

CROSS-BORDER PASSENGER RAIL IMPROVEMENT STUDY

Produced for the Whatcom Council of Governments

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CASCADIA CENTER OF DISCOVERY INSTITUTE

The following study, commissioned by the Whatcom Council of Governments (WCOG) and completed by the Cascadia Center of Discovery Institute, examines delays encountered by passenger trains at the U.S.-Canada border. The examination includes clearance issues. This report is subdivided into contract-specified tasks, each answering critical questions about freight and passenger operations in the corridor.

EXECUTIVE SUMMARY

Delays in the Amtrak Cascades service at the U.S.-Canada border fall into two categories.

Irregular delays can occur because of slides along the corridor, including the area immediately adjacent to the border at White Rock/Crescent Beach. There are also operational issues involved in managing the flow of Burlington Northern Santa Fe and Amtrak Cascades trains generally on the primarily single-tracked rail line from Everett to Vancouver, B.C. and specifically between the Swift U.S. Customs facility south of Blaine and the Colebrook siding at Mud Bay, north of the White Rock/Crescent Beach area in British Columbia. This issue is covered under Task 1.

Regular delays for southbound Amtrak Cascades trains, delays 10-15 minutes are attributable to the current inspection procedures involving pre-inspection for admissibility of passengers at the Pacific Central Station in Vancouver, B.C., followed by physical inspection of documents and baggage at the international border at Blaine. Northbound passengers are inspected only upon arrival at Pacific Central. This issue is covered under Task 2.

With regard to the issue of irregular delays, resolution of the slide challenges inherent in the geology of the shoreline between Seattle and Vancouver, B.C. is a complicated and ultimately costly fix. Mudslides have plagued this route since Great Northern Santa Fe pioneered it over a hundred years ago. In our research and field visits it became clear that the responsibility for solving the problem encompasses the adjacent communities responsible for zoning, drainage and tree cutting ordinances.

To address the disruption in the Amtrak Cascades schedules, we note the efforts of the Washington state Department of Transportation in trying to secure federal funds to comprehensively address the challenge. While ultimately unsuccessful the coordinated partnership WSDOT engaged in with Burlington Northern Santa Fe and Sound Transit in the Seattle to Everett sections of the corridor to engage proactively in operations and scheduling communications with the public were noteworthy.

Concerns however, over what rail advocacy groups consider is an arbitrary rule by BNSF for a mandated 48 hour closure for all passenger trains was a common concern in our outreach while the emphasis on safety was the response from the railroad.

In the United States the Federal Railroad Administration has federal jurisdiction over rail safety. In Canada, Transport Canada plays a similar role. In the White Rock/South Surrey area, there is also not a regional transit partner like Sound Transit and ultimately Burlington Northern Santa Fe and the local communities are continuing to work to maintain the right of way.

The extraordinary number of slides this winter has negatively affected (Seattle to Vancouver, B.C.) ridership numbers (although it bounced back in April) and could have an effect on the pending decision by the Canadian Border Services Agency (CBSA) to grant a permanent waiver of the proposed inspection fee for the second train.

Recommendation

The IMTC rail subcommittee consider a recommendation to the Executive Council formed by the Governor Gregoire and Premier Campbell to identify resources to bring together BNSF and corridor stakeholders in Washington and British Columbia involved in the slide issue. A corridor committee would coordinate the geotechnical data gathering which we believe could marshal resources outside of the budget of WSDOT to resolve the chronic delays.

In terms of delays with regard to the dual operation of BNSF and Amtrak Cascades service at the border, our initial recommendation for southbound inspections involved extension of the relatively short Blaine siding to the Swift Customs facility, This would provide operational flexibility in the 45 mile gap between sidings at Swift and Colebrook north of the border which bisects the Roberts Bank Rail Corridor to Delta Port and Westshore Terminal.

Our recommendation was based on the counsel of our consultant Read Fay, a former Division Manager for BNSF who has detailed knowledge of the specific area of the corridor. And in our communications with BNSF, operations manager personnel indicated current congestion on the east west Robert Banks Rail Corridor (which BNSF operates frequently uses) was requiring the railroad to hold up north south freight south of Bellingham.

Earlier this year, WSDOT was awarded additional federal funding for rail enhancements north of Seattle including additional trackage at the Blaine Customs facility which will provide more flexibility for the Amtrak Cascades at the border. This may resolve the future congestion issue. The scope of our study did not include operational modeling tasks for future growth in the corridor.

Congestion in Blaine as a result of southbound trains waiting for inspections at Swift remains a concern for the community. The Department of Homeland Security and BNSF do not have plans to move the inspection equipment (known as a VACIS machine) at this time.

Northbound inspections into Canada which are conducted on the main BNSF line between White Rock and the Semiahmoo First Nation Reserve remain a challenge for access and operational flexibility. We concur with the previous Cascade Gateway Rail Study of 2002 that recommends an alternative inspection off the main line.

Again, extending the current Blaine siding to accommodate an entire northbound train would allow CBSA to conduct the inspection at the border and free up the main line. A change of procedure would require extensive consultation among inspection agencies, Semiahmoo First Nation, BNSF and resources to engineer related costs of construction, environment of the Peace Arch Park, inspection facilities and even joint staffing.

Blaine and the Port of Bellingham have developed long term plans to develop a Board Walk and pedestrian overpass. Community leaders have also envisioned a future passenger rail stop – possibly as the end point of a future rail system to Everett with connections to Seattle. There may be future opportunities for cost sharing of a facility, parking and open space.

Recommendation

IMTC Rail subcommittee should seek resources for a specific project to 1) incorporate congestion concerns of Blaine leaders into the planning process for an expanded Blaine/Swift facility and 2) explore the relationship with the Roberts Bank Rail Corridor between an alternative northbound inspection location and expanded siding at Blaine. An initial inquiry to the BC WA Executive Council of the Premier and Governor would be appropriate.

TASK 1

Examine delays at international border crossings to passenger trains and determine a range of solutions to minimize these delays with cost implications.

Deliverable: List of solutions and estimated costs

Slides and Border Delays

As outlined in the Washington State Department of Transportation (WSDOT) map above, there are several areas susceptible to slides along the Cascades corridor. The Cascadia consultant team made field visits to sites in Edmonds and White Rock, interviewing local leaders and residents as well as passengers.

In the winter of 2010-2011, six slides were recorded along the Semiahmoo Bay shoreline, encompassing the Semiahmoo First Nation Reserve and adjacent communities of South Surrey. These slides caused Amtrak service to be canceled a total of 10 days over a five-week period. In February, a “surface slide” on a saturated slope caused a closure of the line. In a story in *Peace Arch News*, Burlington Northern Santa Fe (BNSF) Railway spokesman Gus Melonas said, “Our crews were alerted by our signal system that there was a slide ... mud, rock, debris came in contact with the outside of the track on the slope side ... We’re studying the various slope conditions all the way from Seattle to Vancouver... This has been an extremely heavy year for slides in Washington State, between Seattle and Everett.”

In February, White Rock city councilor Grant Meyer led the Cascadia team on a tour of the neighborhoods to illustrate the land-use and rail-, vehicle-, and pedestrian-access conditions and their impact on the communities.

“Tree cutting for ocean views is a major community concern and controversy, particularly along the Ocean Park bluff in Surrey above the BNSF Railway tracks,” Meyer said during the tour. “Our city is working with BNSF, City of Surrey, Amtrak and WSDOT to address the issue while promoting extension of the boardwalk to connect White Rock and Crescent Beach.”

Known mudslide areas





The city of Surrey has a unique COSMOS satellite mapping system that can highlight areas of concern and property lines as well as the slopes, which can be as steep as 65 degrees.¹

As is common in geotechnical reports in communities along the corridor, recommendations have been made that slopes should be in vegetation year round to support stability and prevent surface slides. In the

meantime, an active community discussion of sensitive area designation and the city's tree protection bylaw is progressing.

With technological advances in slide detection, BNSF is working with the city of Surrey and geotechnical experts in the specific areas of activity to minimize damage. BNSF has inspectors walking the tracks and looking for slippage on the bluff, as well as remote sensors to detect debris on the tracks. The inspectors also monitor water levels beside the tracks to ensure no erosion of the rail bed.

According to White Rock's city records records, Peace Arch News and community blogs, there has been a series of slides – some of them in summer months - dating back to the construction of the rail line as the Great Northern.

On June 12, 1999, *Peace Arch News* reported that “spokesperson Gus Melones [sic] said Thursday that 'three freight trains were held until the flood subsided and minor damage to the tracks could be repaired and inspected.' A BN Rail crew was at the site Wednesday, clearing mud off the track with an excavator. 'We didn't let any trains through until the line had been properly inspected', he said. 'Any time there's something like this, we run inspectors ahead of the trains for safety reasons. We did that, and it was OK.'”

On January 21, 2006, *Peace Arch News* reported that a month of wet weather resulted in two landslides on the bluff near Crescent Beach, forcing temporary shutdowns of passenger service between Seattle and Vancouver. BNSF's Gus Melonas said Wednesday minor slides occurred on the hillside January 8 and 13. 'We've had two slides where debris has come down north of White Rock... two separate areas where mud, rock and some trees came down and made contact with the rail', Melonas said. Several larger slides have occurred on the U.S. side of the line, the largest between Seattle and Portland. . . .

Slide-prone areas also raise concerns other than delayed freight- and passenger-train schedules.

“Our community is concerned over hazardous goods derailment because of chronic slides,” local citizen activist Ken Jones says. “We have been pursuing a realignment of the corridor inland with a tunnel to better transport freight and keep our community safe.”

¹ More about the mapping system can be found at: www.surrey.ca/city-services/665.aspx

Several neighborhood leaders would like to see the rail line rerouted inland for reasons related to access blockage (as trains travel over the slow bridges) to the blockage of emergency vehicles by BNSF trains in the Crescent Beach area. Acknowledging the concerns of neighborhoods with regard to slides and safety, Surrey city councilor Linda Hepner says, “our city is working with the railroad and community to ensure continued emergency access as well as protection of slide prone areas.”

White Rock councilor Meyer also recognizes the challenges faced by a community wedged between the bay and hills and bisected by a major railroad. He points however to the enduring desire of many residents to have a future stop for White Rock on the Cascades line and says that would help residents feel more inclined to support the Cascades operation. “The community, BNSF and Amtrak have worked together on beach access and our remarkable boardwalk which we would like to eventually connect around Mud Bay,” he says.

White Rock mayor Cathy Ferguson and White Rock Chamber president Doug Hart pointed to the community as a magnet for arts and dining which would benefit from a train stop. Earlier this year the city appointed an “Amtrak Passenger Rail Task Force” to explore a future stop with WSDOT, Amtrak, U.S. Customs and Border Protection (CBP), the Canadian Border Service Agency (CBSA) and Ministry of Transportation and Infrastructure (MOTI) leaders. For a variety of reasons - including the effect on travel time, complications with consolidated pre-clearance procedures, and infrastructure investments necessary for a stop – based on meetings between WSDOT and local leaders, plans for the White Rock stop are not however proceeding. that a stop was not feasible.

An Inland Rail Route?

In 2002, the city of Surrey conducted a study to examine alternate alignments for both rail and highway. The road-and-rail scenario is however complicated by topography, the expansion of border inspection facilities at the Pacific Highway crossing (with a potential tunnel there), the just-completed four-laning of Highway 15 from Highway 1 to the border, and residential development in the affected area. Local businesses have been more focused on expanding the hours of the Aldergrove crossing, if any crossing, to serve Langley and vicinity.

Delcan, the consultant for the Surrey study (North/South Connector Corridor Study, Road and Rail), served to follow up a 1997 report from Stantec Consulting, which found that a north-south road-and-rail corridor warranted investigation. The criteria for the new corridor included maximum speeds of 50 or 60 mph for freight trains, 90 mph for passenger trains, and 50 mph for a four-lane highway expandable to six lanes. The consultants looked at four options. The option recommended assumed CAN\$133.2 million in construction costs, for the alignment with the least environmental and geotechnical impact.

For its part, a citizens' group called Smart Rail and led by Ken Jones has proposed an inland higher-speed rail route, citing the need for investments in three area trestles. According to Smart Rail's report:

“[It] would examine a new industrial route on the East side of the Truck Route (SR543) through Blaine, then along the West side of the Campbell Heights Industrial Park (Surrey), joining up with the Coal Train corridor westward through Surrey, to rejoin the existing track at Colebrook...We feel this will meet the needs of High Speed Passenger Rail through this section; provide a faster, secure, at-grade route for Freight, facilitate

grade crossing overpasses, and accommodate double-tracking of the route for passing of trains, on a solid roadbed.”

British Columbia's Ministry of Transportation and Infrastructure (MOTI), through an accord between Washington state and British Columbia, is engaging in a long-term study of future routes for high-speed rail.

Slides South of the Border

The unincorporated area in southwestern Snohomish County between Edmonds and Mukilteo, around Picnic Point, witnessed by far the highest number of slides in the most recent winter, 2010-2011. The slides are inextricably related to the pattern of land use, at least in this primary problem area. Clearing of timber and construction of homes on the bluffs overlooking the shoreline that the tracks follow has destabilized soils, leaving the slopes prone to movement. Martin Young, operations manager at Sound Transit, notes that *“mudslide mitigation involves stabilization measures such as retaining walls and drainage improvements by the property owner or government agency, slide detection fences BNSF uses, and a variety of vegetation management, catchment, walls and ditches. Sound Transit has ongoing partnership arrangements with BNSF, WSDOT and Amtrak for ongoing operational activities and rider alerts.”*

After BNSF crews clear away the debris from the tracks, freight trains are allowed to proceed. Another 48 hours must pass before BNSF, per its internal policy, will allow passenger trains to use the tracks. In the 2010-2011 winter, the result was the complete cancellation of several Seattle-Vancouver route departures – meaning many trains never left Vancouver for Seattle, or vice versa. This translated for example into a year-over-year decline in ridership between January 2010 and January 2011 that continued into the first quarter of 2011 even as annual ridership on the Cascades trains was climbing. The April ridership numbers were however higher than previous years.

All Aboard Washington director Lloyd Flem has called for elected state leaders to “praise and push” BNSF officials to allow more flexibility in reopening rail lines for passenger use – noting that *“the 48 hour stoppage is internal BNSF policy - not federal law - and freight trains are allowed to operate soon after the tracks are cleared.”*

In 2010 WSDOT sought \$7.7 million in federal HSR funds to stabilize slopes at 40 locations along the Cascades route in Washington State. That application (which was subject to a 20% state match) was denied, but Andrew Wood, then deputy director for operations at WSDOT's Rail and Marine Office, stated that the department had applied for funding from the \$2.4-billion pool of federal money redirected from the now canceled Florida HSR project.

A WSDOT media release of April 4, 2011, said:

“Washington State applied today for approximately \$120 million in federal high-speed rail stimulus money, part of \$2.4 billion returned by Florida.... Projects in WSDOT's application are primarily for environmental and engineering work to stabilize hillsides, add capacity to reduce conflicts with freight, and replace an aging trestle. All projects funded by the ARRA rail grants must be completed by September 2017.”

“We're working hard to improve reliability for passenger service along this route,” said Washington Transportation Secretary Paula Hammond. “In partnership with BNSF, this

funding allows us to address those problem areas and ensure that trains get to their destinations.”

Due to the many complaints from riders, WSDOT engaged in a communication outreach program to answer the most commonly asked questions. WSDOT marketing and communications manager Vickie Sheehan reported:

“There were 16 mudslides that kept 90 trains from reaching their destination in Dec. 2010 alone. Seventy-eight of those trains were on the Seattle to Vancouver, B.C., leg. This happens to be our most mudslide-prone problem area. When a mudslide occurs and disrupts train service, Amtrak works very hard to make sure all affected passengers get where they need to go. All available bus companies are contacted and put in to service if available. In the case of the mudslides over this last weekend, buses were in very short supply and Amtrak was not able to get enough to cover all the affected passengers...”

The biggest challenge is funding. Before we can start any improvements, we have to complete an environmental assessment (EA) to determine potential key environmental impacts before beginning any construction. There is currently no funding for the EA – without it, we can’t begin construction to fix the problem.

We applied for federal funding for this issue twice in the last year, but have not yet received any awards. We will continue to try and secure funding and collaborate with Sound Transit and BNSF. For the mudslide areas in British Columbia, we are working with the Canadian government to explore options to fix those problem spots on the corridor which are on their side of the border.”

Border Clearance Issues

Delays Approaching Blaine Rail Crossing. Border-crossing inspection issues for BNSF freight trains vary depending on the direction of travel, whether the train is loaded or empty, and the type of cars and commodity. For the Amtrak *Cascades* trains, northbound inspections are conducted at the destination point of Pacific Central Station in Vancouver, and southbound inspections are conducted there and at the Blaine crossing near the Peace Arch.

As they enter Canada, freight trains are subject to documentation of loads and inspection of all empty boxcars. Southbound at Blaine, BNSF trains are inspected by U.S. CBP personnel as the cars pass through a Vehicle and Cargo Inspection System (VACIS) machine (described in greater detail below).

Most crossings proceed without exceptional incidents. Random incidents or delays can back up trains. It is during these times that enough trackage is required to move trains that are cleared and do not require additional inspections, so as to keep the line free-flowing.

Currently, the Colebrook siding is the first siding north of the U.S.-Canada border. The run time for a train to move between Colebrook and the Swift Customs siding is about 45 minutes. Dispatchers must make multiple decisions on train movements that have a number of variables, including:

- Whether a train is going to pass inspection
- Arrivals of faster-moving passenger trains, and
- Shift changes by border inspection personnel.

These variables play into a dispatch decision to keep a train moving or held up in a siding. Stopping a train in a holding pattern with other trains continuing to progress toward the border adds to the congestion by narrowing the operational window.

Addition of trackage at Blaine could greatly enhance the inspection process at the border, enabling the dispatcher to effect multiple movements when passenger trains moving in either direction and freight trains that require different types of inspections (both visual and electronic) are both present.

The randomness of mandated enhanced inspections also clogs the limited siding now being used at Swift. As noted later in this report, WSDOT has secured federal funding for an additional siding at Swift to reduce congestion. Expanded sidings at the border would provide for further inspection flexibility at Swift.

In interviews with BNSF government relations director Terry Finn and Doug Jones, Northwest Division general manager for BNSF, several issues were raised, as follows:

- In the Vancouver area, coal trains that run via the so-called Roberts Bank Corridor are operated by BNSF crews all the way to their terminals and back. Difficulty arises when there is more than the usual train congestion in and around the intermodal and coal terminals at Westshore at DeltaPort, requiring BNSF to hold trains along sidings on the Bellingham subdivision, south of the border.
- Most of the corridor from the border to White Rock, where CBSA conducts the northbound inspection, runs through the Semiahmoo First Nation Reserve. During interviews with Semiahmoo First Nation councilor Joanne Charles and chief Willard Cook, concerns over noise, access and speed were voiced.

Operational delays at the border occur sporadically, mainly with trains southbound into the United States. For a number of reasons the “randomness” of train times at the border can vary, making consistent and reliable crossing times difficult to predict. This unpredictable variable can cause backups to freight and passenger trains alike, and, depending on the length or number of trains involved, can lead to crews exhausting their legally mandated hours of service, thus further clogging both the mainline and the border crossing.

Since Seattle-Vancouver, B.C., passenger service resumed in 1995, WSDOT and Amtrak have worked well with BNSF to jointly invest in infrastructure improvements so as to reduce congestion at the border and elsewhere along the corridor. With respect to border delays, the most significant improvement was the completion of the Swift siding in 2009. This project relocated the siding track to allow a train to pass by while a second train is being inspected. This will keep the main line clear at all times, eliminating delays, which can exceed two hours, at the border crossing.

A second WSDOT project funded through the federal government will further reduce delays. According to a recent WSDOT project update:

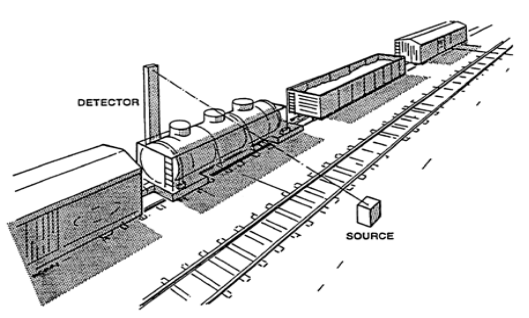
“In 2011, the Washington State Department of Transportation has received federal funding for expansion of the Blaine Swift Customs Facility to add a new main track approximately 10,000 feet long and conversion of the existing main track to a siding. The new main track will extend around the existing siding at Swift, just south of Blaine, WA

and support increased train speeds. These improvements will allow two freight trains to be inspected clear of the main line, reducing congestion and improving intercity passenger rail schedule reliability.”

As referenced earlier, all southbound trains are required to pass through the VACIS system at Swift. In addition to the mainline, there is a siding (8,588 feet long, with a set-out track on the south end) for any cars deemed to require additional inspection by the border personnel. To the west of the mainline there is another set-out track for these types of cars. No matter which track is being used - mainline or siding - the mainline is blocked during the inspection or set-out process.



In an interview, Blaine mayor Bonnie Onyon commented that Blaine has been complaining since 2003 about streets that are continuously blocked by BNSF freight trains passing through the VACIS machine. This can interrupt school schedules and emergency responders on Bell Road and Hughes Avenue/Peace Portal Drive. The roads connect the city center, Semiahmoo and Birch Bay, where many retirees reside. The city has requested that the VACIS screening be moved south to open the streets. As of this writing, however, neither the Department of Homeland Security (DHS) nor BNSF has plans to move the VACIS machine south on the siding.



VACIS – illustration courtesy of Bruce Burrows, Railway Association of Canada

Northbound inspections

For northbound *Cascades* trains currently stopped on the mainline for CBSA inspection between White Rock and the Semiahmoo First Nation Reserve, we recommend a relocation of the inspection procedure to the physical border. This would require extension of the existing short siding at Blaine to the Swift facility.

This would allow CBSA inspectors to physically inspect the train at the border, with the operating flexibility to remove the train from the mainline. The extended siding could also be constructed in concert with a planned Blaine downtown redevelopment, including a boardwalk and a pedestrian overpass to the Port of Bellingham facilities at Drayton Harbor – and potentially a future regional rail station to serve the corridor between Blaine and Everett.

We base our recommendation on the Cascade Gateway Rail Study of 2002², which adopted the same rationale but recommended a Blaine inspection rather than Swift. The study found that “to aid in the handling of customs inspections on rail freight cars, a support track could be constructed immediately south of the Customs inspection shed at Swift, most likely on the west side of the existing main track...An additional recommendation is that U.S. and Canadian Customs inspection be performed at Swift. This will require institutional coordination, but the effect would be to free the main line of northbound trains stopped at White Rock for Canadian inspections.

Blaine Redevelopment

Under this task, no operational modeling was done at the border to determine specific future improvements necessary if BNSF's traffic volumes were to increase significantly. The expanded Swift customs facility, combined with extended sidings at Stanwood and Mt. Vernon, should address delay issues for the Cascades. We recommend that the city of Blaine become involved, through the International Mobility and Trade Corridor (IMTC) project, in planning for the enhanced Swift siding, so as to explore opportunities for reconfiguration of the facility to relieve congestion in Blaine.

The U.S. and Canadian inspection agencies have developed some flexibility in terms of border clearance locations for freight rail. Recently, during a Can Am Border Trade Alliance meeting in Sarnia, Ont., Cascadia team members visited to the Canadian National (CN) Railway's Sarnia rail yard and tunnel, The expanded tunnel opened in 1994 to handle tri-level autorack cars. CN trains travel through a VACIS machine staffed by CBP personnel on the Canadian side of the border. Through improved procedures and electronic manifests, inspection times have been reduced from 2.5 hours to 20 minutes.

The WSDOT Rail and Marine Office has raised a concern that any change in the current inspection procedures for northbound trains would have a serious negative impact on travel time and efforts to fully implement pre-clearance procedures between CBP and CBSA for the Cascades service at Vancouver's Pacific Central Station. We agree. Our analysis is strictly limited to freight, not passenger, inspections. Delays in freight train clearances stemming from lack of capacity and operational flexibility at the border can also negatively impact the Amtrak Cascades schedule.

Recommendation

Cascadia's consultant team recommends that the IMTC rail subcommittee convene a working session with representatives of BNSF, CBP, CBSA, Semiahmoo First Nation, WSDOT, British Columbia's MOTI, White Rock, South Surrey, and Blaine to consider the issues outlined above.

Congestion-relieving investments south of the border

“This tremendous growth in ridership confirms the demand for Amtrak Cascades and the need to continue improving the service and reliability,” Paula Hammond, Washington state transportation secretary. – January 2011 WSDOT press release

² The Cascade Gateway Rail Study 2002 Chapter 5 “Capacity Improvements” Recommendations, Pgs. 5 – 6.

Recently, WSDOT and Amtrak celebrated the tenth anniversary of the highly successful Cascades service, which runs between Vancouver, B.C., and Eugene, Ore. According to the same WSDOT release quoted above, *“ridership on Amtrak Cascades finished 2010 with a 16-year high of 838,251 passengers. Total annual ridership exceeded 2009 by 76,641 for a 10 percent increase.”*

The release went on to note that the second daily Seattle-Vancouver train carried more than 138,000 riders in 2010. The April 2011 ridership report showed a 12.7 % increase from April 2010. The second train began running in August 2009 as a pilot project in advance of the 2010 Olympic Games, and will remain in service through at least October 2011, when CBSA is scheduled to make a decision whether to continue to waive the agency's inspection fee for the train.

Focus on Seattle-to-Blaine

Since 2009, Washington state has been awarded \$782 million in federal funds, through the Federal Railroad Administration (FRA), for infrastructure investments in the Washington state segment of the Vancouver-Eugene corridor. A major focus of the funding is the segment between Seattle and Portland, given primarily the strength of that segment's ridership and the tenuous nature of the Canadian government's commitment to support for the corridor.

Congressman Rick Larsen and a group of local leaders representing jurisdictions from Snohomish to Whatcom counties have requested federal HSR funds for improvements between Seattle and Blaine. While WSDOT's announcements of FRA awards, earlier this year, for several corridor and local projects in Blaine and Everett have been welcome, our community outreach also points to a strong desire for a third, mid-day round-trip to complement the existing morning and afternoon frequencies.

Canadian support for the Cascades

In 2007, the Province of British Columbia, Amtrak and BNSF partnered to fund a siding or passing track at Colebrook, north of White Rock. *“This project will boost tourism dollars, reduce traffic congestion, and ease vehicle emissions on our major transportation corridors and at our border crossings,”* said B.C. transportation minister Kevin Falcon in announcing MOTI's contribution of CAN\$4.5 million for the siding. This allowed the second Amtrak Cascades service to Vancouver, B.C. to begin before the Olympic Games in 2010.

After significant delay, CBSA officials informed Amtrak and WSDOT officials that a “border inspection fee” of CAN\$1500 would be levied daily on the second train, in view of its arrival after regular business hours, under the agency's cost recovery program. Amtrak and WSDOT refused to defray the fee. Subsequently, Stockwell Day, then Canada's trade minister, announced a pilot project to waive the proposed fee for the train, which necessitates extra staffing because of its late arrival time. The benchmark for the success of the pilot project was ridership.

Washington-British Columbia Joint Transportation Executive Council

Building on the spirit of cross-border cooperation fostered during the 2010 Olympics, Governor Chris Gregoire and British Columbia's premiers - Gordon Campbell and, more recently, Christy Clark, have maintained unambiguous support for cross-border Cascadia Region initiatives, including transportation initiatives. The Competitiveness and Prosperity Action Plan signed by Gregoire and Campbell at the conclusion of the fifth annual BC-Washington joint cabinet

meeting in October 2010 reaffirmed the two leaders' support specifically for HSR. According to Washington state's press release on the meeting:

“Gregoire and Campbell also signed a joint letter to President Barack Obama and Prime Minister Stephen Harper recommending a coordinated planning approach to border improvements to reduce wait times and congestion and ensure efficient flow of people and goods between Washington state and B.C. The proposed approach would reduce complex layers of regulation that impede business travel and trade, making the region more globally competitive while ensuring borders are safe and secure.”

The governor and Premier Campbell established a working group to oversee four specific initiatives to improve cross-border trade and tourism:

- A border circulation analysis for the Cascade gateway region
- Freight movement improvements, including better use of FAST lanes for trucking
- Harbor-to-harbor air service by Kenmore Air between Seattle and Vancouver (currently on hold because of CBSA fee requirements); and,
- Maintaining the second Amtrak train while determining how to increase service between the two metropolitan regions.

Governor Gregoire and newly elected Premier Christy Clark met in Olympia in May 2011. In her news release of May 19, the governor announced the two leaders' common interest in developing more joint initiatives to help achieve shared transportation-related goals at this autumn's British Columbia-Washington Joint Cabinet Meeting and Pacific Coast Collaborative Leaders Forum. They also pledged to support (in the words of the release) “mass transit initiatives” at the border. The two were scheduled to meet again at the National Governors Association's gathering, taking place in Idaho. Governor Gregoire is the association's current chair.

Governor Gregoire has expressed particular appreciation for the Vancouver metropolitan area's application of public-private synergies to its development of light rail, noting (as quoted in the Seattle Times) that *“British Columbia has provided a case study of public private partnership for our state in the development of the Canada Line rail connection.”*

WSDOT identified a series of infrastructure projects in its 2006 Long-Range Plan for Amtrak Cascades to enable the plan's goal of up to four Seattle-Vancouver round-trips by 2023. The list included several new sidings in Burnaby and Delta, higher-speed tracks in White Rock, a new traffic control system, and a new rail bridge across the Fraser River. Altogether, WSDOT estimated that these improvements would cost about a billion dollars - with the new bridge eating up more than half of that total.

WSDOT's 2008 Amtrak Cascades Mid-Range Plan developed four options for future investment, none of them recommending more than two round-trips between Seattle and Vancouver.

The 2008 plan declared, *“The availability of capital funding for improvements south of the Columbia River and north of the U.S. Canadian border is uncertain. Each of these entities needs to participate in rail capacity and reliability projects, if there is to be Amtrak Cascades service expansion, as described in the long range plan.”*³

³ Amtrak Cascades Mid - Range Plan December 2008 Page 10-15

TASK 2

Examine clearance issues at the border and determine what can be done to improve the flow of traffic and minimization of inspection-agency issues

Deliverable: Issues and strategy section of final report. (Found in executive summary)

Review of Border Inspection Procedures

“It is hard to explain how our state is spending hundreds of millions of dollars to save ten minutes of travel time between Seattle and Portland while the lack of full pre-clearance between Seattle and Vancouver costs us ten minutes.”—**Scott Witt, director, WSDOT Rail and Marine Office, during meeting with David Jacobsen, U.S. ambassador to Canada, June 9, 2011, Seattle**

“We have the legacy of two different agencies with different mandates [immigration and customs] merging into a Department of Homeland Security and now the ambiguity [for the Amtrak Cascades] of separate clearances for people and their bags With the Beyond the Border and Regulatory Coordinating Council initiatives, the President and Prime Minister are committed to a 'reset' to the relationship between the United States and Canada. We are working to resolve issues like pre-clearance.”—**Ambassador David Jacobsen at Pacific Northwest Economic Region session, June 9, 2011, Seattle [emphasis in original]**

“Pre-clearance involves additional costs to station, educate and house personnel in a foreign country as well as addressing the challenges of limited law enforcement authority. Negotiations between the federal agencies are actively sorting through these issues between Washington and British Columbia and New York and Quebec.”—**Interview with Theresa Brown, U.S. State Department attache, Ottawa, May 2, 2011**

“The economic benefit to British Columbia in its first year of operation, of the second Amtrak Cascades is estimated at [CAN]\$11.8 million ([CAN]\$1.9 million directly to governments in sales and hotel taxes), a higher value per visitor than the first train because the schedule of the second encourages an overnight stay, along with more dining and shopping. Amtrak wants to keep the extra train running, deepening the rail link of the Pacific Northwest to develop a more integrated region of Cascadia – a step toward the realization of a long standing dream on both sides of the border. . . . The feds won't find a better return on investment.”—**Editorial, Vancouver Sun, September 29, 2010**

Executive Summary

There are two primary issues involved in inspection procedures for the Amtrak *Cascades* Seattle-Vancouver service, if its continued success and expansion is to be ensured: first, a comprehensive pre-clearance procedure for southbound passengers at Vancouver's Pacific Central Station to save an average of 10-15 minutes of travel time and thus attain a service goal; second, to convince Canadian Border Services Agency (CBSA) officials to permanently waive a pending \$1500 per-train, per-inspection fee levied for the second Amtrak train, which arrives in Vancouver after regular business hours.

The Cascadia team spent most of the time devoted to this task to facilitating stakeholder sessions with U.S. and Canadian border inspection leaders, Washington State Department of Transportation (WSDOT) officials and private-sector leaders. These sessions consisted of full and

candid discussions of benchmarks for decision-making. For the first half of this year Cascadia joined partner organizations and the U.S. and Canadian consuls in sponsoring sessions in Seattle, Vancouver, Ottawa and Washington, D.C., in order to promote a cross-border dialog.

A special Transportation Border Working Group (TBWG) session in May, co-sponsors included the Whatcom Council of Governments in Burlington, Vermont, and dedicated to border-clearance procedures for passenger rail, also provided a timely forum to review the current situation for the three cross-border rail corridors between Canada and the United States.

Fortunately, the February announcement of a new border accord between President Obama and Prime Minister Harper has established a very positive tone for progress under the twin initiatives of the Beyond the Border Working Group and the Regulatory Coordinating Council. Our region benefited greatly from the temporary assignment of U.S. Customs and Border Protection's (CBP's) Blaine port director, Greg Alvarez, to the Department of Homeland Security to provide local expertise to high-level working groups formed to develop recommendations under the Obama-Harper border accord.

While signals from our national capital on one issue – pre-clearance – appear positive, with substantial momentum coming from the advice and counsel of local officials, the other issue - cost recovery fees - is problematic, with a potentially negative decision set for late summer or early autumn. WSDOT and Amtrak have stated firmly that the CAN\$550,000 annual cost recovery fee is not budgeted, and that, if it is imposed (perhaps at a higher rate), the second train would be discontinued, undercutting the nearly \$1.1 billion in investment that has leveraged \$780 million in competitive grants from the Federal Railroad Administration.

The situation is urgent, In a late June session with Canadian consul general Denis Stevens, it was made clear that Ottawa was waiting for Washington state to present a cost-benefit case for permanently waiving the fee. State leaders, led by Governor Chris Gregoire, feel frustrated with the lack of clarity as to what constitutes a “successful pilot project” for the second train, such as would recommend the permanent waiver. They are unsure of what the exact measure of success is in terms of ridership and overtime or extra shift costs, pointing out that the figure keeps escalating, reaching figures substantially above the original CAN\$550,000.

Cascadia is working with a coalition of Washington state and British Columbia leaders to make a firm business case for a permanent waiver of the border fee

The cost recovery fee waiver began as an aspect of a pilot project by CBSA, under the Core Service Review of rail. WSDOT and Amtrak rail leaders say they are not clear with regard to the ridership benchmark for achieving success and the cost of the fee. A decision will be made in October 2011 with regard to a potential permanent waiver. Meanwhile, ridership took a dip during the winter months due to line closures from slides but bounced back in April.

“To complicate matters further, in his current budget proposal President Obama has proposed to Congress a \$5.50 fee for travel into the United States, ending a waiver that visitors from Canada presently enjoy and generating \$110 million for the Department of Homeland Security. Birgit Matthiesen of the Canadian Manufacturers and Exporters Association says the proposal contradicts the border vision that Obama and Harper have laid out. She adds that the North American Free Trade Agreement does not afford protection from the fee.” – From the Macleans Updated: Obama Proposes Travel Fee for Canada, 2/16/11.

U.S.-Canada Pre-Clearance

Pre-clearance began with a request by American Airlines at the Toronto Airport in 1952. Today, about 12 million travelers clear U.S. customs at Canadian airports annually, making air travel more secure because passengers are cleared prior disembarkation and avoid any customs lines upon arriving in the United States. Further, pre-clearance enables trans-border flights to U.S. airports that do not have customs and immigration facilities.

A 2009 Amtrak report to Congress, “Strategic Service and Security Proposal for Amtrak Service in Vancouver, B.C., During (and Possibly After) the 2010 Olympic Games,” contains an excellent overview of the history of pre-clearance. The report states:

“These pre-clearance arrangements were formalized by the 1974 Air Transport Pre-clearance Agreement between Canada and the United States of America. Under that agreement, air pre-clearance services now process approximately 11.5 million passengers annually at the following Canadian airports: Vancouver, Edmonton, Calgary, Winnipeg, Halifax, Toronto, Ottawa, and Montreal (Dorval). Since that agreement was signed, changes have been made to Canadian law; specifically the Canadian Charter of Rights and Freedoms (Part I of the Constitution Act, 1982 and consequently part of the Constitution of Canada) that has granted Canadians new individual rights. At the same time, border processing has evolved as a result of the rapid increase in border crossings and the adoption of new technology.

U.S. Customs and Border Protection can examine and seize goods, administer certain monetary penalties and determine the admissibility of travelers who wish to travel to the U.S. The U.S. laws may be administered only in designated pre-clearance areas and are subject to the Canadian Charter of Rights and Freedoms and relevant Canadian laws. No provision of American law that would be considered criminal under Canadian law can be applied in Canada; criminal matters are dealt with by Canadian authorities under Canadian law.

In December 1998, Bill S-22, the Pre-clearance Act, was introduced in the Canadian Senate by the Hon. Sharon Carstairs, the Deputy Leader of the Government in the Senate. The bill provides U.S. Federal Inspection Services with the appropriate statutory authority to determine, at designated airport areas in Canada, what people and goods would be allowed entry into the United States. Bill S-22 took effect in 2001. The Pre-clearance Act of 1999 is the Canadian legislative tool that gives force of law to the substantive elements of the Canada-U.S. Agreement on Pre-clearance at Canadian airports. The Canada-U.S. Pre-clearance Agreement is the document that governs USCBP Officers’ authority and protections at air pre-clearance locations in Canada. The Canada-U.S. Pre-clearance Agreement does not pertain to rail or sea operations. Any change to the Pre-clearance Act of 1999 requires parliamentary action according to Canadian law. Any change to the Canada-U.S. Pre-clearance Agreement would require a new bi-lateral agreement between both countries.”

Cross-Border Support for Pre-Clearance

In a joint 2009 report, “Tracking the Border,” the U.S. and Canadian chambers of commerce expressed more specific support for rail pre-clearance. The report states:

“The Canadian and U.S. governments should look to expand the preclearance model to other modes of transportation, such as cargo and passenger travel, in other regions of North America. In fact, [Canadian] Minister [of International Trade Peter] Van Loan and Secretary [Janet] Napolitano [of the U.S. Department of Homeland Security] agreed to renew negotiations to set up land preclearance facilities for trucks at the Buffalo, New York, and Fort Erie, Ontario, border crossing. By moving the inspection and clearance facilities before the border and by having clearance processes done before actually crossing, more cargo can be cleared away from congested bridges where infrastructure constraints inhibit larger customs offices from being put in place.”

Pre-clearance is available for travelers at the Belleville marine terminal in British Columbia and as well as rail passengers departing from Vancouver on the Amtrak Cascades service. The Canadian and U.S. governments should continue to expand the pre-clearance or on-board clearance model to more bus and rail passengers traveling from Canada to the United States and vice versa. With both countries looking at making rail travel faster through infrastructure upgrades and the U.S. administration touting 10 HSR corridor projects, now is the perfect time to test an enhanced rail pre-clearance model. Although negotiations on land pre-clearance broke down in 2007, legal and sovereignty concerns can be addressed through the Beyond the Border Working Group.

At present passengers traveling from Montreal or Toronto to the United States clear customs (at Rouses Point and Niagara Falls, N.Y., respectively) as they enter the United States: the train stops and customs officers enter the train. Once all passengers are cleared, the train can continue. The whole process can take 45 minutes to an hour, discouraging travel to the United States. Northbound rail passengers, furthermore, follow a similar procedure. A modified pre-clearance model applies to Vancouver-to-Seattle passengers: they are pre-cleared at the Vancouver rail station, but the train still stops at the border for CBP officers to check luggage.

Amtrak's *Maple Leaf*, which connects New York and Toronto, and crosses the border at Niagara Falls, and Amtrak's *Adirondack*, which links New York with Montreal via the Rouses Point crossing, are both current or prospective state corridor trains under Section 209 of the 2008 Passenger Rail Investment and Improvement Act.

At the TBWG meeting co-sponsored by WCOG in Vermont, Amtrak's Ed Courtemanch identified a number of key issues affecting the ability of Amtrak to expand services between U.S. and Canadian cities, as follows:

- On-train inspections are no longer satisfactory from the perspective of border agencies because of the lack of privacy to interview travelers properly.
- Border agencies often cannot clearly match every item of baggage to its owner.
- Poor connectivity exists with agency information technologies.
- Safety and security risks exist, given potentially unruly passengers and the firearms held by officers.

According to Courtemanch, requirements for de-boarding passenger trains at the border also present safety issues:

- De-boarding is unsafe at low platforms, especially in bad weather.
- Elderly and ADA passengers must get off a train to be inspected.
- Passengers carrying infants and small children are also at risk when de-boarding.
- Long border dwell times lead to longer trip times.

- All passengers must wait until the last passenger has cleared.
- Frequent delays exacerbate poor on-time performance at down-line stations

Possible solutions, in his view, would include: Siting the pre-clearance process at the point of origin (as done with air travel); end-point customs and immigration processing in Canada with non-stop closed-door operation north of the border; and, developing new methods for on-board processing that mitigate concerns of border authorities.

After extensive discussions, the Vermont meeting participants recommended that a working committee be established to recommend strategies that would facilitate the cross-border movement of passenger rail service in an efficient, safe and secure manner. In the working group's consensus opinion, as reported by meeting participant Kris Wisniewski of the Eastern Border Transportation Coalition, the committee should include key stakeholders, such as border agencies, Amtrak, and federal, state, provincial and local transportation agencies. The working group also recommended that the committee be formed under the TBWG's auspices.

Cost Recovery

CBSA faces constant demand for additional services beyond current funding capacity. They have embarked on two-phased Core Services Review of their passenger clearances services. Phase I focused on the air mode while Phase II reviewed the marine and rail modes.

In presentations by CBSA officials at annual Can AM Border Trade Alliance sessions, “core services” refers to the specific combination of border services provided at a specific port of entry in all modes of travel. They are developing plans for:

- A sustainable policy framework to determine what CBSA services should be publicly funded and what services should be privately funded
- Operational models and processes to assess new service requests, including the economic benefits
- Funding options for expanding CBSA services

“The current service delivery framework not sustainable and no periodic review process in place, nor a funding mechanism to expand services that should be publicly funded.” — **Greg Goatbe, Assistant Vice President, CBSA**

While the processing of travellers entering Canada via the highway, air and marine modes has undergone significant changes over time the processing of rail passengers at Canadian points of entry has remained virtually unchanged.

Rail passengers make up a small percentage of visitors.

PEOPLE ENTERING CANADA BY MODE, FYS 2006–2007 TO 2009–2010

	2006-2007	2007-2008	2008-2009	2009-2010
Air	22,133,553	23,359,832	23,429,651	22,252,784
Highway	69,772,698	69,958,953	64,381,303	59,697,945
Marine	2,816,331	2,892,346	2,961,255	2,929,735
Rail	284,242	282,368	255,612	250,352
Total	95,006,824	96,493,499	91,027,821	85,130,816

Source: CBSA Criminal Investigations Program (IRPA) - Evaluation Study Final Report December 2010

CBSA Service Locations

The CBSA provides services at approximately 1,200 service points across Canada and at some international locations, including the following:

- 120 land border crossings
- 27 rail sites
- 13 international airports
- 444 small vessel marina reporting sites
- 12 ferry terminals
- 82 customs warehouses
- 3 postal processing plants
- 4 detention facilities
- 46 international locations staffed with migration integrity officers
- 4 port facilities

Total Financial and Human Resources

The following tables provide summary data on the total financial and human resources of the CBSA for the next three fiscal years.

2010–11	2011–12	2012–13
1,629,707	1,793,738	1,748,680

2010–11	2011–12	2012–13
13,607	13,741	13,841

Source: CBSA. Planned spending changes from 2010–11 to 2011–12. The planned spending increase of \$164.0 million is a result of adjustments made to approved expenditures, primarily to specific multi-year projects.