

Meeting Notes

Technical Advisory Committee

Colorado Rail Relocation Implementation Study – “R2C2”

CDOT – June 27, 2008

Tammy Lang, CDOT’s Project Manager for the R2C2 Study, opened the meeting at 9:30 a.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 fourth meeting of the Technical Advisory Committee (TAC). She next introduced PB’s Project Manager Randy Grauberger. He asked if there were any additions or corrections to the May 8 meeting minutes. There were none.

Randy next introduced Cassie Gouger, the Rail Team Lead for the Consultant Team. Cassie discussed the Preliminary Cost Estimates dated June 24. She discussed the various elements of the cost estimates and noted that additional work needed to be done on the grade separations and at-grade crossing protection. She was asked if the cost estimates included recent fuel related increases. Cassie noted that these could be considered 2007 costs.

BNSF’s Mike Sickler asked if switch heaters had been included in these costs and Jerry Albin with the Consultant Team noted that switch heater costs were included in the estimates for signaling. It was suggested that specific breakouts be shown for details such as switch heaters and signal costs related to at-grade crossing protection.

Colleen Deines suggested that an additional category be shown that identifies projected costs for items such as future required environmental studies, STB filing fees, attorney fees and the costs of developing the required agreements leading to project implementation.

A revised Draft of the cost estimates is expected to be available for review in mid-July and will be emailed to the Union Pacific and BNSF as soon as they are available.

Jack Tone next discussed the preliminary results of the RTC modeling of Alignments A and B. “On average” loaded trains between Sterling and Amarillo save 5.3 hours loaded southbound on Alignment A and 7.5 hours on Alignment B compared to the base case (existing alignment). Jack confirmed that the RTC model does account for geometric rise and fall of both Alignments.

Mike Sickler noted that on Alignment A, there may still need to be three crews instead of just two. Mike also indicated that there are currently ninety-two (92) train sets operating

between the Texas Utilities and the Powder River Basin. Twenty-eight (28) sets of trains are dedicated to the Smithers Lake electricity generation facility near Houston.

Following the modeling discussion, it was noted that PB's modeling team plans to visit the railroads one more time to review the RTC modeling for Alignments A and B and to finalize the approval of the modeling effort. **(These meetings in Omaha and Fort Worth are now scheduled for the week of July 29.)**

There were also questions related to the RTC model's ability to account for service interruptions that normally occur. It was suggested that Dick Makse would be able to answer that question when he meets with the railroads at the end of the month.

Jack Tone noted that there were still discussions as to the best way to incorporate diesel fuel costs, crew costs and maintenance of way costs into the calculation of railroads operational savings. It was suggested that the fuel savings come from the RTC model and crew and maintenance of way costs be derived from the AAR's "green book".

Nick Amrhein next provided a Benefits Analysis and Funding update. The discount rates previously assumed have been revised. The railroad discount rate has been revised to 9.94% to reflect the railroad's cost of capital; and the public benefit discount rate will be the risk free rate of 2.15%.

Nick also noted that no direct link should be assumed between net benefits and project funding for either the public or private sectors.

Tammy Lang indicated that a presentation to the TAC from a panel of County Commissioners had been planned at today's meeting. Instead, CDOT's Russell George is attempting to set up a meeting where he and representatives of the BNSF and UP can meet with local elected officials regarding this Study.

Randy Grauberger next discussed the status of the revised "Frequently Asked Questions" (FAQs). He asked for comments by July 2nd so that the final FAQs could be placed on the web-site by July 9.

The next agenda item was the status of the Study Purpose and need Statement. Randy said that the current version (Draft # 3) should be close to what will be the final version. This document was not an element of the original scope of work, but CDOT's Environmental Branch suggested that it would be useful to have it in the event this Study does lead to a future Environmental Assessment or Environmental Impact Statement.

Tammy Lang next introduced the consultants for the Rocky Mountain Rail Authority's (RMRA) Passenger Rail Feasibility Study. She noted that she, Randy and Jack had met with them earlier in the week to discuss data issues related to the two studies. Charlie Quandel and Chip Kraft next gave a brief overview of their Study for the RMRA. They expect the Study to be completed in the June/July 2009 timeframe. The RMRA Consultant team would like to receive railroad supplied data that was obtained by the

State in the R2C2 Study. This would save the railroads having to supply the same information once again for the Joint Line in particular. The confidentiality issue needs to be resolved prior to this occurring.

There was a suggestion that it may be beneficial to have a joint meeting between the railroads and both consultant teams. There was a suggestion that there may need to be a report created in late 2009 which would merge the results of the two studies into a document to guide the State's next steps in regard to rail relocation and passenger rail.

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 September 11 from 9:30 to noon.

The meeting adjourned at 11:55 a.m.

Meeting Attendees

TAC Members:

Grant Janke	UP Railroad
Dick Hartman	UP Railroad
Colleen Deines	BNSF Railway
Michael Sickler	BNSF Railway
Gary Blundell	BNSF Railway
F. Ray Herman	BNSF Railway
Steve Rudy	DRCOG
Pam Fischhaber	Colorado Public Utilities Commission
Kirk Strand	RTD
Paul Smith	Smith Consulting
Scott McDaniel	CDOT Region 1
Pete Graham	CDOT Region 4
Mehdi Baziar	CDOT Mobility Section
Tom Mauser	CDOT Multimodal Planning
Bill Moore	Pueblo MPO
Ron Davis	Action 22

TAC Members not in attendance:

Mike VanWagenen	VST Railroad
Mike Ramsey	Federal Railroad Administration
Doug Lehnen	Town of Castle Rock/Rocky Mtn. Rail Assoc.
Joe Kiely	Town of Limon/Ports to Plains
Jim Orchard	Rio Tinto Energy America
Eric Bergman	DOLA
Paul Westhoff	CDOT Region 2

Jim Paulmeno

CDOT Region 6

Other Meeting Attendees:

Tammy Lang

Randy Grauberger

Jack Tone

Cassie Gouger

Jerry Albin

Nick Amrhein

Charlie Quandel

Edwin ‘Chip’ Kraft

CDOT Project Manager

Parsons Brinckerhoff Project Manager

PB – Implementation Team Lead

FHU – Consultant Team Rail Lead

FHU – Consultant Team

PB Strategic Consulting

Quandel Consultants

TEMS