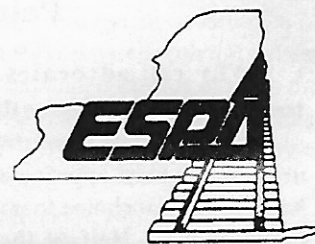


The ESPA EXPRESS

NEWS FROM THE EMPIRE STATE PASSENGERS ASSOCIATION

<http://www.trainweb.org/espa>



WORKING FOR A MORE BALANCED TRANSPORTATION SYSTEM

Vol. 29, No. 5

September/October 2005

Transportation Bond Issue Disappointing for Upstate – ESPA Considering its Position

Details of the “Rebuild and Renew New York Transportation Bond Act of 2005” which voters will be asked to consider in November, have been released and unfortunately there are very few upstate passenger rail projects included. The joint Memorandum of Understanding (MOU) agreed to by the Legislature and the Governor, does provide an overview of how the \$2.9 billion bond proceeds will be spent.

Roughly half (\$1.45 billion) of the proposed bond funds go for Metropolitan Transportation Authority (MTA) projects in the greater New York City metro area. However, only one third of this amount (\$450 million) will go for core maintenance (i.e. repairing and upgrading existing facilities). The remaining \$1.0 billion will go for three MTA expansion projects, now being pushed by various interests:

- A new 2nd Avenue Subway - \$450 million
- East Side Access into Grand Central- \$450 million
- \$100 million for a JFK Airport – Lower Manhattan connection.

Most of the other \$1.45 billion in bond money will be used for highway and bridge projects throughout the state. The MOU provides highly detailed lists of the anticipated construction that will be funded.

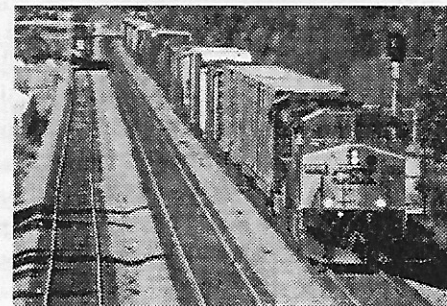
Of primary interest to ESPA, the MOU outlines a potential total of only \$135 million to spend on all rail (freight and passenger) and port projects over the five-year period covered by the bond act. Of this relatively small amount, **ONLY** \$3.0 million is specifically earmarked and identified for intercity passenger rail projects during the first two years (\$2.0 mil. for engineering work on the Albany – Schenectady double tracking and \$1.0 mil. for engineering of high level platforms and additional parking at Rhinecliff). No construction dates are listed for either project. (Cont'd on page 4)

Empire Service Problems

Amtrak has removed the added travel time (padding) from many trains between Amsterdam and Albany. Delays to trains remain, with many weekday trains operating 1-2 hours late west of Albany. The delays to trains south of Albany also have been increasing at an alarming rate. Much of this seems to be due to the following: trains late out of Sunnyside Yard, CSX track work south of Albany, CSX sometimes storing trains south of Albany (waiting for access across the Hudson River to Selkirk Yard), which results in Amtrak only being able to use one track in areas south of Albany. Amtrak's Empire Corridor, which 7-8 years ago was operating 90-95% ontime during some months, is now operating at or below 60% on time. This will continue to discourage ridership. (Cont'd on page 4)

Freight Congestion Crisis delays Passengers

You're sitting in your seat on a train that isn't moving and you're thinking to yourself we are already late, why aren't we moving? Suddenly, on the adjacent track a freight train moves by and within minutes the train is on its way again as you cross over onto the mainline just cleared by the passing train. What just happened? Why did the passenger train have to hold for the lowly freight train?



The Race is on- CSX freight trains speeds by as the southbound AUTOTRAIN departs Lorton Va. These two trains will soon be competing for the same valuable track space. Matt Rivers photo

Why can't the passenger train go first? Things have changed in the railroad industry; passenger trains are held on America's freight railroads not only because the tracks are full, but because the capacity to carry passenger trains on time and move the stuff of life on an ever-increasing scale is no longer possible.

(Cont'd on page 3)

Senate Rail Act Emerges

On July 28th the Senate Commerce, Science and Transportation Committee, chaired by Ted Stevens (Alaska), passed S-1516, the Passenger Rail Investment and Improvement Act intended to revitalize U.S. rail passenger service. The bill was developed by Sens. Trent Lott (R., Miss.), and Frank Lautenberg (D, NJ). Lott chairs the Subcommittee on Surface Transportation and Merchant Marine. Ranking Member Daniel Inouye (D-HI) called it “the most comprehensive bill on Amtrak we've ever had.”

S-1516 repeals Amtrak's self-sufficiency requirement and authorizes an average of \$1.9 billion annually for Amtrak over the next six years. The operating grant would increase from \$580 mil. next year to \$600 mil. in 2008, then decline to \$455 million in 2011. Capital grants would grow from \$813 to \$1,231 million; the percentage of this channeled through states would grow from 3% next year to 33% in 2011. Additional payments would be authorized to pay down Amtrak's long-term debt.

Amtrak's board of directors would be expanded to nine members, including its President (who presently has no vote). To ensure bipartisanship, no more than four appointed members could belong to the same party.

The bill would require Amtrak, USDOT and state governors to implement a standard procedure for allocating operating and capital costs among states to ensure equal treatment for similar services. This could severely impact New York, which currently pays no operating costs for its main corridor service while nearly all other states do. (Cont'd on page 4)

Frank Barry

Point of View

“Why rail advocates find it difficult to support the transportation bond issue this November.”

New York State's constitution is quite clear about going into debt. Voters must approve a bond issue. This November voters will have a clear choice to invest some \$3 billion for transportation infrastructure. Half of the debt is earmarked for rail transit improvements that would benefit the two-thirds of the state's population who live in the MTA service area. The rest is for highways. So why shouldn't transit riders rally around this proposition?

Since 1982 MTA has adopted a series of five-year capital programs specifying critically needed investments to restore what was then a rapidly collapsing system. Years of neglect had led to a worsening stream of derailments, fires, graffiti attacks and physical deterioration on MTA's bus, subway and commuter rail systems. Responding to growing public pressure, the Cuomo Administration asked MTA, under the leadership of builder and banker Richard Ravitch, to cobble together a funding package that included new taxes and fees and higher transit fares to allow MTA to borrow the billions of dollars that were needed to begin the rebuilding effort. A small part of this borrowing was from fare-backed revenue bonds. Since the MTA, like virtually all transit operators in the U.S., covers less than half of its operating cost from the farebox, the concept of fare-backed bonds is really an illusion. Fiscal watchdogs looked the other way at the time, realizing the critical need to repair the system.

The revitalization of the MTA system has been a remarkable accomplishment, and has been a major factor in the economic recovery of the New York metropolitan area in the 1990s. Yet instead of capturing some of this economic growth to fund its Capital Program, MTA became like an addicted gambler — borrowing ever more money through its fare-backed bond mechanism. This was a painless way for the Pataki Administration to continue this program of renewal while avoiding the tax hikes that would ultimately be needed to finance public transit infrastructure.

Until recently, system expansion had to take a back seat to repair and rehabilitation. But elected officials like to preside over ribbon-cutting ceremonies for new lines, not the much less glamorous unveiling of restored vent plants or modernized signal systems. Now a laundry list of system expansion mega-projects is being advanced, each with its own advocates. Only a third of the transit funds in the bond issue are for renewal. The bulk of the funds would be used to make a tiny down payment on three massive system expansion projects — the Second Avenue Subway, the LIRR East Side Access Project and the LIRR/JFK Airport Access to Lower Manhattan project.

Many transit advocates are uncomfortable beginning even one of these massive projects when funding for renewal is tenuous at best. The debt bomb that is built into MTA's Capital Program is expected to explode in the next year or two, requiring extraordinary fare hikes or pleas for additional state taxes. Steep fare hikes would drive transit riders away in droves, leading to more roadway congestion, higher levels of pollution and additional consumption of scarce petroleum reserves, exactly the factors that MTA touts for supporting a high quality transit system.

While elected officials, construction industry executives and labor leaders in the building trades can make a good case for each system expansion project, they have yet to specify comprehensive funding packages that are needed to complete these costly projects.

The View from the Cab...

Our efforts in support of adequate funding for Amtrak in the coming year continue to be successful. As has been widely reported, the full Senate Appropriations Committee in late July approved a \$1.45 billion funding level! Our Washington representative focused on Senator Bond of Missouri (Chairman of the Transportation Sub-Committee) and Senator Cochran of Mississippi (Chairman of the Appropriations Committee), which helped produce these very positive results. Action by the full Senate comes next, to be followed a House-Senate Conference Committee that will decide the final funding.

We also anticipate working to positively influence the Committee's actions.

All of our efforts wouldn't have been possible without your generous support. Thanks to all those who responded to our Special Appeal! The over \$9,500 contributed to ESPA has made a real difference.

Additional Special Appeal Contributors: Robert Kerker, Amy and Jeffrey Stevens, Charles Dew, Robert Dinkuhn.

ESPA will soon be launching a completely redesigned and enhanced web site...www.esparail.org! Features of the new site will include:

- * Current News Bulletins and Action Alerts
- * On-Line Membership Forms and Payment Capability
- * Improved On-Line Versions Of The ESPA Express
- * A State-Wide Event Calendar
- * Empire Corridor Rail Travel Information and much more.

We are confident that www.esparail.org will soon become **THE** source for passenger rail information.

As noted elsewhere in this issue, the pending “Rebuild and Renew New York Transportation Bond Act of 2005” is a huge disappointment for ESPA. For nearly 25 years we have worked to inform state officials of the need for better passenger service and have pushed projects, which would be beneficial. Our officers have been appointed to commissions and task forces and we have testified at numerous public hearings. Our newsletter is widely read and often used by the mainstream press. The 1998 Marist Institute Public Opinion Poll sponsored by ESPA and Empire Corridor counties found that 82% of the State's voters considered modernized intercity passenger train service at least as important as good highways and airport. With escalating gas prices and uncertainties about long-term supply, there is no reason to think the public's desire for improved rail service has diminished since 1998. Nevertheless it is hard to conclude anything from the Bond Act other than that our priorities, and those of the State's voters, are being ignored yet again.

Thanks for your continued support. As always, I welcome your comments, critiques and suggestions, on how ESPA can better attain our goals. Don't hesitate to contact me at anytime.

Bruce B. Becker, President

Furthermore, expansion advocates overestimate the amount of Federal funds that would be available through “new starts” programs. With a shrinking share of the U.S. population, the region can only command a modest portion of these Federal dollars. A case could be made that Congress should allocate the region's share of “new starts” funding to pay for maintaining a state of good repair, rather than initiating projects that cannot be completed.

A vote against the bond issue would send expansion advocates a clear message — devise an honest funding plan, and then ask for voter approval.

George Haikalis ESPA Manhattan Coordinator for Regional Rail.

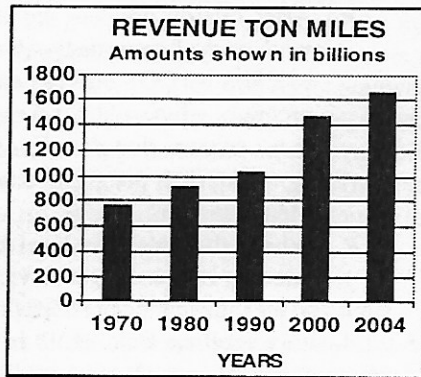
Freight Congestion (Cont'd from page 1)

Amtrak was formed in 1971 as the freight railroads were reeling from the failure of the Penn Central merger, passenger train operating losses and stiff competition from an aggressive trucking industry. The industry still had enormous carrying capacity as a leftover vestige of passenger operations now in the hands of Amtrak and the facilities needed to handle the business now being moved by truck.

In quick succession - Conrail was formed in 1976, the entire industry was deregulated in 1980, and railroads worked fast to eliminate redundant route miles and single tracked many previously multiple track main and secondary lines. Class I railroads are roughly half the size today in terms of route miles and trackage as they were in 1971. The deregulation act of 1980 allowed the nation's railroads to raise rates and begin to rebuild their still deficient tracks (in those days, passenger train delays were often the result of slow orders, not freight train volume), and begin to add new business to the system.

Fast-forward to 2005 and we find ourselves confronted with a national system running at 100% of capacity. According to Association of American Railroads spokesman Thomas White the railroads are "increasing their capital expenditures to expand freight capacity" to try to catch up with demand for their services, many of them time sensitive in nature. Mr. White goes on to point out that the class I's are spending \$6 - 7 billion this year on capacity programs with about 75% of that amount devoted to infrastructure improvements such as capacity enhancement projects.

Intermodal (up 500% since 1970) growth in particular is driving the new investment forward. Current record high fuel prices and changes in retailing nationwide to stores which



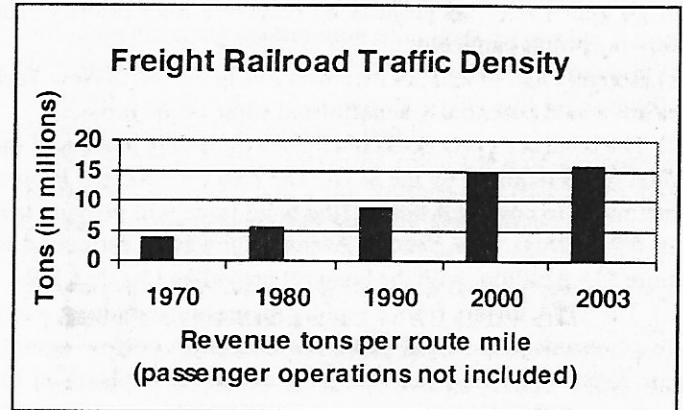
Passenger operations and the delays and the inconvenience of late trains are merely minor annoyances compared with the greater issue at hand. If we desire new and expanded service or even the expectation of reasonable on time performance of existing corridors, such as the Amtrak "Empire Corridor" in New York, expensive new track capacity will have to be built soon.

The Empire Corridor is largely unaffected by freight movements between New York City and Hoffman's Junction with the CSX Corporation "Mohawk Division" east/west mainline just west of Schenectady. From this point westward to Buffalo and Chicago freight trains and passenger trains share the same two tracks. Years ago this segment to Cleveland, Ohio was operated using a "Bi-modal" 4 track configuration with freight and passenger trains each with their own 2 track route.

The passenger tracks became the freight tracks when the freight tracks were removed by the New York Central Railroad about the time the publicly funded New York Thruway opened for business. The property once occupied by these tracks remains available today for new track structure.

Regional commuter systems, which have for many years, invested billions of dollars on their systems, enjoy on time performance in the high 90% range. This is in stark contrast to Amtrak trains such as the "Lake Shore Limited" at 14.6% on time (May 05) or even the non-stop "Auto Train" at 17.7% on-time (May 05). Commuter operators often restrict the hours freight trains can operate on their publicly funded railroads to insure operations are not interrupted by freight operations. This is not an option for the high density intercity mainlines on which Amtrak operates its trains.

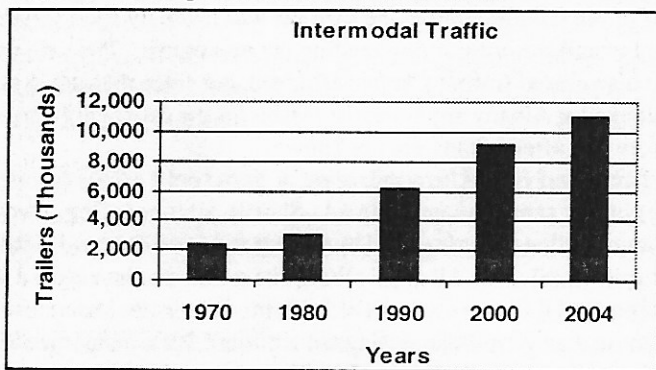
In the future, passenger project sponsors will need to realize that new service proposals will be required to contribute their full



and fair share of the necessary infrastructure needs of passenger grade railroading. Passenger train operations will also need to, in some way, enhance the overall freight and passenger carrying capacity of rail corridors where both modes provide service. New York State is fortunate in that the space once occupied by the four track "Empire Corridor" route is still available for needed new track. In this way, New York's greatest transportation opportunity may lie in this narrow strip of vacant land.

Ben Gottfried

Operation Lifesaver: Be aware that trains cannot stop quickly. Even if the locomotive engineer sees you, a freight train moving at 55 miles per hour can take a mile or more to stop once emergency brakes are applied.



sell enormous quantities of imported merchandise and their use of centralized distribution facilities are giving the railroads a real edge in the marketplace.

Company executives said today that they anticipate revenue growth of four to six percent annually over the next five years, primarily related to increased U.S. consumption, a rise in imports — which must be hauled across the country from ports to consumer markets — and tight transportation supply. These and other market conditions have created a favorable pricing environment throughout the rail industry.

CSX Corporation August 11, 2005.

Transportation Bond Issue (Cont'd from page 1)

Funds are contained elsewhere in the bond funding for a few other rail/transit oriented projects, including:

- Expansion of parking in Suffern - \$3.1 million (engineering only)
- Rail feeder shuttles in Rockland County - \$900,000 (engineering only)
- Scenic Railroad Station in Warren County - \$1.9 million (construction, 5/06)
- Schenectady transportation center - \$7.1 million (construction, 9/10)

Even counting the Schenectady and Warren County projects, (the latter could eventually involve through service from New York City), **less than 1% of the non-MTA portion goes to intercity passenger rail, (.0083% to be exact).**

At our August 6th Meeting in Utica, your ESPA officers and coordinators considered whether our organization should support the bond issue. After careful deliberation, we adopted the following position statement:

“ESPA is gravely concerned with the inadequate number of identified projects and extremely low level of committed funds for intercity passenger rail improvements currently contained in the Memorandum of Understanding for the ‘Rebuild and Renew New York Transportation Bond Act of 2005’. Unless additional specific intercity passenger rail projects and funding commitments are included in the Bond Act details, ESPA is prepared to NOT support the passage of the Bond Act in November.”

As part of our discussions, much attention was given to the bond act's effect on the downstate area where over half the funds will go and where rail projects do receive a high priority. The following points came out:

- 1) Roughly half of ESPA's members live in the metro New York area and could potentially benefit from some of the projects.
- 2) The bond act's proceeds constitute a miniscule portion of the capital funds required by the MTA. The East Side Access Project is estimated to cost \$7.4 billion (the bond issue will provide less than 6% of this). The Second Avenue Subway is estimated to require \$16.8 billion, with the bond act providing less than 3%.
- 3) The MTA suffers from a rapidly increasing debt load, since state government in recent years has chosen to borrow against future fares rather than generating the necessary funds, even for routine repairs. MTA's total debt was nearly \$20 billion in September 2004, and was projected to hit \$27 billion, even before the current 2004-2009 five year Capital Program got underway.
- 4) As debt increases an ever larger proportion of the operating budget must be allocated to debt service.
- 5) MTA debt is not approved by the voters and not backed by the “full faith” and credit of New York State. But any default by MTA would have devastating effects on the State's credit rating.

It was determined that before making a final determination whether we will endorse or oppose the bond issue, ESPA will seek further information and answers to several key questions:

- How will the bond issue affect MTA's future debt? Where will the money come from to repay it? What will the debt be five years from now if the bond issue is approved? What will it be if it is defeated? How will this affect fares and service?

- Where will the additional money come from for the completion of the Second Avenue Subway and East Side Access projects, being initially funded by bond act money?
- How will approval/disapproval of the bond issue impact intercity rail service upstate? Why is such a small amount going to rail passenger service?
- After several previous studies and all the engineering work on the Schenectady-Albany doubletracking reported to ESPA by DOT officials early in the 1998 high speed program, why is additional engineering still needed? Why is no construction date listed for this in the Five Year Construction program attached to the Bond Issue Memorandum?
- What is the State's true level of commitment to improving intercity rail passenger service?

Based on the information obtained prior to our next Officers and Coordinators meeting October 1st in Saratoga Springs, a final position statement on the Bond Act will be adopted at this meeting. A special mailing with our final position will be distributed to all members, in addition to press releases to the media. Between now and October 1st we will welcome any input from our members or all other interested parties.

Bruce Becker

Empire Service (Cont'd from page 1)

In addition, as of July 1, Amtrak discontinued food service on trains that operate solely between Albany and New York City and eliminated the restocking of trains with food at Albany. Amtrak claims to lose a lot of money on food service on the Empire Corridor, but they continue to operate the food not even according to Amtrak's own rules. On Saturday, August 6, Train 63 (westbound *Maple Leaf*) departed Penn Station on-time at 7:15am and according to Amtrak rules, its cafe should be open upon departure. The cafe opened at 8:20am, after we were already passing Cold Spring. This train, with just 4 coaches and a cafe, was sold out, yet Amtrak did not even have the cafe open for the first hour of the trip, which likely could have been the busiest hour of food service sales for the entire 12 hour *Maple Leaf* trip. To make matters worse, over half of the table seating in the cafe car was taken by food service storage and the crew sitting reading the newspaper. The cafe car was also closed from 9:15am to 10:15am, but since the cafe is not restocked at Albany anymore, the reason for the cafe being closed before and after Albany are not known.

I returned from Utica, boarding at 5pm (only a few minutes late) on the same day on Train 64. Shortly after boarding, it was announced that the cafe would be closing at Amsterdam and would not open until after Albany!! Wow, the cafe was then closed at 5:45pm and did not reopen until 7:30pm. Why is the cafe closed for more than 90 minutes during dinner time? No wonder the cafe car loses money on the Empire Corridor, as the sales are zero when the cafe is closed. On Train 64, they only had one kind of sandwich, as no food had been restocked since the equipment left Sunnyside Yard the day prior at 6:45am.

Gary Prophet

One-Day Trip Flyers to Utica, Syracuse, Rochester and Buffalo that list the many attractions that are easily available within a short walk or bus ride from the station are available on the ESPA web site: www.trainweb.org/espa.

New High Speed Task Force Gets Rolling

The newly created State Senate High Speed Rail Task Force, being headed by John Egan, is preparing to award a \$1.2 million contract for a new study of the future of passenger rail service in the state. Reportedly more than a dozen engineering and consulting firms have expressed interest in receiving the contract, which call for the study to be completed in just three months. Egan notes that the successful contract bidder will have full access to the many previous studies which have been completed over the years and he feels much of this information will be helpful. As recommended by ESPA, Egan is asking that the study address both incremental improvements which could result in increased on-time reliability, capacity enhancements, reduced trip times and increased frequencies in the near term, in addition to looking at longer term goals of true high speed services for the state.

Amtrak Seeks ESPA's Input

Amtrak's Empire District Superintendent, James Turngren, wants to hear of your New York State Amtrak travel experiences. Whether everything was great or if there was room for improvement, Jim welcomes our input, as he strives to provide the best possible service on the Empire Corridor. Please send your written trip reports and comments, including specific dates, train numbers and employee names as appropriate to: James Turngren District Superintendent, Empire District, Amtrak 525 East Street Rensselaer, NY 12144. Please also send a copy to Bruce Becker, so we can track trip experiences and follow up as necessary.

In Memory Of George Armeit

It is with great sorrow that ESPA must report the loss of one of its long time members, George Armeit. His passing occurred on July 21 at Mary Immaculate Hospital in Queens after a brief illness. George had been an ESPA regional coordinator and also a NARP director for many years. His love and dedication for passenger rail was always demonstrated by his conveying his knowledge of rail to all whom he met, including the sisters at the convent that had been active in providing care for George.

George will be truly missed by both ESPA and NARP and efforts should continue to keep his hopes and dreams for rail passenger service alive. If additional information regarding George's passing is desired, please contact Richard Kulla at 845-855-9102 or E-Mail at RKULLA@aol.com.

Richard Kulla

MTA Orders Cars from Bombardier

Exercising an option under an existing order, MTA has ordered 980 new M-7 electric MU cars for Long Island and Metro-North. These are in addition to the base order of 192 cars for LIRR. With this agreement, Bombardier now has firm orders for 336 cars for Metro-North and 836 for the Long Island RR to replace cars nearly 40 years old. The new cars will feature energy efficient dynamic braking and on-board diagnostic systems. Total cost will be about \$2.5 billion.

The stainless steel carbodies will be built in Quebec while trucks will be manufactured at Bombardier's Auburn plant. Final assembly will take place at Bombardier's facility in Plattsburgh.

(Bombardier Press Release, courtesy Orrin Getz)

Ferry Sails Again

The 50 MPH super catamaran that ceased operations after heavy losses last year, started crossing Lake Ontario again between

Rochester and Toronto in June. The City of Rochester purchased it for \$32 million at a federal auction in February and rehabilitated it. The trip takes 2 to 2-1/2 hours.

New York State Rail Travel Discounts

As featured in the 2005 'New York By Rail' Travel Guide, Amtrak is offering a 'New York By Rail 50% Off Companion Fare' discount, valid through March 2006. Using discount code V707, New York State travelers can save 50% off a second adult fare when traveling in pairs. Specific advance purchase requirements, blackout dates and other restrictions apply. Contact Amtrak for full details... The 50 page, full color, 2005 'New York By Rail' Travel Guide is available by contacting Amtrak at 1-800-872-7245 or on line at www.amtrak.com.

Around the States

Illinois Gov. Rod Blagojevich signed a bill that captures the savings that occur when state employee's travel by train and reinvests those savings into service improvements. It is estimated the new Intercity Passenger Rail Fund could generate at least \$300,000 in its first year, based on recent sales figures. Proponents say the Amtrak fare is cheaper than having a state employee fly or drive using his or her own vehicle.

The **Lackawanna Cutoff** passenger rail project will receive \$11.5 million in the recently passed Federal transportation-funding bill. The funding will allow for completion of preliminary engineering work. The Lackawanna Cutoff would restore passenger rail service between Pennsylvania, New Jersey and New York City.

Virginia's Gov. Mark R. Warner signed legislation creating the Rail Enhancement Fund, \$23 million earmarked annually for investment in Virginia's passenger, commuter and freight railroad infrastructure. The funds can be tapped if the state receives a minimum matching contribution of at least 30 percent from non-state sources such as local government, regional authorities or railroad companies. Projects will be selected upon the recommendation of an advisory board.

NJ Transit has approved the route for a new tunnel under the Hudson River that will bring North Jersey passengers directly to a new station beneath 34th Street in Manhattan. The proposal will now head to the North Jersey Transportation Planning Authority, which must sign off on the project before it is eligible for federal funding.

There's Always a Reason to Ride Amtrak

Buffalo www.buffalocvb.org	
Darwin Martin House Tours	Sept. 20-30
Ring of Fire – Studio Arena	Sept. 9 – Oct. 7
Doors Open – Tour/Historical Bldgs	Oct. 15-16
Rochester www.visitrochester.com	
Rochester River Romance	Oct. 8-9
Junior League Rochester Home Tour	Oct. 15
High Falls Film Fest	Nov. 9-10
Syracuse www.visitSyracuse.org	
Fall Fest History Weekend	Oct. 1-2
Syracuse to Thendara by Rail	Oct. 22
Carousel Center – three blocks from station	
Utica www.oneidacountycvb.com	
Ziyara Shrine Circus	Oct. 7-9
F.X. Matt Brewing Co. Tours	Daily
Children's Museum (next to station)	Daily x Mon.

Highway Bill has Money for Rail

On August 10th, after two years of struggle, President Bush signed HR-3, the Safe, Accountable, Flexible, and Efficient Transportation Equity Act—a Legacy for Users (SAFETEA-LU), providing \$286 billion for transportation over the next six years. While it's primary purpose is to fund highways and transit, HR-3 contains more money than ever before for railroads. In fact David Ewing, who chairs States for Passenger Rail, a group formed by state transportation departments, said it's really a rail bill too.

The bill includes a rail chapter that authorizes \$100 million annually for *development* of high speed rail corridors—an important change from previous legislation that contained about a third as much for planning only. It also reforms the 1976 Railroad Revitalization and Regulatory Reform “4R” Act to make it easier for railroads to obtain the loans, which that legislation offered. And it increases funds for grade crossing improvement and authorizes \$350 million annually for rail relocation projects.

HR-3 earmarks funds for numerous rail transit projects, including the following in New York:

*East Side Access to Grand Central from Long Island—approved for final design and construction

*Second Avenue Subway—approved for final design and construction

*LIRR third track to Hicksville—approved for preliminary engineering

*Trans Hudson Midtown Corridor (new tunnels)—given strong priority—\$80 million

*Penn Station Access project—\$15 million for preliminary engineering

*Rail access to Stewart Airport—\$40 million for preliminary engineering

*New York-Tappan Zee-I287 Corridor—approved for preliminary engineering

*Newburg Light Rail system—preliminary engineering

*Access to the Region's Core (from New Jersey)—\$2.5 million for Alternatives Analysis

*Improvements to Moynihan Station

*Rehabilitation of Bay Ridge 86th St. Subway Station

*Relocation, development of Niagara Falls railway station/inter-modal center

*Utica Union Station rehabilitation and track improvement

*Geneva passenger rail multi-modal center

The bill provides a major boost for the Lackawanna Cutoff, authorizing \$120 million to bring trains to Scranton. So far, about \$6 million has been spent for engineering studies according to Larry Malski, who directs the Lackawanna Railroad Authority, the project's chief sponsor in Pennsylvania. He says the \$120 million should cover nearly half the total cost. Pennsylvania and New Jersey will each have to put up at least 20%, Malski says. He credits Senator Arlen Specter (R., Pa.), who has considerable seniority on the Appropriations Committee, for earmarking these funds. Rodney Frelinghuysen (R, NJ), helped on the House side, Malski said. Senator Rick Santorum (R. Pa.) and Rep. Paul Kanjorski, (D., Pa.) have also helped.

ESPA views Lackawanna Cutoff restoration as a base for eventually bringing passenger trains back to the Southern Tier—Binghamton is only 58 miles from Scranton via Canadian Pacific's freight line.

Unfortunately funds for the Lackawanna Cutoff and most of the other transit projects are not guaranteed as they are for highways; like Amtrak funds, they must be fought for through the appropriations process. And many projects, including the Lackawanna Cutoff, must still be rated by the federal Department of Transportation; final funding is contingent on a “recommended” or “highly recommended” rating. However inclusion in the Surface Transportation Bill is a good first step.

In a significant breakthrough, HR-3 specifically allows Maine and Oregon to use Congestion Mitigation and Air Quality (CMAQ) funds to pay operating costs of Amtrak service. (New York State pioneered use of these funds for rail in its ill-fated 1998 high speed initiative which was dropped this year because of turboliner problems and Amtrak's inability to fund its share.)

The bill substitutes the term “public transportation” for mass transit, in recognition that rural areas deserve service too. “Public transportation” is that provided “by a conveyance (offering) regular and continuing... transportation...(except) for...inter-city bus or passenger rail transportation provided by (Amtrak) or its successors.” However despite this anti-Amtrak language, HR-3 represents “major incremental improvement,” according to Ewing, whose association pressed hard for the changes.

Finally, in a tragic irony, HR-3 requires state and federal governments to jointly review the status of evacuation plans in the event a catastrophic hurricane should threaten the Gulf Coast Region. Report due date: October 1, 2006. Frank Barry

Hurricane Katrina

A couple days before the hurricane hit the New Orleans area, Amtrak moved its equipment out, so that its coaches and locomotives would not be damaged. One engine was left to provide electric power to the station area and a week after the hurricane struck, this locomotive was still acting as a generator. In fact, the New Orleans police are now using the train and bus station as a temporary jail.

Amtrak initially reduced the *City of New Orleans* to Chicago-Memphis, but within a couple weeks, it will be extended to Hammond, which is just 50 miles north of New Orleans and since about 40 miles east of Baton Rouge, it will also serve that area, which has soared in population due to the evacuation of New Orleans. Unfortunately, Amtrak has removed the diner from the *City of New Orleans*, as its ridership has plunged, since people, including residents and tourists, are obviously no longer traveling to New Orleans. The train has kept its sleeper car. The *Crescent*, initially was only a New York to Atlanta train, with the forecast of Katrina striking New Orleans: Since then, the *Crescent* has been extended to Meridian, Mississippi. Since the *Crescent* has not had large ridership between Atlanta and New Orleans (most of its ridership is to Atlanta from the north), its ridership has decreased, but not as much as the *City of New Orleans*.

The *Sunset Limited* has been changed from a Los Angeles to Orlando train to a Los Angeles to San Antonio, TX train. There is now no passenger service east of New Orleans, nor to the Panhandle of Florida. The CSX route from New Orleans to Mobile, used by the *Sunset Limited*, follows the Gulf coast and has been severely affected, with bridges destroyed, track and ballast gone for miles, and in some places (Biloxi), no sign that a track ever went through the area. The long CSX bridge across the Bay of St. Louis will need to be rebuilt. The Amtrak stations in Gulfport, Biloxi,

Pascagoula, and Mobile, all suffered heavy damage. The New Orleans station suffered some flooding, but it will be usable again. A week after Katrina, the rail yard remains under water, as well as the CSX freight yard.

What's Next? The freight railroads are likely to have the rail lines accessible to New Orleans within a month, except for the CSX line east of New Orleans to Mobile. But why would Amtrak wish to serve a city that has been evacuated? How long New Orleans will be empty is unknown, but it is likely to be years before many residents and tourists return. Maybe Amtrak should consider extending the Crescent from Jackson, MS across KCS tracks to Shreveport, then UP tracks to Dallas? That would allow the Crescent to travel New York to Dallas (and Atlanta to Dallas), which would boast ridership. The *Sunset Limited* cannot easily be extended to Houston, since no wye, but Amtrak should immediately offer a bus connection from San Antonio to Houston. It will likely be years, if ever, that Amtrak serves the area east of New Orleans to Mobile and Orlando. Also, with the *Sunset Limited* no longer operating San Antonio to Orlando, the Superliner equipment savings should immediately be used to add capacity to the *California Zepher*.

Many people have questioned rebuilding so much residential in the area of New Orleans that is more than 10 feet below sea level. One politician did mention turning some of the lowest land into parks and ball fields and rebuilding residential areas north of New Orleans (e.g. Kenner) and then having mass transit operate from Baton Rouge through Kenner to New Orleans (on KSC) and then from New Orleans to Gulfport and Mobile (on CSX), to promote future tourism and business in New Orleans, gambling in Biloxi and Gulfport, and commuting for the residents living in thousands of new housing developments between New Orleans and Baton Rouge. As the rescues continue and the water is pumped out, there will be much debate about how to rebuild the areas destroyed by Hurricane Katrina.

Gary Prophet

Senate Committee Ups Amtrak Appropriation

On July 19th the Senate Appropriations transportation subcommittee approved \$1.40 billion for Amtrak for 2006—a \$200 million increase over the current year. During the session, Subcommittee Chair Christopher Bond announced he had just received a “nice call” from Transportation Secretary Norman Mineta who said he would recommend a Presidential veto if the final bill contains that amount “without reform.”

But two days later the full Appropriations Committee raised the amount even higher—to \$1.45 billion, putting it in the \$1.4-\$1.5 billion range. Department of Transportation Inspector General Kenneth Mead says Amtrak needs to function effectively. Amtrak's Board—all Bush appointees—had requested \$1.8 billion.

While this is a heartening increase over the House \$1.176 billion figure, the Senate language contains a big catch—none of the funds may be used for food or sleeping car service that does not cover its cost within 6 months. Since food service revenue covers only about half its cost, dining cars and most other food service would likely end if this language becomes law. This bill must still be approved by the full Senate, and then versions from both chambers must be reconciled.

The anti-food service and sleeper language follows release of a recent report from Inspector General Mead that attempts to analyze

the economic effect of eliminating amenities from Amtrak trains and running them coach only. It concludes that this would reduce ridership but would save \$75-158 million annually because savings would outweigh lost revenues. The report says this would not only eliminate an entire category of employees, but the dormitory car that houses them could go too, along with all sleepers and baggage cars (checked baggage service would also be eliminated) and even the lounge cars. It points out that removing everything but the coaches would reduce the California Zephyr to just 3 cars instead of 9, requiring only one engine instead of two and producing dramatic savings in staffing and fuel costs. Labor protection payments would not be triggered because no route would be eliminated.

The report recommends that Amtrak's Board instruct management to test “removal of sleepers and all amenities” on some of its routes and removal of “some amenities or dining car service alone,” on others. Replying by letter, Amtrak Board Chairman David Laney said, “As we move toward an environment in which states will begin to shoulder a share of long distance operating losses, long distance passenger rail service cannot remain viable without significant reductions in operating expense...Amtrak will be launching a number of pilot projects...to identify the most effective strategies for addressing the long distance operating cost issues you have highlighted.”

The National Association of Railroad Passengers (NARP) promptly issued a news release challenging the report's analysis and conclusions and said removing these services would likely increase Amtrak's loss by \$50 million.

Amtrak Senior Vice President William Crosbie testified before the Senate Appropriations subcommittee that “the primary purpose [of food and beverage service] is to enhance ticket sales and ridership, not serve as a profit center.”

Sen. Conrad Burns (R-MT) said, “Food and beverages, as well as sleeper cars, are essential components of long-distance train travel. I agree that Amtrak needs to be more aggressive in contracting for food and beverage service, but I also believe we need to keep those amenities available.”

NARP President George Chilson put it more succinctly on a trip across Montana on the Empire Builder with David Gunn and various elected officials in June: Those who want to cut passenger service, he said, “know the cost of everything and the value of nothing.”

It seems ironic to criticize Amtrak for selling food at a loss when airlines don't even try to charge for it. One wonders whether the enemies of Amtrak, frustrated at failing to starve Amtrak out of existence, have now decided to starve the passengers.

Ultimately the issue comes down to whether the U.S. should reduce its rail service to third class status or make it something to be proud of. If it does the former, the service will likely expire eventually—which would no doubt please some of those bringing the pressure. To achieve the latter it is vital to remove the language that bars any loss on food and sleeper service so more positive and creative measures can be tried.

ESPA members should urge their Congressional representatives to work for the high Senate figure and deletion of the anti-sleeper and food service language. Urge President Bush not to veto the transportation appropriation. Given the gasoline supply situation, we especially need to strengthen our rail passenger service now.

Frank Barry

2005-2006 ESPA Meeting Dates

Saturday, October 1, 2005 Saratoga Springs – Amtrak Station
 Saturday, November 19, 2005 Schenectady – The Parker Inn
 Saturday, January 21, 2006 Schenectady – The Parker Inn
 Saturday, March 11, 2006 Annual Meeting - Schenectady

If you would like to become more active in ESPA, these meetings are the perfect opportunity to learn about the Association and how you can make a difference. ALL ESPA members are welcome and encouraged to attend. Please contact President Bruce Becker, 716-741-6384 or bbecker@westwoodcc.cc, for more information or if you are planning to attend a meeting.

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