

DEPARTMENT OF TRANSPORTATION

Executive Director's Office
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February 20, 2009

Joe Bateman
Vice-President Public Affairs
Union Pacific Railroad
1400 Douglas Street, STOP 1560
Omaha, NE 68179-1560

Dear Mr. Bateman:

CDOT is very appreciative of all the time and effort Union Pacific devoted to the R2C2 study. You, Mark Bristol, Grant Janke, and Joe Arbona attended many of the Executive Oversight Team meetings, as well as meetings of the Technical Advisory Committee. We particularly thank Dick Hartman for attending many of the "Open Houses" around the State.

We understand your concern about the changes in assessing the benefits of Alignment A. As you know, the BNSF Railway raised serious objections to the consultant's use of crew cost savings on a train mile basis, claiming that the operating distance and times with that alternative did not permit the crew cost savings that the consultant was projecting. Unfortunately we were not able to reach a consensus on this issue and, in view of the study's completion the consultant was forced to use their best judgment in assessing the benefits and costs. We were certainly not in a position to tell the BNSF how they should be running their railroad in terms of changing crew districts or crew change points.

As you know, R2C2 did not evaluate any potential passenger rail benefits to the rail relocation to avoid any duplication with the passenger rail feasibility study currently being conducted by the Rocky Mountain Rail Authority (RMRA). If appropriate the results of the R2C2 study will be combined with the results of the RMRA study and at that time we will have an opportunity to address your concerns. We would look to continued participation of both UP and BNSF in the future work.

The letter sent to CDOT from Union Pacific dated February 10, 2009 will be made available to the citizens of Colorado by posting it on the R2C2 Study web site.

Sincerely,

A handwritten signature in cursive script that reads "Russell George". The signature is written in black ink and is positioned above the printed name and title.

Russell George
Executive Director

CC: Tammy Lang, R2C2 CDOT Project Manager
Randy Grauberger, R2C2 Consultant Project Manager