) for this project but it was put on hold.

### **Highlights from Short Line Coordination**

Mr. Dickey continued the presentation discussing short line railroad operators and that conference calls were held to engage the short line owners, short line operators, and inland port officials to identify issues. The team heard about the need for a secondary customer base and the potential for these short lines to intersect with Class I railroads. The following issues were captured from these conference calls:

- Lack of funding for safety improvements at state highway grade crossings
- Short Lines are characterized by aging infrastructure that requires investment
- Short Lines are looking for opportunities to serve other types of economic development besides typical product base
- Support in Yuma for reopening of Wellton Branch

### **Highlights from Trucking Industry**

Mr. Dickey turned the presentation back to Mr. McNamara to discuss trucking companies and the input received to date from them. The team has met with Swift Trucking and will be meeting with Knight later this week. He explained to the team that a report from those conversations would be available at a later date. One of this issues brought to our attention is the shifting environment of AL regulations and fuel costs. The trucking companies understand that a situation where shipping is based on the carbon footprint can arise making railroads more attractive. Trucking companies still have an advantage because railroads cannot typically deliver goods to the front door of an office or home. Trucking will still be essential in the movement of goods and as a result are starting to evaluate their business to be able to provide competitive pricing related to the new competitive environments.

## **MAG Commuter Rail Planning**

Mr. McNamara continued by discussing that there is a lot of coordination going on in regards to rail transportation. He then turned the presentation to Marc Pearsall to discuss coordination efforts with the Maricopa Association of Governments (MAG).

Mr. Pearsall explained that MAG has been working on commuter rail planning for approximately 2.5 years; this started with a Commuter Rail Strategic Plan that included northern Pinal County. In 2004 the Regional Transportation Plan (RTP) dedicated a portion of money for commuter rail studies, with approximately \$5 million over the lifetime of the RTP. The Regional Council asked for corridor studies based upon a 2007 Strategic Plan. The Grand Avenue Corridor (BNSF Phoenix Subdivision) began last fall to study infrastructure and possible station areas. BNSF gave MAG an inspection of the line from Phoenix to Wickenburg to help MAG understand what would be needed if a Transit Authority was established. There were no fatal flaws identified and there seems to be efficient right-of-way. There are over 100 customers within the corridor and BNSF's primary goal is their customers. MAG understands that BNSF customers must be held harmless. Mr. Pearsall continued to explain that MAG is working with each community along the line to understand their concerns. The Grand Avenue Corridor report is expected to be complete in December.

Mr. Pearsall continued to discuss the following efforts, issues, and concerns from MAG in regards to rail:

- The MAG Council has asked for a study of the Union Pacific Corridor, the Yuma Westline.
- The West Corridor Study, which includes Downtown Phoenix, Buckeye and Arlington is similar to the Grand Avenue Study, but the schedule is six months behind the Grand Avenue Corridor.
- The City of Phoenix, Sky Harbor Airport, and the City of Tempe are involved because of the high traffic generators located along the line.
- Looking at the Hassayampa and Hidden Valley Corridors (future freeway corridors) to incorporate transit and rail at the outset; interestingly MAG is paralleling studies and ideas from as early as 1920. There are a lot of long range options that would serve Maricopa and Northern Pinal Counties.
- Also looking into connectivity with other communities such as Tuscon, particularly using the potential Florence Extension.
- What organization takes responsibility for intercity rail services? Is it ADOT or the COGs?

Mr. Pearsall explained that he would present this information again with updates at the next Rail TAT meeting. There may be another request from the MAG Regional Council as a result of the system study to do another year-long study on an additional corridor. He explained that they were building a case for a future initiative or wish list to take to the public or legislature. American Recovery and Reinvestment Act (ARRA) money is most likely not an option because it is all spoken for at this time. The only way that commuter rail can happen at this time is with its own dedicated funding source, that is the only way the Class I railroads will begin these discussions.

## **PAG Commuter Rail Planning**

Mr. Pearsall turned the presentation to Jeremy Papuga, with Pima Association of Governments (PAG) and Al Altuna, with Tucson Regional Economic Opportunities (TREO). Mr. Papuga began with a presentation from PAG about Passenger Rail Planning and brought up the following points:

- PAG has a High Capacity Transit System Plan that is currently being completed.
- PAG is planning for rail because their constituents have been asking for it. The RTA passage is a clear indication that Tucson is looking for more than just a roadway program.
- A High Capacity Transit (HCT) System Plan was initiated in March 2008 with the discussions of the TIME initiative and the RTA update. This encouraged PAG to put themselves in a position to be prepared in case funding was to become available. This system approach was tied to corridors with a hierarchy of improvements. This plan included Stakeholder input for a corridor selection and prioritization based on a number of factors (potential ridership, capital and operating costs, right-of-way availability, land use, and socioeconomic factors).
- The HTC Systems Plan has four objectives: Create a system framework, prioritize corridors, identify initial implementation corridor, and inform the public and other planning processes.
- There are recommendations going to the RTP task force to be included in a fiscally constrained long range plan for the region.
- A project priority list has been developed and there is support for intercity rail from the RTP task force.
- Stakeholders will be selecting projects in a couple weeks; determining priorities and applying fiscal constraints.

Mr. Papuga then turned the presentation to Mr. Altuna to discuss Freight Planning from an economic development standpoint. Mr. Altuna discussed TREO's Economic Blueprint for Economic Development and industries that TREO is focused on developing further. He identified the Inland Port Initiative which started with the City of Tucson City Manager's Office and is now managed by TREO. This assignment was to create a center of expertise. Mr. Altuna reviewed a map on a slide in his presentation that showed TREO's work in conjunction with PAG.

Mr. Altuna referred to a Networking of Resources in which he is very proud of the speakers who give a good, broad spectrum of the logistics industry and to Administer a grant program from the Department of Labor to provide education in logistics. In conjunction with Community Colleges who put curriculum together, and then reach out to companies in private sector to ask them what they need to help their businesses. The intent is to make the program most valuable to all. He also discussed partnering with port authorities and other organizations to help develop transportation logistics meetings.

Mr. Altuna then reviewed the next steps in the Inland Port Initiative which are as follows:

- Create a new Inland Port as recommended by the recently completed Inland Port Development Plan
- Marketing of existing logistics resources
- Recruiting and locating logistics service providers in the region
- Work with PAG to help identify infrastructure gaps in the region to improve freight movements

## **Intercity Rail Planning**

Mr. Altuna then turned the presentation back over to ADOT and Mike Normand. Mr. Normand began with a discussion of a \$1 million FRA grant to begin studies for intercity rail from Phoenix to Tucson. These funds, in addition to \$1 million ADOT match, will be used for an alternative analysis to begin a NEPA process. ADOT will work in coordination with MAG and PAG in developing a scope of work. A bid advertisement is expected within the next two to three months and work is expected to begin by the end of the year with an 18-24 month process. ADOT is also applying for additional funds to complete a thorough environmental review under NEPA.

Following Mr. Normand's presentation, an open discussion was held to discuss opportunities and issues in regard to the freight rail and passenger rail concepts. The following recaps this discussion:

### **Freight Rail Strategic Concepts**

#### **Class I Railroad System Development – Operation in the Phoenix Metropolitan Area**

- Has a discussion of realigning rail rather than having it go through city centers been considered? A bypass? A bypass can be problematic as the main route through the Phoenix Metro area already serves many customers.
- Customers of the railroads come first and there are many innercity customers. Anything done in the future would need to accommodate the existing customer base.
- In general, railroad right-of-way needs to be protected for future use and ability to serve customers.
- UP and BNSF would need to educate agencies and officials on what is necessary to alleviate their existing issues.
- A bypass would make more sense in Flagstaff off the mainline.
- Has corridor preservation been considered – especially for commuter and light rail development?
- There are many safety issues, especially focused on private crossings.

#### **Class I Railroad System Development – Operation in the Tucson Metropolitan Area**

- Preserve and grow customer base by developing rural services and identifying potential customers.
- Need for improved short line infrastructure. Arizona Eastern talked about passenger services between Globe and Safford.
- Possibility of a western alignment of UPRR around Tucson.
- What would be the process for corridor preservation? There is no state policy related to economic development opportunities.
- Short line customer base is a focus in the rural areas.
- A bypass in some communities as Kingman and Flagstaff could resolve some existing safety issues.
- Focus on green/environmental solutions and cumulative impacts.
- Moving tracks cannot be considered without taking into account the needs of customers.
- RTA has opened dialogue and is continuing the process of opening the lines of communication with railroads.

#### Class I Railroad System Development – Operation Statewide

- Address choke points with double tracking affected by regulatory road blocks.
- "Green Connectivity" is an important concept that needs to be considered. There needs to be creative ways to ensure that animals can continue to move.
- Develop creative ways to manage storage issues.

#### Mexican Deepwater Ports Enhancement and Development

- Be prepared for port development opportunities. Have permits and plans ready. Get studies submitted to the government for their review. Transparency and dialogue are desperately needed in this process.
- Arizona is missing out on ARRA funding at this point because studies were not in place to receive funding as other states have.
- The economy is down right now, but keep planning for the future. Having a state master plan for freight is key to success. Get it ready now and incorporate safety issues into the plan.
- ACC needs education on the importance of railroads. This needs to be at a commissioner level, not at a staff level.

#### Inland Ports and Logistics Facilities Enhancement and Development

- The Tucson/TREO inland port was successful because it's a private operation with few regulations.
- Local support and coordination is key.
- Consider a conglomeration of freight villages with integrated logistics centers to reduce the number of trips on roadways.

#### Potential New Rail Corridors or Relocations

- The state needs to be aggressive in pursuing right-of-way acquisitions.
- Corridor preservation is a key strategy to support this concept. It may be easier with brand new corridors because you can preserve the right-of-way up front.
- Need to be aggressive as a state when opportunities arise to proactively invest in a future rail plan.

#### Short Line Railroad Development and Expansion

- What can the state do to improve short line interchange points?
- There are approximately a dozen states that have in place ways to work with short lines and Arizona will be looking for lessons learned from those states.
- Are there possible grants or low cost loans for short lines? Bridge strengthening? Rail improvements?

## **Passenger Rail Concepts**

### High-Speed Rail

- Successful corridors could be part of passenger rail coalition and Arizona has not renewed membership.
- Western High Speed Rail Alliance is being pulled together now and MAG has voted to join in. This is a coalition of MPOs, not states and many details are still unknown as of yet, but at least this coalition is being formed.
- The State of Arizona used to be a member of States for Passenger Rail Coalition, but has not renewed membership.
- Potential renewable energy sources should be considered. The issue of energy needed for high-speed rail is germane to Arizona. Arizona has a built in energy resource, the sun.
- This is not just a discussion of identifying corridor locations, but getting Arizona to the table.

### Intercity Rail

- Early in the process of getting designated as a champion and sponsor – operating entity to run the system.
- Obtaining right-of-way will be a challenging requirement.
- Get a handle on liability issues early, as time passes it becomes increasingly more difficult and costly.
- Renewable energy should be considered.
- Rural intercity services to cities like Globe and Safford should be considered.
- There are proven technologies for intercity rail. Do not focus on new and emerging technologies as the research and development is a long lead in and not necessary. Proven technology has been in place in Japan since the 1960s.

### Enhancement and Utilization of Amtrak Services in Arizona

#### Things that the State could do in the short term:

- Improving reliability would help. Delays/late arrivals are an issue now.
- Choke point issues apply to Amtrak as much as they do to freight.
- Improvement to schedules to make them more convenient for customers.
- Service frequency.
- Sunset Limited and Southwest Chief are the two trains that run through Arizona

#### In the long term:

- Provide service to Phoenix (previously discontinued)
- Improve bus feeder service

## **Commuter Rail Concepts**

The objective is to complement what MAG and PAG are doing, on which they provided information earlier today.

## **Organizational Development and Support Activities**

Jim Dickey reminded the group that these items have been the subject of much discussion since the inception of this study. We need to identify a strategy that would be suit our needs and the needs of the following:

- State
- Regional
- Rail Authority
- Non-Profit Organizations
- Private Corporations
- Public Private Partnerships (PPP)

The solution will most likely be a mix of all of these.

### **Group Comments:**

- This needs to be defined up front quickly. With multiple groups working on something, things do not get done as quickly.
- We may need a state legislative champion for rail. There are a number of ways you can identify champions.
- If this study is going to reside at ADOT; ADOT needs to be an initial champion but probably a regional authority is the final answer for operation. Multi-county regional authority is best way to do the intercity. Not existing entities. We need a new one specifically for this charge.
- Needs authorization to bond or raise funds (tax).
- This decision is very much tied to the money. We have serious transportation funding needs and we need to look at that as a package deal rather than different modes working independently to fund their own mode. A good example is here where we have maybe maxed out sales tax and so other modes that were not involved are SOL.
- Fundraising needs to be comprehensive.
- We also will develop a strategy about interagency rail coordination. We have heard this morning about the disconnects, for example with ACC ...
- We are going to be spending time one on one to ascertain interest among state agencies and come up with umbrella structure going forward so there is a forum to continue discussions beyond this study.

### **The Next Steps**

The presentation concluded with a brief discussion of the teams next steps:

- Develop rail strategies concepts
- Formulate implementation program
- Integrate rail strategic concepts into Statewide Transportation Planning Program
- Ongoing coordination with stakeholders

### **Closing Comments:**

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