



State of New Mexico

Office of the Governor

Bill Richardson
Governor

News Release

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Governor Bill Richardson Announces Major Restructuring to Keep Cumbres & Toltec Rolling

SANTA FE, NM -- Governor Bill Richardson of New Mexico and Gov. Bill Owens of Colorado today announced a major restructuring to set the Cumbres and Toltec Scenic Railroad (C&TSRR) on a path to growth and prosperity for northern New Mexico and southern Colorado. Building on the phenomenal results of the 2006 operating season, the governors have jointly initiated a bold governance modification designed to ensure continued growth and success. Under this major new restructuring, all C&TSRR commissioners must have at least five years experience in an oversight role in a major business enterprise.

“A commission with a strong business background will help ensure that this railroad continues to run long into the future,” said Governor Bill Richardson. “This railroad is a major part of the tourism economy of northern New Mexico, and restructuring the commission offers the best means for ensuring competent, professional train management for the future of Chama and Rio Arriba County.”

Governor Richardson appointed Randy Randall of Santa Fe and J. Leonard Martinez of Albuquerque to serve as New Mexico’s members on the restructured board.

A native of Pagosa Springs in Southern Colorado, Martinez is vice president of enterprise transformation for Sandia National Laboratories. Prior to joining the lab in 1995, Martinez served Digital Equipment Corp. in Mexico City as general manager of Mexican operations and as director of manufacturing operations. A resident of Albuquerque, Martinez still has family roots in the Pagosa Springs area – which is in the vicinity of the C&TSRR route along the border.

Randall served as general manager of the Eldorado Hotel in Santa Fe for 10 years. Prior to that, he was a senior vice president of Aircoa Corp., a hotel management company based in Denver, in which post he oversaw Eldorado Hotel operations from the time it opened. He currently is affiliated with a firm with investments and management in hotels and hospitality enterprises around New Mexico. A resident of Santa Fe, he is building a home in the Chama area.

Colorado Gov. Owens appointed Lon Carpenter and Peter Foster. Carpenter of Grand Junction is executive vice president of American National Bank and has served on numerous corporate and non-profit boards. Foster of Durango is a professional engineer and manages the Durango office of Wright Water Engineers, Inc. He has served as project manager for major water rights projects for over a decade and also serves as the Governor's appointee on the Southern Ute Colorado Environmental Commission.

Governor Richardson also praised the outgoing commission for its work over the preceding transition year. Former New Mexico Governor Dave Cargo of Albuquerque and Carl Turner of Santa Fe were New Mexico's previous C&TSRR commissioners. Turner will continue to serve the railroad as legislative lobbyist.

"I want to thank the commission for its hard work and dedication," Governor Richardson said. "Their efforts over the past year were a significant factor in the train's success."

In addition to its commissioner qualifications provisions, the MOU specifies that the tourist and transportation agencies of both states must appoint a liaison to the commission and provide consultation and technical assistance.

Governors Richardson and Owens began discussions concerning the future of the railroad in 2005 in response to the dire financial situation that the C&TSRR was in at that time. These talks led to an additional \$535,000 in funding from the State of New Mexico and \$250,000 from Colorado that helped keep the railroad operating and serving tourists between Chama, NM and Antonito, CO last summer.

After teetering on the edge of not operating during the 2006 summer season, the railroad instead logged a banner year, with a total of 38,460 regular passengers hauled and total revenue of \$2,625,800 banked – a 20 percent increase over the previous year's results.

The scenic line was purchased by the States of Colorado and New Mexico in the early 1970s to preserve a piece of the narrow-gauge steam rail lines that opened the mountainous areas of Colorado and New Mexico to mining and commerce in the 1880s.