

**UNKILLING THE LONG-DISTANCE PASSENGER TRAINS**  
**ALL ABOARD ARIZONA**  
**CHUCK MOTT, PRESIDENT**  
**TONY TRIFILETTI, EXECUTIVE DIRECTOR**

There are very powerful political and economic forces in DC that do not support the necessary investments in long-distance passenger train services and equipment. The proposed Amtrak budget eliminates the long-distance trains entirely. The forces working against the long-distance trains may actually succeed this time! But even if the trains were to be saved one more time, most long-distance rolling stock is 30 to 35 years old and is simply wearing out. One Amtrak official recently referred to long distance equipment as “maintenance shops on wheels.” Superliner parts have to be manufactured at the Beech Grove shops because spare parts aren’t being made anymore. Even if the long-distance passenger trains could be saved again, what has been accomplished if the “old rolling stock can’t roll anymore”?

The passenger rail advocacy community has to think creatively and propose new strategies and solutions if the trains are to survive, even thrive, in the future. Conventional thinking isn’t working now and most definitely won’t work tomorrow.

What follows are concepts, suggestions and ideas that are very doable, perhaps doable, or only doable with an out-of-the-box proposal. The goal is to ensure the continuance and future growth of the hapless “long distance passenger train.”

**Proposal #1 (George Chilson)**

Craft a well-researched and documented accounting proposal that convincingly and significantly reduces actual operating deficits, including an “avoidable cost basis” proposal that Amtrak was mandated to do but never did.

**Proposal #2**

Negotiate larger, incentivized Amtrak tenant operating payment plans with landlord railroads in exchange for guaranteed “first class” on-time scheduled performance, resulting in reduced costs, better equipment utilization, lower customer refunds for late or cancelled trains, and labor cost reductions. Ridership would significantly increase with consistent on-time passenger train arrivals and departures.

### **Proposal #3 (Al Runte)**

With congressional approval, the Federal Railroad Administration negotiates with the freight railroads to assume operations for all long-distance passenger trains at fully compensated solely-related costs plus 7% profit. Such payments could be viewed as a return on investment for the freight railroads' multi-billion-dollar PTC expenditures.

### **Proposal #4 (Tony Trifiletti)**

The Federal Railroad Administration contracts with the freight railroads to provide engine crews, track and traffic control services. Outsource all long-distance passenger train functions, including sales, marketing, administration, leased/purchased rolling stock, on-board train services, stations, maintenance, and other support facilities and operations. Service support providers could include hotel, resort and hospitality corporations, privately owned railroad equipment providers and maintenance services, and investment banking or hedge fund equipment financing. Contract funding would be based on a defined incentive compensation plan, including capped compensation deficit provisions.

### **Proposal #5**

Privately finance and purchase/lease all new long-distance passenger train rolling stock on a minimum ten-year repayment schedule with declining federal loan guarantees. This proposal eliminates the "wearing out rolling stock" problem that is getting worse every year.

### **Proposal #6**

Purchase/lease new state of the art, high tech, single level (handicap compliant) equipment that includes roomy seating, large windows, 360-degree sightseeing domes, maximum scenery viewing lounge cars, on board entertainment, and outside catered food services. These new, comfortable and exciting long-distance trains would command increased revenue and higher ridership. Make traveling on the long-distance trains exciting again!

### **Proposal #7 (Chuck Mott)**

Incentivize freight railroads to offer shipper scheduled “limited first class” twenty car express freight trains, with fast, automated loading/unloading platforms, operating on long distance passenger train running times between shipper fulfillment warehouses and limited distribution points. These new, fast-on-delivery (FOD) small package overnight services and second day transportation delivery services are taking the country by storm. Experiencing increased competition, Amazon, Walmart, large grocery and dry goods chains, and door-to-door providers need to eliminate, where possible, high air freight transportation costs in exchange for “limited first class” express rail freight transportation costs. This new level of rail freight service should be feasible, operating on a PTC controlled and expanded rail infrastructure designed to handle new long distance and regional passenger train service. The combination of these “limited first class” express freight and passenger services, with similar operating requirements, would greatly reduce overall operating costs for both express passenger and freight trains. While Amazon, FedEx and UPS are investing billions of dollars in this FOD freight transportation market, the freight railroads are missing out on a golden opportunity to greatly expand their business and increase the value of their franchises. (This proposal should be presented to Amazon CEO Jeff Bezos; it will go nowhere if offered to Class I railroad management!)

### **Proposal #8 (George Chilson)**

Propose multi-frequency regional passenger train services on segments of the long-distance passenger train route. For example, on the *Sunset Limited* route between Los Angeles and New Orleans, there are high density travel corridors such as Los Angeles-to-Phoenix/Tucson, San Antonio-to-Houston, and Houston-to-New Orleans. Additional regional passenger trains will significantly reduce long distance passenger trains costs as a result of sharing fixed costs between all passenger trains.

### **Proposal #9 (Chuck Mott)**

Initiate discussions with Siemens to determine the interest and feasibility of building long distance passenger train equipment on Florida’s *Brightline* platform. The new trains would be built in the US utilizing American made materials and employing US labor. The new long-distance passenger cars would provide all the on-board amenities described above. These trains meet all FRA equipment specifications and approved safety standards.

## **Proposal #10 (All Aboard Arizona)**

Seek discussions with Florida East Coast Industries, All Aboard Florida and Fortress Capital to determine their interest in cloning the *Brightline* model for our proposed Phoenix-to-Tucson passenger train corridor. (As an alternative, this could involve Arizona investors and the Union Pacific.) The only way this corridor can be built is with private investment, as the Arizona Constitution expressly prohibits the state from using transportation related tax revenues for anything but highways.