

Badger played key role in the rebirth of Richmond's historic Main Street Station.

# Vickey Badger Is Named Recipient Of W. Thomas Rice Rail Renaissance Award

Richmond's Main Street Station is once again a showplace and will be the centerpiece of multimodal transportation as progress is made.

How did this \$51 million restoration project happen? Largely through the efforts of Viktoria W. Badger or Vickey, as she is well known.

Ms. Badger's outstanding accomplishment that was completed in 2003 has made her the recipient of the 2004 W. Thomas Rice Rail



Renaissance Award. She will be presented the award at the Richmond Friends of Rail annual meeting September 29 at the site of her handiwork, Main Street Station.

As principal planner for the City of Richmond's Department of Community Development, Ms. Badger headed the planning, worked on obtaining the funding, oversaw the engineering, design, construction and even chose the handsome artwork. She was the city's liaison on the

project with Amtrak, CSX, the Commonwealth of Virginia and numerous funding agencies supporting Main Street Station and passenger rail development.

The Rice Award was established in 2000 to recognize leadership, commitment, personal accomplishment and progress in restoring the rail mode of transportation, both freight and passenger.

Previous recipients are Governor James Gilmore, Senator John Watkins, Governor Linwood Holton and Annie and Bob Bryant, owners of the Buckingham Branch Railroad.

W. Thomas Rice of Richmond is credited with being a "rail passenger services innovator and promoter" during his rail career as president of several railroads, including the Richmond, Fredericksburg and Potomac, the Atlantic Coast Line and Seaboard Coast Line where he was chairman and CEO.



Gov. Warner Creates Rail Commission (Page 6)



# "Re-Railing Amtrak in the Richmond-DC Corridor" Is Topic for RFOR Annual Meeting on September 29

Clarification will be the goal of a roundtable discussion at the annual general membership meeting of Richmond Friends of Rail at 7:30 a.m., Wednesday, September 29, at Main Street Station.

When Amtrak evaluated U. S. rail corridors for immediate development, the Richmond-Washington route was dumped from the preferred list. Debate ensues. Why is the Richmond-DC corridor a second tier? Can Richmond become a Tier 1 opportunity again as is Raleigh-Charlotte? And what are the prospects for improved Richmond-Washington rail?

These questions will be the focus of discussion at the annual Richmond Friends of Rail meeting—a continental breakfast.

Participants will be Karen Rae, director of the Department of Rail and Public Transportation; Rob Shinn of CSX; Gerald McCarthy, a member of the Commonwealth Transportation Board, and Drew Galloway, of Amtrak's planning department. John Thompson, a board member of Virginians for High Speed Rail, will moderate the panel.

Richmond Friends of Rail, headed by Dr. Walter Witschey, is a program of Virginians for High Speed Rail and operates under the auspices of the Greater Richmond Chamber of Commerce's Regional Transportation Authority Board.

To attend the breakfast or obtain information call 864-5193.

#### Virginians for High Speed Rail Elects Officers, New Board Members

Thomas G. Tingle, AIA, of Guernsey/Tingle Architects in Williamsburg, has been elected president of Virginians for High Speed Rail.

Also elected were Ann Hunnicutt of Hampton, vice president; John B. Thompson of Richmond, vice president and general counsel; Charles M. Louthan of Richmond, treasurer, and Barry C. Bishop of Norfolk, secretary.

Regional co-chairs are Brad Face of Norfolk, H. William Greenup of Fredericksburg; James E. Ukrop of Richmond and Lois I. Walker of Alexandria

New board members elected are Gerard (Jerry) R. Deily, Charlottesville; Joan Girone and Elliott Harrigan, Richmond; Robert W. Hershberger, Williamsburg; Dr. H. French Moore Jr., Abingdon, and Dennis Sullivan, Chesapeake.

#### President's Letter

#### Members and Supporters of Virginians for High Speed Rail:

It seems that everywhere I go these days I'm asked the question, "So when are we going to get high speed rail?" As one who has spent his career in a bricks-and-mortar, results-oriented profession, that's a tough question. I have learned, however, in my few years on the VHSR Board, that passenger rail success is measured in small victories.

So what has VHSR been doing to help bring more reliable and frequent passenger rail to the Commonwealth? The following pages help describe in more detail some of our recent activities and "small victories."

But perhaps our success can be better measured by those who are starting to hear our message. One of our former board members and a strong voice for rail, Harry Lester, now sits on the Commonwealth Transportation Board. Harry, along with VHSR board members Dick Beadles and French Moore, serve on the Governor's Rail Commission. Passenger rail is talked about at Chambers of Commerce meetings, at City Council meetings, in newspapers and in business magazines throughout Virginia. But we have so far to go!

We need a constant funding stream for rail. To achieve this, we need to convince our elected representatives in Richmond and Washington that rail is a necessary leg of our national transportation program, and part of the solution to the transportation crisis in the state.

And we need your help to continue the cause.

Virginians for High Speed Rail is the only advocacy and education organization for improved passenger rail in the Commonwealth. We are not a state agency – we're funded by businesses, local governments and individuals like you. We are truly a public/private partnership, promoting your positions on high speed rail.

Invite one of our board members or our Executive Director to speak to your Board of Supervisors or civic club. We enjoy educating folks about the exciting vision of a Commonwealth served by a dependable passenger rail system. And with help from you and others, we can turn that vision into bricks-and-mortar reality.

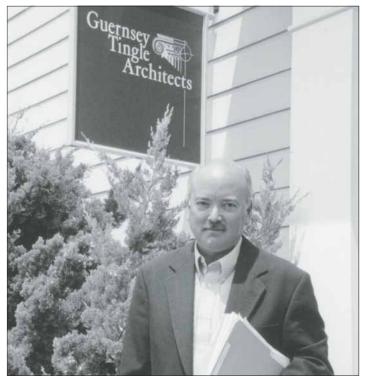
Thomas G. Tingle, AIA President Virginians for High Speed Rail

# Virginia Rail Policy Institute Chairman Elected

Dwight Farmer, deputy executive director, transportation, of the Hampton Roads Planning District Commission in Chesapeake, was elected director of the Virginia Rail Policy Institute at its organizational meeting in June.

The meeting was held in connection with the Transportation CONNECTIVITY Symposium June 4 in Charlottesville.

The Rail Policy Institute has been established to better serve public mobility and transport needs of Virginians by encouraging more rational transportation and development.



Tom Tingle

# New VHSR President Tom Tingle: Architect and Musician

Thomas Tingle, the new president of Virginians for High Speed Rail, helped pay his way through Virginia Tech playing in a rock band nearly every weekend.

The band, "Kilroy," traveled all over the state, and sometimes out of state, to play gigs mostly at other colleges. Tingle played saxophone and keyboards. His busy schedule doesn't permit time for music now, he says.

A native of Lancaster County in Virginia's Northern Neck, Tingle lives in Williamsburg where he is a principal with Guernsey Tingle Architects, a 15-member firm.

He graduated from Virginia Tech in 1980 Cum Laude. Tingle has been on the board of directors of Virginians for High Speed Rail for four years. He follows H. William Greenup, former councilman and mayor of Fredericksburg, as president of VHSR. Tingle is also on the advisory board of Peninsula Friends of Rail.

While serving as president of the Williamsburg Area Chamber of Commerce in 1997-98 and through his years on the Chamber board, Tingle said he became increasingly aware of the need for the business community to become active in transportation advocacy. Guernsey Tingle designed the renovation and restoration of the Williamsburg Transportation Center, a true multi-modal facility within a few blocks of Colonial Williamsburg.

Having lived in the Hampton Roads area for 25 years, he says he has seen transportation become a sometimes crippling factor in the conduct of business.

As an architect for commercial, municipal, and residential projects in Virginia, North Carolina and Delaware, Tingle knows the connection that exists between transportation and growth.

His work has been featured in a number of magazines and newspapers. Besides his Chamber work, he serves on the boards of the Salvation Army and Housing Partnerships Inc. He is also on the board of directors for Chesapeake Bank.

His wife, Chris, assists in his business as office manager. The Tingles have two children, Bruce, a student at Old Dominion University, and Kaylin, a student at Jamestown High School.

# Transportation CONNECTIVITY Symposium



Panelists at symposium held at Farmington Country Club in Charlottesville on June 4.

A Transportation CONNECTIVITY Symposium organized by the Virginia Rail Policy Institute in June looked at the realities and potential of multimodal and intermodal transportation in Virginia. Here is a recap of discussions.

# "We Are Headed For A Day Of Transportation Reckoning." -Dr. Charles W. Sydnor Jr., Moderator

That was the summation by Dr. Charles W. Sydnor Jr., moderator of the Transportation CONNECTIVITY Symposium and CEO of Commonwealth Public Broadcasting in Richmond.

Organized by the Virginia Rail Policy Institute, headed by Richard L. "Dick" Beadles, interim director, and sponsored by Friends of Multimodal/Intermodal Transportation in Virginia, the Transportation CONNECTIVTY Symposium brought together about 124 transportation and government leaders, business people, educators, lobbyists and interested Virginians for a day-long meeting June 4 at Farmington Country Club in Charlottesville.

The topic? "The Future of Multimodal and Intermodal Transportation in Virginia—The Role of Connectivity". The goal? "To examine reality and to consider the potential."

Attendees may have had bigger doses of "reality" than "potential." Hank Dittmar, president and CEO of Reconnecting America and chairman of the board of the Congress for New Urbanism, urged moving away from the 50s mode interstate highways. "The interstate was a great investment. But over the last two decades, adding to the (interstate) networks, benefits are on the decline," he said.

"The next productive challenge is networking the networks," Dittmar continued. "Transportation is about access, not mobility."

"For too long transport policy has been about projects and modes, not systems." Legislation has been about "the highway bill," not the "transportation bill."

Yet, he pointed out, in federal funding, highways have a trust fund,

the gas taxes. Aviation has a trust fund paid by dedicated fees and taxes that pay for airports, air traffic systems and capital funding through airports and the private sector.

"Rail has no trust fund, no public funding except Amtrak and no public infrastructure but the Northeast Corridor.

"There is no national plan, program or funding source for intercity travel," Dittmar said.

Post 9/11 much air traffic has "taken to the roads" and, consequently, short distance air travel is declining. One third of all flights under 400 miles has been lost since 2000.

Higher speed rail "can be competitive in the 400-mile range," Ditmar said. "Intercity bus can be competitive in the 150-mile range."

But what are some of the problems or "policy barriers?" Federal restrictions on intermodal projects, lack of stable capital sources for rail/intermodal, the "pretense" that highways and aviation aren't subsidized, and the need to show freight railroads the value of rail corridor investments, he said.

Dittmar has thoughts about what could make a difference in these problems. Some are: a federally-assisted state grant programs for intercity rail capital investment; stable, dedicated multiyear Amtrak funding, intermodal planning and programming that includes aviation and anti-trust relief to permit intermodal providers to emerge.

He sees signs of progress in Virginia that include "increased transparency and accountability about spending," increased interest in rail investment in Virginia, both freight and commuter, and VTRANS2025, a 20-year long-range planning process that considers highways, transit, rail, air, pedestrian, port and bicycle facilities as part of one system.

# **Transportation CONNECTIVITY Symposium**

# Charlottesville 6/4/04

### What Do Virginians Want?

They want relief from road congestion.

That was the number one concern when more than 2,000 Virginians were asked by VTRANS2025 about transportation in Virginia.

What's more, Virginians are willing to pay more for transportation if investments "are better balanced among modes"—that is if all the money doesn't go into roads. They also want gas tax dollars to go to transportation. No more skimming from the Transportation Trust Fund to "save" the state general fund budget when times are bad as happened in Governor Douglas Wilder's administration.

Dr. Mary Lynn Tischer, special assistant to the Governor on Transportation Reauthorization and VTRANS2025, told about the public feedback on transportation when she reported on VTRANS at the Symposium.

Dr. Tischer's draft VTRANS2025 report is big on what Virginians want and what the ideal in transportation would be for the Commonwealth by 2025.

It is short on how we get there.

Highway needs in the next 20 years of \$82.61 billion are identified. Expected revenues are \$79.07 billion. Existing obligations, the six year plan, for instance, and maintenance of \$36 billion will consume all but \$482 million. That is all that will remain to address transportation's new and additional soaring needs and costs.

Even before 2025, Dr. Tischer said, "Virginia will not meet maintenance costs by 2016 and will have to cut back on maintenance."

In addition, by 2017 Virginia's anticipated transportation revenues will not be adequate to meet matching federal dollars, the system now in use for highway funding. These projections are all based on present transportation funding sources.

The VTRANS draft provides three scenarios for rail and transit. One, the status quo, is \$7.34 billion. The second strategic investment is \$13.78 billion, and the third, a fully integrated system, would be \$23.88 billion. Expected revenues are \$6.158 billion.

Ports and aviation are in similar straits the report says.

Public meetings to explain and present the draft plan were held this summer throughout the state.

The VTRANS draft plan concludes with sobering figures on changes in transportation in Virginia since 1986.

- 79 percent increase in vehicle miles traveled
- 58 percent increase in transit ridership
- 53 percent increase in registered vehicles
- 34 percent increase in licensed drivers.
- 7 percent increase in lane miles
- Yet, state transportation revenues have lost 40 percent of their buying power because of inflation alone since 1986.

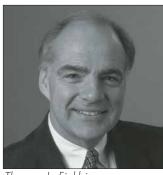
#### What Is VTRANS?

VTRANS2025 was created by the Virginia General Assembly in 2002. Legislation directed the Commonwealth Transportation Board to develop a multimodal long-range transportation plan with a statewide focus.

The plan is described as "a blueprint for highways, transit facilities, passenger and freight rail, air and water ports and bicycle and pedestrian trails and how these components interact to form a safe, strategic and seamless transportation system." It is not a listing of specific transportation projects, but a context for modal transportation planning.



Dr. Charles W. Sydnor, Jr.



Thomas L. Finkbiner



Dr. Mary Lynn Tischer



Hank Dittmar

# Finkbiner, Trucking CEO, Says Charge Trucks to Travel in Virginia

Virginia could be doing more to influence the transportation "level of disaster," said Thomas L. Finkbiner, CEO of Quality Distribution Inc. headquartered in Tampa, Fla., the nation's biggest bulk trucking firm.

Finkbiner, formerly vice president of Intermodal for Norfolk Southern, said, "Virginia is the middle kingdom of transportation on the East Coast."

"Trucks don't stop here . . . they're not going to go any other way but I-95 and I-81," he said. "I-81 isn't a passenger route. It's a route that moves traffic from the Northeast to Mississippi, Louisiana or Alabama. I-81 is for freight."

Finkbiner, however, is no pollyanna. He said, "As for diverting trucks, you divert only when it is cheaper, not for service."

Virginia is in the catbird seat, he suggested. Trucks can't get to northern destinations without going through the state. Thus, he said, "One thing that you can do that will improve life in Virginia is to charge tolls on 81 and 95. You can spend the money on roads."

A \$150 charge for a truck passing through Virginia is probably what it costs the state, Finkbiner said.

"There is no place else for the trucks to go. You won't lose a single truck. Do you have the power to do that in Virginia? If you do it, how long will it be before North Carolina and Tennessee do the same thing?"

As for diverting freight from trucks to rail, Finkbiner said "Freight will gravitate to railroads when it is economically feasible."

"Don't ever make the mistake of mixing passenger and freight. They don't mix. Not one passenger railroad is profitable because people won't ride on something just because it's the right thing to do. There are not that many Audubon members in the world. Keep them apart. Put tolls on the highways. This is no more pie in the sky than what you talk about every day," Finkbiner said.

"Transportation policy isn't about railroads and it's not about trucks. Transportation policy is about doing what is right for people," he said.

### Consensus Doesn't Come Easily: Autos, Air, Transit, Ports, Environment And Rail Respond to "Priorities"

How do you get consensus on rail when:

• Brett Vassey, CEO of the Virginia Manufacturers Association, says a survey shows 92% of his member companies won't switch to rail. "Five to 15% of our product cost is transportation. Any shift in pricing is immediate," he said.

• Trip Pollard of the Southern Environmental Law Center says, if by 2025 we are still dependent on the automobile, we will have failed. "We need more balance in Virginia."

Vassey and Pollard were among 16 participants in a discussion group entitled "Multimodalism/Intermodalism in Virginia—What's missing?"

Views varied widely.

Mahlon "Lon" Anderson, with AAA Mid-Atlantic Inc., believes travel by car is not going to change—even by 2025. In his government relations work at the Virginia General Assembly, he said, "I've seen no desire for any new ways of doing things. You talk about adding rail—the major challenge is how in the world do we get funding?"

Ray Pethtel of Virginia Tech's Transportation Institute and former VDOT Commissioner from 1986 through 1994, agreed. "VDOT has just cut \$54 million for one of the most heavily traveled routes in the state," he said.

"We're having problems because people are not willing to pay," said Dr. Louis S. Thompson, formerly with the World Bank as railways advisor and now a Washington consultant on rail and transport.

Linda McMinimy, executive director of the Virginia Transit Association, captured the disparity in points of view. "We haven't achieved a consensus on transportation. . . How are we not going to keep from doing the same thing?"

In Switzerland, said Dave Snyder of the Virginia Railway Express, the government is building a tunnel under the Alps for trucks. "That could be a model for I-8 1," he said. Passenger vehicles travel on separate roads.

"Every study shows that trucks pay half of what they cost," Thompson said. "We have the best railroads. We need to stop subsidizing the competition (highways). We won't ever be able to get the trucks off I-81, but we can make a difference with rail."

"The average traffic density on railroads has tripled, yet we're not building railroad capacity. You can't expect the private railroads to add more capacity," Thompson added.

While public support for transit seems to be accepted, Snyder said just 55 to 60 percent of the VRE cost of operation is covered by fares. The rest is paid by taxpayers. "We get four-wheelers (cars) off the highway."

James A. Wilding, retired just one year from his post as president and CEO of the Metropolitan Washington Airports Authority, had advice from his long experience with airports.

"Twenty years ago, we had a serious airport problem. The Airport Authority was formed. If I could identify one thing that caused change, it was our people going out and saying that they—citizens and businesses—could actually influence what happens. I submit that the public will consult with us. . . They have to feel that it is worth getting into. It has to bubble up from underneath. Until (the public) believes that it is fixable and we can provide a vision of what it can look like, credibility of governmental bodies (will be difficult to achieve)."

# A Cause for Optimism" "Awareness of the Problem is Growing"

After citing a list of things that need to happen to change transportation policy, Trip Pollard of the Southern Environmental Law Center concluded "what makes me optimistic is that there is growing awareness of the problem."

But for change to come about, Pollard said there must be changes in transportation policy coupled with land use changes. There must be balance in modes and elimination of waste. "We could get more

out of existing roads with better maintenance," he said. For example, in Atlanta, he said, the Metropolitan Planning Organization has provided grants for overhauling zoning that will make a difference in land use.

Louis Thompson, formerly of the World Bank, said, "We do not tax as we should. Fuel prices are too low. We are the richest country and we are the lowest taxed, yet we say we can't afford (to pay for transportation improvements). If roads are cheaper, then we won't use rail. Amtrak is not properly funded and the funding is not stable."

"This has been a fascinating



conference. It should be repeated across the state," said Ray Pethtel of Virginia Tech in the summary session. "VTRANS2025 is a very good start. It is developing good multi-modal vision goals. But what concerns me is that we've had transportation plans for many, many years and I don't think we've implemented any of them."

What is needed, Pethtel said, is acceptance by the Virginia General Assembly. He would like to see it become an issue in elections. "Transportation has never been an issue in elections—not since '41." We need people to run for office who don't care if they get elected. We need people to run for philosophic reasons. We have to get on their case."

Pethtel said it is clear people don't understand the structure of transportation in Virginia. "We have to find a way to educate people on transportation."

"To get more money, we need to influence those in office. Northern Virginia is the only place that has its own gasoline tax—2 cents on the gallon. We need legislation to allow any locality to tax themselves. And we need to look at new sources of revenue. The gas tax can't be the only source. Bonding is fine—to a point."

But, besides improving the state transportation agenda, Pethtel urged getting public support to make transportation a top issue with the federal government. There has to be vision at the federal level, he said.

In his summary of the day, Frank Atkinson of McGuire Woods Consulting, LLC, said, "We need to find intersecting action between good policy and what the public will support. We need to explore private dollars. We have to find new methods of funding and we have to find common ground."

Charles Sydnor, moderator, who summarized the day's meeting, said, "Leaving here today, I'm a lot more convinced of the urgency and immediacy of the situation. The message: find, cultivate and run candidates. We need better public education."

#### **ANNUAL MEETING**

# Governor Warner Creates Rail Commission

A Commission on Rail Enhancement for the 21st Century was established by Governor Mark Warner on May 18 through an executive order at the annual meeting of Virginians for High Speed Rail in Norfolk.

Paying a surprise visit to the meeting, Governor Warner said the commission's purpose is to "examine the future of rail transportation in the Commonwealth, including the consideration of a rail authority."

Secretary of Transportation Whittington Clement said the commission has a number of duties. "Leveraging private funds" will be among the options to be considered as the commission studies ways to "provide and promote rail service throughout the Commonwealth."

The Commission, Clement explained, was to be appointed immediately and begin work so its reporting date of December 1, 2004, can be met. The Commission is comprised of seven members appointed by the Governor. Secretary Clement and the Secretary of Commerce and Trade, or their designees and the director of the Department of Rail and Public Transportation are ex-officio members of the Commission. The governor may add additional members to the Commission. Staff is provided by the Department of Rail and Public Transportation, the Virginia Economic Development Partnership and the Department of the Treasury or other executive agencies as the Governor may designate.

Duties of the Commission include review of the Virginia State Rail Plan and a rail authority. Financing options to "expedite freight and passenger rail service" shall be included in the work of the Commission.

Secretary Clement said he hoped the Commission's report will "lay to rest questions" that arose during the 2004 General Assembly when Sen. John Edwards and Sen. John Watkins patroned SB413, a bill that would have established a rail authority. The bill passed the Senate but failed in the House Appropriations Committee.



Gov. Mark Warner paid surprise visit to Annual Meeting.

Norfolk Southern's Craig Lewis and Dick Beadles at Annual Meeting.



#### Sharon Bulova Brings Transportation Experience to Governor's Rail Commission

When Governor Warner named Sharon Bulova, Braddock District member of the Fairfax County Board of Supervisors, to chair the Governor's Commission on Rail Enhancement of the 21st Century, he chose a long-time transportation advocate.

Mrs. Bulova is a past chairman and has been a member of the Northern Virginia Transportation Commission since 1988. When the Regional Sales Tax Referendum failed in 2002, Mrs. Bulova invited her constituents (105,700) to a long-running "community dialog" series to explore strategies for addressing Northern Virginia's congestion.

She was a founding member of the Virginia Railway Express Operations Board and has served as chairman of the board four times. Her activities in many other organizations promote regionalism and clean air. Mrs. Bulova was elected to the Fairfax board in 1987.

Serving with Mrs. Bulova on the Rail Commission are James C. Bishop of Rognoke, a retired Norfolk Southern executive and attorney with expertise in corporate finance; Willie E. Lanier Sr. of Richmond with Wachovia Securities and who has a special interest in urban infrastructure financing; Harry T. Lester of Virginia Beach, a member of the Commonwealth Transportation Board and former member of the board of Virginians for High Speed Rail (VHSR), also a member of VTRANS2025; John Mason of Fairfax County, a former mayor of Fairfax City and former director of the Transportation Policy and Analysis Center who served in the National Capital Region Transportation Planning Board, the Transportation Coordinating Council of Northern Virginia and many other transportation organizations; Dr. French H. Moore Jr. (DDS) of Abingdon, chairman of the Trans-Dominion Express Committee and a member of the board of VHSR, and Meredith M. Richards, a former member of the Charlottesville City Council, member of the TransDominion Express Committee and former president of the Virginia Transit Association.

The Commission, announced by Governor Warner at the annual meeting of Virginians for High Speed Rail in Norfolk May 18, held its first meeting in July. The schedule for subsequent meetings is shown below.

The Executive Order creating the Commission calls for a report from the Commission by December 1.

### **Rail Commission Meeting Schedule**

October 6, 10 a.m. General Assembly Building, House Room C

November 3, 10 a.m. Cap

Capitol Building House Room 4

# ANNUAL MEETING

### We Like Rail Cars With Windows Norfolk Southern Vice President Says

"I didn't know we weren't supposed to like railroad cars with windows in them!"

Craig Lewis, corporate vice president for Norfolk Southern Corp., introduced a new day to Virginians for High Speed Rail when he spoke at the VHSR annual meeting in Norfolk, Va., May 18.

Freight railroads can and should *like* cars with windows. That is, Lewis believes railroads can be a solution for passenger travel but they will need help.

Lewis, a former Pennsylvania state senator, came to his job via having worked as an attorney for Norfolk Southern. He was surprised when he was offered his job in the Philadelphia office six years ago. He says he knew nothing about railroads except through the work he had done for NS.

But, his inexperience, he said, has become a benefit.

When he joined the company he saw that railroads had a "No!" response to any passenger overtures. The relationship with those seeking public transportation was "troubling." A "gladiator relationship" prevailed.

"Passengers saw a noble public purpose. 'We're going to use your railroads!,'" Lewis said. That always elicited the "No!" response. It was clear to me that we needed to set a new tone."

"We need to candidly talk about the fears. If we're ever going to advance our circumstances, we have to deal with the fears and emotions," Lewis continued.

As Lewis guided Norfolk Southern into a new approach, he said economic realities had to be first on the list if "we said 'yes' instead of 'no.'"

NS had to promulgate principles of how "yes" could come about. These included:

- If you use our assets, we expect to be paid fair value.
- We will not subsidize.
- There can be no diminution of our useable freight capacity.
- Liability—that's the most difficult to work through. Regardless of fault, "we won't take any responsibility. Insurance, after 9/11, is extremely expensive."
- Most, important, if any transaction is successful, we both have to win.
- My definition for win for NS is dollars. For others, it may be another siding.

"What can make this work? We have to work together or no one wins," he said.

Creativity is required to bring about improved passenger use of freight railroads, Lewis said.

He said the "opportunity is huge. The potential to make gains is real. I believe we can win."

He commended leadership in Virginia that is "truly showing willingness to look outside conventional thinking."

"If we're going to make progress in railroad capacity, we have to be prepared to deal with change. There will be critics and criticism for whatever we do," Lewis said.

"The highway congestion and 9/11 have "for the first time in

The highway congestion and 9/11 have "for the first time in decades" caused people to look at transportation changes that are needed.

Freight railroads have seen this as an opportunity. Lewis said that 15 cents of every \$1 in gross revenue for railroads goes to capital requirements.

"Is there not an alternative? We look around and people are

talking about that awful thing—passenger rail." Lewis said. "Maybe we ought to see if capital investments might be made so that the public interest might be leveraged. I think for the majority of the Class I railroads, there might be opportunities."

"I've just suggested we get in bed with the devil! The government." Norfolk Southern is doing that already, Lewis said, and referenced contracts in Atlanta, Charlotte and Philadelphia. "These relationships have evolved into more than a sale of land."

"What does it mean?," he asked.

"Within the freight railroad component, I think Norfolk Southern has been leading the way."

But, he added, many on the passenger side still view rail as the "low cost alternative to cars."

"We need to be aware of the fallacy of not needing meaningful financial contributions. This is a public policy issue," Lewis said. "With the acquisition of Conrail in 1997, all of a sudden, the NS territory included commuter rail. That forced NS to 'step back' and consider 'change.'"

"If we're going to make progress in railroad capacity, we have to be prepared to deal with change," Lewis said.



Annual Meeting: Keynoter Craig Lewis with attendees including Secretary of Transportation Whittington Clement and VDRPT Director Karen Rae (above) and Barbara Hartley of TDX (below).



#### Transportation Secretary Clement: Virginia Needs a "Rail Earmark"

An "earmark" for rail is on the agenda of Secretary of Transportation Whittington Clement. Speaking at the annual meeting of Virginians for High Speed Rail in Norfolk May 18, Clement said, "We are living under a formula developed (for transportation) in 1986. There are no provisions for rail."

Clement said some of the rail transportation challenges are (1) transportation to Williamsburg and Jamestown for the 2007 celebration, (2) use of Main Street station in Richmond and (3) the time required for the trip from the Ashland and Staples Mill stations.

Clement said "We have arranged a meeting with CSX. The Department of Rail and Public Transportation under Karen Rae's leadership is doing a status report."

Attempts are being made to improve attention to rail and rail services, he added. Steps include, "moving eight positions from the Virginia Department of Transportation to the Department of Rail and Public Transportation. This will make a huge difference for DRPT."

Bringing more expertise into the state's rail office should help move the state toward an earmark for funding when the department can document the need and use of rail funds. "We are laying the groundwork to implement a much broader vision," he said.

Needs are growing, he said. "We met today with the mayor of Suffolk." The new marine terminal is creating a big problem for the city and downtown development," he said. VDOT doesn't have the money and there is no rail fund to help.

The state rail plan prepared by DRPT, the Virginia/North Carolina rail compact legislation passed by the 2004 General Assembly are steps toward bringing improved rail to Virginia, Clement said.

# Officers and Directors Virginians for High Speed Rail

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