



# Testimony

Before the Subcommittee on National Parks and Public Lands,  
Committee on Interior and Insular Affairs,  
House of Representatives

For Release  
on Delivery  
Expected at  
9 a.m. EST  
Tuesday  
October 22, 1991

## NATIONAL PARK SERVICE

# Status of Development at the Steamtown National Historic Site

Statement of  
Keith O. Fultz, Director  
Planning and Reporting  
Resources, Community, and Economic Development Division



---

---

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today as the Subcommittee opens the discussion on the authorization of additional appropriations for the Steamtown National Historic Site in Scranton, Pennsylvania. Concerned about current operations and future development of the site, you asked us to provide information on (1) estimated development costs and federal funds appropriated to date for the site, (2) the extent of hazardous materials and toxic substances on the site, (3) safety at the site, and (4) plans to operate excursion trains from the site.

We found that total site development costs will amount to about \$63 million. This estimate includes constructing a new visitor center, two museums, and an operational locomotive and railroad car turntable. Also included in the estimate is restoration of the railyard, the roundhouse where locomotives will be displayed, and administrative buildings. Not included in site development costs is an estimated \$12 million to restore the locomotives and railroad cars. According to the Site Superintendent, operating funds will be used for such restoration. An additional \$6.4 million for essential track, tunnel, and bridge repairs is also not included in site development costs.

Above-ground hazardous and toxic materials were found at the site. These materials have been isolated, and removal is expected by the end of calendar year 1991. Deep-core drillings to determine the extent of below-ground contamination in the railyard have been taken and are being analyzed. The Park Service has spent about \$900,000 to identify and remove the above-ground materials and conduct the deep-core drillings in the railyard. In addition, another section within the site boundaries also contains hazardous materials. Until comprehensive studies--both above and below-ground--are conducted on this section the extent of any additional problem will not be known and total clean up costs cannot be estimated.

Visitor safety at the site is a primary concern of the Park Service. Because it is an operating railyard there is always the possibility for accidents and injuries. To date, accidents and injuries that have occurred have been minor in nature.

With regard to excursion train operations, only one regularly scheduled excursion trip is currently operating from the site. This excursion is a 58-mile round-trip run from Scranton to Kingsley, Pennsylvania. Plans are underway for a 26-mile round-trip excursion from Scranton to Moscow, Pennsylvania as soon as all the bridges and track on the line are repaired. Park Service officials told us that once the Moscow excursion is operational the Kingsley excursion will be offered only on an occasional basis and the potential for future, regularly scheduled excursions beyond the one to Moscow is remote for the foreseeable future.

Through fiscal year 1991, the Congress has appropriated about \$43 million for the Steamtown National Historic Site. The Park Service estimates that once development of the site is completed, operating costs will be about \$6.5 million annually. Before getting into the specific details of our work, I would like to briefly describe Steamtown.

#### BACKGROUND

The Steamtown National Historic Site was established by Public Law 99-591 on October 30, 1986. The boundaries of the site encompass about 63 acres of land that formerly comprised the Delaware, Lackawanna and Western railyard in downtown Scranton. The site is managed by the Department of the Interior's National Park Service. The management goals and objectives for the site are to

- provide a setting that recalls steam railroading while retaining the historic working character of the railyard;

- provide sufficient year-round facilities and programs so that visitors can understand the role of steam railroads in the growth of the nation while also providing hands-on, active experiences, including riding a steam train;
- preserve and/or restore steam locomotives and railroad cars at the site for exhibition, interpretation, and excursion; and
- use the site and rail-related artifacts to explain and emphasize the cultural/industrial heritage of the region.

The enabling legislation for the Steamtown National Historic Site expressly authorized the Park Service to acquire property through donation. The locomotives and other railroad cars at Steamtown were originally assembled by a private collector and displayed in Vermont. When this individual died, a private non profit organization--the Steamtown Foundation for the Preservation of Steam and Railroad Americana, Inc.--was established to preserve the collection. The collection continued to be housed in a remote and not heavily visited area of Vermont that experienced fairly severe winters. Because of a lack of local support, the Foundation began looking for an alternative site for the collection in the 1980s. In 1984, the City of Scranton offered the Foundation the Delaware, Lackawanna and Western railyard, and the collection was moved to Scranton.

The Steamtown Foundation intended to exhibit steam era locomotives and railroad cars in a museum setting. It also offered an excursion train ride between the railyard and Moscow, Pennsylvania. Following the bankruptcy of the Steamtown Foundation, the locomotives and railroad cars were acquired by the City of Scranton and Lackawanna County. Subsequently, 35 locomotives and 78 railroad cars, valued by the Foundation at about \$930,000, were donated to the Park Service. As of October 1, 1991,

the City of Scranton has acquired and is in the process of donating about 43 of the 63 acres of land within the site's boundaries to the Park Service. The 43 acres are valued at about \$1 million. The city is also in the process of acquiring the remaining 20 acres; when it does, this land will also be donated to the Park Service.

The enabling legislation also required the Park Service to prepare a comprehensive management plan for developing the site. This plan, completed in March 1988 and refined in August 1989, includes construction of a new visitor center, two new museums, and a new turntable. Also included in the plan is restoration of the railyard, roundhouse, and other administrative buildings. As you requested, we have brought along several visuals which depict the site at various points in time and examples of the donated locomotives and railroad cars.

#### DEVELOPMENT COSTS AND APPROPRIATIONS

According to information provided by the Site Superintendent total site development costs will amount to about \$63 million. Included in this amount is \$9 million for planning and design and \$54 million for construction. Major construction projects, estimated to cost about \$41 million, include the roundhouse and turntable, new museum buildings and visitor center, exhibits and film production, a locomotive repair facility, site entry and visitor parking areas, and administrative facilities. The remaining \$13 million in estimated construction costs is for items such as repairing excursion line bridges; restoring the gas house, which will provide heating and air conditioning to the site; and constructing train sheds. Appendix I shows a detailed listing of site development costs.

Not included in the \$63 million development cost estimate is the cost to restore the locomotives and railroad cars, now

estimated at about \$12 million. The Site Superintendent expects to cover this cost from site operating funds, which for fiscal year 1995 and beyond are estimated to be about \$6.5 million annually. Through fiscal year 1991, about \$43 million has been appropriated for the site.

#### HAZARDOUS AND TOXIC MATERIALS

Because the site was a working railyard, the Park Service recognized that hazardous and toxic materials could exist on-site. The Park Service contracted for studies in 1987 with the Environmental Protection Agency (EPA) and in 1991 with a private contractor to identify the types and amounts of hazardous and toxic materials within the site boundaries and to recommend disposal methods. Park Service costs to date for environmental assessment, clean up of identified above-ground hazardous and toxic materials, and deep-core drillings to identify below-ground contamination have totaled about \$900,000.

The EPA study found evidence of contaminated soil, polychlorinated biphenyls (PCBs) from leaking transformers and other electrical devices, asbestos in pipe and locomotive boiler insulation, and containers holding unknown substances. According to the Park Service, EPA did not consider the contamination serious enough to warrant stopping site construction or visitor activities. The private contractor has cataloged about 300 containers including thirty-six 55-gallon drums. A site official told us that the contaminated materials, including about 3,600 cubic yards of contaminated soil, will be removed from the site by the end of calendar year 1991.

The extent of below-ground contamination, if any, is not known. The private contractor has conducted deep-core drillings (to depths of 30 to 40 feet) to determine the extent of below-ground contamination in the railyard section of the site. The

results of these drillings are expected to be available by the end of calendar year 1991.

In addition, a preliminary environmental survey by the private contractor disclosed above-ground contamination in a separate section within the site boundaries where the Park Service plans to construct the visitor entrance and visitor parking areas. The land currently contains a plastics plant. Until below-ground studies and comprehensive surveys of the plant are conducted, the extent of the problem will not be known and total clean up costs cannot be estimated. These studies and surveys will not be conducted until the plastics plant is moved.

#### SITE SAFETY

Visitor safety is a primary concern at the site because it is a working railyard as well as a construction site. Upon entering the site, all visitors are given a basic safety orientation by park rangers. While visitors are allowed free access to the recreational portion of the site and the exhibits, they are not allowed unrestricted access to the working railyard and construction areas. Access to these areas is by escort only. When the site is completed, catwalks and designated walkways will isolate visitors from the working areas that demonstrate the repair and restoration of locomotives and railroad cars.

Currently, 24-hour per day security is maintained within the site by 10 Park Service protective rangers who also investigate and report on accidents and incidents within the site. Visitor accidents and incidents to date have been minor including bee stings, ashes in the eye, and bruised knees.



## EXCURSION OPERATIONS

The Park Service currently operates a 58-mile round-trip excursion on weekends from Scranton to Kingsley, Pennsylvania, and, on occasion, longer trips. The Kingsley excursion operates each Friday, Saturday, and Sunday between July and October of each year. Tickets for this 3-hour excursion are \$10 for adults and \$6 for children. The D&H Corporation owns the track; operates the line under a contract with the Park Service using licensed, union personnel in the locomotive; and provides liability insurance. The Park Service provides the locomotive and railroad cars, sells the tickets, and provides interpretive demonstrations during the excursion. Revenues from ticket sales are used to offset the cost of the excursion which total about \$60,000 per month. Since the first full year of operations in 1989 through September 1991, about \$267,000 of Park Service site operating funds have been used to offset the difference between excursion revenues and costs.

Current Park Service plans include a 26-mile round trip excursion from Scranton to Moscow, Pennsylvania. This 1-hour excursion, when operational, is viewed by site officials as a "bread and butter" excursion because it can be marketed for about \$5 per adult ticket and \$3 per child. Informal surveys done by Park Service officials indicate that this is an optimum combination of ticket prices and running time. Once the Moscow excursion is operational, Park Service officials anticipate that the Kingsley excursion will be offered only on an occasional basis. The rail line to Moscow is owned by the Lackawanna County Railroad Authority, and the Superintendent told us that the Moscow excursion will be operated on a contractual basis similar to the Kingsley excursion.

Currently, the Park Service cannot use the Moscow line because of unsafe track and bridges. The Park Service has spent about

\$860,000 to repair 10 of the 13 miles of track along the line and the Site Superintendent is requesting an additional \$1.4 million to repair 10 bridges that will be used by the excursion train. Also, in order to use this line, about \$2.5 million will be needed to repair a tunnel and another \$3 million will be needed to repair a bridge which is used to control train traffic in and out of the site railyard. The Superintendent said that funding for these repairs would be the responsibility of the Lackawanna County Railroad Authority, the owner of the line. A Lackawanna County Railroad Authority official believes funding for these repairs can be obtained. However, the specific sources of such funding were not identified.

In addition to the Moscow excursion, there have been a number of proposals for excursions beyond Moscow. These include excursions between Moscow and Pocono Summit, Pennsylvania; Pocono Summit and East Stroudsburg, Pennsylvania; and East Stroudsburg to Port Morris, New Jersey. None of these excursions are included in present site plans, nor has funding been requested for any aspect of these proposals. The Site Superintendent said that the feasibility of any of these proposals is contingent upon a multitude of economic, environmental, and track ownership issues being addressed by various federal, state, and local authorities. The Site Superintendent also said that Park Service involvement in running these excursions on a regular basis seems remote for the foreseeable future.

- - - - -

In summary, our work raises several issues concerning the development and operation of the Steamtown National Historic Site. First is the issue of costs, particularly the costs that are not included in the current \$63 million development estimate. For example, the restoration costs of the locomotives and railroad cars--currently estimated at \$12 million--will be significant and

if site operating funds are to be used for this purpose the Park Service will have to seek authorization to reprogram these funds.

Second, the extent and costs to clean up any below-ground contamination that may be found either in the railyard or at the plastics plant is not known. Serious contamination in the plastics plant area could be significant since this is where the Park Service plans to construct the entrance to the site as well as visitor parking facilities.

Third, excursion operations have always been an important aspect of planning for the site. However, the current excursion operates at a deficit. Plans for what the Park Service considers its major excursion are also uncertain because of needed tunnel and bridge repairs--an estimated \$6.9 million--which have yet to be funded.

These uncertainties raise questions about the reliability of the \$63 million estimate to complete site development, identification and disposal of hazardous and toxic wastes, and the feasibility of the planned excursion lines.

Mr. Chairman, this concludes my prepared statement. We will be happy to respond to any questions you or other Members of the Subcommittee may have.

STEAMTOWN NATIONAL HISTORIC SITE  
DEVELOPMENT COSTS

Dollars in thousands

<u>Construction projects<sup>a</sup></u>	<u>Expended from appropriations through FY91</u>	<u>Estimated future appropriations FY92 and beyond</u>	<u>Total</u>
Roundhouse/turntable	\$ 11,856	\$ 0	\$ 11,856
Museums/visitor center	5,401	0	5,401
Locomotive repair shop	705	3,405	4,110
Administrative facilities <sup>b</sup>	2,189	1,300	3,489
New site utilities	1,425	536	1,961
Gas house rehabilitation	701	0	701
Day labor <sup>c</sup>	1,260	1,156	2,416
Exhibits/film production	0	8,427	8,427
Entry roads/visitor parking	0	7,219	7,219
Storehouse rehabilitation	0	2,500	2,500
Bridge/track repair	0	2,182	2,182
Various railyard features <sup>d</sup>	0	1,450	1,450
Mall connection	0	1,054	1,054
Passenger depot	0	750	750
Train sheds	0	700	700
Maintenance-of-way building	0	190	190
Total Construction <sup>e</sup>	<u>\$ 23,537</u>	<u>\$ 30,869</u>	<u>\$ 54,406</u>
Planning/design	<u>7,406</u>	<u>2,013</u>	<u>9,419</u>
Total development costs	<u>\$ 30,943</u>	<u>\$ 32,882</u>	<u>\$ 63,825</u>

<sup>a</sup>Includes new construction and rehabilitation of existing structures. Not included in this listing are development costs of \$6.2 million, which includes \$3.5 million in construction and \$2.7 million in planning and design costs expended from Steamtown's FY87 appropriation. The construction funds included about \$2.2 million to re-roof two buildings and about \$860,000 to repair 10 miles of track between Scranton and Moscow, Pa.

<sup>b</sup>Administrative facilities include the office and storage areas, which are contained in one building.

<sup>c</sup>Day labor costs are funds allocated to the site for small projects such as hazardous waste cleanup and the fabrication of unique locomotive parts.

<sup>d</sup>These features include a coal tipple, sanding facility, water tower, cinder pit, switch tower, and various related facilities.

<sup>e</sup>Includes contract supervision and contingencies.





---

---

**Ordering Information**

**The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.**

**U.S. General Accounting Office  
P.O. Box 6015  
Gaithersburg, MD 20877**

**Orders may also be placed by calling (202) 275-6241.**

---

**United States  
General Accounting Office  
Washington, D.C. 20548**

**Official Business  
Penalty for Private Use \$300**

**First-Class Mail  
Postage & Fees Paid  
GAO  
Permit No. G100**

---