

Dwight D. Eisenhower State Office Building
700 S.W. Harrison Street
Topeka, KS 66603-3745
Mike King, Secretary

Kansas
Department of Transportation
Office of the Secretary

Phone: 785-296-3461
Fax: 785-296-1095
Hearing Impaired - 711
publicinfo@ksdot.org
<http://www.ksdot.org>

Sam Brownback, Governor

**TESTIMONY BEFORE
2012 SPECIAL COMMITTEE ON TRANSPORTATION
REGARDING THE HEARTLAND FLYER EXTENSION
AND NEW SERVICE BETWEEN
FORT WORTH TEXAS AND KANSAS CITY MISSOURI**

October 29, 2012

Mr. Chairman and Committee Members:

Last session, Kansas Department of Transportation (KDOT) representatives presented the findings of the Service Development Plan (SDP) that analyzed extending the current state-sponsored Heartland Flyer service from Oklahoma City to Newton. The SDP also studied a new service option from Fort Worth, Texas to Kansas City, Missouri. A map of the studied options as well as the cost matrix developed from the SDP is attached for your information.

Although the SDP included the Federal Rail Administration preferred economic impact methodology, KDOT was asked to also do an analysis of the economic development impact of the two options. KDOT performed an analysis using our TREDIS transportation economic impact analysis model, using information provided to the agency by the station stop cities. This methodology allows the locals to give the state a ground look at the economic potential that would result as a result of investment in the new service for each of the impacted cities. The TREDIS model, designed to analyze both modal and highway transportation projects was used to determine economic impacts of all the highway expansion projects that were considered for T-WORKS selection. A summary of the analysis is attached.

The next step in developing the Heartland Flyer extension project would be to conduct two required National Environmental Protection Act (NEPA) analyses for the service and the track improvement projects, and also complete some preliminary engineering work. The estimated cost for the two NEPA analyses and enough preliminary engineering work to conduct the environmental reviews would be \$5.3 million. Kansas' share of this cost is estimated to be approximately \$3 million.

In order to continue developing either project, agreement would need to be reached with Oklahoma and the other impacted states. KDOT Secretary Mike King has had two conversations with the Oklahoma Transportation Secretary, Gary Ridley to discuss these projects. He has affirmed in both conversations that that Oklahoma has other priorities for its limited resources and is unable to invest in this work at this time.

During the interim, KDOT has also had several conversations with City of Wichita representatives regarding their continued interest in pursuing passenger rail service. An opportunity was presented to Wichita officials to join a TX/OK study. After analyzing that option it was determined that some of that work had already been conducted through the SDP. Because joining the TX/OK study would be redundant of the work already completed and it would be more costly to the state, this option was not pursued.

KDOT will continue to discuss the viability of this project with Oklahoma and other stakeholders as funding opportunities are identified.

Kansas Expanded Passenger Rail Cost Estimates

Estimated Costs (\$M - 2011 Dollars)

Based on estimates in Service Development Plan (SDP)

*No infrastructure improvements are expected in Missouri

TOTAL COSTS - Includes track improvements, grade crossing improvements, Newton layover facility (HFE and CSO only), PE and NEPA (soft costs), contingencies and equipment (trainsets)

100% non federal funds (FULLY state supported)

	Kansas	Oklahoma	Texas	Total
Heartland Flyer Extension	75.64	60.86	0.00	136.5
KC-OKC-FW Daytime Service	139.16	178.70	118.34	436.2
Combined Services	175.10	181.51	118.34	475.0

With 80% Federal Funds - if federal funds are available and application is approved for full 80%

	Kansas - 20%	Federal - 80%	Oklahoma - 20%	Federal - 80%	Texas - 20%	Federal - 80%	Total
Heartland Flyer Extension	15.13	60.51	12.17	48.69	0.00	0.00	136.5
KC-OKC-FW Daytime Service	27.83	111.33	35.74	142.96	23.67	94.67	436.2
Combined Services	35.02	140.08	36.30	145.21	23.67	94.67	475.0

Estimated Annual Operating Subsidy

\$Millions - 2011 Dollars (Federal Funding is not available for operating expenses) - based on percentage of track miles in each state

	Kansas	Oklahoma	Texas	Total
Heartland Flyer Extension	1.80	2.60	0.00	4.40
Track miles %	41%	59%	0%	
KC-OKC-FW Daytime Service	4.70	4.10	1.20	10.00
Track miles %	47%	41%	12%	
Combined Services	6.44	5.62	1.64	13.70