

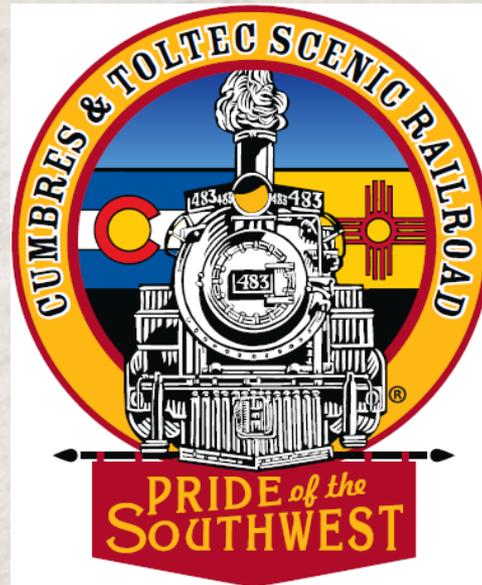


# Cumbres & Toltec

Scenic Railroad

## Proposed Capital Improvements Program

“Riders, Revenue and Renaissance”





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Mission Statement

- We are all the guardians of history. The best way to preserve history is to make its presentation so interesting and exciting that people will pay a fair price for the experience
- Our goal is that this precious national treasure will be preserved and operated for generations to come. We strive to continue this tradition of railroading for those who come to ride with nostalgia but also strive to introduce it to those who see it through new and young eyes, as they will be the ones to carry the traditions into the future.

AL Harper



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” **Mission Statement**



- The C&TS is under guardianship by those people who hold the title



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Introduction

The Cumbres and Toltec Scenic Railroad (C&TSRR) is one of the great historic rail treasures of America. This segment of the old Denver and Rio Grande Western Railroad is symbolic of our nation’s character in its drive for opportunity, freedom, and industrial creativity. Set in these difficult economic times, the long term survival of the C&TSRR depends on finding new ways to tell its story, new methods of operation to enhance its attractiveness, and new sources of funding to relieve dependence on charity and tax dollars. This Proposed Capital Improvement Program has been created to address those challenges.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Introduction

The Theme of the Capital Improvements Program is “Riders, Revenue, and Renaissance”. We must create facilities so interesting and exciting that they attract new and repeat ridership. We must create facilities that maximize the generation of revenue while providing an experience that guests perceive as a good value. We must create facilities that reflect and enhance the historical architecture and operation of the C&TSRR, a remembrance of its past. The following tells the story.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Historical Facts

- The first train into Chama was on December 31, 1880
- Regular passenger service through Chama by the D&RGW was discontinued on February 1, 1951 – The *San Juan*
- Infrequent passenger charter excursions were operated all the way through until the fall of 1966 between Alamosa and Durango (through Antonito & Chama)
- The D&RGW filed for an application for abandonment with the Interstate Commerce Commission (ICC) for the narrow gauge line from Alamosa, CO to Farmington, NM on September 18, 1967



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Historical Facts

- The Denver & Rio Grande Western operated its last train from Chama to Durango on December 6, 1968. It was a freight train that also towed freshly shopped K-36 481 to Durango “dead” in the consist for possible use by the D&RGW for service on the Silverton Branch – although the D&RGW never used it
- The states of Colorado and New Mexico joined forces through legislative action to each create its own Rail Authority. The joint Rail Authorities then purchased the 64 miles of track from Antonito and Chama for \$547,120 in July of 1970



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Historical Facts

- The D&RGW continued to run freight service on the standard gauge between Alamosa and Antonito after removal of the third (narrow gauge) rail. Service on that branch has been continuous through the several short line operators that succeeded the D&RGW-SP-UP ownership
- The Cumbres & Toltec Scenic Railroad Commission (Interstate Agency) was approved by the United State Congress on October 24, 1974. They succeeded the original Colorado and New Mexico State Rail Authorities on July 1, 1977



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## **The Projects – The Chama Depot**

Retail sales of food, beverage, and gifts are an absolutely critical source of revenue for an historic/scenic railroad operation. At least 20% of all gross sales should be generated in this area, and half of that should be net profit. The entire interior of the Chama Depot should be redesigned to maximize revenue generating square footage. To board and de-board trains, all passenger foot traffic possible should be “guided” past food, beverage and gift sales. To get from your car to the train, you must pass by food, beverages, and gifts. To return to your car, you must pass by food, beverages, and gifts. The same would be true to even purchase a ticket.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” **The Projects – The Chama Depot**



All guests must have the opportunity to spend their money in the C&TSR depot.

The interior design will maximize use of existing historic materials or comparable goods. Do not waste “revenue” square footage on storage and offices. You can store things in box cars and rent affordable offices - even provide benches so passengers “wait in the depot” during inclement weather. If the design is done right, it will enhance a riders’ experience, generate revenues, and portray the history and feel of the C&TSRR in an extremely pleasing way.

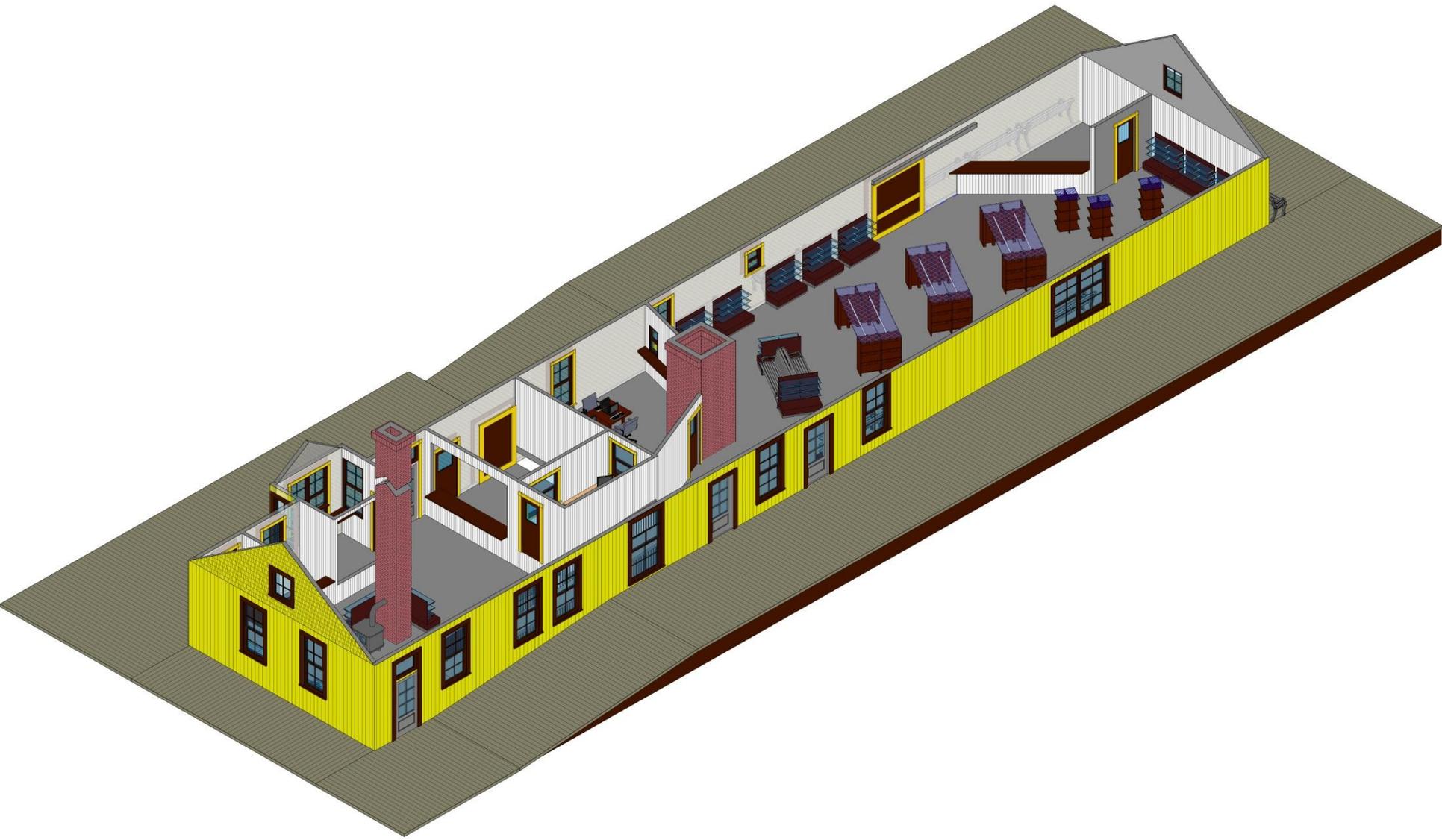


# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



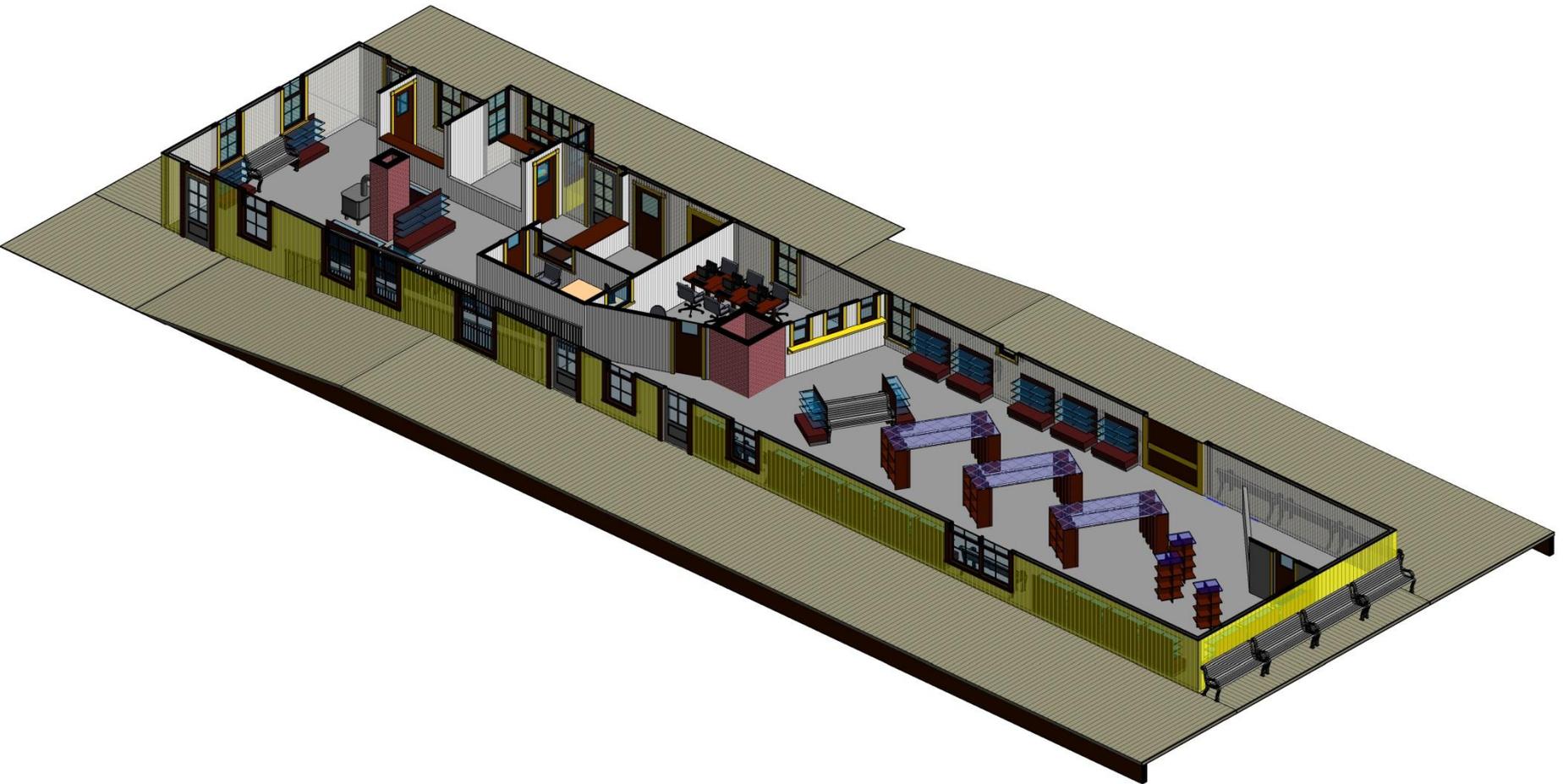


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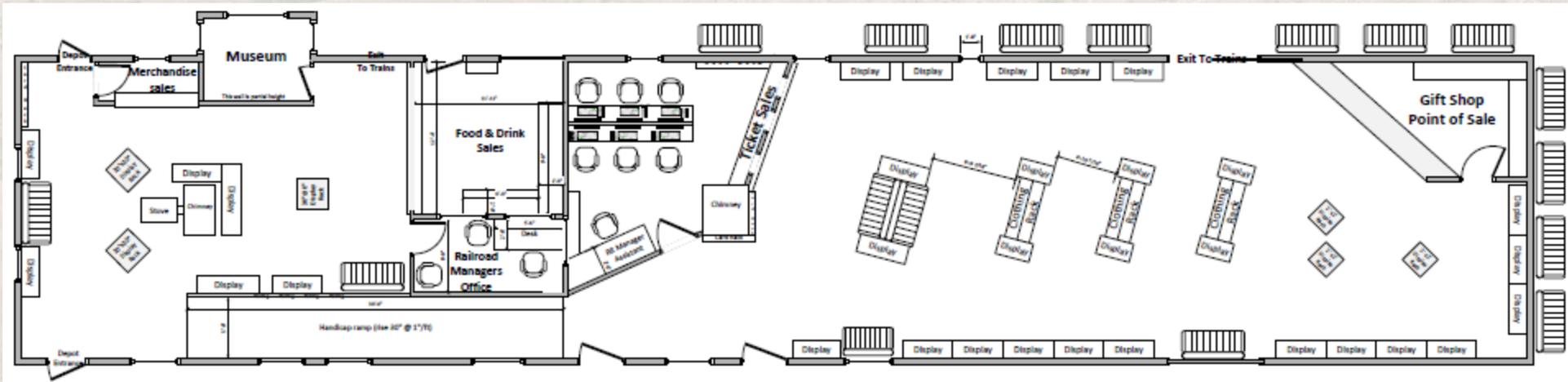


# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



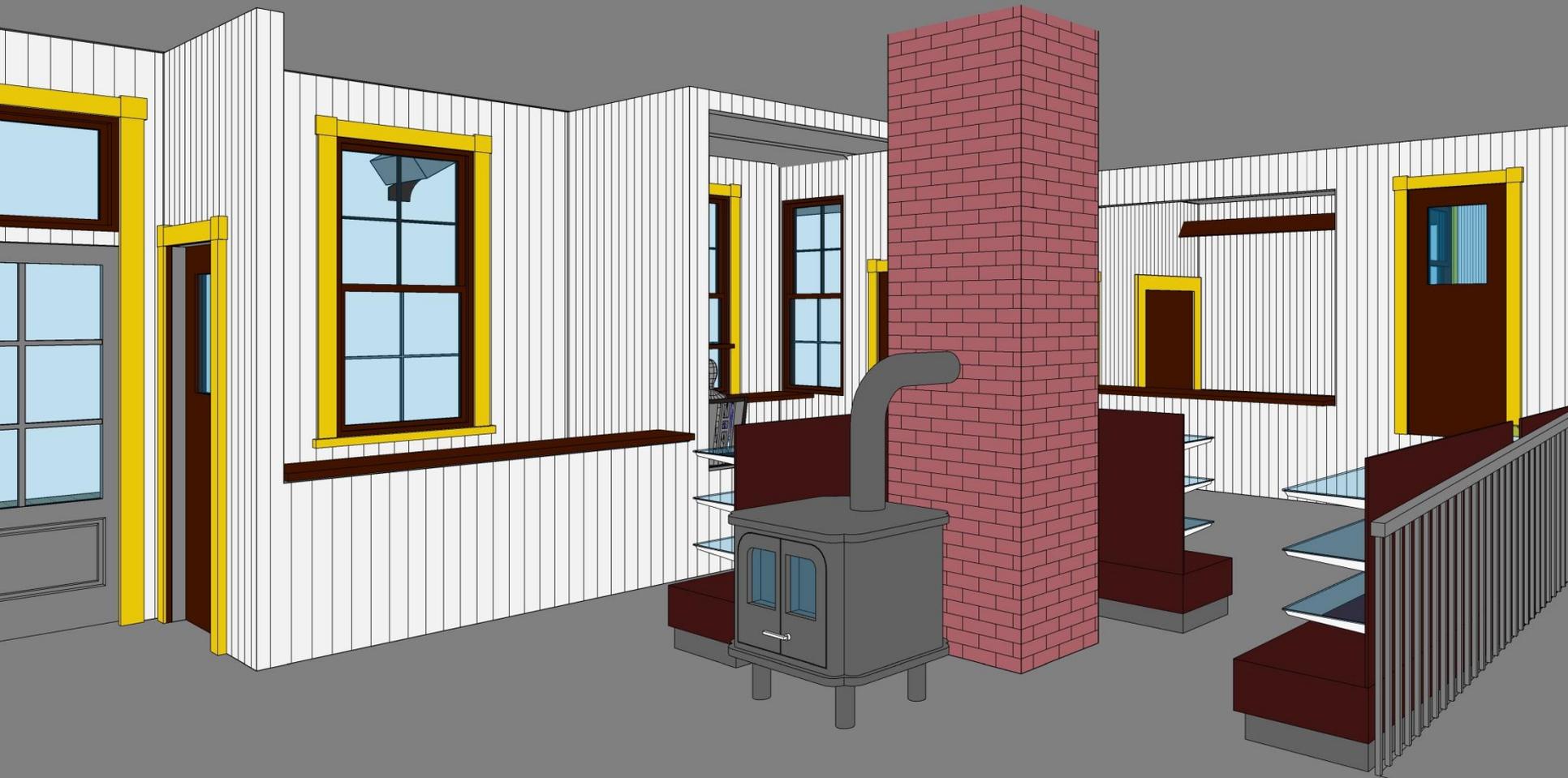


# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



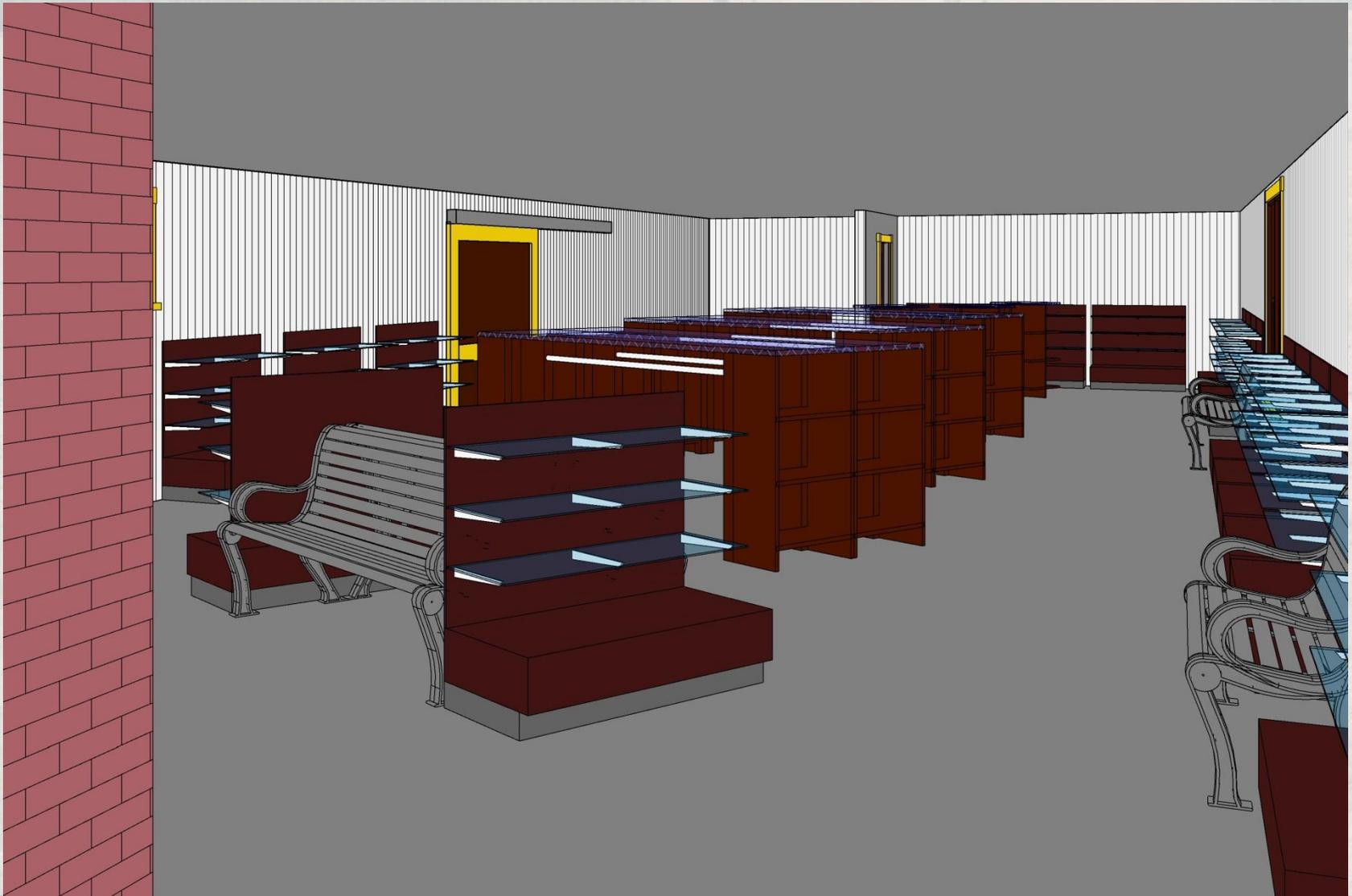
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# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot





# Proposed Capital Improvement Program "Riders, Revenue and Renaissance" The Projects – The Chama Depot



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



## Train Station Interior Remodel

### Preparation for remodel (office relocations)

Determine where relocated offices will be

Set up new office space (excludes ticket office)

Move offices (except ticket office) to new offices

### Phase I (raised area to the south of ticket area)

Dumpster delivery

Install exterior benches

Move phones & Internet IMPO

Demo phase I

Install rough-in electrical walls (except new walls), ceilings & floor Phase I and ceilings Phase I & II

Install platform electrical (outlets & lighting)

Rough-in for platform sound system

Rough-in for security system

Window - repair and /or replace as required

Attic service catwalk for servicing

Rough-in new heating (Phase I & II)

Rough-in new evaporative cooling (Phase I & II)

Wall insulation

# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



Floor insulation or stem wall insulation

New wood walls and ceiling to match existing ticket lounge area

Install new wood floors

Frame interior walls

Rough-in plumbing for drink area (Phase II but installed in Phase I)

Install rough-in electrical (new walls)

Install wood walls & ceiling

Blow-in ceiling insulation (Phase I & II)

Sand floors, walls and ceiling

Finish walls floors and ceiling

Finish - electrical & HVAC grills

Install casework & benches for interior (displays etc.)

Install display LED lighting and final connections

Install miscellaneous FF&E (i.e.: ticket area computers, display TV's, platform sound system, security system etc.)

Stock displays

**Open Phase I of remodel and start Phase II**

**Phase II (portion north of raised floor area -ticket area)**

Demo phase II

Install rough-in electrical walls (except new walls), ceilings & floor

Install platform electrical (outlets & Lighting)



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Chama Depot



Rough-in for platform sound system

Rough-in for security system

Window - repair and/or replace as required

Wall insulation

Floor insulation or stem wall insulation (old waiting area)

New wood walls and ceiling to match existing ticket lounge area

Grind old foundation wall between old waiting area & old ticket area

Install new wood floors

Frame interior walls

Rough-in plumbing for drink area (not installed during Phase I)

Install rough-in electrical (new walls)

Install wood walls & ceiling

Sand floors, walls and ceiling

Finish walls floors and ceiling

Finish - electrical & HVAC grills

Install casework & benches for interior (displays etc.)

Install display LED lighting and final connections

Install miscellaneous FF&E (i.e.: ticket area computers, display TV's, platform sound system, security system etc.)

Stock displays



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## **The Projects – The Chama Roundhouse/Turntable**

Nothing will create more excitement than seeing steam engines coming and going to and from a roundhouse using a turntable. Nothing short of the great train ride, will attract more guests, thus generating more revenue than rebuilding Chama’s Roundhouse! The focus of the Commission and the Friends should be brought together by management to see that the roundhouse is rebuilt. The Commission should recognize that the current machine shop and engine bays are totally inadequate to properly maintain the fleet of equipment. The Friends have long wanted to create a visitors center, museum, and machine shop to do their projects.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## **The Projects – The Chama Roundhouse/Turntable**

By rebuilding the nine bay roundhouse we can accomplish all these goals at half the cost of doing them separately.

The Commission can get five maintenance bays and a new machine shop, etc. The Friends can get a two bay work area and two historic stalls as a museum/visitor center. Plus, a viewing/photo platform could be built so visitors can watch and photograph the turntable in action.

The façade of the roundhouse would look original to the public with a wooden front and doors.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## **The Projects – The Chama Roundhouse/Turntable**

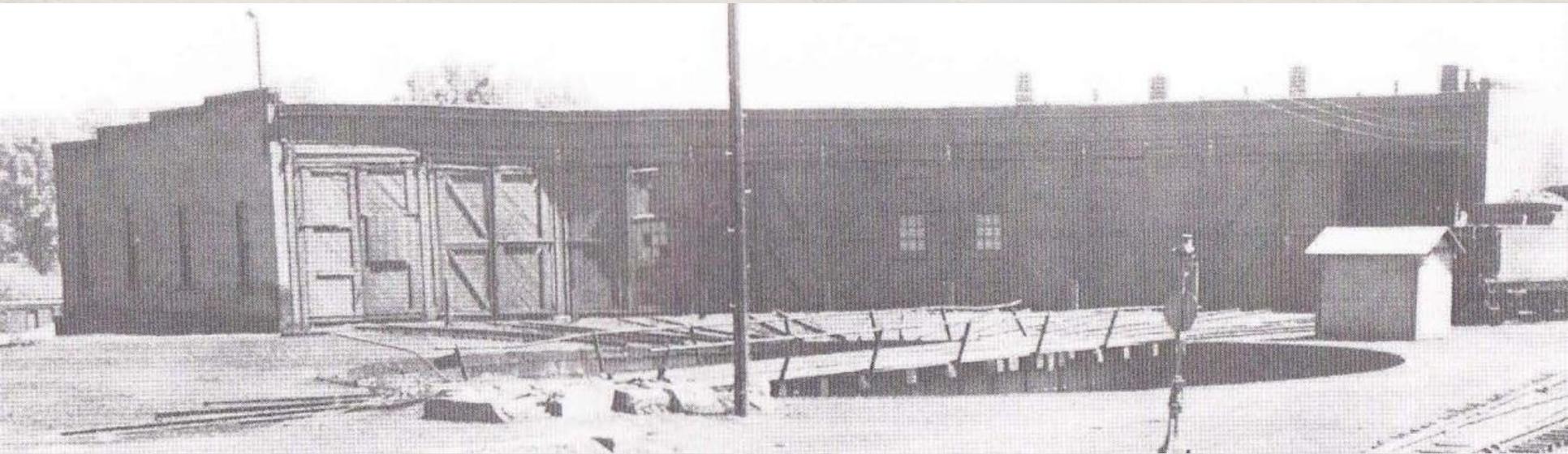
Actual construction could be done in metal which is relatively cost effective and quicker to build. Thus a new roundhouse attracts riders, generates revenue, and becomes a part of the C&TSRR Renaissance.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable

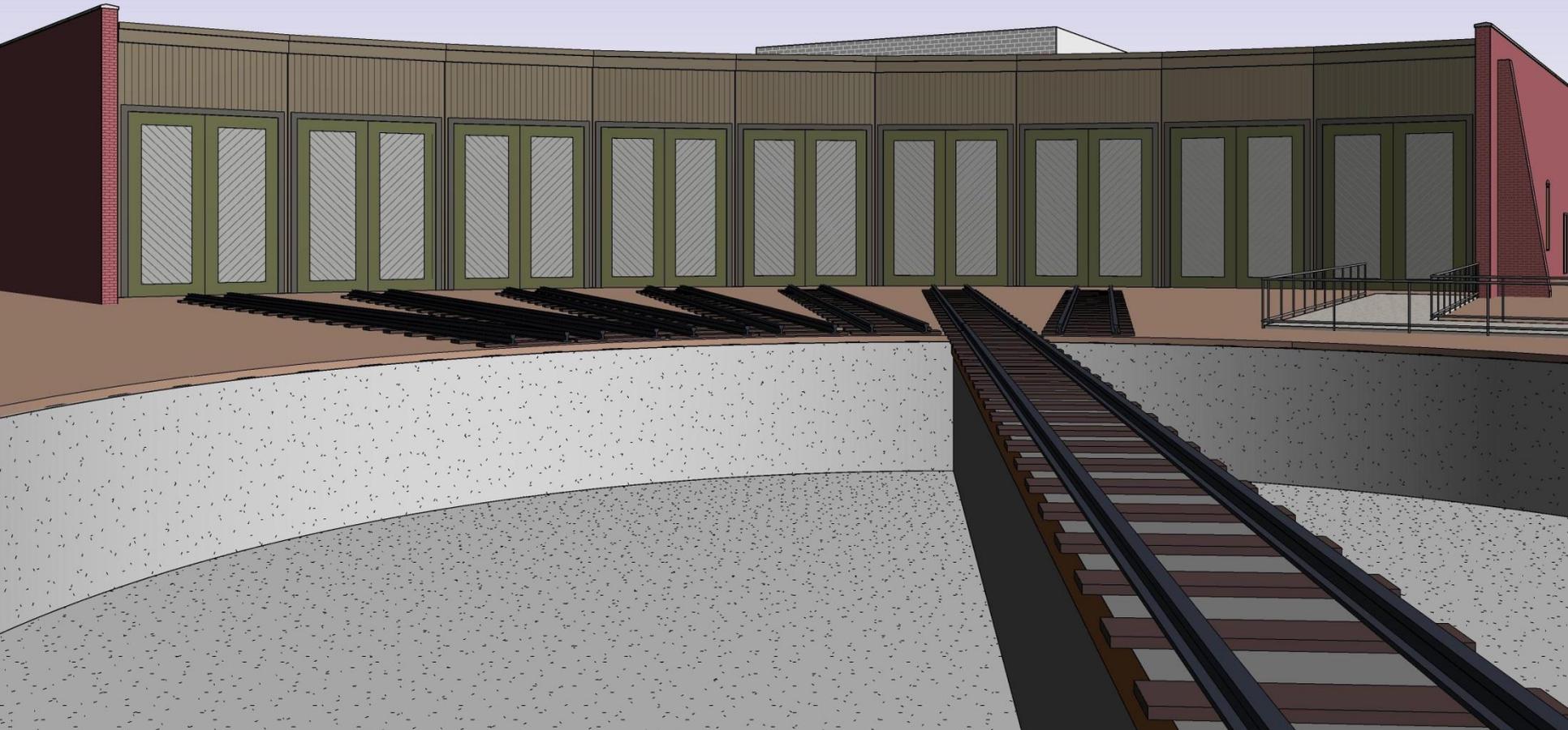




# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable





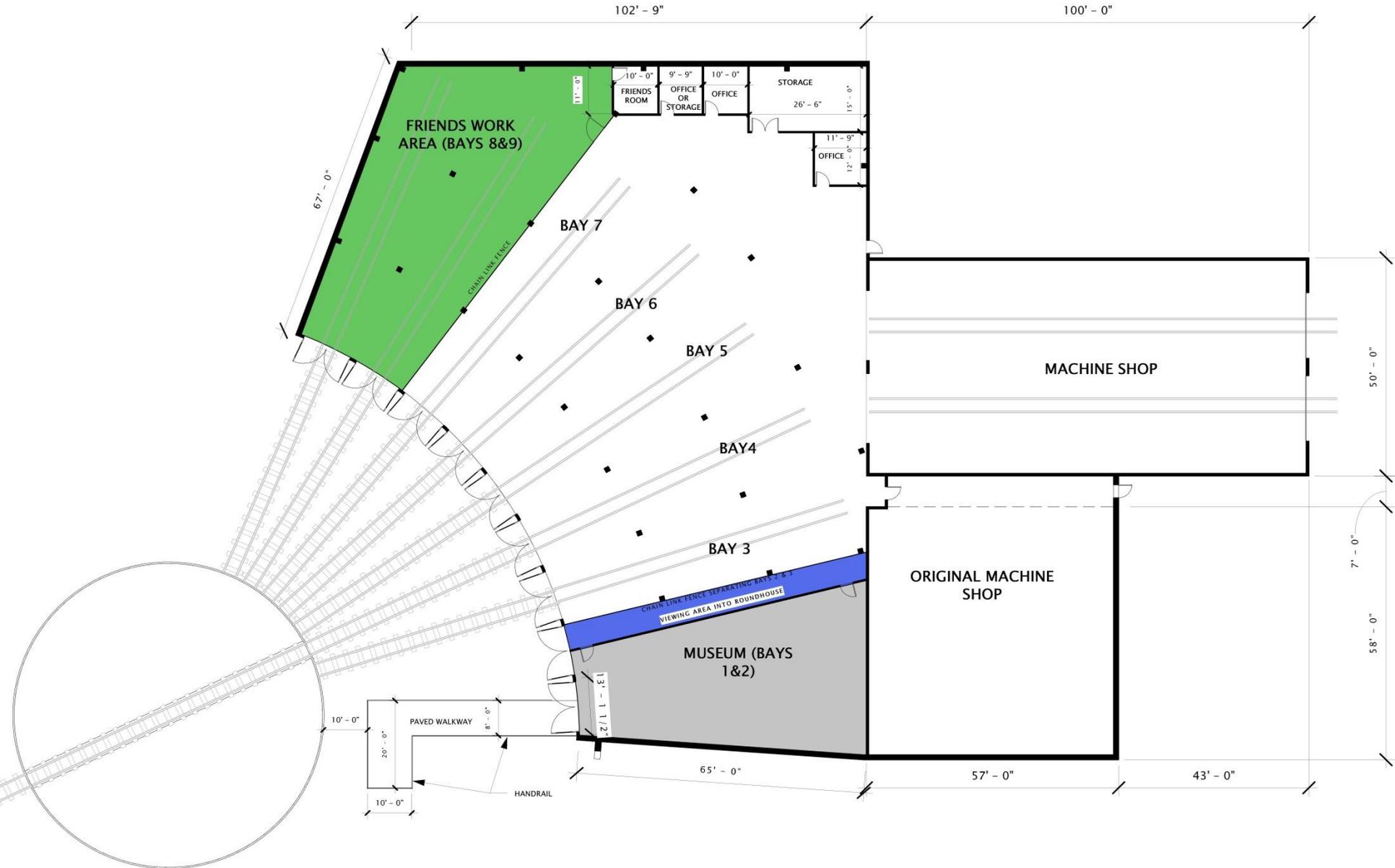
# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable



# Proposed Capital Improvement Program





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable

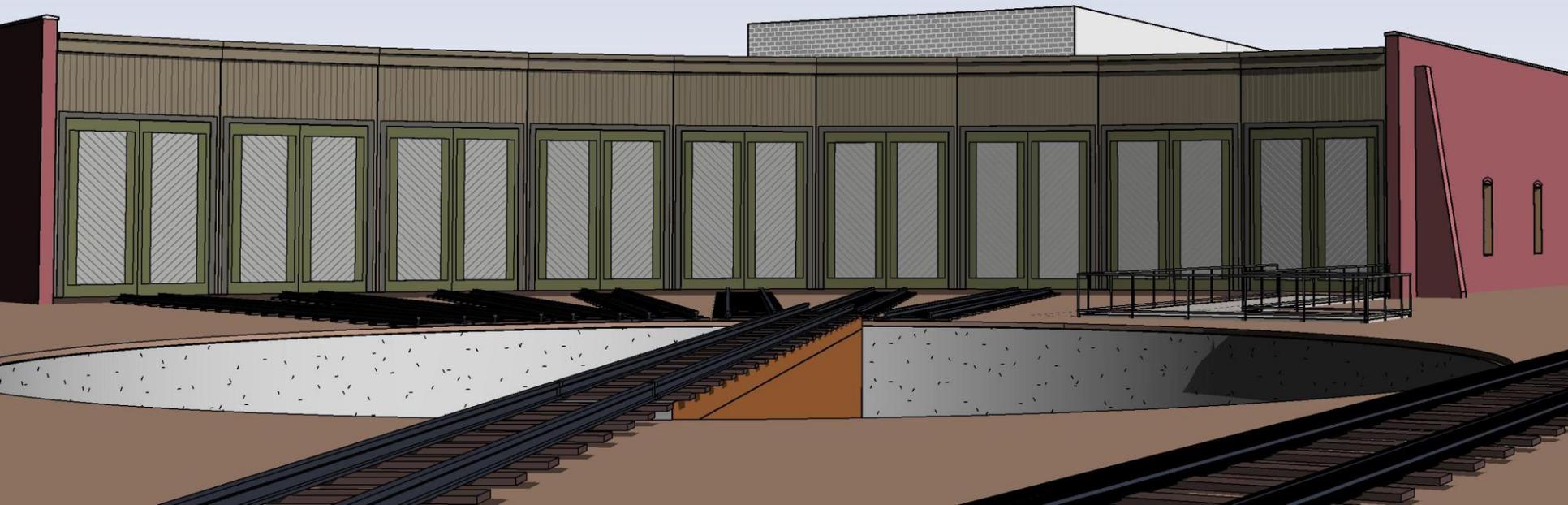




# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable

### Roundhouse - Bays, Museum, Friends work area

Order steel

Setup temporary water storage tank (in place of existing underground cistern)

Remove shed attached to old roundhouse east side

Remove east wall of existing roundhouse

Layout foundations & relocation of water storage tank

Excavate for: foundations, track pits, tank, underground utilities (drains, electric, air, water, etc.)

Form & install rebar: foundations, retaining walls, track pits (also install pit channel iron for utility chase)

Rough-in under slab utilities

Pour foundations, retaining walls & track pits

Set underground (under slab) water tank

Connect tank fill, overflow, drain and electrical

Install rebar for slab, set forms and access frame for tank hatch

Pour slab

Install water tank pump

Erect columns & roof beams

Install roof

Install metal south wall (from machine shop east)

Install backing for brick façade east wall & NE wall

Build wood front & doors for front of roundhouse





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama Roundhouse/Turntable

Install track

Frame interior walls: break area, storage and museum

Install utilities (lighting, electrical outlets, phone & internet lines, air, water, drains, oil separator)

Finish interior walls

Insulate roof over interior walls

Fence off friends work area

Build public viewing area platform and safety barriers

Install museum displays



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama - Backshop rebuild/Bridge Crane

- The roof will be raised 12’ to allow for the installation of a 20 ton bridge crane
- Install a 20 ton bridge crane. This will greatly aid in the ability to and the safety of performing major maintenance on engines and rolling stock



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Chama - Backshop rebuild/Bridge Crane

### Engine rebuild - raise existing roof and install bridge crane

Verify structural of existing building

Order structural steel

Protect interior equipment

Remove and protect lighting fixture for reinstall later

Remove existing roof (including beams)

Install vertical columns (bolt to existing concrete columns)

Install cinderblocks to raise wall to new ceiling height

Install crane rail

Install electrical to crane rail

Install crane on new bridge rails

Install new roof beams

Install lighting

Install new roof



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## **The Projects – Static Display Locomotive in Chama**

Putting a static display locomotive in the Chama Park above and in front of the Depot is very important. For years and years such a display has been promised to Chama. Just as important, that static display is a welcoming billboard that you have arrived at the C&TSRR. If you were not looking for the railroad, the road in Chama is just high enough you could miss the entire rail yard. The people of Chama want this. The shop owners of Chama want this. The railroad needs it. It will bring people, it will add to revenue, and it is a part of the Renaissance experience.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – Static Display Locomotive in Chama





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – Static Display Locomotive in Chama





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – Static Display Locomotive in Chama

### Steam Engine - next to Chama Park (static display)

Paint engine and tender

Prepare gravel base for track

Run electric for lights, signage

Run gas for possible steam generator

Install ties & track for engine to sit on

Move engine & tender into place

Build viewing platform & handicap ramp

Install signage

Install lighting

Install steam generator if one is used

Landscape



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – The Cumbres Experience

Cumbres is the perfect place to hold special events. Special events create new riders and give the C&TSRR the opportunity to reach the mass market far beyond the typical rail fans. Branded Characters, musical formats and cultural heritage presentations could all take place at Cumbres due to its relative short distance from Chama, the wye turn around, and the open space. The improvements needed at Cumbres include the following.

- A pavilion – Nothing fancy! A roof and gravel floor could be adequate



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”

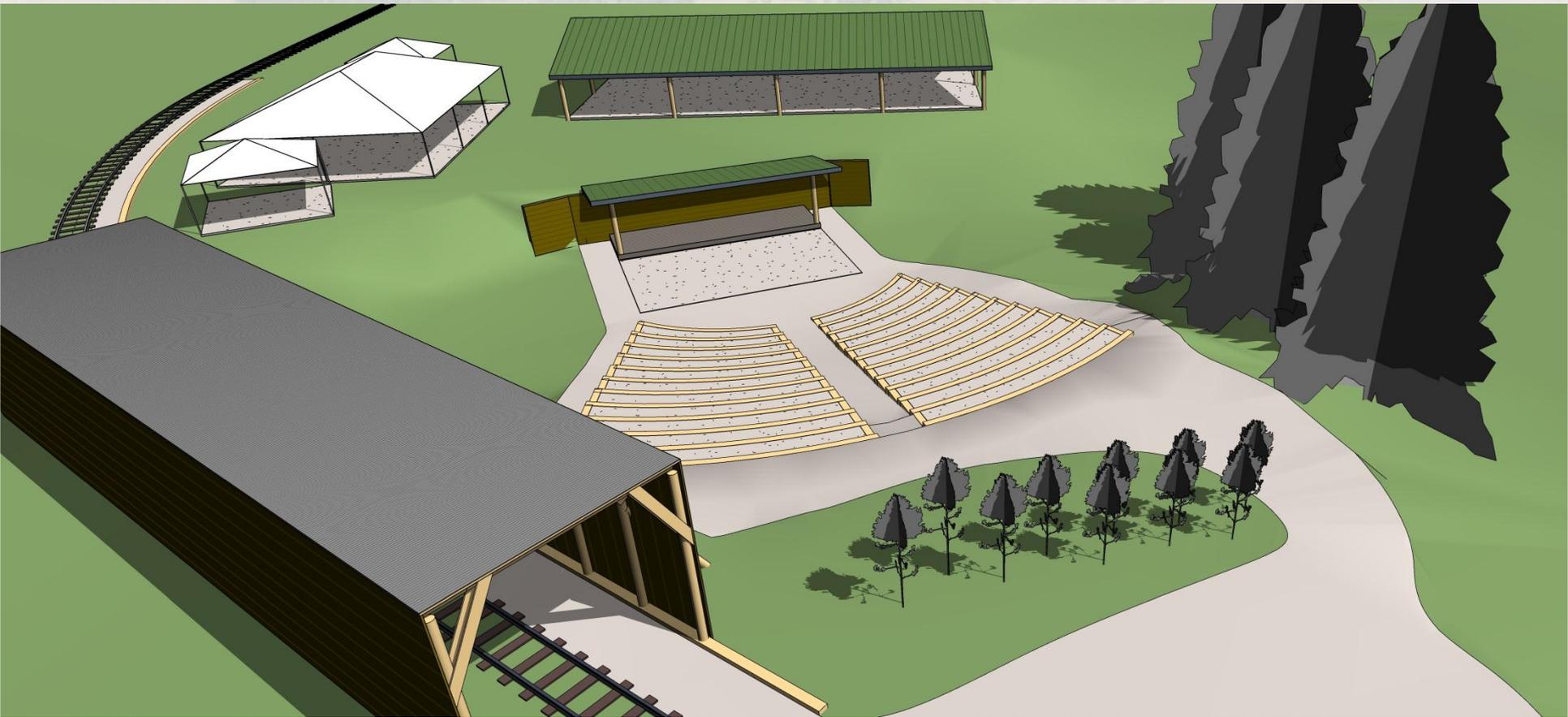


## The Projects – The Cumbres Experience

- Tent Areas – Just level ground where tents could be set up for special events
- Amphitheater – A graded slope for blankets and lawn chairs, a wooden dance floor, a wooden stage just large enough for a band
- Bathrooms
- Minimal Lighting – For Stage/Safety
- Power/Water – For Food Service trailer/Mobile Food Service
- Boarding/De-boarding facility – level with step boxes

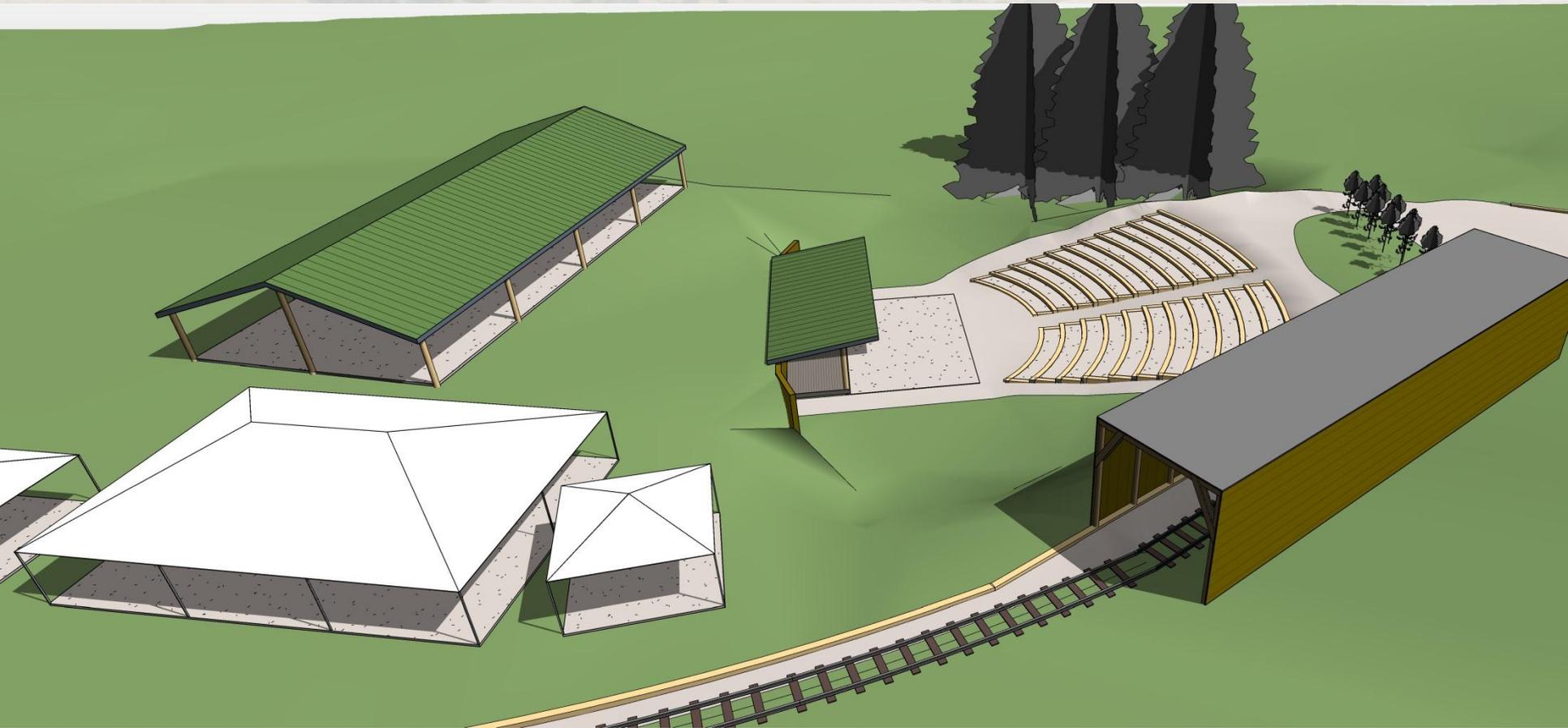


# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Cumbres Experience

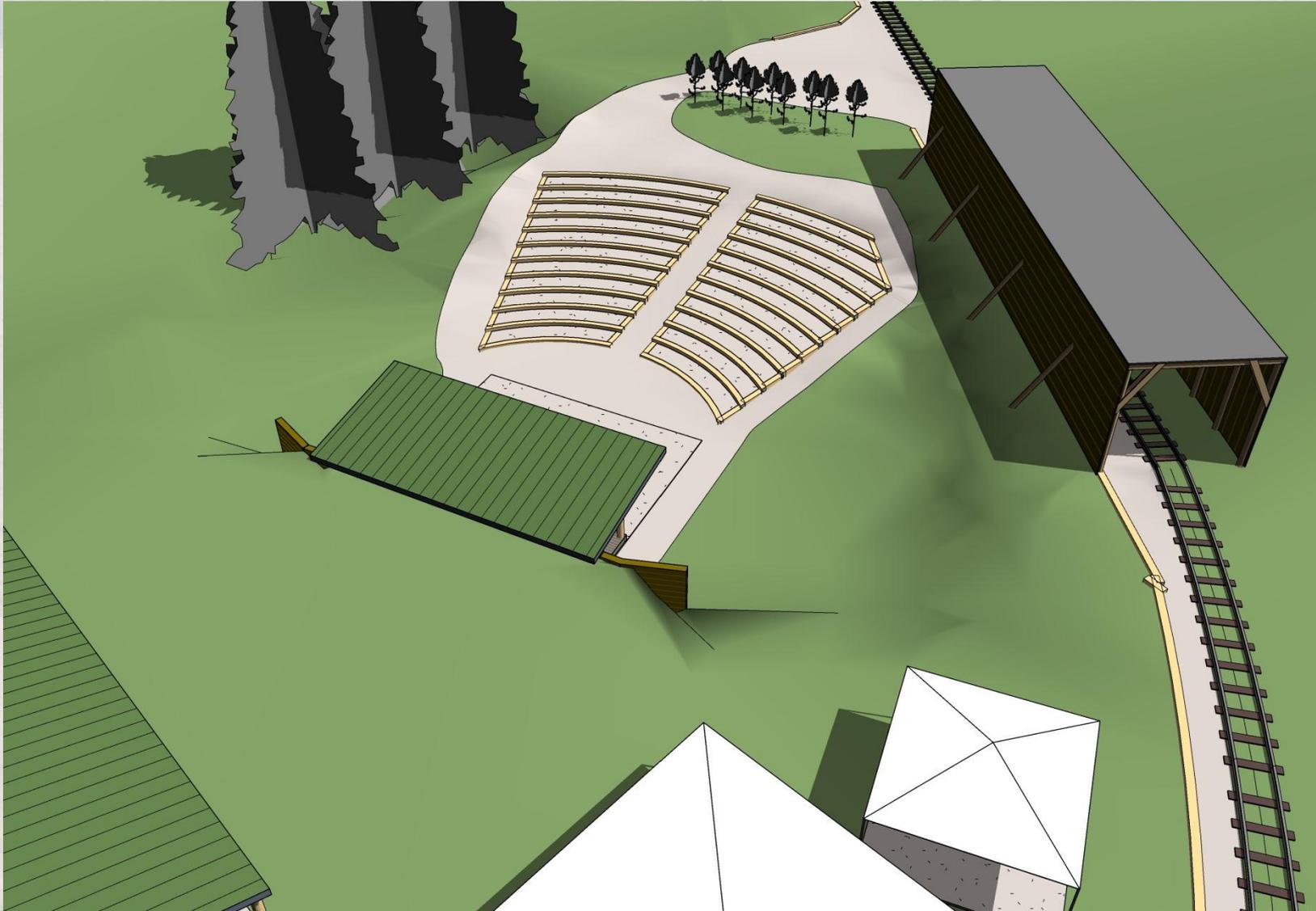




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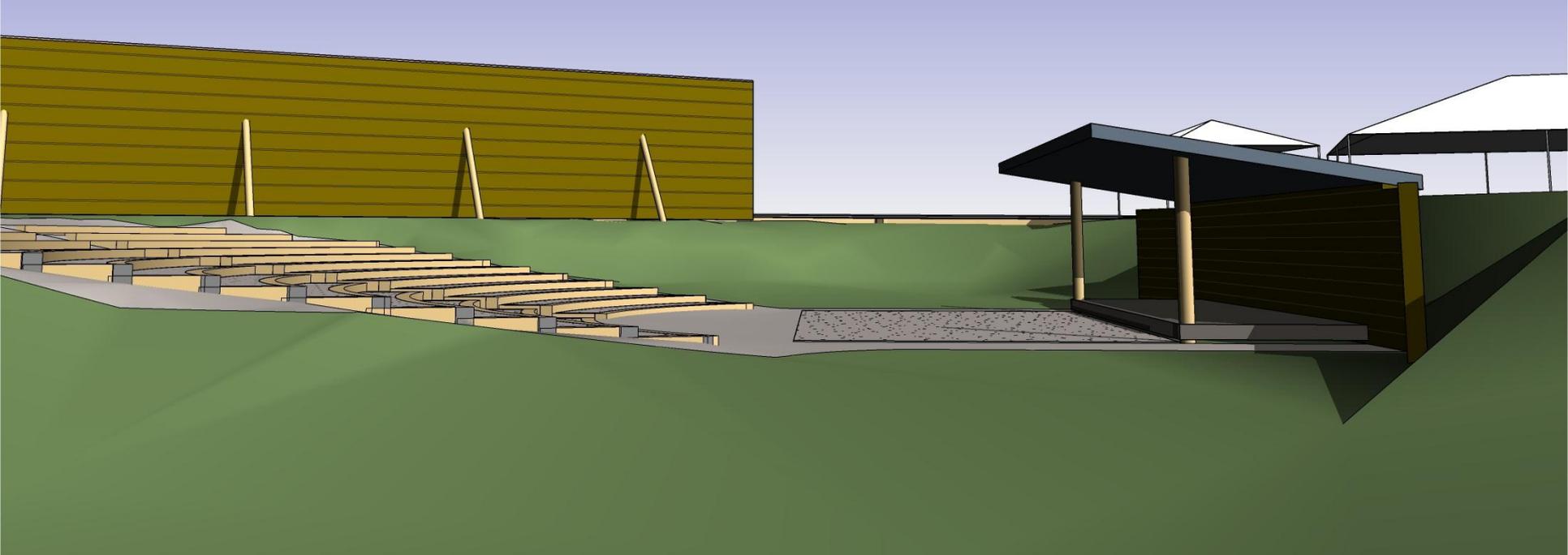


# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Cumbres Experience



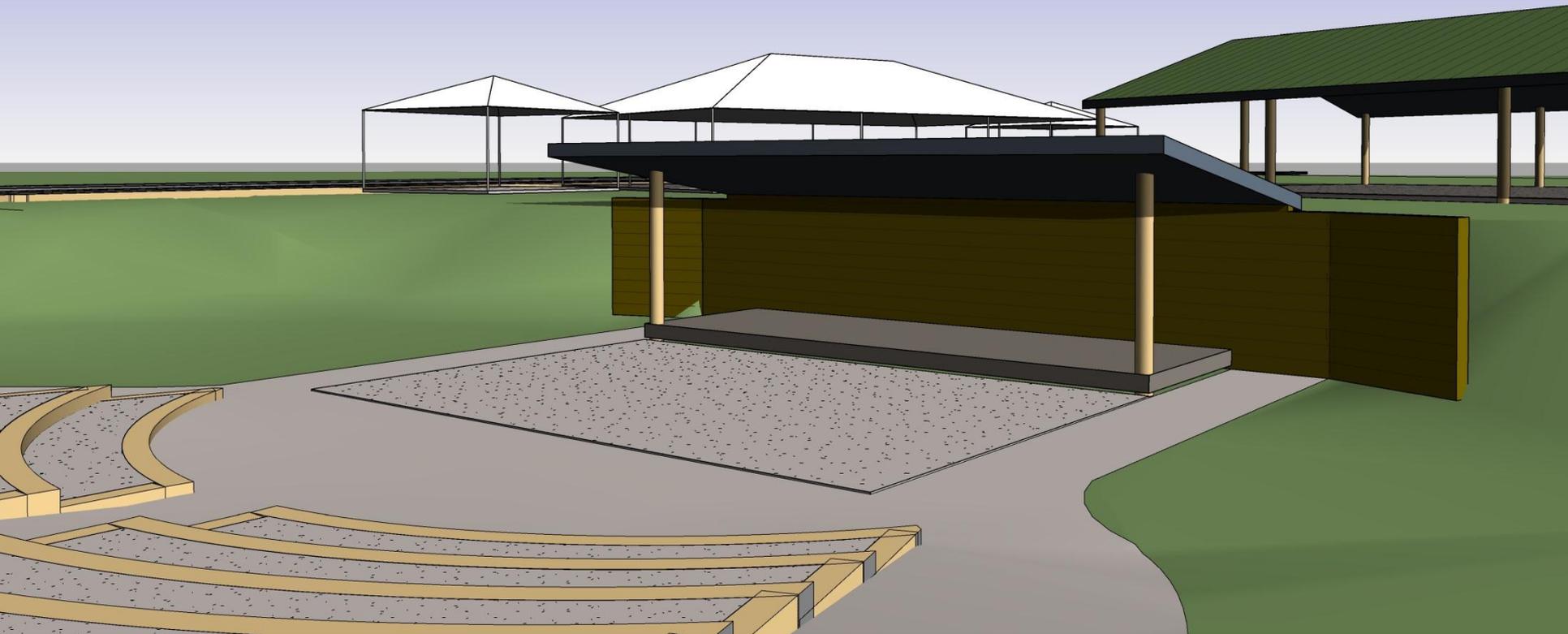


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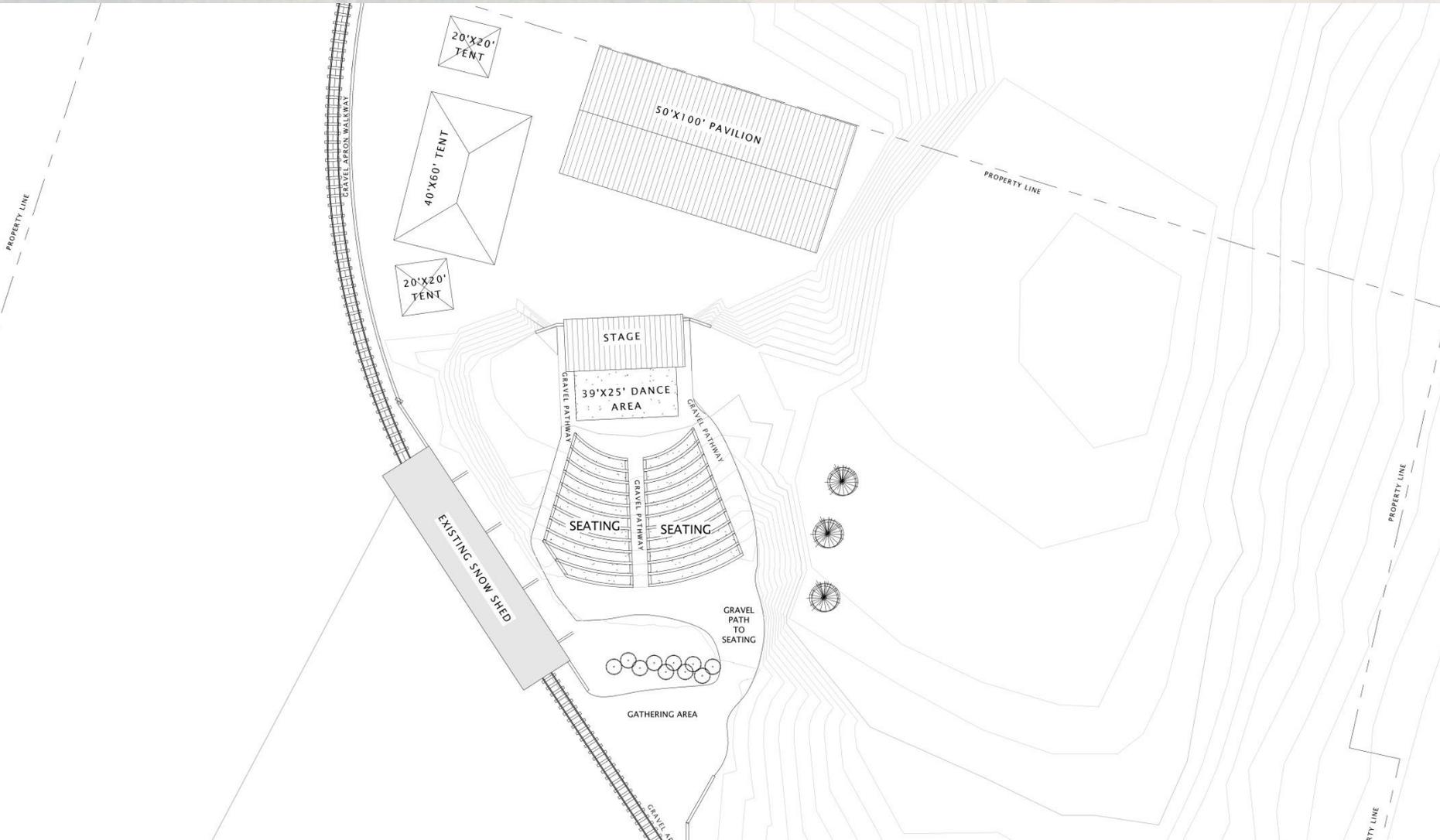




# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Cumbres Experience



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Cumbres Experience







# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” The Projects – The Cumbres Experience



## Cumbres Pass - pavilion, stage/dance flr. / theater, power, bath rooms

Order prefab pavilion structure

Survey site

Drill for drinking water well (if required) & install pump & tank

Excavation for all foundations, retaining walls, seating area, utility lines & septic system

Drive vertical rail for stage retaining wall

Place retaining wall timbers

Form foundations, install rebar: pavilion, stage, dance floor, bathrooms, generator pad

Pour foundations & pads

Install septic system

Run water lines form (existing source) and electric (from solar power or generator)

Erect pavilion

Construct stage roof

Construct dance floor in front of stage

Place leading edge timbers for seating area

Fill for unloading apron for train & in snow shed install wood retaining wall east side

Install lighting and stage power

Install restrooms & connect to water & septic

Install generator or solar system for power



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – Antonito Retail

Minimal improvements to the existing depot for small retail area

### Retail Antonito

Dumpster delivery

Install exterior benches

Demo

Install electrical

Sand floors

Finish floors

Install casework & benches for interior (displays etc.)

Install display LED lighting and final connections

Install miscellaneous FF&E (i.e.: computers, display TV's, security system etc.)

Stock displays



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”

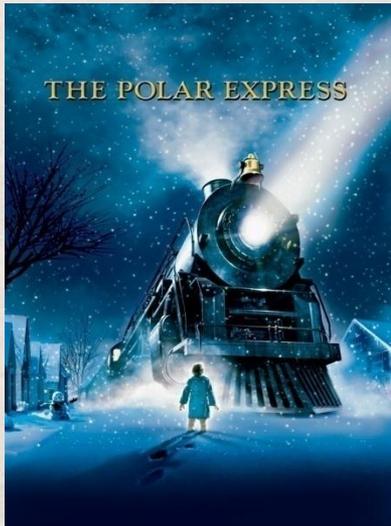


## The Projects – Special Events Props/Equipment

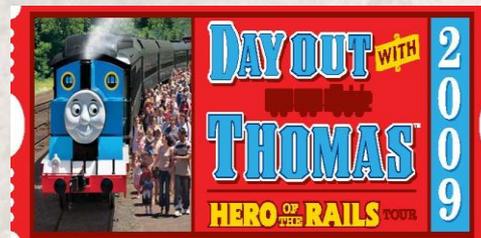
- Necessary items for Polar Express, Pumpkin Patch, etc.
- Cumbres improvements will absolutely bring more riders and increase revenues. The Renaissance can continue

# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”

## The Projects – Special Events Props/Equipment



***PROVEN TRACK RECORD***





# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## The Projects – Osier

- Install a Solar power source keeping the existing generator as backup



### Osier, solar power

Verify electric loads throughout the day. Determine peak loads

Design solar system

Prepare solar panel mounting base & storage battery area

Install solar panels, batteries, inverters & tie-in



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” **The Projects – How to Pay for It**



There is no one source to pay for the proposed Capital Improvements Program. The key will be the Historic Preservation District Fee that could generate nearly \$2,000,000 if set up right in an independent, not for profit, entity. The Commission members can control and be the Board Members of the new entity if they choose. But, the money must be dedicated to the capital improvement programs. Uses must be properly underwritten for bond or institutional financing, and knowledgeable professionals should place the loan or bonds.



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Total Capital Improvements Needed

1.	Depot Interiors		\$ 475,000
2.	Steam Engine next to Chama Park		\$ 48,200
3.	Roundhouse / Friends Work Area / Museum		\$3,200,000
4.	Turntable		\$ 172,000
5.	Raising Existing Engine House Roof & Install Bridge Crane		\$ 337,000
1.	Cumbres Pass Improvements		\$ 597,800
A.	General Grading, walkways, pads & Landscape	\$ 74,800	
B.	Pavilion with gravel floor	\$145,800	
C.	Amphi-Theater, seating, dance floor	\$193,600	
D.	Bathrooms (septic)	\$108,000	
E.	Well, Generator (if possible solar), lighting	\$75,600	
2.	Antonito Retail Area		\$ 81,000
3.	Osier Solar Power (this needs study)		\$ 99,000
4.	Architect, Engineering, Surveying, Management a part of each phase		
5.	Rail Car Renovation		\$ 500,000
6.	Contingency		<u>\$ 740,000</u>
	<b>Budget Total</b>		<b>\$6,250,000</b>



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” Historic Preservation District – Fee Analysis

Total Ticket Sales	\$3,500,000
Historic Preservation Fees 5%	<u>.05%</u>



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance” Potential Financing Available



Assume

6% Interest Rate

7% Constant

(30 Year Loan)

Debt Service Coverage Ratio – 1.3

Cash Collected

\$175,000

divided by 1.3

Cash Available for financing

\$135,000

Constant

divided by .07

Potential Loan or Bonds

\$1,930,000

Plus Remaining Free Cash Flow

\$40,000



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Goals – Sources of Capital Improvements Cash

• Historic District Fees	\$1,750,000
• Friends of the C&TSRR	\$3,000,000
• New Grants	\$ 1,000,000
• C&TSRR Commission	<u>\$ 500,000</u>
• Total	\$ 6,250,000



# Proposed Capital Improvement Program “Riders, Revenue and Renaissance”



## Proposed Capital Improvements Program

The C&TSRR needs riders now!

The C&TSRR must enhance revenues immediately to gain more independence from tax dollars and charity! The C&TSRR is on the cusp of a Renaissance, a rebirth in its history and spirit. Does it take advantage of the opportunity before it, or do old ways and old politics stop it “in its tracks”. Act now! Do not get so bogged down in unnecessary detail of design and preference that the mission of this great American Treasure dies.

Greatness is within reach.