



East Texas Corridor Council

Vision for Texas State Rail Plan



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Who We Are

The East Texas Corridor Council was founded in 2004 to provide a regional consensus for capacity improvements to secure higher speed rail for the more than 8 million residents along the I-20 & I-69 corridors from Dallas/Ft. Worth to the Arkansas and Louisiana border connections.

The East Texas Corridor Council currently encompasses 35 municipalities and is chaired by former White Oak Mayor Tim Vaughn, while Harrison County Judge Richard Anderson leads the Council's Government Relations Committee.

The administrative and fiscal agent for the East Texas Corridor Council is the East Texas Council of Governments.

East Texas Corridor Council Website: www.eastxcc.com

East Texas Council of Governments Website: www.etcog.org

Goals

- Longer term, to fund I-20 and U.S. 59 (I-69) corridor rail infrastructure along the I-20 and U.S. 59 (I-69) to effect double-tracking of the Union Pacific main line between the metroplex and Arkansas and Louisiana border connections as an incremental step toward Higher Speed Passenger Rail
- Near term, to establish daily passenger rail frequencies between the metroplex and Bossier City/Shreveport, Louisiana

- Establish an Amtrak CentrePort/DFW Airport station stop for Amtrak’s *Texas Eagle* with seamless connections to airport terminals
- Connect the South Central and Gulf Coast federally designated High-Speed Rail Corridors via a Marshall-Longview-Palestine-Houston north/south connection and on an east/west line to Meridian, Mississippi along the existing Union Pacific right-of-way to Bossier City/Shreveport, LA.
- Capitalize Texas Rail Relocation & Improvement Fund

Accomplishments

- Texas Rail System Plan stakeholder
- Facilitated Memorandum of Understanding among the East Texas, North Central Texas, and the Northwest Louisiana and Ouachita [LA] Councils of Governments
- Secured \$740,000 grant for the East Texas Higher Speed Rail feasibility and modeling study
- Joined the Southern High-Speed Rail Commission

Passenger Rail Context

Intercity passenger rail through East Texas is serviced exclusively by Amtrak operating over the Union Pacific Railroad.

Daily passenger service is provided by Amtrak’s *Texas Eagle*, trains 21 & 22. An excerpt of the train schedule is below:

21	<Train Number>	22
Read Down		Read Up
5:58 AM Daily	Texarkana, TX	8:43 PM Daily
7:50 AM Daily	Marshall, TX	7:31 PM Daily
8:28 AM Daily	Longview, TX	6:16 PM Daily
9:25 AM Daily	Mineola, TX	5:15 PM Daily

11:30 AM Daily (Arrive) 11:50 AM Daily (Depart)	Dallas, TX	3:40 PM Daily (Depart) 3:20 PM Daily (Arrive)
1:25 PM Daily (Arrive) 2:10 Daily (Depart)	Fort Worth, TX	2:20 PM Daily (Depart) 1:58 PM Daily (Arrive)

Because of limitations in current capacity, the Spring 2010 timetable allows a significant amount of padding in the *Texas Eagle's* schedule—this results in an average speed of 33-35 MPH through East Texas. Despite this and the recent downturn in the economy, the *Texas Eagle* has continued to increase both ridership and revenue:

October-April FY 2010 vs. FY2009

Ridership = 154,771 (Up 9.2%)
Revenue = \$11,606,835 (Up 9.1%)

FY09 vs. FY08

Ridership = Up 3.6%
Revenue = Up 1.1%

The *Texas Eagle* was one of only three long-distance trains (out of 15) to finish up in both ridership and revenues in FY09.¹

In order to demonstrate the gains of the *Texas Eagle* during the recession and at current speeds, the following table lists the stations within the East Texas Corridor Council's scope:

¹ Amtrak's *Texas Eagle* Local Revenue Management Team

Stations	FY10 Oct-Apr		FY09 Oct-Apr		Riders	Revenue
	Total Riders On/Off	Total Revenue On/Off	Total Riders On/Off	Total Revenue On/Off	% Change 2010 vs. 2009	% Change 2010 vs. 2009
Texarkana	4,238	\$313,904	3,293	\$254,261	+28.7	+23.5
Marshall	4,839	\$273,266	3,654	\$218,538	+32.4	+25.0
Longview	17,623	\$1,351,727	15,349	\$1,270,298	+14.8	+6.4
Mineola	3,447	\$193,485	2,622	\$156,935	+31.5	+23.3
Dallas	25,081	\$1,954,661	20,727	\$1,720,589	+21.0	+13.6
Ft. Worth	26,498	\$1,523,531	22,736	\$1,372,753	+16.5	+11.0

Historically, the railroad has been “hiding in plain sight” among the citizens and legislators of Texas. Because the various freight corporations operate within the private sector, little attention, beyond regulatory, has been paid to the railroads, and little, if any, funding has been provided. The host railroad companies have been, and continue to be, solely responsible for their physical plant, infrastructure, operations, labor, etc.

However, the creation of a Rail Division within the Texas Department of Transportation signals a new era. The ETCC strongly supports this action, as it shows that Texas is being prudent in the planning of an integrated transportation network that includes roads, air, and rail—each an important artery in the Texas transportation circulatory system.

Cooperation

An important part of the Rail Division will be its ability to coordinate and act as a liaison between the various rail advocacy and planning groups throughout the state. To paraphrase Federal Railroad Administration Deputy Administrator Karen Rae's statement on January 7, 2010, at the Texas Transportation Forum in Austin—in the Midwest, eight states came together with one vision; in Texas, you have one state with eight visions. Hence, we were essentially left out of the first federal appropriations. As evidenced by the MOU's executed between the Louisiana and Texas Councils of Governments, the ETTC has already established itself as a "team player" within the context of working across state lines.

Implementation

Because of the political realities of a state with as much privately-owned land as Texas, any future rail plan must take into account the lessons learned from the Trans-Texas Corridor project—namely, Texans are reluctant, and in many cases vehemently opposed, to allow the state to appropriate land under the guise of eminent domain. Even when the overall plan would be beneficial to the entire state, local citizens are loathe to accept large infrastructure construction in their back yards.

As such, any realistic rail plan must rely mainly on existing rights-of-way; that is, the rail plan should be built largely on the physical plant that is already constructed. Fortunately, Texas has more railroad miles than any other state, and is poised to take advantage of this fact as the population continues to grow.

In addition, the federally-designated South Central High Speed Rail Corridor is defined by the present route of the *Texas Eagle* over Union Pacific tracks from Texarkana to Fort Worth, which will help the implementation process and open the corridor for federal funding.

Utilization of rail makes better use of limited public financing (taxes) and encourages coordinated connectivity for passengers. For example, improvements in passenger rail through East Texas, beginning with the connections between the metroplex and Bossier City/Shreveport, link existing air hubs and could provide a multi-modal transportation network.

Another prudent move would be to encourage public/private partnerships. Existing Amtrak stations in East Texas demonstrate how successful local involvement can be; stations in Marshall, Longview, and Mineola are currently in local hands. The state mandated East Texas Regional Transportation Coordination Planning Steering Committee has identified the above stations as the first coordinated, multi-modal transfer points for regional transportation.

Financial Considerations

Because the inevitable question will be “How will we pay for it?” there are several points that should be examined.

- A simplified “farebox recovery” analysis is bound to show a net loss of revenue. This is true of transit systems the world over, and does not take into account other, so-called “hidden” benefits, to wit:
 1. By definition, tonnage moved from road to rail will result in a net reduction of highway maintenance costs.
 2. Decreased highway congestion reduces time lost in commuting (TxDOT projects a traffic increase of 72%

along the I-20 corridor from Mesquite to Waskom within the next five years)

3. Less gasoline and diesel is wasted while road vehicles idle in traffic, or proceed in start/stop driving.
 4. TxDOT predicts that by 2025, there will be a 131% increase in truck freight movement through the eastern part of Texas²; transferring freight tonnage from trucks to rail would be significantly cheaper than entering a cycle of adding freeway lanes, only to see those lanes clog again and resulting in the construction of additional lanes.
 5. By providing Texans with the ability to work in the city and utilize rail transportation to commute to outlying—even rural—areas, Texas could curb the trend of urban sprawl.
 6. There is significant potential for economic prosperity for cities and towns along the route, ranging from increased home values (and, hence, higher property taxes) to increased hotel and B&B occupancy due to tourism. In many cases, this increased local tax revenue could make up for losses caused by the current recession.
 7. Connecting the population of Texas with the population of other emerging megaregions will allow a more diverse workforce, and continue to attract businesses and tourists to the state. Texas is both the front and back door to two of the ten megaregions (Gulf Coast and Piedmont Atlantic.)
- Transportation of both passengers and freight by rail is significantly “greener” than other modes; for instance, according

² TxDOT, “East Texas Region Freight Study” 3-5.

to CSX Transportation, a train can move a ton of freight up to 436 miles on one gallon of diesel. This is particularly important given the Environmental Protection Agency's recent strengthening of the ozone requirements, with several counties in East Texas being in "near non-attainment" status.

- A major selling point to communities along the route (most of whom are already pro-rail) would be the additional tax dollars that residents, tourists, and visitors would spend in these towns and cities.
- More train frequencies mean more operating and on-board crews; these crews would be drawn from the East Texas workforce, adding to the region's economic recovery. Likewise, more infrastructure requires more maintainers—again drawn from the local workforce. Such a plan leads to a net creation of jobs.

Investment in Freight Railroad-Owned Infrastructure

According to data provided by the Texas Department of Transportation's Tyler District and *Trains* magazine, an investment of \$537 million (the cost of 2 cloverleaf interstate interchanges) would allow the double-tracking of the entire 245 mile railroad line between Texarkana and Dallas and Shreveport/Bossier City to Marshall. This would more than double the current capacity and open not only additional slots for more frequent and speedy passenger trains, but also allow the Union Pacific to carry more freight. Between 1980 and 2005, tonnage on these subdivisions more than doubled, and is predicted to increase by 130% by 2025.

Railroads are also one of the leading indicators of the United States economy. In the first quarter of 2010, Union Pacific is reporting a

43% increase in profit, which means that the railroad will again approach the limits of its current capacity.³

Initial Financing Considerations

It is early in the planning process, but the sooner Texas develops a financing plan, the better. Therefore, we offer these as brief discussion points to begin the process.

- TxDOT should begin to examine options for the proportional allotment of transportation dollars to rail. While it may seem counterintuitive to apply gasoline tax revenue to rail improvements, in terms of realized economic benefit (through saved highway maintenance, etc.) such investment makes good sense.
- Texas could offer incentives to the freight railroads, such as tax credits or lowered local property taxes, for their participation in the state's Rail Plan.
- Texas should work to put transportation planning power in the hands of local elected officials. One means of doing this is through Regional Infrastructure Improvement Zones, which facilitate public/private investment in infrastructure needs important to localities. Importantly, contributions to RIIZs would be tax-deductable.
- Texas should examine options to allow municipalities to build and maintain intermodal rail facilities (both freight and passenger) using the same mechanisms in place for airports.
- The Federal Government has proven its willingness to provide up to 80% funding for rail-related projects.

³ *The Wall Street Journal* "Market Watch"