

**Oregon Department of Transportation  
Response to Questions from Joint Committee on Ways and Means  
March 23, 2017**

**Rail**

**1. What percentage did BNSF pay for Wickiup Junction? How much did the railroad pay for Wickiup junction?**

BNSF will contribute \$748,050, of the total forecasted project cost of \$16,266,590. The Code of Federal Regulations 23 CFR, -646.210 indicates the railroad shall share 5 percent of the costs of preliminary engineering, right of way , and construction of a grade separated project when an at-grade crossing with train activated warning devices (flashing lights, gates, bells) is being eliminated, and replaced by, a new grade separated structure. The 5 percent was calculated based on the estimated costs of a theoretical highway profile that would be constructed if the railroad was not present. BNSF is not required to present its share of the costs, until the at-grade crossing is physically, and permanently, closed.

**2. When will all of the lag screws be replaced state wide?**

All of the problematic lag screws will be replaced by end of 2018. Currently all curves in Oregon have been inspected, and lag screws have been replaced in the Columbia Gorge from John Day River to Troutdale.

**3. Timing of trainset purchase with Passenger Rail Improvement and Investment Act (PRIIA)/ When was the decision made to purchase the trainsets?**

The decision to purchase the trains was approved by the Oregon Transportation Commission (OTC) on July 23, 2009 using available American Recovery and Reinvestment Act (ARRA) stimulus money.

In 2009, only five trainsets operated in the corridor. These are owned by WSDOT (three trains) and Amtrak (two trains). WSDOT notified Oregon that it intended to begin to provide two additional round trips between Portland and Seattle and would be moving the trainsets that had been working in the Willamette valley back to Washington. In anticipation of this service expansion, Oregon decided to purchase trainsets to ensure continued service in the Willamette Valley.

The decision and monies coincided with Wisconsin's acquisition of two Talgo Series 8 trainsets. Oregon took advantage of this opportunity to order two trainsets with Wisconsin's purchase in January 2010. ODOT's procurement of the Talgo Series 8 trainsets was poised to reap significant benefits and cost savings through project management and expenditures anticipated to be made by the state of Wisconsin.

In 2008 Congress passed the Passenger Rail Investment and Improvement Act (PRIIA). A provision of PRIIA shifted all costs of short-distance intercity passenger trains (i.e., routes under 750 miles in length) like the Amtrak Cascades from Amtrak to the states effective October 1, 2013.

#### **4. Trainset questions**

##### **Why buy uncertified trainset?**

Trains must be certified or tested in the corridor in which they will run. Testing is required under Federal Railroad Administration 49 CFR 238.111. It is not possible to have them come certified for the appropriate corridor from the manufacturer.

The trainsets purchased by Oregon were to be previously tested by Wisconsin and would only require minimal corridor testing in the Pacific Northwest. The change in Wisconsin's political climate prompted a change in direction (and litigation) for the initial trainsets which resulted in Oregon assuming the lead role for all testing. This was contrary to ODOT's original planning but it was decided to further negotiate testing and avoid litigation.

ODOT had to assume costs associated with testing the trainsets and ensuring they were compliant with FRA regulations 49 CFR-238.111.

To reduce costs, the ODOT project team considered several alternative testing locations and facilities and decided that the Transportation Technology Center, Inc. (TTCI) at Pueblo, Colorado was the best option. The two trainsets were statically tested in Wisconsin and one trainset was dynamically tested at TTCI's testing facility in Pueblo, CO. Both trainsets were moved to Seattle and successfully completed corridor qualification testing. The trains entered into revenue service in November 2013.

##### **How much will it cost to get out of the contracts?**

ODOT will need to terminate the existing operating agreement with Amtrak and various agreements with Talgo. Agreements have various provisions to terminate for cause and funding, ranging from 90 to 180 days. Those specific termination costs would range from \$3M-\$3.5M primarily for paying out or providing service on prepaid tickets, amortized cost for purchase of spare parts and consumables.

## 5. What is cost to discontinue service?

ODOT retained SNC Lavalin in 2016 to develop the estimated cost of cancelling and reinstating passenger rail. The estimated costs for storing and then recommissioning the trains are provided in the table below.

	Pre – storage	Year 1	Year 2	Year 3	Year 4	Year 5	Removal from storage
Haulage to Storage	\$100,000						
Physical Storage of Cars	\$50,000						
Pre-mothball Activities	\$450,000						
Storage of 26 Cars		\$390,000	\$390,000	\$390,000	\$390,000	\$390,000	
8 Intermediate Inspections for 2 Years		\$25,000	\$25,000				
Insurance		Unknown	Unknown	Unknown	Unknown	Unknown	
Removal from Storage							\$125,000
Haulage from Storage							\$100,000
Catch-up Maintenance							\$450,000
Train Upgrade							Unknown
Amtrak Recommissioning							\$2,832,179
Resumption of Maintenance and Support Agreements							Unknown
Totals	\$600,000	\$415,000	\$415,000	\$390,000	\$390,000	\$390,000	\$3,507,179

If the passenger rail service in Oregon is no longer funded, ODOT would be required to reimburse the FTA for the purchase price of the trains, less depreciation, in the amount of \$33M.

If the state decided to reinstate passenger rail in Oregon, the state would need to repurchase the slots on the Union Pacific line. ODOT estimates that repurchasing the slots on Union Pacific's line after ten years could cost approximately \$146.5M. Union Pacific can deny this request.

Amtrak estimates the financial impact of remobilizing Amtrak to operate the Portland-Eugene leg of the Amtrak Cascades is \$2.832 M in FY2018 dollars. Restoring service after a five to ten year hiatus could take as long as two years in order for Amtrak to hire, train, and qualify new employees to operate the service.

If the state did not store the trainsets currently owned then it would need to purchase new equipment or lease equipment from Amtrak to reinstate service. The assumption is that purchasing new trains would be expected to incur similar costs as those from the purchase of the Talgo Series 8 trainsets plus inflation.

**6. Develop a financial display – funding sources of passenger rail that includes funds to subsidize and payments to Amtrak.**

See Appendix A.

**Did we pay for Union Pacific rail improvements?**

The initial payment to Union Pacific Railroad (UPRR) to start passenger rail service on their line was \$8,100,000 beginning in the 1999 – 2001 biennium and the payment to UPRR to allow the second round trip between Eugene and Portland was \$15,000,000 made starting in the 2003 – 2015 biennium.

**7. How much *ConnectOregon* went to the Class 1's?**

ODOT has reimbursed the Class 1 railroads \$30,265,417 through the *ConnectOregon* program (UPRR \$24,517,774 and BNSF \$5,747,643). All reimbursements for Class 1 projects through *ConnectOregon* V have been made. The agreement for the only Class 1 project approved for funding through *ConnectOregon* VI has not been signed. It is unlikely that there will be any payments made on that grant in this biennium.

The Class 1 railroad projects funded by *ConnectOregon* benefit the entire rail system, surrounding communities, local businesses, and passenger rail because all rail traffic, including short line railroads connect or travel across Class 1 rail lines at some point. Class 1 railroad improvements benefit the entire state by reducing rail system congestion, reducing crossing blockages, improving the flow of freight and

vehicular traffic, improving safety and freight and passenger rail speeds. The state contribution changes the railroads return on investments and encourages more investments in the state than they would normally make.

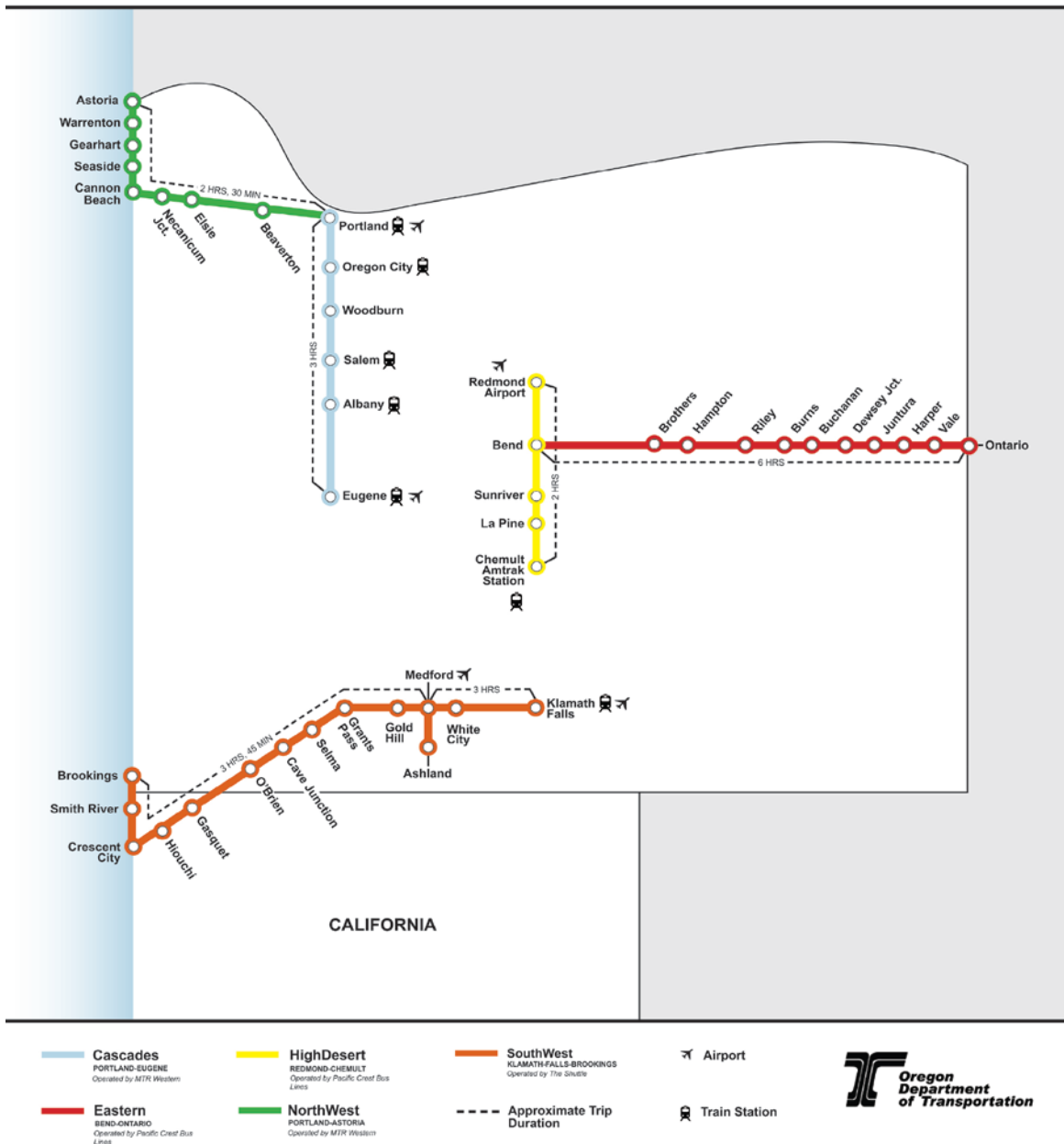
The table below, below lists Class 1 railroad projects funded through *ConnectOregon*.

<b>ConnectOregon Class 1 Railroad Projects</b>				
<b>AGMT #</b>	<b>REG</b>	<b>UPRR PROJECT NAME</b>	<b>GRANT AWARD</b>	<b>ODOT PAID</b>
23513	5	Improvement to Hinkle Yard, Hermiston	\$3,721,013	\$3,721,013
24927	1	St. Johns Lead Improvements	\$6,995,221	\$6,987,721
26922	1	Barnes Yard Bypass	\$5,070,186	\$5,063,426
26930	2	Albany Centralized Traffic Control	\$5,190,024	\$4,753,115
28691	2	Bridge Replacement (MP 662.00)	\$4,000,000	\$3,992,500
31634*	1	PDX Passenger-Freight Rail Speed Improvement	\$8,294,124	\$0
		<b>UPRR TOTAL</b>	<b>\$33,270,568</b>	<b>\$24,517,774</b>
*No signed agreement at this time. Do not anticipate any payments in this biennium.				
<b>AGMT #</b>	<b>REG</b>	<b>BNSF PROJECT NAME</b>	<b>GRANT AWARD</b>	<b>ODOT PAID</b>
24921	1	East St. Johns Siding Extension	\$5,221,405	\$4,337,943
24937	1	Astoria Wye	\$2,040,158	\$1,409,700
		<b>BNSF TOTAL</b>	<b>\$7,261,563</b>	<b>\$5,747,643</b>
		<b>TOTAL</b>	<b>\$40,532,131</b>	<b>\$30,265,417</b>

## Transit

### 8. Where do we currently have POINT Service?

Oregon POINT service runs on five routes totaling 1.3 million service miles in 2015 and serving 39 communities throughout the state.



**9. Where else is ODOT going to be operating a POINT system service?**

With current funding levels, no additional POINT or other ODOT routes are planned. Although it isn't a POINT service, ODOT received a \$2.2 million FHWA Federal Lands Access Program grant allowing the ODOT-managed Columbia Gorge Express (CGE) service from Portland to Multnomah Falls to extend to Hood River in 2018 and to provide that service through 2020. In its 2016 pilot season, CGE operated Friday through Sunday and federal holidays from May 27 through Sept. 25, providing approximately 30,000 trips between Portland and Multnomah Falls with a stop at Rooster Rock State Park. That service will be repeated in 2017 and then expand to Hood River in 2018. With the extension to Hood River daily service will be added as well as additional stops at other I-84 recreation destinations in the Gorge as well as Cascade Locks.

**10. Provide chart with POINT bus routes and their funding and ridership**

	POINT Services					
Fiscal Year 2015 (most recent year data is available)	Cascades	NorthWest	Eastern	HighDesert	SouthWest	Total
Total Ridership	90,173	24,841	3,981	4,658	8,319	131,972
<b>Total Full Burden Service Cost (by fund source)</b>	<b>\$1,480,198</b>	<b>\$424,622</b>	<b>\$297,289</b>	<b>\$242,002</b>	<b>\$558,929</b>	<b>\$3,003,040</b>
<i>Fed</i>	\$18,683	\$68,084	\$127,605	\$133,229	\$393,078	\$740,679
<i>State (STF)</i>	\$18,683	\$34,607	\$68,711	\$71,738	\$ --	\$193,739
<i>InterCity Cash (revenues in excess of expenses)*</i>	\$101,512	\$ --	\$ --	\$ --	\$ --	\$101,512
Total ODOT Subsidy	\$138,877	\$102,691	\$196,316	\$204,967	\$393,078	\$1,035,930
Farebox Recovery %	91.9%	79.6%	40.0%	36.1%	39.3%	

\* In 2015, farebox revenues exceeded the cost of operating the Cascades Route and ODOT received cash payments from the transit operator for each month that this occurred. Since that time, additional service was added to this route, and monthly farebox revenues generally do not exceed expenses.

Sources: POINT FY2015 Bus Intercity Service Reports, OPTIS FY2015 Financial Data

**11. Where are the approximately 1000 buses in the state and are they getting help with selecting the right size of buses?**

The chart on the next page shows the transit providers and the size of the buses in which ODOT holds title. Transit providers receive technical assistance from the Transit Section's capital program coordinator and their regional transit coordinators when they are applying for and receiving grant funding to purchase vehicles. They are advised to consider ridership, likely mileage, road and climate conditions, and useful life, among other details related to vehicle specifications and individual provider needs.

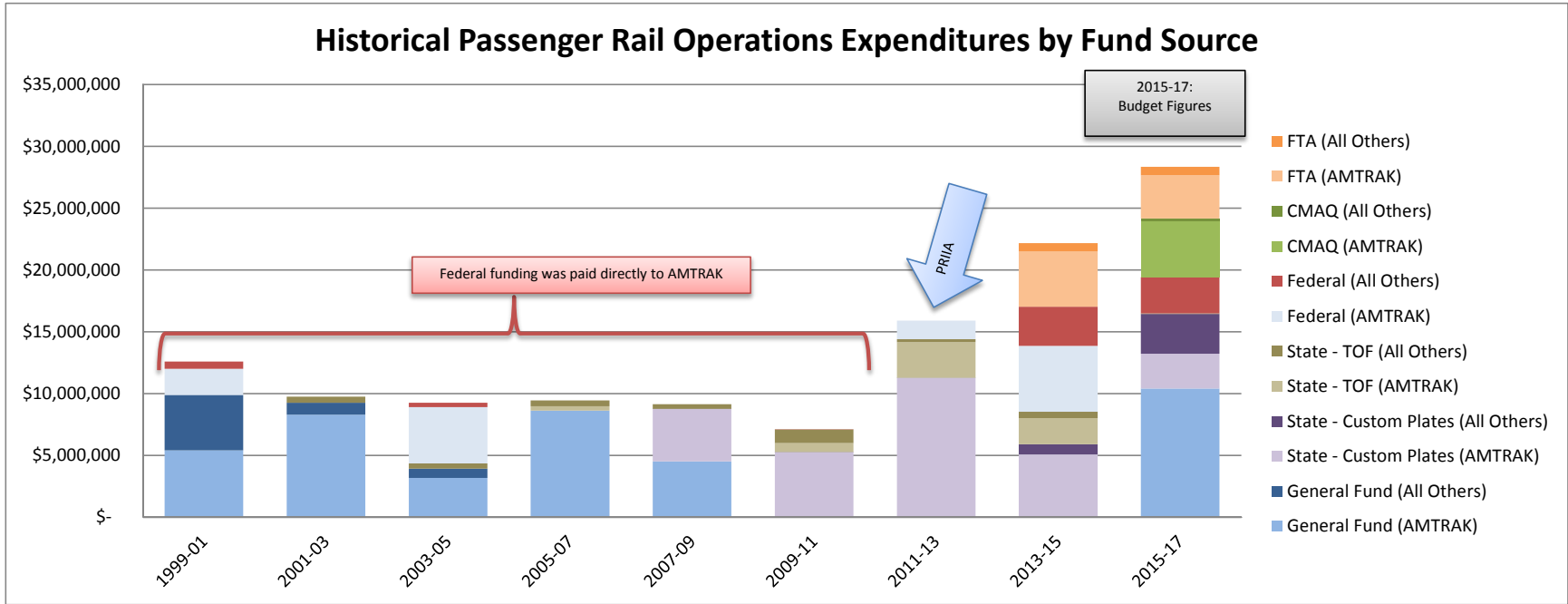


Transit Provider	Total Number of Vehicles	Vehicle Class				
		Class A - Large Heavy Duty 35ft+ (12 yrs/500,000 miles)	Class B - Medium Heavy Duty 30-35ft (10 yrs/350,000 miles)	Class C - Medium Size Medium Duty 25-30ft (7 yrs/200,000 miles)	Class D - Medium Size Light Duty 20-25ft (5 yrs/150,000 miles)	Class E - Small Light Duty or Van <22ft (4 yrs/100,000 miles)
Abilltree	2					2
Basin Transit Service Transportation District	9	4	2		1	2
Benton County	21			2	7	12
CAC Transportation, Inc.	3		2	1		
Central Oregon Intergovernmental Council	47		10	6	24	7
Chamberlin House, Inc.	1					1
City of Albany	13	4		1	1	7
City of Canby	10	2		4	3	1
City of Corvallis	1	1				
City of Lebanon	4				2	2
City of Milton-Freewater	2				1	1
City of Pendleton	6				2	4
City of Sandy	10	3	1	2	2	2
City of Silverton	3				1	2
City of Sweet Home	2		1	1		
City of Woodburn	9	1	2		3	3
Clackamas County	4	2			2	
Clearview Mediation and Disability Resource Center	1					1
Columbia County	20	1	2	7	5	5
Community Action Program of East Central Oregon	2					2
Community Connection of Northeast Oregon, Inc.	29		2	2	12	13
Confederated Tribes of the Umatilla Indian Reservation	7		3	2	1	1
Confederated Tribes of Warm Springs	1					1
Coos County	2					2
Coos County Area Transit Service District	10				7	3
Curry County	1		1			
Curry County Public Transit Service District	13				10	3
Douglas County	27			7		20
Douglas Resident Training Facilities	7				1	6
Gilliam County	9				2	7
Good Shepherd Health Care System	2					2
Grant County Transportation District	7				3	4
Harney County	8				1	7
Hood River County Transportation District	11			1	9	1
Josephine County	12			3	2	7
Klamath Basin Senior Citizens Center, Inc.	5					5
Klamath Youth Development Center	1					1
Lake County	6				2	4
Lane Transit District	45		1	5	33	6
Lincoln County Transportation Service District	13		4	6	3	
Linn County	1			1		
Living Opportunities, Inc.	6					6
Malheur Council on Aging and Community Services	3					3
Malheur County	12			1	6	5
Marie Mills Center, Inc.	5				2	3
Mid-Columbia Council of Governments	8				6	2
Morrow County	3				3	
MTR Western, LLC	2	2				
Opportunity Foundation of Central Oregon	3				1	2
Options for Southern Oregon, Inc.	18					18
Ride Connection, Inc.	87			1	49	37
Rogue Valley Transportation District	21				5	16
Salem Area Mass Transit District	61		8	4	39	10
Senior Citizens of Sweet Home, Inc.	8		3	3	1	1
Sherman County	8				1	7
South Clackamas Transportation District	6			6		
Southern Oregon ASPIRE	1					1
Star of Hope Activity Center, Inc.	6				1	5
Step Forward Activities, Inc.	1			1		
Sunset Empire Transportation District	13		3	5		5
TAC Transportation, Inc.	4		4			
The Klamath Tribes	8			2	1	5
Tillamook County Transportation District	25		10	2	4	9
Tri County Metropolitan Transportation District of Oregon	216		7		194	15
Umatilla County	2					2
Umpqua Homes for the Handicapped	8					8
Valley Retriever Buslines	5		4	1		
Volunteer Careglivers (Linn Co.)	2					2
Wheeler County	11				4	7
Wilsonville, City of	11			2	8	1
Yamhill County	18	3		8	4	3
<b>Grand Total</b>	<b>969</b>	<b>23</b>	<b>70</b>	<b>87</b>	<b>469</b>	<b>320</b>
<b>%</b>	<b>100%</b>	<b>2%</b>	<b>7%</b>	<b>9%</b>	<b>48%</b>	<b>33%</b>

**12. What's relationship with PSU for Oregon Public Transportation Plan and KPM?  
Was it bid? How is the PSU study being funded?**

ODOT has contracted directly with PSU to update their previous studies to inform the update to the Oregon Public Transportation Plan and the KPM goal. PSU is updating two reports: Needs, Costs, and Funding Alternatives for Transportation Services for Older Adults and People with Disabilities in Urban and Rural Oregon published in 2008 and the Rural Transit in Oregon: Current and Future Needs published in 2010. ODOT expects a final product by summer 2017. The total cost of the work is \$165,228 funded from Special Transportation Fund.

Appendix A



Fund Source	Biennium									Fund Source Totals
	1999-01	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15	2015-17	
General Fund (AMTRAK)	\$ 5,405,900	\$ 8,300,879	\$ 3,164,610	\$ 8,626,167	\$ 4,504,713	\$ -	\$ -	\$ -	\$ 10,408,710	\$ 40,410,979
General Fund (All Others)	\$ 4,487,086	\$ 961,568	\$ 750,006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,198,660
State - Custom Plates (AMTRAK)	\$ -	\$ -	\$ -	\$ -	\$ 4,264,311	\$ 5,267,817	\$ 11,261,272*	\$ 5,068,415	\$ 2,821,543	\$ 28,683,358
State - Custom Plates (All Others)	\$ -	\$ -	\$ -	\$ -	\$ 292	\$ 324	\$ 3,851	\$ 819,696	\$ 3,206,290	\$ 4,030,453
State - TOF (AMTRAK)	\$ -	\$ -	\$ -	\$ 357,858	\$ -	\$ 733,090	\$ 2,893,977	\$ 2,131,548	\$ -	\$ 6,116,473
State - TOF (All Others)	\$ -	\$ 492,107	\$ 424,544	\$ 462,602	\$ 374,996	\$ 1,104,267	\$ 236,019	\$ 519,506	\$ 45,000	\$ 3,659,041
Federal (AMTRAK)	\$ 2,120,903	\$ -	\$ 4,560,390	\$ -	\$ -	\$ -	\$ 1,500,003	\$ 5,330,966	\$ -	\$ 13,512,262
Federal (All Others)	\$ 569,729	\$ -	\$ 359,419	\$ (2,730)	\$ -	\$ 2,703	\$ -	\$ 3,170,679	\$ 2,937,968	\$ 7,037,768
CMAQ (AMTRAK)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,578,000	\$ 4,578,000
CMAQ (All Others)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,000	\$ 165,000
FTA (AMTRAK)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,444,475	\$ 3,500,000	\$ 7,944,475
FTA (All Others)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690,274	\$ 692,580	\$ 1,382,854
<b>Biennial Totals</b>	<b>\$ 12,583,618</b>	<b>\$ 9,754,554</b>	<b>\$ 9,258,969</b>	<b>\$ 9,443,897</b>	<b>\$ 9,144,312</b>	<b>\$ 7,108,201</b>	<b>\$ 15,895,122</b>	<b>\$ 22,175,559</b>	<b>\$ 28,355,091</b>	<b>\$ 123,719,323</b>

\* Due to delay in execution of the FFY11 AMTRAK operating agreement 2011-13 expenditures include payments for services rendered in the 2009-11 biennium.