

STATE of VERMONT
Grant Application
For
Capital Assistance to States – Intercity Passenger Rail Service

June 27, 2008

Background

In 1996, the State of Vermont initiated a request that Amtrak begin state supported intercity passenger service to Rutland, VT. After a very successful launch of the state supported Vermonter service on the eastern side of the State, it was felt that the Vermont's second largest city would also benefit by passenger rail service of its own. Vermont is very dependent upon Tourism's contribution to the State's economy and without a dependable transportation system, that includes access to the state by Rail, a successful tourism industry could not be maintained. There are several ski areas located within close proximity to Rutland and a concerted effort by those entities, the city, the state and Amtrak resulted in an effective plan to initiate a multi-modal connection to those large facilities. Amtrak agreed to extend certain trains in the current Albany corridor service north beyond Rensselaer to Schenectady, Saratoga Springs, and Fort Edward (over the CP) into Vermont at Whitehall over the Clarendon, Pittsford Railroad with a stop in Fairhaven, Vermont and ultimately arriving in Rutland. Vermont agreed to be responsible for the direct operating cost of the new service. There was also a long term plan to provide service to the entire western side that would bring corridor trains beyond Rensselaer through Mechanicville and into Vermont at Hoosick Junction with service along the western side of the State up into Burlington, the State's largest City. That effort is known as ABRB (Albany, Bennington, Rutland, Burlington).

The Clarendon Pittsford Railroad (CLP), part of the old D&H, was not in suitable condition at the time to support passenger service. The Vermont Congressional delegation secured funds along with state funding to do some of the needed improvements on the line. At that time, it was thought that with the ABRB plan the service would likely be shifted over from the CLP to the route outlined in the ABRB along the State-owned Vermont Railway. A plan was developed to meet the short term needs of the CLP line in order to get the service up and running. That work was completed successfully and the Ethan Allen Express was initiated on January 1, 1997. Due to many factors, including lack of sufficient funding, the ABRB project is moving much slower than anticipated. As a result, many of the sections of the CLP that were acceptable to run regularly scheduled passenger service over back in 1997 are now unable to support the agreed upon timetable of 1997 for trains between Rutland and Whitehall, NY. Sections of older rail (#90) will need to be replaced and several crossings repaired if we are to remove slow orders through that segment that will allow speeds to meet the 1997 requirements. The funds from this grant are needed for that purpose.

Current freight service on this line includes one freight in either direction, that allows interchange from the Vermont Railway to the Canadian Pacific railroad in Whitehall, NY. The major fuel shipments to Burlington, Vermont are included in those trains as well as shipments from a major shipper, OMYA whose facility is located in Florence, VT

Description of current service:

The Ethan Allen Express : The current state-supported “Ethan Allen Express” services the communities north of Albany NY including Schenectady, Saratoga Springs, Fort Edward (Glens Falls-Lake George), Fairhaven, Vermont and Rutland, Vermont. The present timetable calls for a total trip time of 5 hours and 25 minutes between Rutland and Penn Station in New York City. The mileage of the Rutland-New York City trip is 241 track miles. The state-supported segment starts at the Rensselaer station serving three stations in New York communities and terminates in Rutland. The total track mileage of the state-supported segment is 100 miles. The current trip time for that segment is 2 hours and 50 minutes. The Ethan Allen Express timetable is modified annually to accommodate the passenger needs related to the Saratoga Raceway weekend schedule. Connecting services are available in Rutland to several ski areas in season.

Ridership on the Ethan Allen Express, as with many of the state supported routes has improved over the past two years. In the case of the Ethan Allen Express the increase was 2.8% in 2007 for a total of 43,942 riders and for year 2008 (through May) 28,560, a 3.6% increase over the same timeframe in 2007. A copy of the latest ridership report is attached as well as a breakdown of current boardings and alightings by station stop.

The State contract with Amtrak for our two services in federal fiscal year 2008 is for \$3,940,033. Of that amount \$1,276,662 is allocated to the Ethan Allen Express service based on the annual P & L which is attached.

The State of Vermont pays 100% of all the direct cost for the Ethan Allen Express Amtrak service north of Rensselaer station, including a share of the costs associated with the operation of the stations in Schenectady, Saratoga Springs and Fort Edward, NY.

The most recent monthly ridership report from Amtrak is attached.

Other transportation options:

At present, there are no viable competing transportation services from Rutland through Albany to New York City. Vermont Transit (Greyhound) has a daily shuttle service to White River Junction where passengers can connect to southbound busses to New York City, through Springfield, MA. The web site for Vermont Transit is:

<http://www.vermonttransit.com/>

Limited, regularly scheduled air service is available to Boston, MA that connects with a major carriers, in particular Jet Blue Airways that provide service to JFK airport in New York..

PROBLEM STATEMENT

Vermont is one of the few states to operate its state supported Amtrak service over Regional and Shortline Railroads. Over the past five years the on time performance (OTP) for the Ethan Allen Express has deteriorated substantially. This is due mainly to the multitude of slow orders along the route that continue to plague the railroad. Many of these slow orders are related to older rail, crossings, and some smaller structures as well as some problematic areas of poor subsurface conditions that even after corrective action, can not maintain the appropriate surface for safe operation at maximum track speeds. As stated earlier, the improvements done back in 1996 that were to have been a short term fix are coming to the end of their useful life. Some of the areas that were felt to be adequate back in 1996 are not meeting the needs of today and need to be addressed. New rail, to replace the old #90 non-control cooled rail, ties, ballast and surfacing through the two mile segment is needed in order to move trains through this area safely and at track speed.

Administration		\$ 20,000
Rail Installation	Bid Contract	\$284,550
Supervision of Installation		\$ 5,000
TOTAL		\$1,163,550

PROJECT TIMING: The project will require procurement of several long lead items, both rail and bridge timbers. Upon grant award, the railroad will begin the procurement process. The actual construction would be concluded in the following construction year. If the timing of the grant allows, work can begin in the fall of 2008 with completion in 2009.

OPERATING CHANGES

Amtrak operates one train in each direction daily through the described locations. It is anticipated that upon completion of the enclosed scope of work, the immediate outcome is the removal of 10-12 minutes of speed restrictions per train. In addition to the time savings the safety factor through the project areas will improve dramatically. The new rail also makes for a much smoother ride and improves the overall passenger experience. Less slowing also results in better fuel efficiency, which is becoming a major issue in the overall cost of the service. In the proposed 2009 contract Amtrak fuel costs have doubled. It is also expected that Amtrak will require Vermont to pay the actual cost of fuel used to operate the trains on a monthly basis.

The on time performance (OTP) of the Ethan Allen Express has deteriorated over the last four years. This project along with other scheduled improvements recently completed and in process as well as the railroad's regular maintenance program will put us close to the goal of the 80% on time performance. This should result in the customer satisfaction rating improving, leading to increased use of the train and ultimately higher revenue.

Freight Railroad (NECR): Although there is no direct impact attributable to the proposed improvements, the proposed project allows the railroad to move up other projects into their project schedule resulting in capital savings in the overall scheme of things.