



COLORADO
Department of Transportation
Division of Transit & Rail

2829 W. Howard Place 4th Floor
Denver, CO 80204

TO: Transportation Commission
FROM: Kay Kelly, Interim Chief, Office of Innovative Mobility
David Krutsinger, Director, Division of Transit and Rail
Brian Hartman, Senior Rail and Transit Planner, Division of Transit and Rail
DATE: October 15, 2020
RE: Rail Abandonments and the Potential for Rail Acquisitions Report to TLRC (SB 37 Report)

Purpose

Required by Senate Bill 37 (SB 37), the Executive Director makes a report to the Transportation Legislation Review Committee (TLRC) of the State Legislature each year. This memo summarizes the report findings and recommendations.

Action

None. Information only.

Background

Each year the SB 37 Report provides an update on possible rail line abandonments and opportunities for rail line acquisitions. There is one rail yard and four rail lines on this year's watch list. The High Performance Transportation Enterprise (HPTE) is already moving to acquire the rail yard, Burnham Yard.

Details

Burnham Yard (UP): As reported in the past three annual SB 37 Reports, Union Pacific Railroad's Burnham Yard in central Denver was considered a high risk for abandonment or sale. The potential opportunities for the yard, adjacent tracks, and surrounding right-of way and property have prompted CDOT / HPTE to submit a bid to UP to purchase the property. The primary purpose of the acquisition is to enable Central I-25 expansion. This expansion necessitates relocation of the Central Main Line. Additional benefits of this relocation include increased capacity for RTD's light rail lines, future development opportunities for the City of Denver, and preserve right-of-way for future Front Range Passenger Rail.

Recommendation: *The Department of Transportation and HPTE should continue to pursue acquisition of the property and adjacent right-of-way in order to shift freight railroad operations to the east, allowing for eventual widening of Central I-25. The Southwest Chief & Front Range Passenger Rail Commission should continue to evaluate the site through the Service Development Plan process.*

Tennessee Pass (UP): The Tennessee Pass Line, owned by Union Pacific Railroad (UP), is included in this report. UP has not expressed any intentions of abandoning the line, despite the fact that it has not operated freight trains on the line in many years. However, several groups, both private and public, have inquired about utilizing the line for tourist train, short-line freight operations, and bicycle trails. Currently UP is in negotiations with a group that wants to resume freight traffic on the line.

Recommendation: *CDOT should continue to monitor activities on the Tennessee Pass Line.*

Fort Collins Branch Line (UP): The Fort Collins Branch runs southeast from Fort Collins to Milliken and Dent, then east to La Salle. It is identified as a Rail Corridor of State Significance since it connects Greeley and Fort Collins to the North I-25 corridor. This line does not appear to be at risk of abandonment at this time. CDOT will continue to

monitor activities on this rail line, although it will not be considered a potential line for acquisition until such time as conditions warrant.

Recommendation: CDOT should continue to monitor activities on the Fort Collins Branch Line.

San Luis & Rio Grande Railroad: South Central Colorado's San Luis & Rio Grande Railroad (SLRG), owned by Iowa Pacific Holdings, was placed in receivership in September 2019, and in late 2019 the receivership was ended and the railroad entered bankruptcy. SLRG had struggled in recent years with maintenance and logistical challenges, and the impacts of natural disasters (forest fires), but another operator could be successful with the proper support. In addition to the tourist train, the short line freight railroad plays a critical role in the region's economy with shipments of agricultural products. A bankruptcy trustee plans to hold an auction of the railroad's assets in late 2020, with plans for a new owner to continue operations.

Recommendation: CDOT should closely monitor the bankruptcy process and if and when a new owner becomes public, reach out to them to explore possible resources for assistance.

Raton Pass Line/Amtrak Southwest Chief: Amtrak's long distance route, the Southwest Chief, is included in this 2020 SB37 report because there are still miles of track on the Raton Pass Line (which Amtrak uses for this route) in need of replacement in order to complete rehabilitation of the line to sustain operation in the future. In recent years three projects have been awarded funding to meet the rehabilitation goal in Colorado: 2017 TIGER IX award, 2018 CRISI award, and a 2020 CRISI award, all from FRA. After these projects are complete, there will still be around 29 miles of track that will need to be rehabilitated, for which funding has not yet been identified.

Recommendation: CDOT should continue to support the on-going efforts to make the necessary repairs on the Southwest Chief route. The Southwest Chief & Front Range Passenger Rail Commission should continue pursuing additional funding (e.g., TIGER/CRISI grants) to finance necessary repairs on the Raton Pass Line. It is critical that the Commission continue negotiations with Amtrak as it evaluates its long-distance routes.

Next Steps

CDOT staff will continue to monitor and report on abandonment activity and potential rail line acquisitions, notifying the Executive Director and Transportation Commission as appropriate, should any activities occur prior to the next annual report. As appropriate, the Executive Director will advise the Governor and the State Legislature.

Attachments

The full 2020 report and previous SB 37 reports can be found on the CDOT web site at <https://www.codot.gov/programs/transitandrail/plans-studies-reports/report-to-the-transportation-legislation-review-committee-on-rail-abandonments-and-the-potential-for-rail-line-acquisitions>

**REPORT TO THE TRANSPORTATION LEGISLATION REVIEW
COMMITTEE ON RAIL ABANDONMENTS
AND THE POTENTIAL FOR RAIL LINE ACQUISITIONS**

**PREPARED BY
THE COLORADO DEPARTMENT OF TRANSPORTATION**



September 2020

Table of Contents

Introduction	2
Part I: Background.....	3
(A) Rail System in Colorado	3
(B) Colorado Legislative Actions	5
1997 SB 37 / CRS 43-1-13-3 CDOT Report to Legislature	5
2017 SB 17-153 / CRS 43-4-1001 Southwest Chief and Front Range Passenger Rail Commission.....	5
(C) Past Transportation Commission Actions	6
Part II: Abandonment Activity “Watch List”	8
Burnham Yard (UP)	8
Tennessee Pass Line (UP).....	10
Fort Collins Branch Line (UP).....	11
San Luis & Rio Grande Railroad (Iowa Pacific)	11
Southwest Chief	11
Part III: Recommendations.....	13

Introduction

The purpose of this report is to provide the Transportation Legislation Review Committee (TLRC) with the Colorado Department of Transportation's (CDOT) report on rail abandonments and recommendations relative to possible rail line acquisitions. This is the 23rd report submitted by the Executive Director of the Department to the TLRC on rail abandonment pursuant to 43-1-1303 (3) C.R.S.

Over the course of the past year, there have been a few notable developments pertaining to rail abandonments or potential rail line acquisitions within Colorado.

As reported in the past three years' SB 37 Reports, Union Pacific (UP) Railroad's Burnham Yard in central Denver is considered a high risk for abandonment or sale. The potential opportunities for the yard, adjacent tracks, and surrounding right-of-way and property have prompted CDOT to submit a bid to UP to purchase the property. The primary purpose of the acquisition is to enable Central I-25 expansion. This expansion necessitates relocation of the Central Main Line. Additional benefits of this relocation include increased capacity for RTD's light rail lines, future development opportunities for the City and County of Denver, and space to preserve right-of-way for future Front Range Passenger Rail. CDOT and HPTe are currently seeking the best way to finance this acquisition.

The Tennessee Pass line, also owned by UP, is included in this report. UP has not expressed any intentions of abandoning the line, despite the fact that it has not operated freight trains on the line in many years. However, several groups, both private and public, have inquired about utilizing the line for tourist train operations and bicycle trails. One group is currently in negotiations with UP about potential use for the corridor involving transport of freight over the pass. UP's Fort Collins Branch remains in this report as well, but no changes in its status have occurred from last year.

South Central Colorado's San Luis & Rio Grande Railroad, owned by Iowa Pacific Holdings, was placed in receivership in September 2019, and in late 2019 the receivership was ended and the Railroad was placed into bankruptcy. An auction of the assets is scheduled for late 2020, and the line is operating normally throughout the process. It is expected that the winner of the auction will work to maintain operation on the line. SLRG had struggled in recent years with maintenance and logistical challenges, but another operator could be successful with the proper support. In addition to the tourist train, the short line freight railroad plays a critical role in the region's economy with shipments of agricultural products.

Many of the general rail planning activities, which have appeared in prior reports, are no longer included in this report. Rail planning activities are documented in the 2018 State Freight and Passenger Rail Plan, which was approved by CDOT's Transportation Commission in August, and accepted by the FRA in December 2018.

Part I provides **Background Information** on Colorado's rail system and Legislative and Transportation Commission actions.

Part II describes **Abandonment Activities**, which have occurred over the past year.

Part III lists the **Recommendations** of the Department.

Part I: Background

(A) Rail System in Colorado

The Colorado rail system currently includes both a freight rail network and a limited passenger rail network. The role of the railroads and rail transportation in the state is to provide efficient and safe transportation choices for the movement of goods and people while connecting effectively to the other transportation modes. The rail system in the state is an interconnected component of much larger regional, national and global multimodal transportation systems and economies.

Currently 14 privately owned freight railroads operate in Colorado. These railroads own more than 2,800 miles of track in the state and currently operate on 2,684 miles of those tracks. This represents about 1.9 percent of the nation's 140,000 miles of network track. The extent of this network is also reflected in the fact that 48 of Colorado's 64 counties are directly served by the freight rail network. There are two Class I railroads in Colorado, BNSF Railway and UP. Combined they operate over 80 percent of the freight track miles and carry the majority of rail freight in the state.

In addition, there are 12 short line railroads in Colorado comprising 20 percent of freight track miles in the state. They primarily provide localized service with connections to the Class I railroads. They principally serve the agricultural industry as well as the oil & gas industry and are very valuable assets to both local and statewide economies.

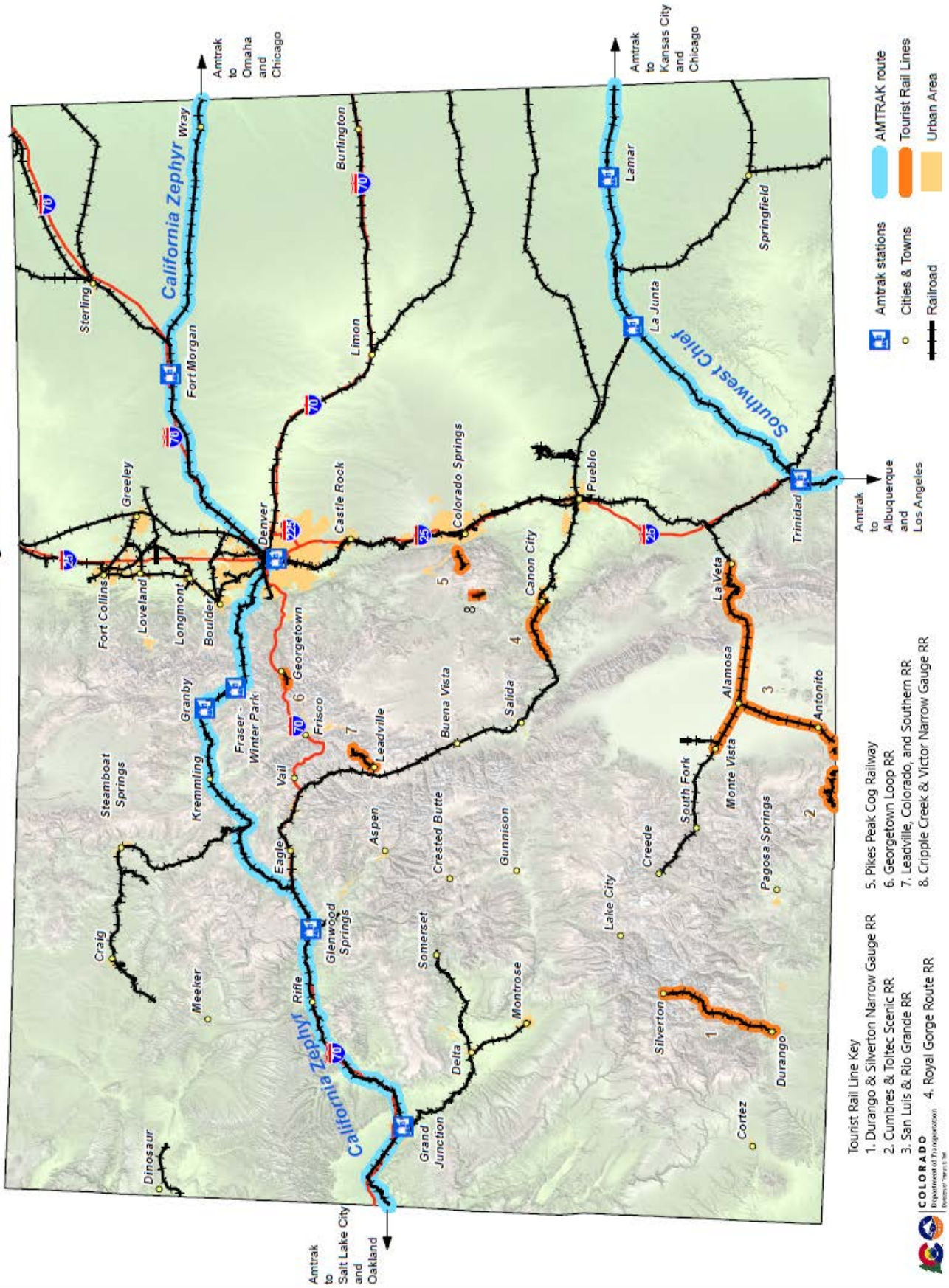
The passenger rail system in Colorado is presently very limited. Outside of the Regional Transportation District's (RTD) light rail and commuter rail lines in the Denver metro area, Amtrak provides passenger rail service with two routes that pass through the state. The Amtrak routes use existing freight tracks and rely on freight railroad infrastructure to be maintained and/or upgraded for efficient service. These two routes are:

- The California Zephyr, which runs daily between Chicago and San Francisco. Colorado stops include Fort Morgan, Denver, Fraser/Winter Park, Granby, Glenwood Springs and Grand Junction. Much of this service operates over Union Pacific track.
- The Southwest Chief runs daily between Chicago and Los Angeles. Colorado stops include Lamar, La Junta and Trinidad. Much of this service operates over BNSF Railway track.

Because ridership has declined due to the COVID-19 pandemic, Amtrak announced that it will be decreasing service beginning in October on most of its long-distance routes from daily to three days per week, including both the California Zephyr and the Southwest Chief. Colorado previously had two additional Amtrak routes that were discontinued in 1997 due to reductions in federal funds. These two trains were the Pioneer, operating between Denver and Seattle and the Desert Wind, operating between Denver and Los Angeles by way of Salt Lake City and Las Vegas.

Colorado has eight tourist railroads, which showcase Colorado's history and offer trips through Colorado's scenic outdoors. These scenic & tourist lines are located in Cripple Creek/Victor, Durango/Silverton, Georgetown, Leadville, Manitou Springs/Colorado Springs, Cañon City, and two near Alamosa. Most of the tourist railroads were temporarily closed due to the COVID-19 pandemic, but

Colorado Rail System



resumed service in the summer. One tourist railroad—the Rio Grande Scenic Railroad—suspended service indefinitely while its parent company was in bankruptcy.

The Manitou & Pikes Peak Cog Railway closed during the 2018 season due to disrepair. Since then, the Railway has been under reconstruction and new railway cars are being procured to replace the aged cars. As of September 2020 removal of the old tracks had been completed, construction of the new tracks was more than 25% complete, and the date for service resumption was set at May 2021.

(B) Colorado Legislative Actions

1997 SB 37 / CRS 43-1-13-3 CDOT Report to Legislature

In 1997, the General Assembly enacted Senate Bill (SB) 37, concerning the disposition of abandoned freight and passenger railroad rights-of-way in Colorado. According to this legislation and resulting state statute (CRS Title 43, Part 13 – Acquisition of Abandoned Railroad Rights-of-Way, 43-1-1303 rev. 2013), an existing rail line, railroad right-of-way or an abandoned railroad right-of-way is eligible for acquisition by the Department, if the Executive Director determines it serves one or more of the following purposes:

- (1) Preservation of the rail line for freight or passenger service;
- (2) Maintenance of a rail corridor for future transportation purposes or interim recreational purposes;
- (3) Access to surrounding state manufacturing facilities, agricultural areas or other locales that may be adversely affected by the loss of rail service or loss of railroad corridor; or
- (4) Any public use of the rail line or railroad right-of-way that is compatible with the future use as a railroad or other transportation system.

The legislation also requires the Colorado Transportation Commission to review any property determined to be eligible for acquisition and approve the acquisition before the Executive Director submits the prioritized list of rail lines or rights-of-way to be acquired to the Transportation Legislation Review Committee (TLRC) ((43-1-1303)(2)). Policy Directive 1607, and the State Freight & Passenger Rail Plan, both described further below, are CDOT Commission and staff-level implementation of the SB 37 legislation.

43-1-1308 C.R.S., states, “the members of the TLRC shall make a written report setting forth its recommendations, findings, and comments as to each recommendation for the acquisition of railroad rights-of-way and their uses and submit the report to the General Assembly.”

43-1-1301(3) C.R.S., stipulates that the “Executive Director shall submit a prioritized list with recommendations to the TLRC concerning the railroad rights-of-way or rail lines to be acquired by the state and their proposed use.”

2017 SB 17-153 / CRS 43-4-1001 Southwest Chief and Front Range Passenger Rail Commission

On May 22, 2017, Governor Hickenlooper signed into law, this replacement and expansion of the former Southwest Chief Commission. In addition to CRS 43-4-1001, the bill amended sections of law pertaining to the relationship of this Commission with CDOT. See 24-1-128.7 8(a) and 8(b).

The original five voting members are appointed by the governor (see 1-5) and six additional voting members were added (see 6-11), appointed by their organizations. Three non-voting members are retained (see 12-14).

1. Public rail transportation advocate
2. Public rail transportation advocate [more general description replaced one previously targeting tourism representative]
3. Representative of Class I Freight Railroads (i.e. BNSF Railway)
4. Representative of Class I Freight Railroads (i.e. Union Pacific Railroad)
5. Resident of Huerfano, Las Animas, Otero, Prowers, or Pueblo County
6. Representative of North Front Range Metropolitan Planning Organization (NFRMPO)
7. Representative of Denver Regional Council of Governments (DRCOG)
8. Representative of Pikes Peak Area Council of Governments (PPACG)
9. Representative of Pueblo Area Council of Governments (PACOG)
10. Representative of South Central Council of Governments (SCCOG)
11. Representative of the Regional Transportation District (RTD)
12. Representative of Amtrak (non-voting)
13. Representative of Colorado Department of Transportation (CDOT) (non-voting)
14. Representative of the Greater Cheyenne Chamber of Commerce (non-voting)

The Commission created two new positions to represent their interests to be housed with the Division of Transit and Rail at CDOT Headquarters, a Project Director and a Commission Liaison.

This Commission has a two-part responsibility:

1. Assume and complete the mission of the Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair & Maintenance Commission, as it existed prior to July 1, 2017, by continuing to coordinate and oversee efforts by the State and local governments and cooperate with the states of Kansas and New Mexico, Amtrak, and the BNSF Railway to ensure that the track repairs and upgrades required for the continuation of existing Southwest Chief Rail Service in Colorado are completed, that such service is extended to Pueblo, and that benefits of extending such service to Walsenburg are fully explored; AND
2. Facilitate the future of Front Range Passenger Rail and, in so doing, to specifically develop draft legislation to facilitate the development of a Front Range passenger rail system that provides passenger rail service in and along the Interstate 25 corridor and that is a well-integrated component of a modern, efficient, and cost-effective multimodal transportation system.

More information on the Southwest Chief & Front Range Passenger Rail Commission's work can be found at these web sites:

<https://www.codot.gov/about/southwest-chief-commission-front-range-passenger-rail>

<https://www.frontrangepassengerrail.com/>

(C) Past Transportation Commission Actions

The Transportation Commission believes that certain significant rail corridors represent an irreplaceable state transportation resource and that it is critical to preserve them. That is because once they are lost; the cost of recreating equivalent corridors in the future will be prohibitive.

In June 2000, the Colorado Transportation Commission first approved a **Rail Corridor Preservation Policy, also known as Policy Directive 1607**. The policy directive was updated, and approved by the CDOT Transportation Commission in August 2014. The updated policy directive states the reasons why rail transportation is important to Colorado.

In order to facilitate a more comprehensive examination of which rail corridors are of interest to the State, the Transportation Commission directed CDOT staff to identify State Significant Rail Corridors. In November 2000, CDOT prepared a list of **State Significant Rail Corridors**, which were adopted by the Transportation Commission as part of the Statewide Transportation Plan. The criteria used to identify these State Significant Rail Corridors included existing and potential future demand for passenger and freight services and local/regional support for the preservation of the corridor.

In August 2018, the Transportation Commission approved the updated Colorado Freight and Passenger Rail Plan. The Plan serves as a framework for future freight and passenger rail planning in Colorado. The plan was approved by FRA in December 2018. It contains the most recent information concerning the forecast growth of freight and passenger rail operations and includes an updated short-term (4-year) investment plan, and a long-term (20-year) investment vision. The Rail Plan identifies the State's priority strategies and actions to implement them.

Part II: Abandonment Activity “Watch List”

When a rail line is not economically viable to operate, the result is often either (1) the sale of the line, usually from the two Class I national railroads (UP and/or BNSF Railway (BNSF)), to small, regional railroad companies; or, (2) a formal request for abandonment to the federal Surface Transportation Board (STB) by the owner of the rail line. Rather than abandon a line, a larger railroad company will usually solicit bidders for the purchase of the line by a short line operator or regional railroad in an effort to maintain rail service along the line. These smaller railroad companies usually have lower operating costs and do not need the same volume of business on the line as the larger railroads to be profitable.

The ability to respond quickly to a potential abandonment can be an important factor in ensuring corridor preservation: once a Request to Abandon has been formally filed with the STB, abandonment can take place in as little as 90 days.

The issue of rail lines being abandoned is of statewide importance due to the impact these abandonments may have on the remainder of the transportation system. As lines are lost, the freight that was being moved by rail must then be moved by truck, causing additional deterioration (i.e. pavement surface condition and/or traffic volumes) of the local roadways and/or state highways. In addition, some businesses cannot survive without access to a rail line, thereby causing these businesses either to relocate to another area in the state or to move out of state, resulting in negative economic impacts, locally or statewide. In addition, once a railroad corridor is abandoned, it is unlikely it will be returned to rail service or be available for any transportation purpose, especially if the rail tracks are salvaged and the Right-of Way (ROW) is sold or reverts to adjoining property owners.

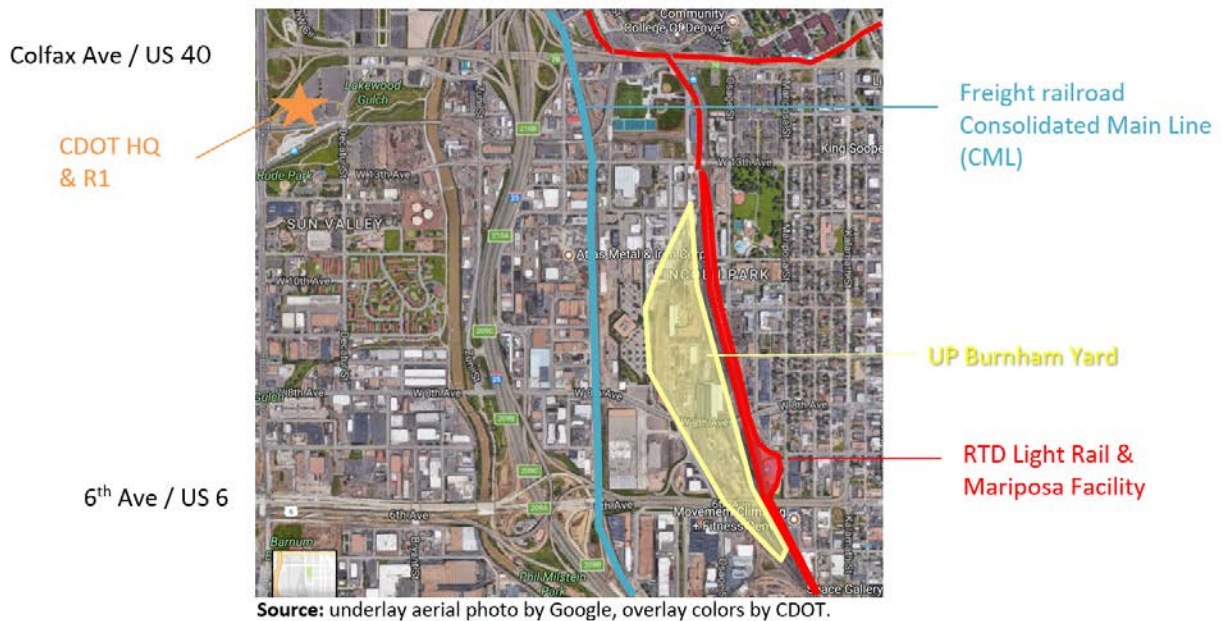
The Department will continue to monitor short line railroads in the State to ascertain their current financial status and to examine the prospects for their continued survival because they continue to be an important part of Colorado’s future.

Burnham Yard (UP)

In November 2015, Union Pacific (UP) made the decision to close and sell the Burnham Shop repair yard in central Denver due to a decline in coal shipments and a desire to consolidate maintenance activities. Adjacent to the Burnham Yard is Interstate 25 in the area between US-6 and Alameda Avenue, which has been identified by both the Valley Highway Environmental Impact Statement (Valley Highway EIS) and the I-25 Central Planning and Environmental Linkages (PEL) Study as having a need for both capacity addition and geometric changes to correct short weaves and merges. These improvements, however, are significantly constrained by the Consolidated Main Line (CML) which bounds the freeway on the east, and the South Platte River which bounds to the west.

The Burnham Yard site provides an opportunity to realign the CML away from I-25 and into the former yard site, freeing up right-of-way and providing opportunity to secure additional right-of-way for future rail projects of both RTD and potential Front Range Passenger Rail. CDOT Region 1 and the High Performance Transportation Enterprise (HPTE) have negotiated a purchase price with Union Pacific and are currently seeking the best alternative to fund the purchase.

Burnham Yard and Surrounding Area



The most important CDOT facilities in the vicinity are Colfax Avenue (US 40 Business) to the north, I-25 to the west, crossings at Santa Fe and Kalamath Streets to the southeast (south of I-25 it is US 85), and 6th Avenue to the southwest (US 6 begins at I-25 and continues west). CDOT’s highway interest relates to I-25 between Alameda and 6th Avenue, which is constrained by the South Platte River on one side, and the Consolidated Main Line (CML) on the other.

Between fall 2017 and winter 2020, CDOT Region 1 conducted its Planning and Environmental Linkages (PEL) Study of I-25 between Santa Fe Drive and 20th Street. This segment of I-25 is the busiest and most congested freeway in the state, and represents the primary north-south conduit for travel north and south through and around the downtown Denver core. It is utilized for trips through the area and to regional and local connections, including downtown Denver employment, commerce, entertainment, and residences.

The PEL study identified causes of congestion and considered options to improve safety, travel time and reliability in this highly-congested corridor. A range of improvements are being evaluated and prioritized for future project development. The study also included the evaluation of environmental impacts, coordination with federal, state, and local agencies, and public involvement.

Major conclusions of the PEL study included:

- Managed lanes are recommended for further analysis for capacity addition due to congestion and travel time reliability benefits.
- Collector/Distributor roads and braided ramp systems are recommended as operational improvements due to safety and turbulence reduction benefit.
- Smaller local or early-action projects may also be necessary to correct some issues at low cost, and can provide improvements to corridor permeability without precluding future projects.

- Finally, CDOT plans to expand I-25 in this section. CDOT’s purchase of the Yard from UP would facilitate the relocation of the CML and industrial businesses nearby to accommodate the eastward expansion of I-25.

The relevance to CDOT’s public sector partners of this site are as follows:

- For RTD, it is of importance to the ability of RTD to expand light rail operations. To expand service for both central downtown and Denver Union Station destinations, RTD needs quadruple tracks in this area. Although RTD does not need the entire Burnham Yard site, it would benefit from a right-of-way purchase west of and along the existing light rail and Mariposa facility site.
- Private railways also stand to gain from a relocation of the CML, which would eliminate major at-grade crossings over Kalamath and Santa Fe Streets. The elimination of these crossing would also improve traffic flow and safety for drivers using those streets, which are major commuter routes into and out of Downtown Denver.
- For intercity / Front Range commuter rail purposes, a 40- to 60-foot right of way purchase west of and along existing RTD light rail and Mariposa facilities would be required for safety separation from through-freight trains. This would be in addition to the RTD need. CDOT’s Interregional Connectivity Study (ICS), the high-speed rail study, makes note of this.
- For intercity / Front Range commuter rail purposes, the whole site could potentially be acquired as the maintenance and storage facility for trains overnight.
- It is also of importance because it could potentially relieve freight train stoppages through the commercial & residential properties in Lower Downtown Denver. Freight rail shipments “stage” or hold trains in or near downtown to sequence the movements of trains south of Denver, over Monument Pass / Palmer Divide.

Next Steps

CDOT Region 1 and HPTe negotiated with UP a purchase price to acquire the Burnham Yard; budget shortfalls brought on by the pandemic delayed the sale of the Yard. Subsequently, CDOT applied to the FRA to obtain grant funding for 80% of the purchase price of the Yard, but failed to obtain any federal funding. HPTe is currently examining alternatives to fund the purchase. The State Legislature will be notified if further action is needed before the next annual report on abandonments (before Fall 2021).

Tennessee Pass Line (UP)

The Tennessee Pass line runs 178 miles from near Gypsum, through Eagle, Edwards, Avon, and Minturn, under Tennessee Pass (by tunnel) and along the Arkansas River via Leadville, Buena Vista, Salida, and Cañon City to Pueblo. The Tennessee Pass line has been identified as significant to CDOT because of its potential to carry both passengers and freight, and because it is the only existing trans-mountain alternative in Colorado to the Moffat Tunnel line, which often runs near capacity. The Tennessee Pass line may serve as an alternate route as trans-mountain rail demand grows due to increased development on the Western Slope or if the Moffat Tunnel were damaged or closed for any reason. Such an event would have a significant impact on Colorado, particularly on the Western Slope, since the railroads would be forced to move freight through Wyoming.

The Royal Gorge Route Railroad currently offers scenic, tourist rail trips on 12 miles of the Tennessee Pass line west of Cañon City. CDOT often receives inquiries from parties interested in operating commuter and/or tourist operations on the line. Additionally, the line is considered desirable by

bicyclists as a rail-to-trail corridor and was identified as one of 16 priority trails by Governor Hickenlooper in 2016. The Department of Natural Resources has also been working to make use of the line's right-of-way by "railbanking" which would allow interim use of the property for biking while preserving the right-of-way for future resumed rail use. Any arrangements by UP to resume freight service on the line would preclude other uses such as railbanking. Although no freight has been shipped across the full Tennessee Pass line since 1996, recent conversations with the UP indicate that they do not intend to abandon this line in the near future. UP also indicated that they have received several purchase offers for the line, but that no decisions have been made at this time. One group is currently in negotiations with UP about potential use for the corridor involving transport of freight over the pass.

Fort Collins Branch Line (UP)

The Fort Collins Branch line runs southeast from Fort Collins to Milliken and Dent, then east to La Salle. It is identified as a Rail Corridor of State Significance since it connects Greeley and Fort Collins to the North I-25 corridor, and was identified as part of the preferred alternative in the North Front Range Transportation Alternatives Feasibility Study (NFRFATS, March 2000). This line does not appear to be at risk of abandonment at this time. However, it should be noted this branch line was not included in the Preferred Alternative of the North I-25 Environmental Impact Statement (December 2011). The North I-25 EIS does, however, recommend a new commuter rail line connecting the RTD-envisioned future commuter rail line in Longmont and the north end of the RTD FasTracks North Metro Line. Recent conversations with the UP indicate that they do not intend to abandon this line in the near future. CDOT will continue to monitor activities on this rail line but it will not be considered a potential line for acquisition until such time as conditions may warrant.

San Luis & Rio Grande Railroad (Iowa Pacific)

The San Luis & Rio Grande Railroad (SLRG) runs west from a connection with the Union Pacific Railroad at Walsenburg, Colorado, over the Sangre de Cristo Mountains at La Veta Pass and into the San Luis Valley. At Alamosa, the railroad splits with a branch extending south to Antonito, Colorado, just north of the New Mexico border, and northwest to South Fork. SLRG owns approximately 150 route miles of track, 126 miles of which are currently operated. Scenic passenger service was also offered on the line by the Rio Grande Scenic Railroad (RGSR) from 2006 to 2019, but the service was suspended indefinitely when the SLRG went into receivership.

In September 2019, SLRG was placed in receivership, an alternative to bankruptcy, during which SLRG continued operating. Leading up to receivership, SLRG had struggled with rising maintenance needs and logistics difficulties with access to the national rail network. In late 2019 the receivership was ended and SLRG was placed into bankruptcy. The bankruptcy trustee is planning an auction in late 2020, with a new owner expected to continue operations.

Southwest Chief

Amtrak's long distance route, the Southwest Chief, is included in this 2020 SB37 report because there are multiple projects in various stages to replace and update track infrastructure to secure the safe operation of this route for the future. There are still 29 miles of track on the Raton Pass Line (which Amtrak uses for this route) in need of replacement in order to complete the needed infrastructure updates to sustain future service.

The following projects are underway or have been funded to rehabilitate BNSF track used by the Southwest Chief in Colorado. These projects use a combination of funding from FRA, state DOTs, and other partners.

- 2017 TIGER IX FRA grant for the Amtrak Southwest Chief Stabilization Project in Kansas, Colorado, and New Mexico, with Colfax County, New Mexico, as the lead. The \$25.2 million project is being funded by \$16 million in TIGER IX funding with match funding of \$9.2 million from the states of New Mexico, Colorado and Kansas; local communities and organizations along the route; and financial support from BNSF and Amtrak. The grant agreement with FRA was executed in August 2020 and the project was kicked off in September.
- 2018 CRISI FRA grant to install Positive Train Control (PTC) on tracks from Dodge City, Kansas, to Las Animas, Colorado. This \$11.45 million project includes \$9.15 million from FRA and \$2.3 million from the states of Kansas and Colorado, Amtrak, and the Southwest Chief & Front Range Passenger Rail Commission. This project was also kicked off in September 2020.
- In September 2020 FRA announced that the New Mexico DOT was awarded CRISI funding to update the rail infrastructure between Trinidad, Colorado, and Lamy, New Mexico, which will partially complete critical replacement of track to secure safe operation of the route over Raton Pass.

Part III: Recommendations

There are no major rail lines in Colorado which have been abandoned in the past year that impact the state's transportation system.

The Department is recommending the following actions:

Abandonment/Acquisition Recommendations

As CDOT Region 1 and HPTE works to procure the Burnham Yard in central Denver, CDOT will continue to monitor its status and any projects CDOT begins in the property, including the potential shifting of freight railroad operations to the east, which would allow for eventual widening of Central I-25, as recommended by CDOT Region 1 analyses. Because the site may also provide an opportunity for future Front Range Passenger Rail operations, it is being considered in service development planning.

In addition, the Department of Transportation is recommending continued monitoring of activities on the Tennessee Pass and the Fort Collins Branch lines. While there is no indication that the UP will abandon these lines in the near future, the Tennessee Pass line has not been used for freight movements in over 15 years and interest has been expressed for other uses, such as passenger train service and a bicycle trail. Currently UP is in negotiations with an interested party with the possibility of a lease agreement or sale to resume freight carriage on the Tennessee Pass line. CDOT will closely monitor the progress of these negotiations. *If either of these lines is abandoned the State should consider purchasing them to preserve them for freight and/or passenger service in the future.*

The San Luis & Rio Grande Railroad is considered to be at high risk of abandonment or sale at the current time. The Department of Transportation will continue to monitor this railroad as it continues to move through the bankruptcy process and potentially is bought by another operator. *Should a sale of the Railroad take place, the State should reach out to the new owner and explore ways to support them to improve the state of good repair and ensure future success on the line.*

Maintenance Recommendations

The Southwest Chief and Front Range Passenger Rail Commission should continue to pursue additional funding (e.g., TIGER/CRISI grants) to finance necessary repairs on the Raton Pass Line. It is estimated that the line will require further investment of tens of millions of dollars on as much as 30 miles of track within the next 5 years in order to maintain adequate track quality, sufficient speeds, and continued operational passenger service reliability. The Commission and neighboring states have made great strides in pursuing and securing funding toward this project, but full funding for the project is far from complete. It is critical that the Commission continue negotiations with Amtrak as it evaluates its long-distance routes.

