High Speed Rail Authority Admits I-5 Was Fundable

By Michael D. Setty

In a remarkably candid interview in the Sept. 8 Sacramento Business Journal, California High-Speed Rail Authority CEO Jeff Morales admits that a straight-shot line from San Francisco to Los Angeles could conceivably have been built privately.

He notes dismissively that such a line “would have bypassed all those population centers” in the Central Valley and Antelope Valley. All those population centers (Modesto, Merced, Fresno, Bakersfield, and Palmdale) constitute about 7.5 percent of California’s population. So why would the authority plan to build a route through these cities at enormous cost, if they don’t have that many potential passengers?

The answer is simple: These cities contain huge swaths of vacant land perfect for land value manipulation and sprawl development. Morales unwittingly disclosed how the authority has changed the fundamental nature of the project. What had been sold as a self-sustaining profitable business has morphed into crony capitalism with generous government support.

Adding 100 miles of detours to serve favored land parcels will waste tens of billions of dollars. It will harm high-speed rail’s competitiveness with air travel, and require faster speeds, which use much more energy.

Besides the massive undisclosed subsidy to developers, the current plan cannot possibly work financially. Morales inadvertently disclosed how the authority has no prospects for building a larger system. That’s why achieving a working high-speed rail line in California will require discarding the current wasteful plan.

The state needs a much less costly plan, built around private investment, which benefits passengers now — not 20 years in the future. Here’s what our association proposes:

- Spend federal stimulus money to upgrade the existing Amtrak corridor between Sacramento and Bakersfield to 110 mph. That would provide fast service up and down the San Joaquin Valley, without noise to cities and disruption to agriculture that the current project would bring. The mission to connect these population centers to the rest of the state could be accomplished by spending a tiny fraction of the planned $6 billion.
- Use cap-and-trade funds to upgrade the San Diego-Los Angeles Amtrak corridor to 110 mph. These investments in the state-subsidized Amtrak system will provide significant improvements in mobility at an affordable cost. San Joaquin Valley residents would be able to board in Fresno, for example, and disembark in Los Angeles or San Francisco less than three hours later, without changing trains. Existing stations would continue to be served by Amtrak, with tickets that cost much less than high-speed rail.
- Create an open bidding process for private investment in high-speed rail. We believe that experienced operators should direct the development of new routes. Past interest by operators suggests that access from Bakersfield to Los Angeles via the Grapevine is far superior to the authority-proposed detour through the Mojave Desert via Palmdale. Similarly, operators are likely to prefer access to the Bay Area via the Altamont Pass, rather than the Pacheco, as that route would add significant revenue from Sacramento.

We are concerned that the current approach by the Authority will fail miserably, making it politically impossible to ever improve rail service in California. We want rail to succeed and become an essential part of the state’s transportation system.

THE AUTHORITY’S RESPONSE TO TRAC

HSRA CEO Jeff Morales felt compelled to respond to the TRAC opinion piece: “We agree, and under the leadership of Gov. Jerry Brown, we have worked with the Legislature over the last five years to advance a statewide rail network with high-speed rail as the backbone. Unfortunately, the rest of the commentary consists of a litany of erroneous and misleading statements, and fundamentally misrepresents the development of high-speed rail in California.”

(Continued on Page Two)
HSRA Response
(Continued from Page One)

It was the Legislature and voters who decided the route of the high-speed rail system; it’s not some nefarious strategy hatched by the California High-Speed Rail Authority. Contained within the voter-approved language in Proposition 1A is a specific stipulation that high-speed rail serve all the state’s major population areas, including Sacramento, Modesto, Fresno and Bakersfield – Central Valley cities that will play a vital role in California’s future.

And high-speed rail actually will help to reduce sprawl by inducing infill growth around stations and providing new transit-oriented growth to revitalize crumbling downtown areas.

Setty recommends using federal stimulus funds and cap-and-trade revenue to upgrade existing Amtrak corridors, but omits the fact that Amtrak operates over privately owned freight lines and that federal stimulus funds cannot be transferred from high-speed rail. He also disregards that voters specified service of up to 220 miles per hour, not the 110 mph that he advocates.

The purpose of the state’s cap-and-trade expenditure plan is to tackle broader issues of reducing greenhouse gas and achieving sustainable growth; high-speed rail is a key element in this strategy.

Setty claims there is no private sector interest in the program. The fact is that we continue to receive serious interest from infrastructure and investment firms both domestic and abroad, who agree with our ridership, revenue and cost projections that show there will be enough demand to generate net operating cash flow.

High-speed rail is a transformative investment that will connect economies, advance sustainable growth, and create jobs and opportunity. This is the vision for high-speed rail. Our job is to implement this vision by building a comprehensive rail system that will be fast, efficient, clean and reliable, and will benefit Californians throughout the state, not one group or special interests.

EDITOR’S NOTE:

Mr. Morales’ denials crystalize the issue. The project is indeed all about special interests with land holdings. Voters never picked a Fresno start. Michigan and Illinois used federal stimulus funds for 125 mph lines.

HSRA projects do nothing to improve service in Sacramento, let alone the Bay Area or Los Angeles. HSRA cannot give Californians claimed benefits because it runs out of funding long before it builds a mile of track south of Bakersfield or north of Merced County, two zones where HSRA design malpractice is most flagrant.

(Continued from Page One)

BOARD RESOLUTION ON PALMDALE

TRAC Favors Cap and Trade Projects with Near-Term Benefits

The Train Riders Association of California opposes the California High-Speed Rail Authority’s proposal to add the Palmdale to Burbank segment to its work plan. We believe this proposal unnecessarily delays benefits to residents of the state, and cannot be built with available funding. (The Central Valley segment of the project does not have full funding, even with its share of cap and trade dollars.)

We strongly urge that the cap and trade funds dedicated to HSR be directed to achieving meaningful greenhouse gas emission reductions, air pollution reduction, and on-the-ground transportation improvements in the near-term.

The list below comes from An Alternative Strategy for Developing High-Speed Rail Service in California,* written by the staff of the Senate Transportation and Housing Committee in July 2012. “These projects offer near-term benefits to today’s commuter rail and Amtrak riders and will be fully compatible with future high-speed train service.”

• Caltrain Downtown Extension to the Transbay Transit Center
• Los Angeles Union Station Run-through Tracks (SCRIP)
• Grade Separations between Los Angeles and Anaheim: Rosecrans/ Marguardt Avenue, Los Nietos Road, and State College and planned road closures
• Caltrain electrification

The cost of these projects makes them feasible with existing funding. While the upgrade of the Palmdale Metrolink service to Los Angeles was included in the Senate paper, the exceptional cost and technical difficulty of the project places it in the Infeasible category until additional funding is secured.

When further funding is found, we believe the state’s first priority should be a passenger rail connection between Bakersfield and Southern California. We published an analysis of the route,** which indicated that the Tejon Pass route is cheaper to build, faster and more profitable than the Authority’s route via Palmdale.

Using the HSR cap and trade in this strategic manner will mean that the Transit and Intercity Rail portion of the cap and trade program will be able to deliver far more benefits to rail passengers.


* http://www.caltrainnews.net/wp-content/uploads/2014/05/cm0813.pdf

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California Rail News July-October 2014
U.P., Capitol Corridor Push for $200 Million

NO FIX FOR SACRAMENTO ACCESS?

In 2013, the Train Riders Association of California (TRAC) took an official stand in favor of extending Capitol Corridor passenger rail service from downtown Sacramento to Roseville. We believe this extension of service may attract significant numbers of new riders while also improving Capitol Corridor economics.

Recently, the Capitol Corridor Joint Powers Agency (CCJPA) began the planning and environmental review process for the third track project. As we understand the currently proposed $200 million project, a third track would be constructed between the existing downtown Sacramento station and Roseville.

The project includes upgrading 11 existing bridges, including construction of a third railroad track over the American River. This new capacity would be used to extend up to 10 round trip trains to the Roseville station, upgraded with another passenger platform, track improvements and a daytime train layover facility. During late evenings and early morning hours when passenger trains are not in operation, the Union Pacific Railroad would use the track for staging freight trains entombed in Roseville classification yard.

However, this project raises a number of issues that are currently opaque to TRAC.

First, where did the “up to 10 trains per day” figure originate? In TRAC’s view, consistent service frequency over the length of a rail corridor is vital to maximizing patronage and revenues. Current Capitol Corridor patronage is greatly impaired by all trains currently originating or terminating in downtown Sacramento, particularly the “stub trains” that only travel between Sacramento and Jack London Square.

A proper use of the new facility would extend all 15 round trips from Sacramento to Roseville, because the entire segment in Sacramento County is urban and congested. Arbitrary limitation of service expansion would make the project into a gift of public funds to Union Pacific.

Second, TRAC is not aware of any current plans to add intermediate stops between Roseville and Sacramento. For example, a stop near Watt Avenue would be within a 15-minute drive of more than 500,000 people. Similarly, a stop near Arden Way would provide direct access to the large employment base in that area. These stations have more ridership potential than a dozen current California Amtrak stations.

Both North Highlands and Arden/Arcade have very difficult access to the downtown station, exacerbated by the $160 million parking charge, slow transit access, and the prior destructive actions of the City of Sacramento at the downtown station.

Third, what can be done to accelerate the relocation of Regional Transit’s light rail and bus transfer point to the new platforms at the downtown Sacramento station? The platform and track relocation had a direct cost of $70 million and wasted another $100 million of Sacramento city resources. It greatly impaired access to the trains, resulting in a significant loss and lasting loss of Capitol Corridor ridership. We hope that spending yet another huge sum of taxpayer money doesn’t bring the same familiar outcome.

Finally, what provisions will be made in the Capitol Corridor’s contracts with the Union Pacific to facilitate future extensions of track and guarantee availability of track access for new trains? The project should maximize potential for passenger rail service, whether current Capitol Corridor intercity or future regional rail services. The entire region would benefit if CCJPA and Union Pacific listened to local and regional governments and pursued a more universal approach to track improvements.

There is already a well-documented need for faster and more frequent passenger service in the corridor. However, this will require track mostly segregated from heavy traffic segments. How do the Utah Transit Authority obtained an easement for exclusive use of the facility for “Front Runner” regional rail service?

According to Union Pacific, the public would pay for a third track from the Sacramento Amtrak station to a revamped station in the Roseville yards, but would not receive exclusive use of the facility. Failing to study feasible alternatives to U.P.’s plan violates environmental planning law. Why is it that Utah can obtain a better deal from U.P. than Sacramento County and the Capital Corridor? Is it that transit managers and local officials in Salt Lake City are more competent or more intelligent than Californians? Why can’t our leaders pursue a “Front Runner” approach which maximizes public benefits by giving public use of the facility top priority?

Public leaders must ensure that $200 million is an accurate cost for the improvements and that the benefits of the project go to serve the public, not just to line the pockets of the Union Pacific once more.

THE BAKERSFIELD CALIFORNIAN revealed in September that the High Speed Rail Authority has known for at least a year that its Bakersfield–Palmdale route via the Tehachapi Range has fatal speed flaws. HSRA’s own engineering firms: project engineer UKS and oversight manager T.Y. Lin International both admitted to HSRA that the project would identify operation at 220 mph over the grade as being infeasible due to level of risk. The newspaper obtained the data through a Public Records Act request, although the Authority earlier turned down the research group Californians for Responsible Rail Development when it tried to obtain the same records. The Authority downplayed the admission and claimed that it was looking again at new routes, but not the shorter and more direct Grapevine route.

Insiders say the new route will raise it on the segment from Palmdale to Bakersfield.

AMTRAK REPORTS 12 YEARS OF repairs to its Hudson and East River tunnels in New York City following Hurricane Sandy damage.

Closure of one tube at a time will also impact New Jersey Transit as well as the Long Island Rail Road. When the Hudson tubes are worked on, it will result in significant reduced service starting in 2015, for at least two years. Insurance companies are paying for much of the $328 million expense. Seemingly it is the time to join the disjointed New York commuter services, which waste tunnel capacity and tube capacity by terminating at Penn Station but running deadhead services through the East River tube... ALL ABOARD FLORIDA announced it would buy 10 Siemens trains with three-car Charger 4400hp locomotives and 40 stainless steel cars with 51 inch high floors. The high horsepower per seat, more than double current European diesel trains, is apparently due to the weight of the single-level trains, which conform to traditional (some say outdated) US designs. The trains will be capable of 125 mph, when used on dedicated track at the north end of the route, but will not save energy compared to auto travel...

EXPRESS WEST NOT DEAD YET? At the latest HSRA meeting in Palmdale, the formerly moribund Las Vegas high speed rail project announced it is still alive and supports the Palmdale route. Andrew Mack, its Chief Operating Officer, talked about the past successes of the organization, and offered some details of its ridership and revenue projections. Not everyone in the room was happy. HSRA board member Mike Rossi, perhaps a bit jealous of the private project’s appeal to financial markets, took time to quibble with claims of its traffic and revenue claims. After all, if Express West can attract private capital to build 160 mph rail on freeway rights of way, why waste $7 billion of public funds trying to blast a 220 mph line through downtown Fresno and Bakersfield?

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Summer 2014 in France began with a two-week strike by five rail unions led by the Conférence Générale du Travail that shut parts of the SNCF network and lost SNCF $160 million in revenue. On July 17, bad news continued when a signal malfunction caused a collision of a regional train and a TGV near Pau in France’s southwest, injuring 40 passengers. July 2014 has been a tough year for trains in France. SNCF admitted in a January report that its high-speed TGV network is “not sufficiently profitable to cover the carrying amount of its debts and its renewal.” Actions taken in reaction to that finding, and maintenance priority back to the neglected urban and regional lines that carry the vast majority of French rail trips.

The more challenging job of restructuring the money-losing rail enterprise remains. SNCF recorded a net loss of $180 million in 2013 and effectively reversed its $758 million 2012 profit via a $1.4 billion write-down of the TGV network value.

SNCF FACES RESHAPING

France passed legislation in July that would make SNCF a holding company with several subsidiaries managing tracks (RRP), contract operations (Kédia), TGV freight, stations and conventional rail. GTT wanted a single unit and wanted France to take over all debt; it called the June statute essentially because it lost the debate. The legislation contains no terms for workers, GTT shares, or CGT, but GTT wanted retention of existing generous SNCF terms and to preclude the possibility of efficiency savings by any future private operators.

Additional industrial actions are likely in the December-January period, target for the implementation of the legislation, after which unions argue for job losses. The reform is also unpopular with the regions who expected more autonomy. The regions want an explanation of current levels of public funding, and need tolook at spending on other vendors to bid for more, to reduce their dependence on SNCF, and its hard-wired labor entitlements.

HOW TO REVIVE PROFIT?

The SNCF board is considering various options to reverse the decline in TGV profitability, but has limited scope for progress due to institutional barriers. Railways are maintained at current levels by creative marketing and major discounting of tickets, and the sales portion of the company is generally still seen as competitive.

The power of labor in France’s Socialist government means reform is half-baked and is coming years later than it should. If SNCF were profitable for decades, but since about 1996 has been used as a piggybank for French rolling stock companies and labor, with consequences that are now becoming obvious.

The vaunted TGV fleet was once a model of efficiency, with trains able to run 200 kilometers in a 10-hour day. They still can, but in practice don’t. The fleet balances out because existing trains in the south-west still have available capacity and the markets served are relatively small.

If the existing debt of $44 billion is factored in, the new project could easily total $36 billion. That means SNCF would incur about $2.6 billion in annual debt costs, a crushing load for a money-losing enterprise.

CUTBACK VS. CONTRACT?

The most extreme option being considered involves reducing the number of TGV destinations from 180 to 80 and creating operation on the newest TGV line, Rhone-Brive. A second possible casualty is the low-speed but long-distance TGV services which avoid Paris. They are a mixed bag, with a few strong performers and many apparently empty trains, but no services which have a strong constituency.

The obvious option not on the table is having other operators make competitive offers to take over existing money-losing rail services. This is the mainstream option throughout much of the rest of Europe, where it is recognized that private capital has a key role in making rail efficient.

In theory, private carriers have had access to French tracks since 2010, but so far, none have tried to claim the right. Plans by Air France, Veolia, Alitalia, and Deutsche Bahn have never come to fruition despite identification of specific unserved markets. The troubled French economy and high track access fees have been the most frequently cited reasons.

The new option for French rail transport, a highly asymmetrical situation because French contract operators (including SNCF’s Kédia) run services in Spain, Great Britain, Netherlands, Belgium, Germany, Denmark, Norway, and Sweden. The French do believe in contracting out…

Additional industrial actions are likely in the December-January period, target for the implementation of the legislation, after which unions argue for job losses. The reform is also unpopular with the regions who expected more autonomy. The regions want an explanation of current levels of public funding, and need to look at spending on other vendors to bid for more, to reduce their dependence on SNCF, and its hard-wired labor entitlements.
AMTRAK & MICHIGAN TO EXTEND 110 MPH SERVICE

Building upon agreements concluded in 2012, Chicago-Detroit Amtrak trains will obtain 110 mph service on 90 percent of the corridor by next year. For about two years, a section of 110 mph track has been successfully operated in Western Michigan, the only such service west of the Potomac.

The new segment will extend to 322 miles, bringing the corridor up to international standards of speed. The service was made possible by negotiations and agreements reached between Amtrak, the Michigan Department of Transportation (MDOT), and the Norfolk Southern Railway (NS).

As announced in December 2012, MDOT used a grant from the Federal Railroad Administration (FRA) to purchase 22 miles of NS railroad for $140 million, a highly attractive price of about $1 million per mile. The line is directly connected to the Amtrak-owned Michigan District, which runs 97 miles from Kalamazoo to Porter, Ind. The result is nearly 80 percent of the route between Detroit and Chicago is publicly owned and will soon be maintained for passenger trains at higher speeds.

Extension of the 110 mph track speed district for Amtrak trains from the price 90 miles started eastward with the 22-mile segment between Kalamazoo and Battle Creek. Travel times are being reduced sequentially as more improvements are made. In 2012, Amtrak shaved about 20 minutes from the 2001 schedules on the Amtrak-owned segment of the corridor. The current plan is to further reduce the travel time between Detroit and Chicago to about five hours.

The $140 million used to purchase the line included FRA High-Speed Intercity Passenger Rail Program grant funds, plus a state match of $37.5 million. The FRA also awarded $196.5 million to MDOT for major track and signal improvements on this corridor to be performed by Amtrak. NS will also transfer the duty of train dispatching to Amtrak in phases between now and 2016.

"Amtrak looks forward to working with the FRA, Michigan, Illinois and Indiana to improve this corridor and better connect these vital cities in the Midwest with travel times far better than driving, more comfortable and productive than flying and with a smaller carbon footprint than either of those modes," said Amtrak CEO Joe Boardman.

While California HSR officials claim that the kind of improvement is impossible using FRA high-speed funds, work is underway today in Michigan, Indiana, and Illinois, all states with far more limited staff and financial resources. One key to the progress made in Michigan may be its use of small, rail-focused consulting firms like R.L. Banks instead of huge international engineering firms.

Another is obviously Michigan’s close work with railroads, and the practical nature of the agreements they have concluded with them. Midwestern states found common ground and quietly purchased the lines with public funds, improving the tax and cost situation for freight carriers, doing so with federal grants. The net result is that Michigan has 110 mph trains now, rather sometime a decade or two in the future.

Spanish HSR Station & Tunnel Flood in Girona

By Richard F. Tolmach

Barcelona-Figueres AVE high-speed trains as well as all Spanish international TGV service was delayed over a week, following heavy rain September 29 that flooded the Girona AVE station and blocked the six kilometer tunnel north of the station. About 15,000 riders were negatively affected, and several hundred trains cancelled.

Renfe was initially forced to cancel all AVE (high speed) and AVANT (regional expresses) north of Barcelona, partly because the line was cut, partly because the entire local fleet was stranded in Figueres. By three days after the incident, water was drained from Girona AVE station and service was re-established to that point, using sets borrowed from Madrid. The fleet shortage and delays turning trains also somewhat disrupted and delayed Barcelona-Madrid AVE service.

The line north of Girona was more challenging, because infrastructure operator ADIF had to clear 15 million gallons of water from the last mile of the tunnel, a process that lasted several more days. ADIF requested help from the army’s Emergency Military Unit (UME) which brought 84 soldiers, 30 vehicles, a bus and an aircraft to Girona. Its pumps were theoretically capable of moving 300,000 gallons an hour, but the distance between the closest access point and the water meant slower progress.

Conditions for travelers to Figueres and France were chaotic. Passengers were generally redirected to conventional regional trains or bus shuttles, but without much warning. International passengers dodged both Girona and Perpignan stations, waiting for delayed buses to show up.

Between 2 and 4 inches of rain fell in the 24 hours preceding the tunnel problem. This certainly was not a 100-year storm, but set a record for more than decade, because the region has had low rainfall for years. Various streets and highways around Girona also flooded at the same time.

The Girona AVE station was particularly vulnerable to flooding because it was placed underground next to a watercourse. The conventional Renfe station above it, perched 20 feet above water level and with a modern viaduct connecting northwest, was relatively unaffected.

The AVE station filled to platform level, approximating the appearance of a Venetian canal. The tunnel filled to 7 meters height, enough to submerge the catenary. Luckily, no trains were on the line at the time.

Where’s a vaporetto when you need one? Flood turned high speed rail into a spooky canal. ADIF says it saved Girona from worse flooding.

For three days, ADIF was silent on the cause of the flood, but then blamed the problem on city infrastructure. ADIF went so far as to claim that flooding of AVE through Girona acted to divert water from flooding city streets, which prevented “greater harm” to the city itself.

Girona Mayor Carles Puigdemont retorted, calling the ADIF statement “a shameful text that is an insult to public intelligence.”

Opening the line required overhauling many platforms. The tunnels were filled with mud, which had to be cleaned with more water. Until the tunnels were dry, ADIF technicians couldn’t check damage caused to catenary or AVE’s electrical and signalling equipment.

Ironically, less than a week after the disaster, Girona hosted a summit of cities on high speed for which French participants had to arrive by bus. Girona Parliamentary representative Santi Vila believes that the AVE flood made the Rajoy administration “ridiculous in the eyes of the world.” In a speech before Parliament, he noted that Rajoy has made high speed rail its flagship project, and characterized the Girona flood as a “collapse of a project of which [Rajoy] boasted until recently.”

Mayor Puigdemont not only criticized the AVE project for negligence, but for intrinsic safety flaws in its design. He made the point that many lives would have been in danger if the tunnel had flooded when trains were operating instead of overnight.

The tunnel section below the river was one of the most expensive features of the line through Girona, but now seems to have become the Achilles heel of the project.

On October 10, the Girona City Council overwhelmingly passed a resolution stating that the event showed that the AVE line, although operating for 21 months through Girona, is clearly not completed and lacks essential safety provisions.

Officials characterized ADIF as having produced “totally unnecessary and unacceptable risk.” The text concludes by asking ADIF to complete “immediately and urgently without further delay” remaining work especially in Central Park and in the neighborhood of Sant Narcis. It has been forwarded to the Interior, Public Works, Ana Pastor, the Ministry of Development and President of ADIF.

The resolution criticizes ADIF for resuming service without adequate security. Mayor Puigdemont was sent to Madrid to put ADIF on notice of the City’s concerns...
Why HSR Should Start in Los Angeles

Testimony to the Senate Transportation and Housing Committee by Paul Dyson
High Speed Rail, Informal Hearing, Sacramento, March 27, 2014
Chairman DeSaulnier and Honorable Senators:

My name is Paul Dyson — I am RailPAC President and Chair of the City of Burbank Transportation Commission, and a recently retired 45 year veteran of the railroad and logistics industry.

RailPAC is an all-volunteer 501c3 membership organization educating the public in the need for a more balanced transportation infrastructure since 1978. We have always advocated investment in modern passenger railroads, both in a dedicated high speed right of way for passenger trains linking the main centers of population in California, as well as continuous upgrades to regional rail and local transit.

Our concept continues to be one of incremental improvements, done smartly, so that each investment acts as a building block on the foundation of existing facilities. This policy is equally applicable for new high speed rail segments as well as where environment constrains. It is clearly not possible for a complete 800 mile system to fall from the sky and be instantly in place, so we have to ensure that each segment constructed fulfills a real need in its own right as well as being a part of the whole.

This hearing asks three questions:
1. What do we want to see as the end product?
2. Does the 2014 Business Plan move us in the right direction?
3. What alternatives might give the project better chances for success?

I will be brief in answering the first question, what does a world class passenger rail system look like? Our model is Switzerland, where the transit systems, regional and intercity railroads, even the steamers on the lakes, are coordinated to provide service from just about every stop or rail station to every other one in the country every thirty minutes, 18 hours a day, seven days a week.

You’ll see from the map that Switzerland is about the size of the densely populated areas of northern or southern California, but actually faces far greater topographical challenges. It is an affluent country with high levels of automobile ownership, and yet has very high public transit usage. And of course there is a growing network of European high speed trains which links Switzerland with the major centers of Europe. Thus we advocate two robust regional systems, north and south, with a high speed right of way for passenger trains linking the main centers of population in California, as well as continuous upgrades to regional rail and local transit.

The Authority proposes a service, that will be in place for a number of years, whereby passengers will travel by bus or regional train to and from Merced, take a High Speed Train to Palmdale, and a Metrolink train from Palmdale to Los Angeles or Orange County to Sacramento, compared to the alternatives that are available? Some might, if they are so enthused about the new technology, but will the patronage be sufficient for the service to make a profit on operations? For that level of inconvenience and slow a journey the fare will have to be pitched so low to attract passengers such that an operating profit is out if the question.

What Alternatives does RailPAC propose? We believe that the logical plan, the one most likely to be successful, is to start construction at Los Angeles Union Station, and build north. There are many very good reasons to adopt this strategy.

1. A rebuilt Los Angeles Union Station brings immediate benefits to eight of the most populous counties in the state. Converting the station from a stub end to through tracks has the same regional significance as the Transbay tube has to the BART system. It will bring improvements to the daily lives of thousands of Southern California commuters and intercity passengers.

2. Only Los Angeles in the south can generate sufficient numbers of passengers to allow for any prospect of a successful and profitable operation. Trying to initiate High Speed Rail interim service without one of the end points is like trying to open a shopping mall without an anchor tenant. You need a “big box” retailer to bring in the crowds. The Authority’s decision to delay service to Union Station until 2028 at the earliest is incomprehensible.

3. The section between Los Angeles and Bakersfield is the most expensive and technologically challenging. We believe it is better to solve these problems first, rather than “kick the can down the road” and build the easy parts first. Imagine the British and French building the approaches to the Channel Tunnel first before they knew whether the tunnel was feasible or affordable!

4. Construction at Los Angeles, under the High Speed Rail secp, will provide a demonstration to the majority of Californians that the project is truly under way.

5. A grade separated right of way from Los Angeles to Saugus will eliminate dangerous grade crossings in the San Fernando Valley.

6. There is a gap in the existing state intercity service between the San Joaquin corridor at Bakersfield and the LOSSAN corridor in Los Angeles. Building this segment of new line first will allow through travel, eliminate the bus connection, and enhance the travel experience.

7. Bridging the gap between Los Angeles and Bakersfield is truly a project on which its own represents independent utility, regardless of whether there is additional investment in High Speed Rail.

After the link is made to Bakersfield each additional segment of new line will incrementally reduce journey times by allowing higher speed operation over a greater distance. Convenience and speed self reinforce; a single seat ride gradually improving journey times will add to the commercial success of the service until end to end high speed operation is achieved.

Mr. Chairman, there is certainly more that could be discussed here but I am delighted to answer any questions you may have.
Please join TRAC and the California Rail Foundation for our annual California Rail 2020 conference Jan. 17 at the California State Railroad Museum, 1251 Street, Sacramento, just west of the Sacramento Amtrak Station. The agenda will include:

**SATURDAY, JANUARY 17, 2015:**

12 NOON REGISTRATION, MEET AND GREET
Meeting 1:00 PM to 5:00 PM with the following sessions:

**SoCal Rail Reinvention** - Now that LOSSAN has been made the central point for all regional service planning, how can we ensure some progress in making Metrolink routes connect with each other, Coaster and Amtrak.

**Rail Legislation and Opportunities for Activism** - Pending bills and ideas for 2015 that may produce a global change in intercity rail, regional rail and transit. We’ll also discuss how you can help in the effort!

**The Firsthand Word from Key Rail Legislators** - Social Break 5:00 PM to 5:30 PM

**BANQUET DINNER IN MUSEUM** 5:30 PM TO 7:30 PM

Conference Rates (include banquet dinner): Day-of-event rates for members will be $89 but you can save significantly by being an early bird! Mail us your check or sign up via calrail2020.eventbrite.com today!

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**SUPPORTING RAIL REFORM IS TAX-DEDUCTIBLE**

The California Rail Foundation was founded in 1987 to promote modern rail and bus technology, including high-speed rail. Since that time we have produced California Rail News and cosponsored an annual conference that educates on rail, Cal Rail 2020.

We never believed it would be easy to build California high-speed rail, but we underestimated just how much fraud megaprojects apparently attract. The project now has a broken budget because of tens of billions of pork including 200 miles of wasted route and dozens of miles of unneeded viaducts planned in the Central Valley.

It appears to be the same model used on Peninsula and Los Angeles County segments. Taxpayers are being offered only overly expensive choices by HSRA that wreck cities in the same way that elevated highways would.

It does no good to just complain about fraud; we have to organize and fight it in court.

In July 2008, CRF filed suit in Sacramento Superior Court, along with the Planning and Conservation League, TRANSDEF, the Town of Atherton and the City of Menlo Park to overturn adoption of the Pacheco Alternative which would have destroyed many Peninsula cities.

We won the case in October 2009. HSRA was forced to rescind its selection of Pacheco and redo its environmental work. A brief opportunity in 2010 allowed us to submit new comments into the record. We retained a leading model expert, Norm Marshall of Smart Mobility, who found major flaws in HSRA’s ridership figures, confirmed by other experts.

We also retained the leading European HSR route design firm, Setec Ferroviaire, to help us define and present a faster and better way for trains to link S.F., Sacramento and Los Angeles, through the East Bay. You can see Setec’s work and other new feature articles at the CRF site: calrailfoundation.org

At the same time, CRF has continued to support parallel legal efforts that have paid off with a high probability HSRA will have to either obey the Prop. 1A language compelling an operable route for its first construction segment, or drop the entire project. The latest revelations about how travel time has been falsified are likely to result in further litigation.

CRF is actively providing leadership on reforming the project, and promoting cost savings available by involving private capital. Your generous contribution today to CRF will help us stop the bad plan and launch an environmentally superior alternative.

We are a tax-deductible 501(c)(3) nonprofit, and operate without paid officers or permanent employees, so all financial resources are directed to our mission of cost-effective modern rail service. Take a tax deduction by using the form on Page 2 to send a check to CRF or by using the PayPal link on our web page.