

Connecticut Public Transportation Commission

April 5, 2012

ConnDOT Headquarters, Conference Room B
2800 Berlin Turnpike, Newington

Attendance: **Members:** Kevin Maloney, Richard Schreiner, Yvonne Loteczka, Morton Katz, Richard Sunderhauf, Alan Sylvestre, Russ St. John, Richard Carpenter, Bill Kelaher. **Ex-officio members:** Frederick Riese (DEEP). **ConnDOT Staff:** Dennis King, Sherry Osterling. **Guests:** Colin Pease, Terry Hall, Jan Lindberg, Stephen Troster.

Chairman Maloney opened the meeting at 1:36 pm. The minutes of the meeting of March 1 were accepted as written, however Alan Sylvestre noted that the minutes did not include a time for cessation of the executive session.

Featured Speaker

Colin Pease, Vice President for Special Operations at the Housatonic Railroad (HRRC), began his presentation with some background on the proposal for passenger service on the Berkshire Line between Danbury and Pittsfield. He noted that many transit services serve multiple purposes which often justify the public subsidies they receive. However, we are very rapidly reaching a point where public resources can no longer keep up with the demand for them. So Housatonic is looking at a new model for providing transit service, a non-subsidy model.

Housatonic began its market research by trying to find out what potential customers wanted in order to use the rail service and if such a service would make sense from a market standpoint. Its research determined that 280,000-300,000 people would make an aggregate of two million annual one-way trips on the line. Housatonic is envisioning running eight daily round trips from New York City to Pittsfield. Ridership has been allocated to specific stations in order to estimate the revenue derived from the service. An equal allocation of northbound passengers was made between Connecticut and Massachusetts destinations, an assumption that may be somewhat conservative given Massachusetts data which show that the Berkshires receive one million annual visitors from the New York City metro area. For Connecticut, which does not track tourist numbers in detail as Massachusetts does, Housatonic first determined the number of employees in the tourist business within the study corridor and then used the same ratio of tourist employees to tourists that is found in Massachusetts.

Based on all the ridership and revenue estimations to date, Housatonic remains very confident that it can operate the proposed service without subsidy. This projection, however, does not include capital costs. So HRRC is still looking at options to finance the capital needs of the service.

Pease noted the very recent announcement of Florida East Coast Railroad that it is proposing to operate a passenger service connecting Miami and Orlando. The entry

of private entities into the public transportation realm is an idea being considered in areas beside western Connecticut. Like Housatonic, Florida East Coast is proposing to run its service without a subsidy. The Florida East Coast corridor would run from Miami to Cocoa Beach over its existing freight line but would then require new track on new right-of-way for the 40 miles from Cocoa Beach to Orlando. It would also involved double tracking the existing freight line.

In addition to allocating its projected ridership to specific stations, Housatonic has developed a draft operating schedule. Pease noted that the projected 2,000,000 annual trips is the mid-range of ridership outcomes. If the ridership turns out to be closer to the high end of the range, there may be some revenues to cover a portion of the necessary capital costs for track upgrades and rolling stock, but the railroad is not counting on that being the case as it advances its planning. Housatonic is looking at possible low interest loans and high speed rail funds as two options for capital improvements. It is also doing economic benefit studies to justify the use of other potential sources of funding. Pease noted that the northern Litchfield County economy is stagnant, at best, and the Berkshire County economy is contracting.

HRRC will submit for TIGER grant funding again next year. Unlike last year when the railroad filed separate applications for improvements in Massachusetts and Connecticut, it will file a regional, two-state application this year. The Berkshire Regional Planning Agency will be the lead agency for the \$23,000,000 grant, with the Northwestern Connecticut Regional Planning Agency being a cooperating agency. The application will cover 8.5 miles of line upgrade in Massachusetts and 13 miles in Connecticut. Federal feedback on the TIGER 3 grant application, received through the Northwestern Connecticut RPA, cited a desire to see more match for the requested amount. To that end, HRRC worked with Massachusetts to identify another \$3.5 million of match. In Connecticut, a project to upgrade the Routes 7 and 44 rail crossings cannot be counted as match because it already involves federal funding but this work will be listed as a complementary project to demonstrate other investment in the line.

HRRC is still interested in pursuing use of the FL-9 locomotives owned by ConnDOT for possible use in the passenger service. For the passenger cars, in addition to the SPV-2000 cars owned by ConnDOT but not currently in use, other coach options would be gallery cars or excess coaches Massachusetts may have. Sufficient rolling stock to constitute five trainsets is necessary.

Housatonic is looking at New Milford Station as a possible hub. Some trains would be run south from New Milford over the Danbury Branch and into New York City via South Norwalk and Stamford, while trains making the full 3 hour and 45 minute trip between NYC and Pittsfield would use the Harlem Line from NYC to Southeast, NY, then cut over to Danbury and travel north from there. Listed from north to south, served stations in Massachusetts and Connecticut would be Pittsfield, Lee, Lenox, Stockbridge, Great Barrington, Stateline (a new station to be built on HRRC-owned property in North Canaan), either West Cornwall or Cornwall Bridge, Kent, New Milford,

Brookfield/Danbury North and Danbury. As one example of the ridership potential in the corridor, Pease mentioned that Newtown generates 600 rides per day to NYC.

Construction of the necessary capital improvements would generate 730 direct construction jobs during the three year construction interval.

Asked about the seasonality of the rail service, Pease said that the Housatonic envisions running the same schedule all year. While there would be less ridership in the winter, there is still strong demand at that time of year. He also gave the example of people who live in Pittsfield but work in Great Barrington as showing the potential year-round commuter demand for the service. Housatonic is also looking at a fare structure which allows for all-weekend usage on the same one-way ticket for a small extra charge, thereby allowing the line to serve as a connection between corridor towns for weekend travelers to the area. He also noted that, based on market research, there is a strong demand to accommodate bicycles and even kayaks on the train, a demand HRRC plans to meet. And, in response to another question about its responsibilities as a private operator rather than a public one, Pease said the railroad plans to be fully ADA-accessible, both at stations and on the trains.

The fare structure HRRC is considering is based on the Metro-North fare schedule of 22c – 24c per mile. The Harlem Line is a price restraint on possible HRRC fares. Also 22c to 24c is what people are paying and are willing to pay, so this is a good pricing guide. However, Pease noted that the Housatonic service will offer a greater comfort level than Metro-North service does. Regarding the Harlem Line, Pease noted that any parking spots freed up at the Southeast, NY station by the proposed service would be taken immediately by New York commuters using the Harlem Line.

When asked about the Housatonic's freight business, Pease said that for northeastern railroads, intermodal traffic is clearly the key to growth. A big question mark for a lot of railroads is coal traffic. Nationally, coal traffic is declining and future EPA rules may accelerate this decline. Coal traffic is not a factor for Housatonic, but as it affects the Bow and Mount Tom power plants, this will affect Pan Am and Norfolk Southern. Pease said Dave Fink Jr. is doing a good job of running Pan Am, though the paper industry fortunes are a huge challenge for that railroad. CSX is doing a lot of work to improve clearances along its lines. As for HRRC's market, it's a carload market. Limestone traffic and lumber into Hawleyville are growing, as is the construction debris business. HRRC has closed its waste handling facility at Hawleyville but is working with a construction waste processor in Danbury.

The Maybrook Line is still out of service between Newtown and Derby. Pease said no maintenance work had been done on this line for the last 40-50 years so everything is just expiring at the same time.

Pease cited both ConnDOT and MassDOT as having been very supportive and helpful with HRRC's TIGER grant applications.

Comments from the Public

Terry Hall reported good progress on the new Niantic River Amtrak bridge. The new moveable span is now in place. Also Terry said Massachusetts and Vermont are making progress on improvements to the Connecticut River Line but that in Connecticut, work on the line will not begin until 2014.

Reports from Operating Entities

Richard Sunderhauf mentioned that new operators' bids go into effect on April 22. Also, the Bradley Flyer service will be getting a new stop at Union Station, a change he feels should have been made long ago.

Fred Riese mentioned that the Danbury Branch EIS is nearing completion with the Draft EIS to be released in early May and a final meeting of the Study Advisory Committee to be scheduled the first week of June. Public hearings on the DEIS will occur in mid-June.

Fred also reported that the development of a new bus storage facility for North East Transportation in Waterbury is much more advanced than he had realized. Design work is at the 60% stage, with advertising for construction scheduled next year. Construction will occur 2014 through 2016.

Fred also reported on the Amtrak Moveable Bridge Advisory Board meeting of March 22 at DEEP's Ferry Landing facility in Old Lyme. Reports were given on progress at all five of Amtrak's moveable bridges on the Northeast Corridor in Connecticut but Fred confined his report to the Connecticut and Niantic River bridges. Congressional staffers recently visited the Connecticut River Bridge to look at the need and options for a new bridge. The new Connecticut River Bridge, which may be either a bascule or a vertical lift bridge, will provide some improvement in vertical clearance beneath the bridge but Amtrak could not at this point say how much extra clearance would be provided. At the Niantic River Bridge, all concrete work is now done. Fred provided the schedule for the delivery and placement of the new moveable span, which is now in place, as well as for the cutover to the track on the new bridge, which will occur this summer. All track shift work is to be completed by October.

Chairman's Report

Chairman Maloney mentioned that the State of Florida has decided not to pursue a high speed rail project linking Tampa and Orlando. This development tied in with the news that Colin Pease had mentioned of a possible private sector rail passenger service being developed in Florida.

Old Business

None.

New Business

None.

Status of Spring Public Hearings

A long discussion followed concerning the status of the Waterbury, Storrs and Bridgeport public hearings scheduled for this spring. Rich Schriener mentioned that HB 5027 on the elimination of twenty-five boards and commissions has been voted out of the Government Administration and Elections Committee. Fred Riese noted that the purpose of the public hearings is to gather testimony for use in the Annual Report. It would be disingenuous, he felt, to ask people to come out and testify if there is likely to be no Annual Report. The public notice for the first hearing, in Waterbury on April 17, has gone out from ConnDOT and could not be recalled at this point. It was decided to conduct the Waterbury public hearing as scheduled but to cancel the Storrs and Bridgeport hearings. If it ultimately proves to be necessary, an expanded slate of public hearings can be held in the fall.

The Commission's May meeting will be held at the Greater Bridgeport Transit District where Doug Holcomb will lead a tour of the District's new facility.

Chairman Maloney adjourned the meeting at 3:15 pm.