

ProRail Nebraska Annual Meeting Scheduled May 14

As specified by the by-laws to be held in May of each year, the 2005 event will be held at the Mahoney State Park Lodge, beginning at 10 a.m. with adjournment by 3 p.m. Lunch will be available on a personal choice basis, with a buffet or ala carte meal available. There is no registration fee. Highway construction (involving both I-80 and Nebraska Highway 66), is underway and specialized instructions to gain access to the Park are spelled out elsewhere in this newsletter.

Featured speaker will be **Stacia Jorgensen**, Survey Operations Manager for the UNL Bureau of Sociological Research. Jorgensen will report and comment on results of a statewide survey which included questions submitted by ProRail Nebraska. The survey questions were presented to a random sample of 1,800 Nebraska residents regarding Amtrak funding, proposed Omaha-Lincoln commuter rail service and proposed high speed rail passenger service from Chicago to Omaha, with an extension to Lincoln.

The afternoon session will include:

- A report by **Roger Clark**, Grand Island, a member of ProRail and a member of the board of directors of the National Assn. of Railroad Passengers (NARP). The NARP national board meeting will be held in late April, and Clark will bring to our membership a report on the status of Amtrak funding at the Congressional level, and other developments regarding NARP.
- A business meeting will include a report from a nominating committee to elect a president to serve a new 2-year term, and formally elect a treasurer, since **Ralph Hayden** of Lincoln has been serving as interim treasurer for PRN, while retaining his position as a board member.

Fred Henninger, who resigned the treasurer's post after many years because of health considerations, is doing quite well and resides in Room 306 at Gramercy Hill in Lincoln. He is now able to use a walker for long distances, and walk without a walker for short hops. Director **Dave Purdy** of Omaha has also recovered from major health complications and is back in the flow of things. **Gary Emenitove** of Omaha, former vice president who does yeoman duty in maintaining the ProRail membership data base and web site and is moderator of the ProRail Nebraska Yahoo Groups list-serve, undergoes major eye surgery this month and will be somewhat limited in activity for awhile. We wish him the best.

Driving Instructions to Reach Mahoney State Park: For openers—if you travel to the park via Interstate 80, your travel and access will not be limited in any way. You still get off I-80 at Exit 426 to come into the Park. The road between the Interstate and the Park will remain open.

However, if you normally take Highway 6, and then through Ashland and take Highway 66 to the Park, here are recommendations for a route to the Park entrance:

Coming from the East on Highway 6, leave the highway and go to the Gretna exit (432) before you get to Ashland. Travel west on I-80 for six miles, turning off at Exit 426 and turn right to come to the Park.

Coming from the West on Highway 6: leave the highway and go the Ashland-Greenwood Exit (420) before you get to Ashland. A direct, straight blacktopped road is located by Gearjammers on Highway 6. Then travel east on I-80 for six miles, get off at Exit 426 and turn left to come to the Park.

LB 697, which would change the name of the Nebraska Department of Roads to the Department of Transportation, has been placed on general file and is ready for debate on the floor of the legislature. The measure was introduced by Omaha Senator **Pam Brown**. At this writing, it is not known when and if the measure would be considered by the body—hopefully to be enacted this session.

There's a Lot More at Stake! President's Message by Richard L. Schmeling

The NARP Region 10 meeting in Omaha hosted by ProRail Nebraska was well-attended and the program was outstanding. Thanks to **Roger Clark, Dan Lutz, Jeff Poley** and **Gary Emenitove** for arranging for the venue, speakers and the program. Also thanks to **Ralph Hayden** for making sure that everyone attending the meeting paid their fair share.

Videographer **Tom Jurgens** of Lincoln taped the entire meeting and we have made a DVD tape for the club archives. Another copy will go to the Rail Liaison Section of the Nebraska Department of Roads, since a representative of that unit was unable to attend.

I think most of us left the meeting a little more optimistic about Amtrak eventually being funded and motivated to continue to contact our Congressional delegation about saving Amtrak. **Roger Clark** reported to me that he had received a reply from Congressman **Tom Osborne's** office regarding Amtrak funding in which Osborne indicated that he understood the importance of long distance trains, including the *California Zephyr* which travels through, and has five stops in Nebraska. That is a major accomplishment because the perception has been that neither Osborne nor Second District Congressman **Lee Terry** have seemed to care much about Amtrak.

I'm not a regular reader of "**Rolling Stone**," but an attorney friend of mine saw me at Hy Vee grocery the other day and said, "I just read an article in the current edition of Rolling Stone and thought of you." The article is about the oil shortage. I immediately bought a copy and starting on page 45 is an article by **James Howard Kunstler** entitled "**The End of Oil**." It is extracted from his forthcoming book, "**The Long Emergency**," which is due out on May 15. I highly recommend the volume to all of you.

Kunstler's thesis is a familiar one. The U.S. domestic oil production reached its peak in 1970 and has been declining ever since. We bought some time by developing non-OPEC oil sources in the North Sea fields off England and Norway, but those fields were being depleted by 1999.

Kunstler says that the "global oil production peak" (the point at which half the world's oil has been pumped), may already have been reached and will certainly occur by 2010. However, the half of the oil remaining is more difficult to extract and thus much more costly to obtain. It also is of much poorer quality and located in countries where "the people hate us."

Natural gas production also has peaked out and is on the downhill curve. Coal reserves are not going to sustain us forever and nuclear power generation is limited by a finite supply of Uranium. Kunstler denounces wind and solar efforts as not being able to take up the slack. He dismisses the hydrogen alternative as a "cruel hoax." There are problems with producing, transporting and storing hydrogen which makes it unsuitable.

The result—which we are already seeing—will be climbing gasoline prices which will continue to rise and not fall back as China becomes the second biggest user of oil after the U.S.

The consequences for transportation are enormous. Cars will be used only for short trips, if at all. This will result in cities abandoning an "autocentric" growth which results in sprawl and the blossoming of suburbs and shopping malls. "The automobile will be a diminished presence in our lives, to say the least. With gasoline in short supply, not to mention tax revenue, our roads will surely suffer."

"America today has a railroad system the Bulgarians would be ashamed of. Neither of the two presidential candidates in 2004 mentioned railroads. But if we don't refurbish our rail system, then there may be no long distance travel or transport of goods a few decades from now..."

Kunstler then repeats what we already know: "Railroads are far more energy efficient than cars, trucks or airplanes, and they can run on anything from wood to electricity. The rail-bed infrastructure also is far more economical to maintain than our highway network."

Thus, the battle to preserve and strengthen Amtrak takes on a greater note or urgency. The crisis is already upon us, but a lot of people just don't realize it yet. As **Carl Jung**, one of the fathers of psychology, famously remarked: "people cannot stand too much reality."

I look forward to reading Kunstler's full book when it comes out in May.

-3-

Natl. Assn. of Railroad Passengers Letter to Transportation Secy. Norman Mineta

Requests have been received to reproduce a letter from NARP President George Chilson to Mineta. ProRail members who are also NARP members probably have seen the letter. A sizeable portion of the letter is reproduced below; space does not allow the full text.

The National Association of Railroad Passengers welcomes an intelligent discussion aimed at developing an intercity rail network that will serve the travel needs of our fellow citizens. The time for a genuine federal/state partnership for intercity rail passenger service is long overdue. This partnership, however, must in addition to—not a replacement for—current funding and service.

Amtrak is a product of its environment. That environment reflects the actions of previous Congresses and Administrations over more than three decades. If this Administration is truly serious about improving intercity passenger train service, it will achieve far better results by "reforming" the environment in which Amtrak operates rather than by dismantling Amtrak. It is not necessary to burn the village to save it. A modern rail passenger network will not emerge from the ashes of Amtrak.

Without Amtrak, we lose the ability to operate over the nation's rail network at reasonable cost. We also risk losing infrastructure, rolling stock, equipment, facilities and a skilled workforce that will cost billions to replace—if it can be replaced at all. Amtrak, whatever its imperfections, still represents the most practical platform upon which to build a better system. The Administration's actions, however, threatens Amtrak's continued existence.

Examples:

- No funding for Amtrak in the President's budget request.
- Statements suggesting bankruptcy as an option.
- Failure of Amtrak's Board (all appointed by President Bush), to submit a timely budget request to Congress.
- Unwillingness to acknowledge the significant and long needed management reforms that **David Gunn** has implemented at Amtrak.
- Repeated attempts to portray Amtrak's current performance in the worst possible light.

You have invited people to read your plan before criticizing it, but you have not made copies available nor can we find it published on the USDOT website. We can only infer its content from the bill the Administration submitted to Congress in 2003 and from your recent public statements. Any plan that will succeed in improving America's intercity passenger rail service requires strong leadership and significant funding at the federal level. The available evidence, however, suggests that the Administration is headed in the opposite direction. As we interpret it, the Administration's plan:

- Eliminates all federal funding for operations even though the federal government routinely funds many operating costs of other modes.
- Fails to define the ultimate network it seeks to achieve.
- Transfers all planning responsibility to the states even though most travel crosses state lines and interstate commerce is a constitutionally mandated federal responsibility.
- Offers a substantially smaller federal match for rail than that provided other modes.
- Lacks an adequate long term funding source that provides multi-year "contract authority."

- Does not define procedures to ensure equitable allocation of federal funds to states.

For these and other reasons, we are gravely concerned that in its zeal to achieve “Amtrak reform,” the Administration has rushed to embrace a plan that is not grounded in reality, ignores critical issues, addresses the wrong problems and proposes “solutions” that, if implemented, would lead not to the improvement but to the demise of all intercity passenger train service in the United States.

Amtrak Gaining Ridership in Nebraska; Contributes to State's Economy

Two-year comparison of California Zephyr ridership (passenger boardings at five stations on Amtrak route through Nebraska), employment and procurement of goods and services in Nebr.

| | FY 2003 | FY 2004 |
|---|------------------|--------------------|
| City | | |
| | | Ridership |
| Hastings | 2,960 | 3,190 |
| Holdrege | 1,461 | 1,457 |
| Lincoln | 8,128 | 9,228 |
| McCook | 2,443 | 3,423 |
| Omaha | 22,084 | 23,007 |
| Total Nebraska ridership | 37,084 | 40,305 |
| Procurement/Contracts – goods and services | \$70,422 | \$322,463 |
| Employment of Nebr. residents by Amtrak | 21 | 22 |
| Total wages | \$879,545 | \$1,348,301 |

Excerpts from March, 2005 NARP newsletter relating to long distance trains:

“For any trains to survive under the Bush “Reform-Amtrak” plan, states—even those said to be fully funding ‘their’ trains—would have to absorb massive cost increases. You’d never guess that from what Transportation Secretary **Norman Mineta** says, but its not unusual for official talk about a ‘killer’ policy to promote that policy as ‘improvement.’”

“A key part of the (Bush administration) “reform” is an end to federal operating support for intercity passenger rail, a certain death knell for routes crossing multiple state lines—like the national network trains and the Northeast Corridor—but also probably death for state-supported short-distance routes (such as the **Heartland Flyer** between Oklahoma City, Okla., and Fort Worth, TX).”

Long Distance routes (including **California Zephyr, Empire Builder, Southwest Chief**): “Mineta says ‘no one’ rides these trains, yet—on average—long distance trains in fiscal 2004 handled 364 passengers per trip. Moreover, the average number of people on board at any one time (passenger-miles-per-train-mile) was 171 (vs. 134 on short-distance trains.”

Op-Ed by Sheryl McCarthy, *Newsday* Columnist: “...The airlines and the highway systems are (said to be) self-supporting—the airlines through ticket taxes and the highways through gasoline taxes, while Amtrak is like the lazy brother on welfare. In fact, the airlines and highways are subsidized by billions of taxpayer dollars. And virtually every mass transportation system in the world, including every railroad system, requires some kind of government subsidy to survive.”

Rochester Democrat and Chronicle Editorial: “...Shutting down Amtrak, as President Bush is proposing, isn’t the best option...Doesn’t he see the connection of a strong Amtrak to energy conservation? Threatening to shut down a vital rail system, at a time when fuel costs are rising and highway congestion is worsening, is hardly innovative. That’s especially so when other rail companies aren’t knocking down the door with bids to take over Amtrak service.”

Great Falls (Montana) Tribune Editorial: “...the Amtrak grant (allocation in the federal budget) in a lot of money, but before you’re dazzled by all those zeroes, note that it’s just one-twentieth of what the United States has spent this year alone so Iraqis could vote.”

Points to Stress When Contacting Officials, Neighbors, Friends re Amtrak Crisis

(From a NARP letter appealing for contributions to the campaign to save Amtrak)

You can help to set the story straight while the Bush Administration misleads Congress and the American people about their “restructuring” and development plan. We want decision makers and rail passengers to have all the facts.

- Amtrak today provides a vital foundation for the significant corridor development that already exists, and for future growth.
- Amtrak has achieved more reform in the past two years than in the previous thirty. Responsible management has trimmed the workforce by 3,900—while the number of daily train runs grew to 300 from 265 in 2002.
- Amtrak has taken on no new debt since 2002, although the cost of servicing previously incurred debt is still significant.
- Ridership at Amtrak grew 4.3 percent in Fiscal 2004 across the corridor trains and long-distance ones. More than a million additional riders chose Amtrak during FY 2004.
- While the record speaks for itself in terms of trustworthy management and promising growth at Amtrak, Transportation Secretary Norman Mineta ridicules the national network trains as “trains that nobody rides (running) between cities that nobody wants to travel between.”
- Many travelers enthusiastically support further development of short corridors like Chicago-St. Louis and Seattle-Portland and advocate the development of new corridors like Dallas-Houston.
- The Bush Administration doesn’t begin to understand the value of the long distance trains, especially in rural America where travel choices are limited. They ignore the fact that this relative handful of trains (including the California Zephyr) generated 48 percent of all Amtrak travel (measured in passenger-miles).

Reminder: Amtrak’s “birthday” is May 1 – 34 years of serving U.S. travelers

Further Concerns re Bush’s “Overhaul Plan”

New York Times: Chairman of the Amtrak Board, **David M. Laney**, has signaled for the first time that the independent board that runs the railroad objects to significant parts of President Bush’s plans to overhaul the passenger rail system, especially the idea to reorganize the company through bankruptcy. But the board Laney heads (as of March 25) had not agreed on its own proposal.

Bush has called for the elimination of federal aid in six months, which would kill the railroad unless it is restructured. Under his plan, if Amtrak can be reorganized, most subsidies would be paid by states, an idea that many state officials reject.

Bush has proposed turning over the tracks from Washington to Boston to a new entity, made up by the states, and letting competitors offer train service around the country. Laney, a Bush appointee and campaign contributor, said that while he shared Bush’s determination to overhaul the passenger railroad, the administration’s suggestion that the tracks of the Northeast corridor be turned over to a compact of states after a six-year federal rebuilding program was “not the position of the board,” with the exception of one of its four members, Transportation Secretary Norman Mineta.

The states, meanwhile have started making it clear that with Amtrak saying it needs \$2.5 billion over the next five years to make upgrades on the 456-mile Northeast Corridor—Amtrak’s major asset—they do not want to bear the costs. On-time performance for Amtrak’s Northeast trains has declined steadily over the past few years as the backlog of maintenance problems has grown.

