

Oregon Department of Transportation

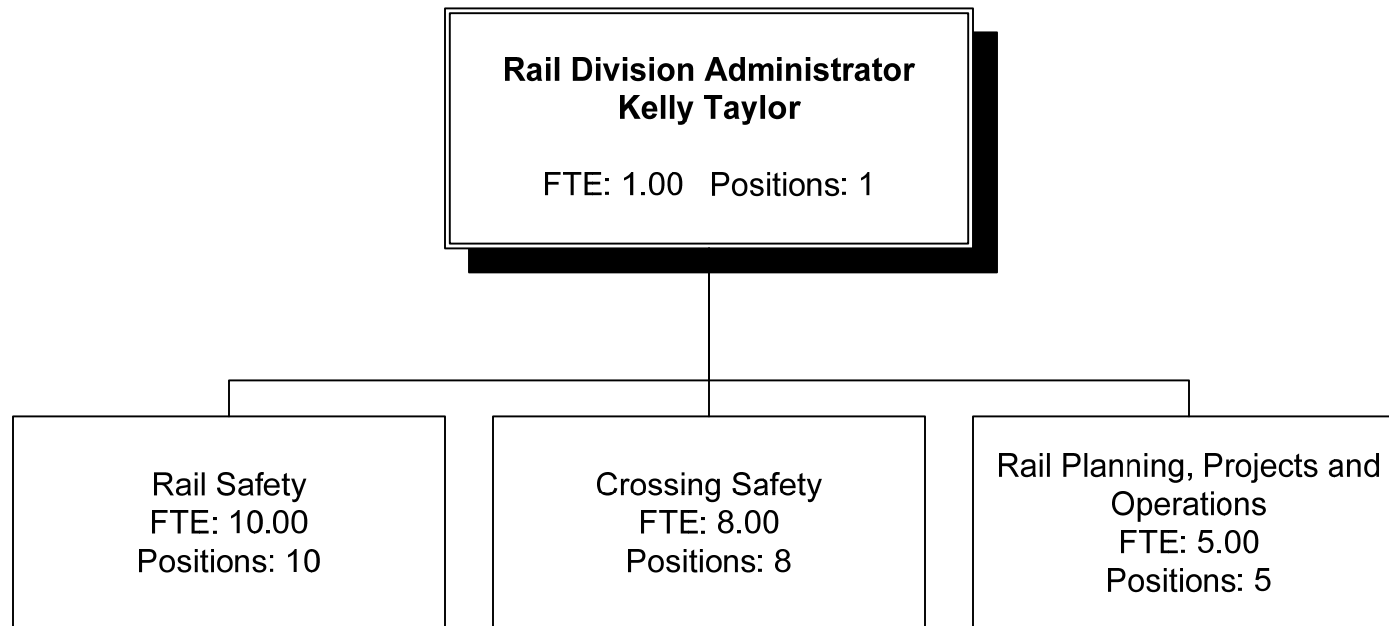
Rail

Program Description

The Rail Division supports ODOT's mission by representing and advocating for customers of railroads, both passenger and freight, to ensure a safe, efficient and reliable rail transportation system. The division carries out its support through a number of programs that address the safety of railroads operating in the state, the safety of 2,500 public highway-rail crossings, the safety of rail transit operations, and the development of passenger and freight rail transportation opportunities.

2009–2011 Organization Chart

FTE: 24.00 Positions: 24



Oregon Department of Transportation

Rail

2009-11 Essential Budget Level (EBL) and the Governor's Recommended Budget (GRB)

MAJOR BUDGET DRIVERS, ISSUES AND ENVIRONMENTAL FACTORS

The Rail Division's priorities and resource allocation strategies are driven by three primary goals: Public Safety, Mobility and Livability.

Public Safety—Under Oregon law, the Rail Division is responsible for ensuring the safety of railroads in the state. This mandate covers various components of the railroad system including: public highway-rail crossings, infrastructure (tracks, signals), locomotives and cars, along with rail transit systems. These efforts are focused on ensuring operating practices, maintenance activities, and road construction projects to maximize safety for citizens, railroad employees, and customers of the rail system, such as shippers and passengers.

Mobility—Railroads facilitate the efficient movement of people and goods, which directly impacts local and regional economies. Each of the modes, including rail, are being challenged by the growing need for transportation, both within and beyond the state's boundaries on infrastructure that is often constrained. Public investment in expansion of capacity on the freight rail system is warranted because railroads are a vital part of the transportation system. The Division manages the public funds invested in rail infrastructure projects, such as smaller railroads upgrading their infrastructure to accommodate heavier freight cars, and enhancing rail access to ports and other intermodal facilities. The Division also facilitates the expansion of passenger rail service, and encourages partnerships on developing public/private agreements to help address the mode's significant infrastructure challenges. The Rail Division realizes it's imperative for the modes to work cooperatively to address the state's mobility needs as no one mode can satisfy current and future demands in isolation.

Livability—The Division's mandates and programs contribute to the state's livability through development of efficient, safe and comprehensive rail service that minimizes environmental impact, contributes to effective land use, sustains jobs, and contributes to a favorable business climate. The ability of Oregon's railroads to help divert road traffic (for both freight and passenger trips) helps congestion management efforts and enhances the useable life of road investments. The Division's regulation of public highway-rail crossings, including blocked crossings, aids local access, emergency response times and overall livability (reduced noise and air pollution from idling, etc.). The state-sponsored intercity passenger rail service and related bus service offers citizens and visitors an alternative travel mode to communities.

Oregon Department of Transportation

Rail

THE ESSENTIAL BUDGET LEVEL

The Essential Budget Level (EBL) provides funding for rail safety programs, such as Crossing Safety and Rail Safety, and for Planning and Operations programs, such as the Amtrak *Cascades* passenger trains.

- The Crossing Safety program regulates the construction, alteration, and protection of public railroad-highway crossings. Road authorities and railroads apply to the Rail Division for permission to construct, alter or close public crossings. The Division authorizes such action through a Crossing Order. A Crossing Order outlines the responsibilities of a road authority and a railroad in respect to the activity approved for a specific crossing, e.g. construction and ongoing maintenance of the crossing. Road authorities and railroads can request a hearing to be held on the Division's approval or denial of crossing applications, as well as the Order itself, through the Administrative Procedures Act. However, very few hearings are requested, and even fewer are actually held; a testament to the effective collaborative efforts between the Rail Division, road authorities and railroads to work through the issues to reach agreement.
- Crossing Safety staff inspects the approximate 2,500 public crossings statewide to ensure the crossings are properly maintained. Using federal and state funds, the division manages safety improvement projects such as signal upgrades, the construction of crossings and closure of highway-rail grade crossings. Our efforts to protect public safety are successful as there has been a steady decline of injuries and deaths at crossings, despite increases in population, and motor vehicle and train traffic.
- The Rail Safety program ensures compliance with state and federal regulations related to track, locomotives and rail cars, hazardous material transport and railroad operating practices for the 22 railroads in Oregon. This program is critical in reducing the potential for railroad derailments and releases of hazardous materials. The Rail Safety Section, in cooperation with the federal government, uses a combination of inspections, enforcement actions and industry education to improve railroad safety. This section also inspects railroad sidings, yards and loading docks to ensure the safety of railroad workers, which includes the railroads and the more than 650 rail-served industries. Again, our efforts to protect public safety are successful as there has been a decline of derailments in the past few years.
- The Rail Safety program also has responsibility for the safety oversight of rail fixed guideway systems, i.e. light rail, streetcars and trolleys. The Division works closely with rail transit agencies to develop safety and security policies and procedures that comply with Federal Transit Administration regulations.

Oregon Department of Transportation

Rail

- The Planning and Operations programs help develop freight and passenger rail plans and manage railroad improvement projects, including *ConnectOregon*, for both freight and passenger rail operations. Staff provides technical expertise to communities interested in developing rail opportunities, such as commuter rail. The Division participates in federal proceedings related to railroad mergers and line abandonments. Staff also manages the state-supported Amtrak *Cascades* passenger rail service and the related *Thruway* motor coach service. Passenger rail ridership has steadily increased since the service began in 1999, setting record numbers of riders in 2008, up 26% from 2007.

Current Revenue Issues That May Impact EBL

Sales of customized vehicle plates through DMV may decline due to current economic conditions and a proposed increase in the fee charged to citizens. The dollars generated through the sale of these plates fund the Passenger Rail Program which pays for Amtrak *Cascades* trains from Eugene to Portland, Oregon. A decrease in plate sales may have an adverse effect on Amtrak *Cascades* funding.

Policy Packages

#090	Analyst Adjustments	(\$3,450,000)	0 Positions	0.00 FTE
-------------	----------------------------	----------------------	--------------------	-----------------

Analyst adjustment—Reduction in General Fund for Rail will be offset by an Other Fund increase in Package 502 (Jobs and Transportation Act of 2009), which includes an increase in the cost of custom license plates.

#502	Jobs and Transportation Act of 2009	\$39,272,435	0 Positions	0.00 FTE
-------------	--	---------------------	--------------------	-----------------

This package is the Governor's transportation funding proposal for 2009. Package 502 implements Governor Kulongoski's recommendations for transportation based on the report of the Vision Committee. There are two provisions related to rail:

Oregon Department of Transportation

Rail

Funding for non-road transportation at the state level

- Authorize \$35 million in lottery-backed bonds for purchase of two train sets for the Willamette Valley Cascades passenger service, which will replace the train currently leased from the state of Washington.
- Increase the custom plate fee by \$25 per year to offset the General Fund money now used to operate the second Cascades passenger train in the Willamette Valley.

General Fund Reduction Options

A 20 percent reduction (\$926,169) of the Essential Budget Level (EBL) would result in the loss of one of the trains between Eugene and Portland or a loss of days of service. Pkg 502 increases custom plate fees to fund most of this program with Other Funds. With the additional revenue from package 502 the General Fund would decrease to \$1,180,845 and the 20% reduction would be \$236,169. The reduction at the lower number would result in disruptions in service that may have also have an impact on the ability to continue the number of trains in service.

The additional reduction needed to get to a 30 percent of the Essential Budget Level (EBL) would have a cumulative effect on passenger rail service, impacting the viability of the service. As reductions to the service occur, fewer people ride the train leading to further reductions in service.

Oregon Department of Transportation Rail

Budget Detail

		2005–2007 Expenditures	2007–2009 Approved Budget	2009–2011 Governor’s Recommended w/o JTA	2009–2011 JTA	2009–2011 Governor’s Recommended
Program						
<u>Rail</u>		\$60,802,037	\$46,138,598	\$39,009,485	\$39,272,435	\$78,281,920
	Total Rail	\$60,802,037	\$46,138,598	\$39,009,485	\$39,272,435	\$78,281,920
	Expenditures by Revenue Source					
	Federal (FF and FF as OF)	\$5,306,466	\$20,133,346	\$20,577,503	\$0	\$20,577,503
	State (Other)	11,141,794	21,500,539	17,251,137	3,450,000	20,701,137
	Revenue Bonds	35,727,610	0	0	35,822,435	35,822,435
	State (General)	8,626,167	4,504,713	\$1,180,845	0	1,180,845
	Total	\$60,802,037	\$46,138,598	\$39,009,485	\$39,272,435	\$78,281,920
	Positions	24	24	24	0	24
	Full-Time Equivalent (FTE)	24.50	24.00	24.00	0.00	24.00
	Personal Services	\$3,613,417	\$3,596,314	\$4,487,401	\$0	\$4,487,401
	Services & Supplies	5,278,058	8,051,895	7,141,963	4,272,435	11,414,398
	Capital Outlay	91,378	0	0	35,000,000	35,000,000
	Special Payments	51,819,184	34,490,389	27,380,121	0	27,380,121
	Debt Service	0	0	0	0	0
	Total	\$60,802,037	\$46,138,598	\$39,009,485	\$39,272,435	\$78,281,920

Oregon Department of Transportation

Rail

Essential Packages

	Package Amount	Pos / FTE
Non PICS Increases	\$ 72,055	
General Inflation	1,045,230	
PERS Pension Bond Increase	24,968	
State Government Service Charge Increase	(115,430)	
Phase In / Out:	(5,500,000)	
Total	\$ (4,473,177)	

Summary

The Rail Division provides public safety protection through its Crossing and Rail safety programs, and development of an efficient and reliable freight and passenger rail transportation system through its planning, project and operation activities.