

# San Diego Daily Transcript

Established 1886

THE BUSINESS DAILY

75¢ Per Copy

Monday, November 24, 2003

## Sandag OKs funds; east-west freight trains will be running soon

By SCOTT LEWIS  
*The Daily Transcript*

SAN DIEGO — Crews have been working for months to refurbish a rusting desert railway and Sandag officials said Friday they made an important move of their own.

They accessed a lot of cash: \$1.6 million, actually — and it's money that has been available for many years. The funds come from a \$10 million account created by the 1998 Transportation Equity Act for the 21st Century. Rep. Bob Filner, D-Chula Vista, secured the money to help develop the railroad and someday help build an intermodal transportation center that could mean far greater shipping opportunities for San Diego businesses and the port.

Sandag, the San Diego Association of Governments, has now become the first entity to draw upon those funds. Michael Hix, Sandag's senior project manager, celebrated the board's decision Friday and said the money will help the railroad get on track.

"It's going to get really exciting in the next couple of months as the trains actually start running," Hix said.

On Dec. 6, local transportation leaders and others will take a ride on the revitalized line and some say revenue shipments of sand and other bulk goods will begin shortly thereafter. R. Mitchel Beauchamp, the manager of **Ferrocarriles Peninsulares del Noreste**, the private Mexican partner in the revitalization process, said he and

others working on the line are "unleashing the furies."

But Beauchamp also scoffed at Sandag's effort to help the partnerships develop a business plan. "We don't need no ... plan, and you can quote me on that," he said. "We just need the bureaucrats to stay out of the way. They've been nothing but a problem since the beginning."

But Sandag also owns the line. When Sandag absorbed the Metropolitan Transit Development Board earlier this year, it also inherited the San Diego and Arizona Eastern Railway. Freight service on the line is available late at night but only between San Diego and Tecate.

The historic railway extends much farther to the east than that though — all the way to Plaster City, Calif., where it could potentially connect with a Union Pacific line and give San Diego an east-west shipping connection. The line dips south into Mexico for 44 miles.

Beauchamp, a former National City councilman, said a functioning east-west rail would reduce shipping rates, and relieve San Diego's dependence on a north-south line to Los Angeles. The company **Carrizo Gorge Railway** owns the rights to operate the Mexican portion of the line and in May 2002, the Metropolitan Transit Development Board gave the company a contract to operate and maintain the railway on the U.S. side as well.

Tom Larwin, Sandag chief deputy executive director, said it's in the public interest not only to support the refurbishment of the line, but to explore what kind of economic stimulus it might have on the region.

"There's no doubt that it will be a viable enterprise," Larwin said. "We are going to be the facilitator from the business point of view to help them establish what markets may be available and to what extent they are available."

Critics, including Rep. Duncan Hunter, R-El Cajon, have repeatedly expressed worry about the international quality of the line and the potential risk for terrorist infiltration or illegal immigration on the line.

That's not a concern, said Hix and Larwin. Trains currently cross the border on a daily basis. The federal funds already available will soon be tapped for an additional Gamma Ray inspection device at the border crossing in Tecate, they said. If anything, future trains crossing the border may just be longer.

scott.lewis@sddt.com  
Source Code: 20031121tba