

# Rail Advisory Committee (RAC)

## Tuesday, September 19, 2023

### 9:00 a.m. – 11:47 a.m.

### Meeting Minutes

Attendees, RAC Members  
Bruce Carswell, Chair  
Gary Cardwell

Jeff Sheldon for Aaron Hunt  
Carmen Merlo  
Johan Hellman  
Chase Kitchen

Chris Myron  
Ross Lane  
Toby Van Altvorst  
Glenn Carey

#### Introductions and Committee Business

- Quorum confirmed.
- Minutes approved (03-21-23, 06-20-23)

#### Legislative Update: Kathy Holmes and Bruce Carswell

- **STATE**
  - SB 16-1
    - Creates additional provisions to ORS 824.016 relating to the State Rail Rehabilitation Fund. Currently no funding has been allocated from the legislature. ODOT is required to develop administrative rules for this program. Kathy Holmes will draft the Oregon Administrative Rule (OAR) and would like the RAC to provide input. Will schedule a subcommittee meeting early to mid-November. The OAR should take about 6-8 months to be ready for Oregon Transportation Commission (OTC) approval.
    - Volunteers for the SB 16-1 RAC Subcommittee are: Toby VanAltvorst, Chris Myron, Bruce Carswell, Ross Lane and Glen Carey.
  - HB 2071
    - Extends the sunset date of the Shortline Rail Rehabilitation Tax Credit.
  - HB 3406
    - Beginning January 2024, all Oregon shortline railroads will be eligible for the \$3,500 tax credit. Applicants should max out federal tax credits first, then submit request through the Oregon Tax Credit Program. The existing OAR needs to be revised to reflect these changes.
    - Applicants must apply for the federal tax credit first and upon applying to Oregon's tax credit, they will be assessed for the 45G funds that would have been available whether they've applied or not.
    - ODOT is working with the Oregon Department of Justice on timing and implementation.
- **Federal**
  - No federal update.

**ACTION ITEM:** Kathy Holmes to send RAC members a copy of the Shortline Tax Credit presentation.

**ACTION ITEM:** Kathy to draft OAR for SB 16-1 before meeting with the SB 16-1 RAC Subcommittee in November 2023.

#### Oregon State Rail Plan – Bob Melbo and DEA

- **Oregon State Rail Plan implementation plan is complete.**
  - Rail Needs Inventory (RNI) Intake Form – Abe Zumwalt

- The current RNI version provides the ability to filter current projects in the RNI by ODOT regions or by typing the project name.
- Additional instructions have been added to the website and the intake form to provide information to authorized entities on the requirements to submit potential projects.
- ODOT staff will review new projects before adding them to the RNI.
- RNI Online Map – Andrew Mortensen
  - The map supplements the RNI database. Information about the projects, including the scoring, can be seen by clicking the location on the map.
  - The map contains several layers of data including:
    - Rail-Highway crossings (Federal Railroad Administration)
    - Rail Subdivisions
    - Railroad Ownership
    - Environmental Data (national wetlands inventory and landslide susceptibility), and
    - ODOT’s Social Equity Index (used as one of several RNI project evaluation criteria)
- The 2024 State Rail Plan Update – Bob Melbo
  - Solicitation for consultants is complete and ODOT is currently scoring submissions.
  - The Implementation Plan will accompany the 2024 State Rail Plan and will not need to be redone.

**ACTION ITEM:** Carmen Merlo needs to submit Port of Portland projects to be added to the RNI.

**ACTION ITEM:** Send link to RNI Intake Form and Map RAC members: [Oregon Department of Transportation : Rail Needs Inventory Form](#) and [OSRP Implementation Rail Needs Inventory Map \(arcgis.com\)](#)

### Connect Oregon and Policy Plan Update – Erik Havig

- **Connect Oregon Update:**
  - Freight Policy Update – The OTC approved the Oregon Freight Plan Implementation Plan.
  - Includes climate initiatives such as electrification of ports and work on last mile and terminal upgrades/climate initiatives to make facilities as climate friendly as possible.
  - Projects from the last round of Connect Oregon are moving towards completion.
- **The next round of Connect Oregon**
  - Applications will go out in mid-January 2024. Outreach efforts are expected to begin soon.
  - The funding amount has not been finalized. Connect Oregon will get minimum funding and possibly more.
  - The only source of funding for Connect Oregon is the Privilege Tax. There will be at least \$50M, possibly more.
  - Applications will stay largely the same. Positive adjustments to the program include an update in the application process that helps applicants verify their tax status more quickly.
- **Dedicated Projects:**
  - Treasure Valley Intermodal: ODOT is working with Malheur County to address the hurdles. Financial shortfall: +/- \$5.5M – alternate funding sources are being investigated.
  - The contractor that Malheur County engaged to operate the facility was terminated. The county is searching for a new operator.

### Membership Refresh – Jennifer Sellers for Kathy Holmes

- **Outreach Efforts**
  - League of Oregon Cities’ government affairs person is recruiting a member to join the RAC and we are waiting for him to recommend a candidate.

- The ODOT Office of Social Equity and Civil Rights and ODOT's Tribal Liaison will contact groups to schedule time for Kathy Holmes to meet and discuss what the positions would require and answer questions.
- We need to escalate refining the process for recruiting a representative for industry users of the freight rail since Gary Carwell retired. A meeting with the Membership Subcommittee will be scheduled to discuss this process.
  - A suggestion to include Metropolitan Planning Organizations in this group was made.
- The RAC Membership Application has been translated into Spanish and will be translated into other languages as needed.
- The changes to the Director's approval process mentioned at the June 2023 meeting have not been finalized. Once those have been shared, Kathy Holmes will finalize the changes to the RAC Charter.

**ACTION ITEM:** Kathy Holmes will schedule a RAC Membership Subcommittee Meeting in October to establish procedures for recruiting representatives of industry users of freight, rail or transit labor unions; and intercity and long-distance passenger rail, commuter, and transit user representation.

## Quarterly Updates

- **Public Transportation Division (PTD) – Jennifer Sellers**
  - The ODOT PTD Administrator recruitment posted in late August.
  - The Interim PTD Administrator last day with ODOT is September 26. She is starting a position with another agency.
- **Passenger Rail – Kathy Holmes**
  - Ridership
    - A 24% increase in ridership occurred in January through August 2023 compared to January through August 2022.
    - The Amtrak Cascades ridership in Oregon is 12% above the 2019 baseline set by Amtrak to measure recovery. Based on ridership over the summer, ridership in Oregon has fully recovered from the pandemic.
      - Higher gas prices, resumption of service to Canada and cruise ship traffic may have contributed to the increased ridership.
      - WSDOT is below the 2019 ridership numbers. This is likely due to the reduced capacity of Horizon fleet, which operates primarily in Washington.
      - The targeted marketing efforts in Oregon appear to increase awareness of the Amtrak Cascades service and increase ridership.
  - On Time Performance: currently 63% average for the last few months.
    - The primary delays in June – August:
      - 55% Host Railroad
      - 26% Amtrak
      - 7% Other
    - Longest Delays – Freight and Passenger Train Interference, Slow Orders, Crew and System Delays.
  - The Amtrak Airo Equipment (Previously referenced at the Next Generation equipment) is expected for delivery for service in late 2026.
- **Corridor Investment Plan – Jeff Schultz (DEA)**
  - ODOT, DEA and UPRR are working with Mainline Management on simulation modeling.
    - Mainline has built a base case scenario (no build), freight growth scenario. Mainline is working on a 4+1 alternative which looks at four Amtrak Cascades trains and the Coast

Starlight. Mainline will also analyze a 6+1 model which looks at six Amtrak Cascades trains and the Coast Starlight.

- The Mainline Management staff are retiring at the end of September and DEA, ODOT and UPRR along with Mainline have been working to transition this work to WSP.
  - UPRR, Mainline Management and WSP have been meeting weekly to go over technical work issues and resolve questions regarding the simulations.
  - The current modeling results are consistent with modeling results from 2015 and 2016 thereby confirming current models are on track.
  - The modeling will be important to validate potential future infrastructure improvement projects that will be needed for the expansion of the Amtrak Cascades service.
- **Long-Distance Train Studies – Bob Melbo**
    - Second meeting of the Regional Workgroup occurred on July 18<sup>th</sup> in Boise, ID. The consultant group presented route segments that could potentially be linked together to create long-distance train routes. A third meeting will take place sometime this winter. The report was due to Congress by the end of 2023, but the study is running late and will be pushed well into 2024. The workgroup is supposed to have a total of four workshops.
  - **Cascadia High Speed Rail – Jennifer Sellers and Vanessa Vissar:**
    - Introduction of Vanessa Vissar. She is on rotation from ODOT's Office of Urban Mobility. She will be the project manager for the Cascadia High Speed Rail project.
    - The project name was changed from Ultra-High Speed Ground Transportation to Cascadia High Speed Rail. FRA wanted to emphasize the project will use rail and not another type of technology.
    - On March 9, 2023, WSDOT submitted a request for \$197.6M for the Cascadia High Speed Rail Project through FRA's Federal State Partnership (FSP) program. The funding will be used for pre-NEPA conceptual engineering and environmental review. Awards are expected to be announced in December 2023.
    - Several agreements and a Project Planning Coordinating Structure are needed to disburse the funds and deliver the proposed scope of work across WA, OR, and BC.
  - **Freight Rail Industry – Bob Melbo and Roundtable**
    - Carloads and intermodal loads are running about 4.8% below what they were in 2022 through week 36.
      - Class 1s are still experiencing a temperamental market. Peak harvest season is coming up and then the holidays. Hopefully, this will allow the market to reset.
      - Shortlines are still experiencing a soft market.
        - Carloads are down in some agricultural areas due to drought, but other markets are trending up.
        - Goose Lake Railway has a few grants that they are using to update their system. They are working with UPRR and a few industries that could potentially increase carloads.
    - Regulatory Updates
      - Locomotive emissions are hot topic. A lawsuit has been brought against California's emissions law by the American Shortline and Regional Railroads Association and the Association of American Railroads. The lawsuit asserts that this law would force the industry to switch to higher tier locomotives and the technology is not there yet. The cost to replace locomotives could put the California shortline industry out of business.
  - **Safety Update – Chris Malm**
    - As a result of the East Palestine, Ohio derailment disaster the Pipeline and Hazardous Material Safety Administration (PHMSA) that would require all railroads to have both electronic and hard

copy versions of their train manifests when hauling hazardous materials. The manifest would need to be provided to all first responders along the route. If there were an event, then it would be distributed to all first responders within a ten-mile radius. ODOT was asked to provide feedback and it is currently with the Attorney General's office in Oregon.

- The FRA Safety Section is focused on inspections of Class Is across the state.
- The Section 133 funds are available. There still is not an application or advertisement out yet, but the application should be out before the next RAC meeting in December. The deadline to get this money moving is next spring.
- Trespassing incidents are up. Homelessness is a major contributing factor.

**ACTION ITEM:** Jennifer Sellers to send RAC the table that shows the three grants we are supporting WSDOT on: Amtrak Cascades CID, High Speed Rail, High Speed Rail Fed/State Partnership.

## Public Comments

No public comments

## Agenda Build

- Next RAC quarterly meeting is scheduled for 12/12/2023 and will be virtual.
  - Vice Chair Johan Hellman will lead the December meeting. Chair Bruce Carswell has a conflict.
- Standing Topics:
  - PTD, Passenger Rail, Freight Rail, Legislative and Connect Oregon Updates, Oregon State Rail Plan
- Chair and vice chair elections will be center discussion.

## Closing comments and Adjourn - Bruce Carswell

Meeting adjourned at 11:47am.