

CTB Rail Subcommittee Meeting Minutes
VDOT Central Office Training Room
1221 East Broad Street
Richmond, Virginia 23219
January 9, 2018

The Meeting began at 11:08 am.

CTB Rail Subcommittee Members Present: Jennifer Mitchell, Scott Kasprovicz, Shannon Valentine, Mary Hughes-Hynes, and Court Rosen

DRPT Director Jennifer Mitchell introduced the agenda and said that the major agenda item for the day would be to follow up to questions the members had about the Economic Impact numbers in the Rail Plan Executive Summary at the last meeting.

Mary Hughes-Hynes asked about the change that was suggested by CTB member Allison DeTunq. Allison's comment was that the effects to other stations "downstream" need to be considered when adding to capacity to a station. Jennifer concurred that this comment was good and something that should be considered. Shannon Valentine said that there is some confusion on the impact to existing stations and that this point needs to be clarified before it is discussed at the full CTB meeting.

1. Discussion on Rail Plan Executive Summary Economic Impact Numbers-Mike Todd
Mike Todd said that the Rail Plan was adopted at the last meeting with 2 caveats. These were that the Station Policy would be approved separately and that DRPT would go back and look at the Economic Impact Benefits numbers in the Rail Plan Executive Summary. DRPT updated the Executive Summary with only one page of content pulled from Chapter 2 of the approved Rail Plan. All other changes that were made were to update the layout to accommodate the new content. Mike said that there is a lot of detail on the Economic Benefits numbers throughout the Rail Plan, and that these details are now being highlighted in the Executive Summary. The following discussion occurred after Mike's presentation.
 - a. Scott Kasprovicz said that if rail didn't exist would we have any of the direct or indirect benefits and asked if the jobs created by rail would be lost without it. Mike Todd said that they would.
 - b. Scott Kasprovicz asked if Federal, State and Local taxes on income from the jobs that rail creates is part of the tax revenue number. Mike Todd said that it was but that the number is derived from the IMPLAN model, so it does not necessarily reflect the exact tax rate for every single mile of rail line in Virginia. Rail ROW is

taxed differently in every Virginia locality. And it would be a significant undertaking to calculate the 'real world' tax revenue of rail in every locality.

- c. Shannon Valentine asked what Norfolk Southern paid in taxes. Mike said he did not know. He said that Virginia may not benefit from all of their tax dollars. Shannon Valentine replied that the 21 million dollar number looks small. Mike Todd said that he will vet that number.
- d. Mary Hughes-Hynes asked if they should care about Federal tax numbers. Shannon Valentine said that they should back up all of the numbers, because if one number is bad the whole thing could be discredited.
- e. Shannon Valentine said she appreciated DRPT looking at the Macro numbers. She doesn't think the 190 million dollar number for Direct Annual benefits seems right after adding the direct numbers.
- f. DRPT Chief of Rail Mike McLaughlin said that number is really quantifying benefits to the highway network. He said that the graphic on the heading needs to be changed to say "Benefits to Virginia Highway Users". He also said that Growing the Economy was already addressed in the previous page of the executive summary.
- g. Shannon Valentine said that private freight rail provides economic benefit as well and it is hard to compare that to what is subsidized. She said freight rail vs. passenger rail is like comparing apples to oranges.
- h. Mike Todd said that maybe Direct Benefits is not the right way to categorize those benefits. The word direct is getting muddled because it is being used to describe two different things.
- i. Mike McLaughlin said that if you include maintenance on highways the number would be more than 190 million.
- j. Mary Hughes Hynes pointed out that the graphic on page 2 should reflect the mantra of the document. Shannon Valentine agreed that the graphic should follow the wording. Director Jennifer Mitchell told the subcommittee that DRPT would work on the graphic.
- k. Mike Todd said that they would update the metrics so they all specifically related to getting cars off of the road. Scott Kasproicz said that if things were headed properly it would be an apples to apples comparison. He said that the analysis itself was very well grounded.
- l. Mary Hughes-Hynes stressed that the information needs to be useable to people who know nothing about rail.
- m. Scott Kasproicz asked if there was a way to quantify highway capacity that doesn't have to be created because of the rail network.
- n. Mike McLaughlin asked for confirmation that there is a consensus to update the graphic based on the discussion. Shannon Valentine asked that DRPT check to make sure the flow of the graphic matches the document.
- o. Mike McLaughlin said DRPT will make these changes and send out a revised version that day.

- p. Jennifer Mitchell said that since the Executive Summary was voted on at the last meeting there does not need to be any additional approval for the changes.
- 2. Public Comment-There was no public comment.
- 3. The meeting adjourned at 11:45.