



Project Summary Report 4007-S
Project O-4007: The Role of Rural Rail Transportation
Districts in Texas

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Texas Rural Rail Transportation Districts: Summary Report

The Texas Department of Transportation (TxDOT) Project 0-4007, The Role of Rural Rail Transportation Districts (RRTDs) in Texas, was originally a one-year project to evaluate and document the history and status of rural rail transportation districts that had been formed in the state of Texas since the state legislature first authorized them in 1981. RRTDs are considered subdivisions of Texas state government with: the power to purchase, operate, and/or build new railroad and intermodal facilities; the right of eminent domain; and the ability to issue revenue bonds. RRTDs are formed by action of one or more county commissioner's courts under rules outlined in Vernon's Texas Civil Statutes Title 112, Chapter 13, Article 6650c.

Figure 1 (next page) shows a map of the RRTDs as of August 2002.

Between 1981 and 1997, RRTD statutes required that two or more counties cooperate to form a district. RRTDs were generally created to prevent loss of rail infrastructure through rail

line abandonment or to preserve abandoned rail right-of-way for redevelopment and possible reinstatement of rail service at some point. In 1997, several amendments to the authorizing legislation for RRTDs were passed by the 75th Legislature, including a provision allowing single counties to form a RRTD. Since that time, there has been renewed interest and an increase in the number of RRTDs being formed. Instead of preserving or improving service on pre-existing rail lines, most single-county districts have been formed with considerably different goals—

either to enhance local economic development projects or to construct new rail transportation facilities.

Early in the first year of the project, researchers recognized a need to explore more fully the role that RRTDs could play in the future of rail transportation planning in Texas rather than merely taking a look back at the history of the current districts. As a result, TxDOT approved a second year of project work to look at three emerging issues for RRTDs.



RRTDs can preserve unused rail, improve service, or achieve other rail-use community goals



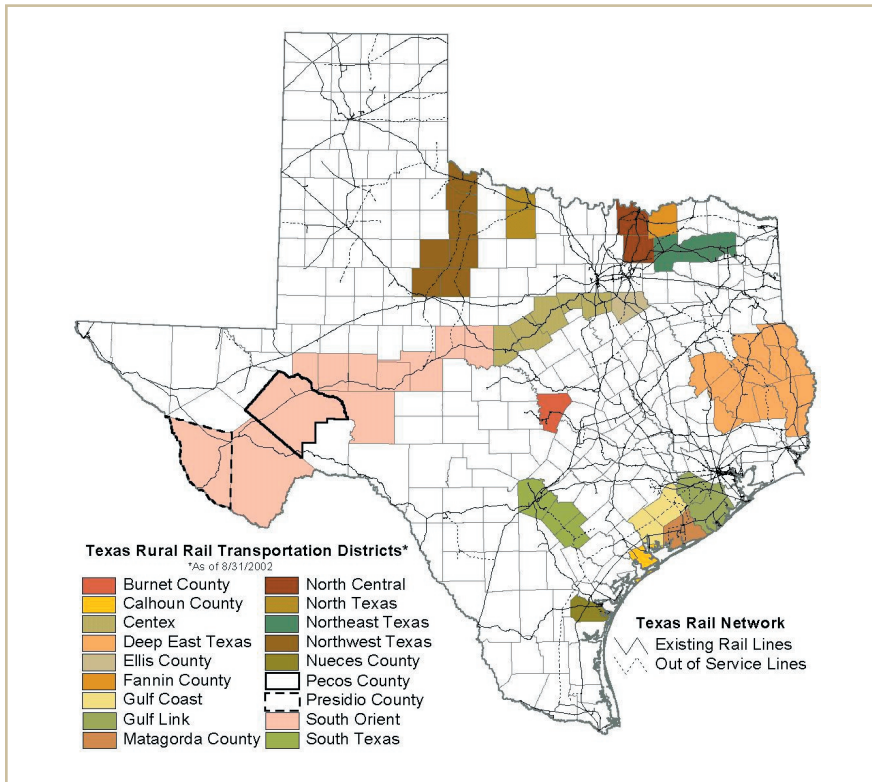


Figure 1. RRTDs in Texas as of 8/31/2002

What We Did...

During the first year of this project, the research team completed case study reports on each of the existing RRTDs in the state. Each case study included information on when the RRTD was formed, the motivation behind its formation, the activities that it has undertaken, and its current status. Evaluation of the case studies led to the development of a list of best practices for RRTDs using actions taken by successful RRTDs as a model. Also, two major products were completed—a guidebook for considering formation of a RRTD or desiring to evaluate an existing one and a Geographic Information System (GIS) database showing the location of the RRTDs in the state in relation to the rail and highway networks of Texas. The guidebook was designed to serve as a primer on RRTDs and rail transportation that could be

used by TxDOT personnel, county commissioners, newly appointed RRTD board members, and others interested in learning more about the powers and duties of a RRTD and its board.

Year two of the project explored three emerging issues for RRTDs in the state. The first of these issues was the establishment of a more formal framework or method through which TxDOT may work closely with RRTDs. The second was development of a list of preliminary criteria for TxDOT to use in evaluating and identifying which rail lines the state would be interested in preserving should funding for purchasing abandoned lines be made available. The preliminary criteria are to be used by TxDOT during the public hearing process to develop rules for administering the fund and/or to evaluate preservation of specific

abandoned rail corridors for the state. The third need that the research team investigated concerned the impacts that increasing numbers of single-county RRTDs, created for purposes other than rail line preservation, could potentially have on rail transportation planning in the state.

What We Found ...

Year One

Texas Transportation Institute (TTI) found that several factors have prevented RRTDs from fully meeting the role envisioned for them by the state legislature when they were first authorized. There was very little uniformity or consistency in the activities of the 16 RRTDs existing at the time the first report was completed in August 2001. While a few RRTD boards have been successful in meeting their goals and are rebuilding rail service over their respective lines, many others have not had regular board meetings for several years and have allowed board appointments to lapse. Lack of dedicated state or federal funding sources for rail line preservation and/or construction has limited the ability of RRTDs to preserve existing rail infrastructure or to build new rail facilities. A few RRTDs that have been active in seeking out available grant funding opportunities at both state and federal levels have met with limited success.

“Success” for RRTDs can also be defined differently depending upon each RRTD’s situation. To some districts “success” may be continued rail service with a different operator. To others it may mean gaining control of the rail right-of-way and using it temporarily for other public purposes. Still others may desire to keep both



the linear right-of-way intact and its track and bridge structures in place for potential redevelopment of rail transportation in the future.

Another recent trend identified by the research has been the formation of RRTDs in counties with urban centers rather than along rural rail lines that carry mainly agricultural products or are threatened by abandonment. Several RRTDs have recently been formed in areas served by ports, petrochemical plants, and other industrial facilities that also need improved access to rail transportation. In many of these cases, the powers granted to RRTDs by the legislature give them the potential capability of addressing existing transportation needs by developing new rail routes (after federal Surface Transportation Board [STB] approval) or providing access to an alternate railroad carrier, thereby introducing competition in shipping rates.

Year Two

Year two efforts focused on three emerging issues pertaining to the future role of RRTDs in Texas. The first concerned development of a framework through which RRTDs and TxDOT could work more effectively to coordinate plans for rail infrastructure in the state. TTI produced several recommendations for implementation by TxDOT, the RRTDs, and the state legislature that will form a straightforward structure for cooperation between the two units of state government.

The second issue, development of preliminary evaluation criteria for TxDOT to consider in deciding whether to become involved in preserving a rail line threatened by

abandonment, resulted in a list of 14 analysis factors. These factors covered three areas—system/safety-related factors, business factors, and funding/local support factors. The broad coverage of the criteria included in the list provides a flexible instrument through which TxDOT staff and the Texas Transportation Commission can decide whether the level of involvement in preserving the line should be direct (i.e., TxDOT purchase) or through cooperation with a local RRTD, or if the line abandonment should not be opposed by the state.

The third emerging issue explored was the efficacy of RRTDs in building new rail facilities or lines to alternative rail carriers for economic development reasons, rather than focusing on preservation of rail infrastructure. The powers granted to RRTDs for construction of new rail facilities are both promising and troubling. While the capability for a government entity to participate in providing increased rail transportation options is encouraging as a new tool to address the state's transportation needs, the competitive, commercial, and private nature of the rail industry limits the manner in which RRTDs and other government entities can become involved. For example, RRTD attempts to offer additional rail service by constructing a rail line for use by an alternate carrier can potentially attract new business and encourage development of new distribution facilities—creating new jobs and property tax revenues for a local area. Alternatively, if the business base does not develop as expected or a development project fails for a reason unrelated to the rail

component, construction of such a rail line could actually reduce the profitability of one or both lines, leading to an overall reduction in rail service to the area or abandonment in the long term.

For this reason, RRTD boards should be very selective in supporting projects that will favor a single business interest or one rail carrier over another. The importance of maintaining rail service where it is needed, however, calls for increased public sector awareness and involvement that RRTDs can provide. Coordination of activities and cooperation with state and local rail planners at TxDOT as recommended in the year two report (Report 4007-2) could assist RRTD boards in this area.

The Researchers Recommend...

- TxDOT, RRTDs, and the state legislature should take steps to build a framework for cooperative planning for rail line preservation in the state.
- RRTD legislation needs to be modified/clarified. Specific recommendations are included in the year two report (Report 4007-2).
- Each TxDOT district should appoint a RRTD liaison. The proposed duties of this position are included in the year two report (Report 4007-2).
- RRTDs should increase sharing of information on board activities and status with TxDOT.



For More Details . . .

The project is documented in the following reports: Report 4007-1, *Texas Rural Rail Transportation Districts: Characteristics and Case Studies*, and Report 4007-2, *Texas Rural Rail Transportation Districts: New Roles and Relationships*.

Supplemental information can also be found in Product 4007-P1, *Texas Rural Rail Transportation Districts: Guidebook for Formation and Evaluation* and Product 4007-P2, *Texas Rural Rail Transportation Districts: GIS Information Manual*.

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TxDOT Implementation Status

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In this two-year study, the TTI researchers developed three products:

- a guidebook for the formation and evaluation of Rural Rail Transportation Districts (RRTDs);
- a GIS database showing the location of the RRTDs and rail network in Texas; and
- project selection criteria that help TxDOT evaluate each potential abandoned rail line to determine if the line is a candidate for state participation in its preservation.

These products are being fully utilized by TxDOT. The guidebook is a tool that TxDOT's Multimodal Section rail planners provide citizen groups interested in forming a RRTD. The rail planners also utilize the guidebook as a reference tool. The GIS database is a valuable reference used by TxDOT district planners that have RRTDs in their districts. The project selection criteria help TxDOT's rail planners determine an abandoned rail line's viability and to develop preservation strategies. The criteria were also used as a resource by TxDOT's Multimodal Section during the 2003 Legislative Session.

For more information, contact Mr. Andrew Griffith, P.E., RTI Research Engineer, at (512) 465-7908 or e-mail agriffi@dot.state.tx.us.

YOUR INVOLVEMENT IS WELCOME!

Disclaimer

This research was performed in cooperation with the Texas Department of Transportation (TxDOT) and the U.S. Department of Transportation, Federal Highway Administration (FHWA). The contents of this report reflect the views of the authors, who are responsible for the facts and accuracy of the data presented herein. The contents do not necessarily reflect the official view or policies of the FHWA or TxDOT. This report does not constitute a standard, specification, or regulation, nor is it intended for construction, bidding, or permit purposes. Trade names were used solely for information and not for product endorsement.