



Public Benefits and Costs Study

of the Proposed BNSF/UP Front Range Railroad
Infrastructure Rationalization Project

Faster freight - Cleaner Air Conference



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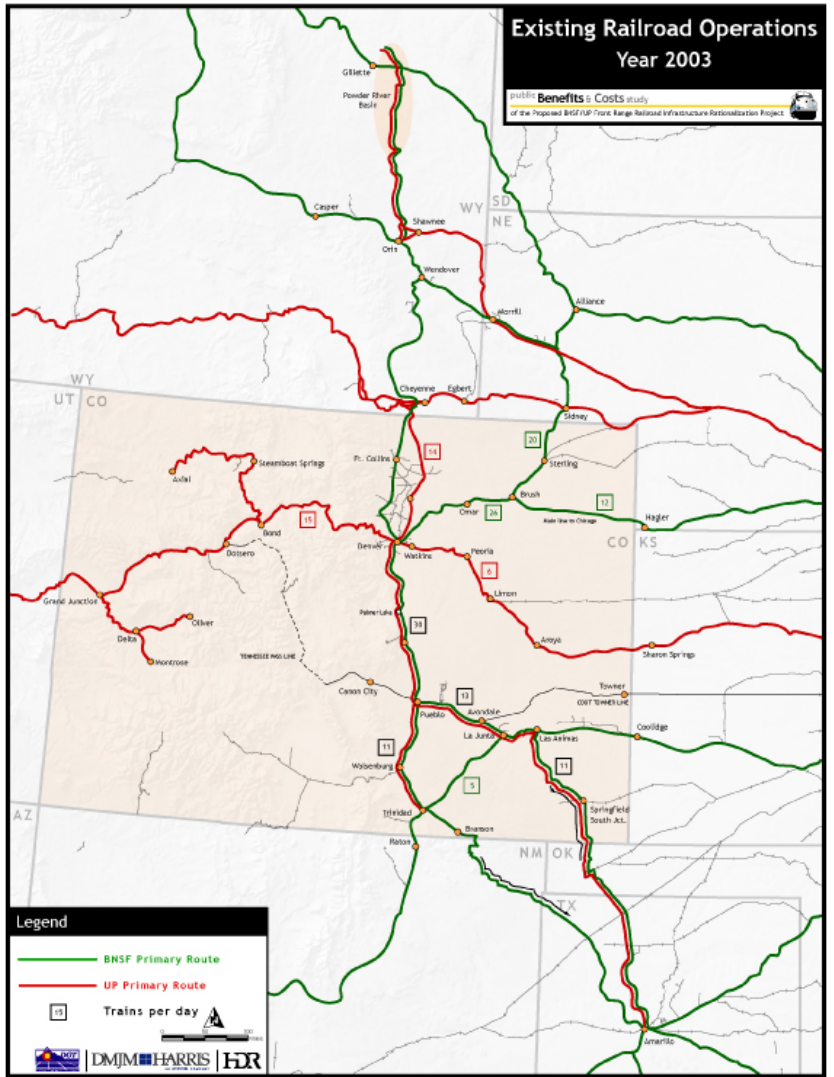


Part 1. Study Background and Approach



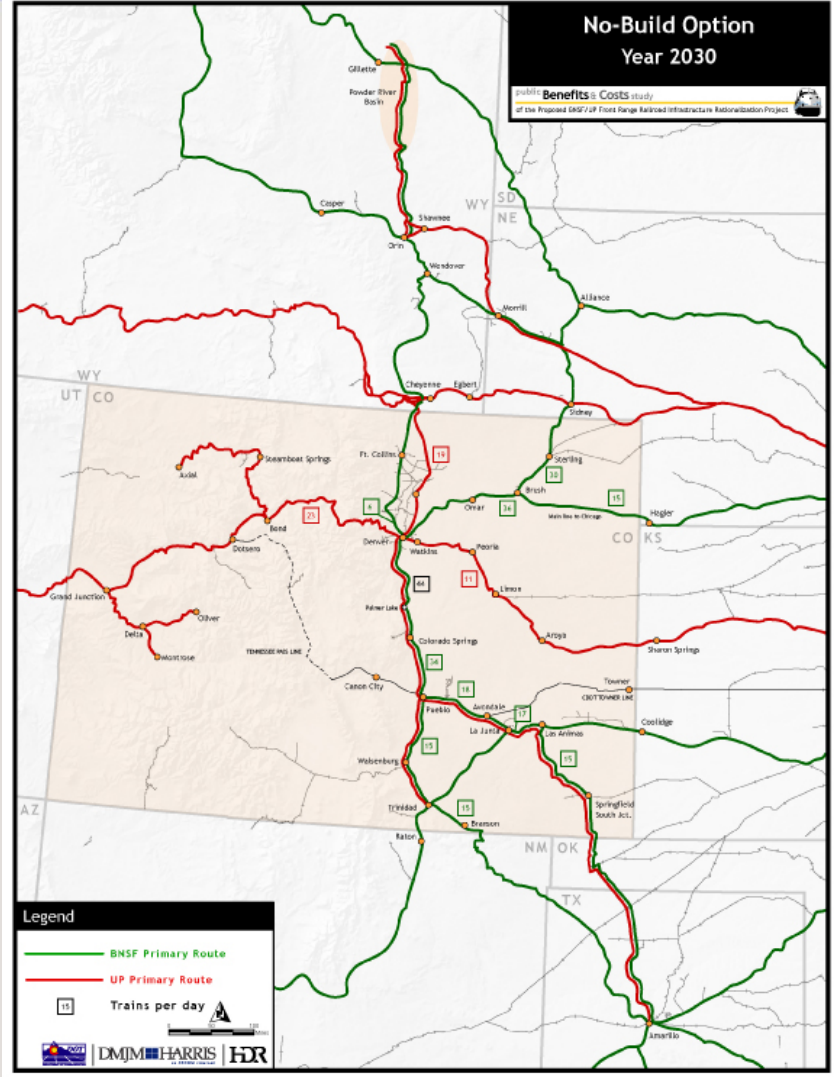
Existing Railroad Operations Year 2003

Public Benefits & Costs study
of the Proposed BNSF/UP Front Range Railroad Infrastructure Rehabilitation Project



No-Build Option Year 2030

Public Benefits & Costs study
of the Proposed BNSF/UP Front Range Railroad Infrastructure Rehabilitation Project



Legend

- BNSF Primary Route
- UP Primary Route
- Trains per day

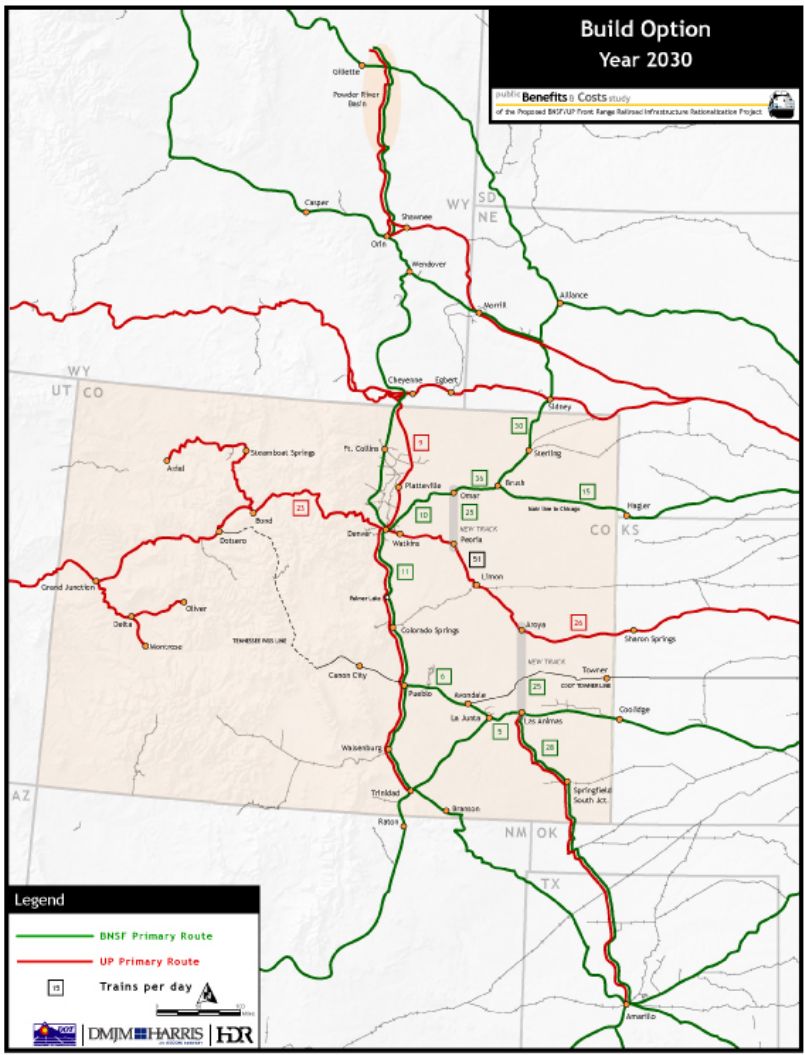
Legend

- BNSF Primary Route
- UP Primary Route
- Trains per day



The BNSF/UP Five-Point Proposal

- Consolidate freight operations
- Relocate freight terminals
- Construct a freight bypass route
- Remove through-freight trains along the Front Range
- Joint freight/passenger service between Palmer Lake and Crews





Capital Cost Summary

New Track (95 miles)		\$288 Million
New UP Freight Terminal		\$208 Million
New BNSF Freight Terminal		\$259 Million
UP Limon Subdivision Track Improvements		\$144 Million
Various Front Range Improvements:		
Utah Junction	\$44 million	
North Yard to Belt Junction	\$30 million	
Utah Junction to Belt Junction	\$40 million	
DRI Line	\$78 million	
Sand Creek	\$16 million	
Greeley Subdivision to DRI	\$8 million	
Utah Junction to Prospect Junction	\$7 million	
		<u>\$223 Million</u>
Total		\$1,122 Million



Key Study Question

Is there sufficient benefit accruing to the citizens of Colorado to warrant the investment of public dollars in the proposed railroad project?



Part 2. Project Benefits



Benefits Summary

Transportation	\$1,078 Million
Environmental	\$350 Million
Land Use and Economic Development	\$684 Million
Safety and Security	n.a.
Quality of Life and Image	n.a.
Future Passenger Rail Facilitation	<u>\$178 Million</u>
Total	\$2,290 Million



Transportation

- Railroad operations \$694 Mil
- Grade crossings \$ 52 Mil
- General traffic delay \$332 Mil



Environmental

- Air quality \$243 Mil
- Noise and vibration \$ 87 Mil
- Energy \$ 21 Mil



Land Use and Economic Development

- Western Colorado coal \$118 Mil
- Front Range economic growth \$470 Mil
- Front Range rail yard redevelopment \$ 32 Mil
- Eastern Colorado economic growth \$ 35 Mil
- Eastern Colorado grain producers \$ 29 Mil

New construction jobs = 1,726



Safety and Security

- Vehicle/railroad accidents
- Pedestrian/railroad accidents
- Emergency vehicle blockage
- Hazardous materials risk
- Terrorism risk



Quality of Life and Image

- Community livability
- Access to freight rail
- Facilitation of transit-oriented development (TOD)



Part 3. Funding and Financing



Project Delivery Mechanisms

- Conventional
- Design-Build (DB)
- Design-Build-Operate-Maintain (DBOM)
- Design-Build-Operate-Maintain-Finance (DBOM-F)



Financing Strategies

- Pay-as-you-go
- Public borrowing
- Private borrowing
- Public and private borrowing



Key Study Finding

There is sufficient benefit accruing to the citizens of Colorado to warrant the investment of public dollars in the proposed railroad project.

