

Response of the Kansas Department of Transportation
To Recent Testimony to the Senate Transportation Committee from
The Northern Flyer Alliance

The following are selected responses to testimony to the Kansas Senate Transportation Committee made by Mr. Mark Corrison, representing the Northern Flyer Alliance regarding a passenger rail Service Development Plan and future efforts to expand passenger rail service in Kansas.

1. In Mr. Corrison's testimony he stated "We learned over the weekend that the BNSF railroad is preparing TIGER IV grant applications for improvements on this corridor, precisely because this is an important corridor." Mr. Corrison also stated later that, "BNSF plans to seek TIGER IV funding for their current shovel ready construction projects." KDOT staff spoke with BNSF officials regarding any plans to apply for or support a TIGER IV application for construction projects on this corridor on Tuesday, February 14, 2012. BNSF stated that they have no plans to apply for any TIGER IV funding on this corridor.
2. Also in Mr. Corrison's written testimony he states "The original cost of service development identified in the Service Development Plan was calculated almost two years ago." KDOT can add clarification to this statement regarding costs used. The original costs were calculated almost two years ago in the Amtrak Feasibility Study. The Service Development Plan took the numbers from the Amtrak Feasibility Study and further refined them using more up to date and detailed information to calculate the costs presented in the Service Development Plan. The costs presented in the SDP are in 2011 dollars and reflect more detailed analysis of the project.
3. In the testimony it is stated that KDOT should prepare a group of states request from Kansas and Oklahoma for capital improvements for which the BNSF Railway would be responsible as well as a request for environmental and preliminary engineering work with a 50/50 federal/state match. We are unable to duplicate the figures in Mr. Corrison's testimony regarding the estimated cost for the work or Kansas' potential share of that expense. If the intent is to apply for federal funding to complete all environmental work and preliminary engineering for the Heartland Flyer Extension option, the SDP estimated that work to cost \$18 million so a 50% state match would be \$9 million. KDOT does not currently have a commitment from Oklahoma to share in any costs for this project so Kansas may need to be prepared to provide the entire \$9 million in matching funds plus any shortfall in federal funding. If the intent is to apply for funding to complete all environmental work and preliminary engineering for the KC-OKC-FW daytime service, that work is estimated to cost \$49 million. Since staff at the Texas DOT has indicated their highest priority is for passenger rail service to South Texas, it is possible Kansas would also need to fund the entire nonfederal amount for that work as well (\$24.5 million plus any shortfall in federal funding). Additionally, Mr. Corrison stated that "any funds put into the revolving fund won't be obligated until a grant is awarded and the project completed over several years." Actually, reimbursement to the consultant would begin shortly after work on the project begins and would continue until after the work is completed.

4. Mr. Corrison also stated that “there is a fair possibility that the NEPA study on this corridor may qualify for what is called a “categorical exclusion” because of the existing rail system” In a recent email from Catherine Dobbs, an official with the Federal Railroad Administration, she clarified that while there can be categorical exclusions (CE) for minor rail line additions (spurs, additional tracks, etc.) there is no CE for service improvements. Thus, while the improvements that need to occur may themselves qualify for a CE, the service itself is not eligible for a CE.

The following is KDOT’s response to some of the answers provided by the Northern Flyer Alliance (NFA) to questions raised during KDOT’s presentation on January 25th:

1. In response to a question regarding the effect of stops on the schedule and travel time of a passenger train, the NFA indicated the effect would be very minor. While the average stop time at a station is only 5 minutes, the total number of stops has a direct effect on the schedule and travel time of a passenger rail service. If there are too many stops, the schedule will be slowed and travel time will increase. If the travel time by train is too long compared to automobile travel, a number of riders will opt to travel by car instead. KDOT collaborated with Amtrak when determining the number and locations of proposed station stops so that the service would remain competitive with automobile travel.
2. In response to a question regarding the Benefit-Cost analysis for the corridor the NFA stated that the Benefit-Cost ratio for the combined service was 0.88. The testimony went on to say that a ratio of 0.88 is very high. The B/C for the combined service was actually calculated to be 0.83 (assuming 30% for contingencies). The B/C for the Heartland Flyer Extension was calculated to be 0.88 and the B/C for the KC-OKC-FW daytime service was calculated to be 0.61. KDOT was provided information regarding benefit-cost ratios for studies of other passenger rail services by our consultant (PB) to provide some perspective to the ratios that were determined in our study. The following is the information we were provided:
 - a. Chicago-Iowa City: B/C = 1.7
 - b. Midwest Regional Rail initiative: B/C = 1.46
 - c. New Haven-Springfield: B/C = 1.04
 - d. California: B/C = 1.6
 - e. Massachusetts: B/C = 1.8
3. In response to a question about the meaning of legislative commitment NFA’s response indicates that the legislature authorized KDOT to apply for federal matching grants through the revolving fund. The testimony goes on to say that the transportation committees should be able to satisfy the legislative commitment requirement by directing that funds from the Comprehensive Transportation Plan be placed in the passenger rail revolving fund. KDOT is opposed to the use of funding pledged for TWORKS projects being redirected from the State Highway Fund to the passenger rail revolving fund to fund passenger rail projects or service. All of the currently identified T-WORKS funds are directed to projects. Any re-direction of SHF revenues would have to come from already planned projects. T-WORKS was built on long-term revenue projections, and projects were identified and planned under the assumption that KDOT would

continue to receive those revenues. KDOT does not typically schedule projects unless funding for the entire project is identified and committed.

In an email from Deborah Fisher-Stout to Chairs and members of the Senate Transportation Committee and members of the Ways and Means Transportation Subcommittee Ms Stout asked Senate Transportation and Ways and Means to direct KDOT to move forward with a federal TIGER application for rail improvements identified in the State Rail Plan that are also supported by the passenger rail Service Development Plan. Of the two projects identified by Ms. Fisher-Stout, the improvement to upgrade grade crossings on the BNSF railroad between Newton and the Oklahoma state line would most likely be considered as a categorical exclusion for environmental review and could be ready for construction quicker than the other improvement (double tracking selected locations between Newton and the Oklahoma state line). This is important since TIGER funding is heavily weighted to projects that are ready to go or "shovel ready." KDOT staff has contacted BNSF officials to ask if they would be supportive of a TIGER application for this work.

KDOT is prepared to submit a TIGER pre-application for work in Kansas to make improvements to grade crossings on the BNSF railroad between Newton and the Oklahoma state line if the BNSF Railroad is supportive. The SDP estimated this work would cost \$4 million. For the TIGER application to be competitive, it is recommended that a 20% (\$800,000) nonfederal match be provided. It is requested that the Kansas Legislature provide the funding for this match from a source other than the State Highway Fund.

