

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS

OF THE

ROCKY MOUNTAIN RAIL AUTHORITY Held: Friday,
October 23, 2009, at 1:00 p.m. at the Jefferson County
Administration Building, Hearing Room One, 100 Jefferson
County Parkway, Golden, CO 80401.

Attendance:

A meeting of the Board of Directors of the Rocky Mountain
Rail Authority was scheduled in compliance with the laws of
the State of Colorado, with the following Board members in
attendance;

Harry Dale, Chair, Clear Creek County (Commissioner)
Doug Lehnen, Vice Chair, Town of Castle Rock (Council)
John Tangen, RFTA Controller, Fiscal Agent RMRA (via
teleconference)
John Hoffman, Town of Carbondale (Council) (via
teleconference)
Terry Carwile, City of Craig (Council) (via teleconference)
Rick Garcia, City and County of Denver (Council) (via
teleconference)
Steven Koster, Douglas County (Staff) (via teleconference)
Greg Schroeder, Eagle County (Staff) (via teleconference)
Forrest Whitman, Gilpin County (Commissioner) (via
teleconference)
Bob Bowland, Idaho Springs (Council)
Bill Moore, Pueblo County (Staff) (via teleconference)
Bill Moore, City of Pueblo (Alternate) (via teleconference)
Diane Mitsch-Bush, Routt County (Commissioner) (via
teleconference)
Diane Mitsch-Bush, Steamboat Springs (Alternate) (via
teleconference)
Diane Mitsch-Bush, Oak Creek (Alternate) (via
teleconference)
Tom Rogalski, Town of Hayden (Council) (via
teleconference)
Gene Putman, City of Thornton (Staff)
Karen Tussey, Town of Yampa (Council) (via teleconference)
Lee Behrens, Georgetown (Council) (via teleconference)
Bob French, Summit County (Commissioner) (via
teleconference)
Bob Briggs, Westminister (Council)
Dave Sturgis, Glenwood Springs (Council) (via
teleconference)

Also present were:

Ed Icenogle, Icenogle, Norton, Smith, Blieszner, Gilida &
Pogue, P.C. (RMRA Attorney)

Miller Hudson

Identification of any Non-Board members on the Conference Call Line

Chairman Dale asked for all non-board members on the conference call to identify themselves. No one identified themselves.

Call to Order

Chairman Dale, noted that with only 22 members present, there was not a quorum of the Rocky Mountain Rail Authority.

Public Comment Period

Chairman Dale asked for any person wishing to come forward to address the RMRA Board with public comments. No one came forward.

Consideration of Approval of September 25, 2009 RMRA Board Meeting Minutes

Chairman Dale referenced the Board minutes from the September 25, 2009 Board meeting. He asked if there were any corrections to the minutes of September 25, 2009.

There were no corrections.

Since there was not a quorum, the meeting minutes for the September 25, 2009 Board meeting could not be approved.

Update on CDOT Grant reimbursement Status

Chairman Dale reviewed the new SB-1 Grant Agreement with CDOT. He highlighted the term of the agreement from page 4 which is June 30, 2010. He also reviewed the total remaining amount of state funds, \$249,878.88, and local matching funds of \$62,469.72 from page 5. John Tangen, RMRA's Treasurer confirmed that these numbers appeared correct. Chairman Dale reviewed the scope of work on pages 21 and 22 which again contained the same numbers with the following list of work necessary to complete the study:

Compilation of the draft final report of the Colorado High Speed Rail Feasibility Study.

Development of written responses to comments and concerns provided by the Peer Review Panel, Steering Committee and RMRA Board of Directors, following presentation of draft findings and recommendations.

Development of revised Final Report reflecting responses to the comments and concerns.

Completion of Peer Review Panel activities, including methodology and document review sessions with study consultants and preparation of the panel's findings and recommendation.

Chairman Dale signed the new agreement on October 8, 2009 and hand delivered five copies of the agreement with his

signature to CDOT. It is still not clear when CDOT and the State Controller's Office will complete their signatures and process the grant application so that RMRA grant reimbursements can continue. The most optimistic projection called for the last week in October, but clearly noted to be just a guess. It is likely that the study will not be completed until late January 2010 as a result.

Update RMRA Financial Position

Chairman Dale reviewed the August 31, 2009 RMRA financial position as a reminder to the Board of what the final RMRA balance might be in January of 2010. From page 2 of the August statement, the closing RMRA balance at study completion is projected to be \$24,023. With the potential of extending the study into January 2010, and acquiring up to three months additional expenses, this balance may drop by as much as \$10,000, but was still deemed to be acceptable by the Board.

Discuss Remaining RMRA Study Schedule

Chairman Dale explained the remaining study schedule which could begin as soon as the CDOT grant reimbursements are reactivated.

1. Distribute the complete comment matrix with the TEMS responses to the Steering Committee.
2. Distribute the text to be included in the final report for the Freight Railroad Risk Assessment to the Steering Committee.
3. Schedule the next Steering Committee meeting, (likely in December 2009 or January 2010) to review TEMS responses to the comment matrix and the text to be included in the final report for the Freight Railroad Risk Assessment.

It is our intention that after this meeting we will have a good understanding of the changes to be expected in the final report. We do not expect to be in complete agreement with the TEMS Team on all items, but we will know where we agree and where we agree to disagree.

4. Hold the December Board Meeting on Friday, December 11, 2009.
5. Following the December/January Steering Committee meeting to review the TEMS responses to the comment matrix, TEMS will set a date for the revised version of the final report to be delivered to Mark Boggs for distribution to the Steering Committee and the Board. This will include the change from our original scope of work for the study (which stipulated the development of a "preferred alternative") to a more general "feasible alternatives" and "improved alternative" approach. It will also include an Executive

Summary.

6. A date must be set for the January RMRA Board and Steering Committee meetings to approve the Final Report. This will likely be Friday, January 15, 2010 which may or may not be the final RMRA meeting date.

7. The revised final report and executive summary will be sent to all Steering Committee and Board members at least two weeks prior to the final Steering Committee and Board meetings.

8. The Steering Committee and Board will consider adoption of these documents at their final meeting.

Discuss November and December Meeting Dates

Chairman Dale discussed potential meeting dates with the Board for both the Steering Committee and Board.

Recognizing that the holidays in both November and December would make last minute scheduling difficult when the CDOT grant reimbursements were turned back on, the Board agreed to set aside Friday, December 11 from 1 pm to 3 pm as the next RMRA Board meeting.

The Steering Committee could be convened before then, if the CDOT reimbursements are turned back on and if it is convenient to schedule a Steering Committee meeting before then. However, it was recognized that both were pretty big "if"s", so it is very likely that the Steering Committee may not meet until early January.

Chairman Dale also suggested a January Board meeting date of Friday, January 15, 2010.

Chairman Dale agreed to establish a dialogue with the Steering Committee and the TEMS Team once the grant reimbursements were turned back on and find a viable meeting date as early as possible with the understanding that it might be January 2010. Since review of the final report comments and input to the final report that the Board will be considering for approval is at stake, it was agreed that finding a date when the full Steering Committee is available was imperative.

Discussion of 2010 Budget

Chairman Dale noted that since it was very likely that the study would not be completed in 2009, the Board would need to approve a 2010 budget. It could do this at the December 11, Board meeting. Treasure Tangen will have a 2010 budget prepared for approval at the December 11, 2009 Board meeting.

Discussion of the FRA Preliminary National Rail Plan

The Board discussed the FRA Preliminary National Rail Plan (PNRP).

To the FRA the word “Rail” in every aspect of the word in the PNRP means fare subsidized, conventional standard gage, steel wheel vehicles used in heavy, slow (20 to 63 mph average speeds) FRA buff strength compliant trains (preferably diesel locomotive hauled trains) on at-grade steel rails and on right of way owned and operated by freight railroad companies. This is in sharp contrast to the FRA terms of financial and economic feasibility as used in the RMRA rail feasibility study, which focus on the ability to run true high speed passenger rail service without an operating subsidy.

Apparently, the FRA has changed its mind on financial feasibility and now finds it suitable and even desirable to run fare subsidized passenger rail service as long as it is on freight railroad owned tracks.

The FRA’s focus in the PNRP is to create a taxpayer funded subsidy program to the freight railroads as the primary component of their singular vision for passenger rail service in the United States. The freight railroads would be responsible for the construction of the passenger service tracks, the maintenance of those tracks, the maintenance of the right of way and all dispatch services.

Effectively, the Obama Administration and FRA is handing over the responsibility for passenger rail service in the US to the freight railroads and willing to pay them to take it over. And all of this is occurring without any national public policy discussion.

Chairman Dale expressed his disgust with the FRA PNRP and its 19th century approach to passenger rail service in the US. He also predicted its complete and utter failure since passenger train travel speeds under the FRA standard would be grossly inadequate and unable to compete with automobile and commercial air travel. Ridership in any specified corridor will be extremely poor compared to all person-trips made by all modes in that same corridor and revenue will be dismal at best. These systems will need an 80 percent or higher operating subsidy and tax payers will not tolerate these high operating subsidies for a prolonged period of time.

Close of meeting.

The meeting was completed at 2:45 pm.