

## On-time Performance Shows Some Improvement in 2007

One of several issues we are following closely at TARP is the performance of Amtrak's long-distance routes and, sadly, the Year 2006 was one of Amtrak's worst ever years for on-time performance.

In fact, some of Amtrak's most important routes have been so plagued with delays that some of them received a 0% on-time rating for entire months at a time.

As one can imagine, late-operating trains increase a vast number of avoidable cost variables for Amtrak.

Late trains result in higher payroll numbers as Amtrak employees work longer hours both on the trains and in the stations.

Late trains mean that some connections are missed, which translates to hotel bills, meal costs, taxi-cab fares, and other incidentals that Amtrak has to pay.

Worst of all, late trains result in less repeat business for Amtrak as passengers regret not getting to their destinations anywhere close to schedule.

Fortunately, this critical area of concern is getting some attention and we are happy that some progress is being made.

Several Amtrak routes with some of the worst OTP in the system are showing marked improvement so far in 2007.

In fact, Amtrak's internal reports show that long-distance trains as a whole delivered 16% better on-time performance in the first calendar quarter of the Year 2007.

One of Amtrak's worst-delayed trains, the California Zephyr (Chicago-Emeryville/San Francisco) now has a revised, longer schedule that has, so far, contributed to much better OTP according to unofficial reports.

Fortunately for Tennesseans, the two trains we ride most – the City of New Orleans and the Crescent – are among Amtrak's best-performing long-distance trains for OTP! That is something for us to be proud of!

TN

## Report from the Region V Conference

The members of TARP were very privileged to host this year's Region V conference for the National Association of Railroad Passengers.

Nashville's Union Station hotel was the perfect ambiance for this event, especially since it has undergone a costly renovation to enhance its position as one of Music City's most appealing hotels.

Ross Capon, NARP's Executive Director, brought some valuable insight into some legislative items being considered in Washington these days.

New leadership in key committees on Capitol Hill is encouraging some new ideas and more productive conversations about the future of rail transportation in addition to some of our short-term needs and concerns.

Todd Stennis, Amtrak's newly appointed Director of Government Affairs for the Southeastern Region was also on-hand to discuss some of the challenges and developments closer to us in Tennessee.

Next year's Region V Conference will be held in Tampa, FL.

### In This Issue

Response to *Tennessean* pg. 2

To the Games on the *Music City Star* pg. 3

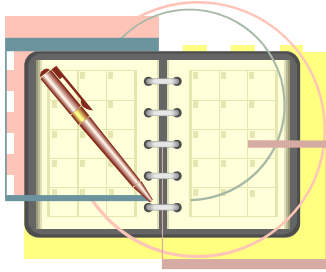
Railfones Deactivated pg. 3

Passenger Rail Highlights pg. 4

# TARP News

Summer 2007

## From the Desk of Gordon Smith, TARP President



A recent series of articles in *The Tennessean* has once again raised the subject of Nashville's potential as a stop on future Amtrak Rail Passenger routes and further expansion of the Music City Star Commuter Rail Service. Since the *Tennessean* and many of its readers have made the case for such service let me address the misperception that passenger rail, Amtrak specifically, is a wasteful, subsidized misuse of public funds.

The opponents of passenger rail continually harp on the concept that passenger rail is subsidized but highway and airway services are not. Well as old Colonel Potter of *MASH* used to say that's

just plain "Horse Puckey!". Let us go back in history. About a hundred years ago a magnificent edifice called Union Station was constructed on the west end of Broadway. That beautifully restored building exists today as Union Station Hotel. The station was originally built, maintained and operated by the passenger railroads that used the station. In addition the railroads paid property taxes on the station and the tracks that went into it. Passenger train fares were based on the full cost of providing a public service. In addition, passenger trains carried US mail and express freight shipments which helped offset the cost of passenger service to the benefit of passengers. What a concept....a public service provided at virtually no cost to the taxpayer!

Now let's roll forward in time. On the east side of Nashville is another magnificent edifice or complex. It is called Nashville International Airport run by the Nashville Airport Authority, an organization created by State and Metro government. One may ask why isn't our airport owned and operated by the privately owned airlines that use it? The railroads did that, why not the airlines? Well the airlines receive certain benefits, dare I say subsidy, from the airport authority that private industry could not provide. Specifically the airport authority does not pay property taxes on the hundreds of acres of property the airport has taken off of Metro's property tax rolls. The revenue lost by Metro, if it had it, could be used for other purposes, like maybe Education! In addition, the airport authority can issue "tax free" revenue bonds to finance its operations and capital improvements. This lowers the cost of providing airport services and allows the authority to charge less for landing and gates fees that it charges user airlines. How is this a subsidy? The Federal Government loses the tax revenue it would normally get with conventional private bonds on which the bond holder pays income taxes on the interest paid. Thus the airport authority can provide its services to the airlines for lower fees than a privately owned airport complex could provide. The revenue lost to the Federal Government and Metro must be compensated for in other ways. "Taxpayer, the tax collector sees and smells your wallet!"

Another subsidy to the airlines occurred during the industry's infancy. With the stroke of a pen the government owned US Postal Service removed first class mail (three cent stamp) from the passenger trains and put it on the airlines while abolishing the higher six cent "Air Mail" stamp. This was done in the interest of supporting this "fledgling" industry.

Let's move to highways. Nashville, like virtually all major cities, has an extensive expressway network built largely from federal and some state funds. Highway user fees (gas and diesel fuel fees) were largely used for this purpose. But, like airports, acres and acres of property were removed from city tax roles to make way for expressways. In addition more valuable commercial property had to be used for parking lots and garages. Taxes payable to Metro from parking lots/garages is a fraction of what Metro would receive if this same property were used for high-rise offices and condominiums. Could the taxes not received by Metro be of value, like Education? Are automobile commuters who use this system receiving a subsidy? I think so. Is Metro subsidizing auto commuters from surrounding counties? I think so. Are there alternatives to this? The answer is yes, mass transit, of which commuter rail and light rail are important parts, and build condominiums/apartments where there are now parking lots/garages.

My purpose in writing this is not to suggest that all we, as a nation, have done to develop our airways and highways should be undone. But what I am suggesting is that passenger rail should and can be an important part of a truly integrated intermodal passenger transportation system. All transport modes, particularly highways and airways have benefited from massive government subsidies only to give us the most energy intensive transportation system one could imagine. Rail transportation, be it for freight or passengers, is significantly more fuel efficient than the other modes. To suggest that passenger rail should not be subsidized because the other modes are not is to misunderstand history and is the ultimate hypocrisy. A true integrated transportation policy would cause Nashville's airport and others to be changed into a Passenger Port with rail lines, bus lines and airlines converging to allow easy passenger transfer from one mode to another. This would allow the traveling public the choice of which mode, or combination thereof, best suits their travel needs. Given the energy crisis we are now in, passenger rail, be it commuter or intercity, can make an important contribution to solving our energy problem. To suggest otherwise, well.....we know what Colonel Potter would say.

Yours Truly,  
Gordon Smith

# TARP News

Summer 2007

## **Railroads Improve Brighton Park Junction in Chicago**

Brighton Park Junction is a critical part of the railway infrastructure for the greater Chicago area.

It is also a major chokepoint as the outdated interlocking facility handles more than 100 freight trains per day in addition to six Metra trains and ten Amtrak trains.

With help from Amtrak, Canadian National, CSX, BNSF, and the Illinois Department of Transportation, an enormous project is under way to dramatically streamline and update this important operation. The new signals and turnouts will save dozens of minutes every day for freight and passenger trains and also allow a higher level of safety and reliability.



We Tennesseans certainly admire the State of Illinois for this and other investments they are making in rail service!  
TN

## **Music City Star Going to the Games in 2007!**

Tennessee's first commuter train will take fans to the games this year!

A special Game Day Express is in the works for the Sunday noon games plus the pre-season games for the Tennessee Titans.

With the first anniversary of the service coming around on September 18<sup>th</sup>, this will be an excellent way to increase awareness for the benefits of passenger rail.

In other news, we learned at the recent Region V Conference that the town of Mt. Juliet is developing an all-new transit and pedestrian friendly commercial district around the train station. We hope that this idea will inspire other communities along the line to do likewise!

TN

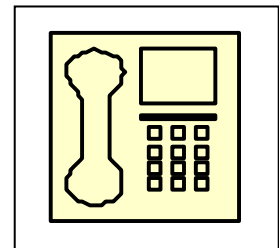
## **Railfones Deactivated on June 1<sup>st</sup> – the End of an Era**

The legendary Railfones will be deactivated on all Amtrak trains across the country effective June 1<sup>st</sup>.

Citing declining usage in light of widespread cell phone availability, Amtrak found it more practical to deactivate and remove this feature that was once a major selling point for business travelers.

Now that cell phones, PDA's, and other electronic accessories are in wide use, passenger trains have the appeal of allowing such devices to be used on board, unlike on airplanes where their usage is restricted.

It is likely that the coaches and café cars will have revenue seats installed in the spaces formerly dedicated to Railfone.



TN

## Passenger Rail News Briefs

June of 2007 was Amtrak's highest record ever for ticket revenue and daily ridership! If the trend continues, Amtrak will finish fiscal year 2007 with five-years of successive ridership increases!.....Amtrak is implementing wireless point-of-sale systems for café cars in different parts of the system after a successful one-year trial on Acela Express. The new system allows better inventory control, tighter cash controls and higher revenue potential due to the added convenience for passengers.....Ridership on New Mexico's all-new RailRunner commuter train service is growing substantially with a 23% increase reported in the early summer.....Austin, TX will open it's first commuter-rail line in late 2008. The Capital MetroRail will operate over a 32-mile route from the downtown Convention Center to outlying communities north of the city. The line will use specially built diesel multiple units (DMU's) imported from Switzerland.....Citizens in Georgia are going head-to-head with elected leaders who have failed to deliver the promised Atlanta-Lovejoy-Macon commuter rail service. A number of well-attended rallies resulted in favorable media coverage and a number of key legislators took notice.....At present time, 67 Amtrak stations have Quik-Trak self-service ticket machines. By the end of the Year 2007, that number will increase to 150. The new generation of Quik-Trak machines has brighter graphics and full ADA compliancy.....Grand Luxe Rail Journeys will soon offer luxury train service on select Amtrak routes. The two and three-day itineraries will range in price from \$789 to \$2400 per person with gourmet meals, personalized service and all the elegance of an earlier time. For information, call 1-800-783-0783.

Place  
Stamp  
Here