



# Minnesota Passenger Rail Program Update



*presented by:*

Minnesota Department of Transportation

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*Your Destination...Our Priority*





# Presentation Overview

- Passenger Rail Development Activities Update
  - Milwaukee to Twin Cities Tier 1 Environmental
- MN Passenger Rail Corridors - Cost/Benefit Analysis
- Governance and Funding Project
- Questions





# Passenger Rail Development Activities Update

- Twin Cities to Chicago HSR Corridor
  - Awarded ARRA funds late February
    - \$1.2 million Tier 1 Environmental Impact Statement (EIS) Milwaukee To Twin Cities
  - Negotiations with FRA
    - statement of work, public involvement plan, contract issues
    - information prepared by the MWRRI
  - Cooperative agreement with Wisconsin
  - RFP release the week of November 1 or 8, 2010





# Twin Cities to Milwaukee High Speed Rail Corridor Tier 1 EIS Study

- “Tiered EIS objective is to evaluate potential intercity passenger rail route alternatives at the corridor level and will result in a service development plan for the corridor.” (FRA Notice of Intent, November 2010)
- Alternatives to be evaluated and analyzed in the EIS:
  - No Build alternative
  - Steel wheel on steel rail high speed train service



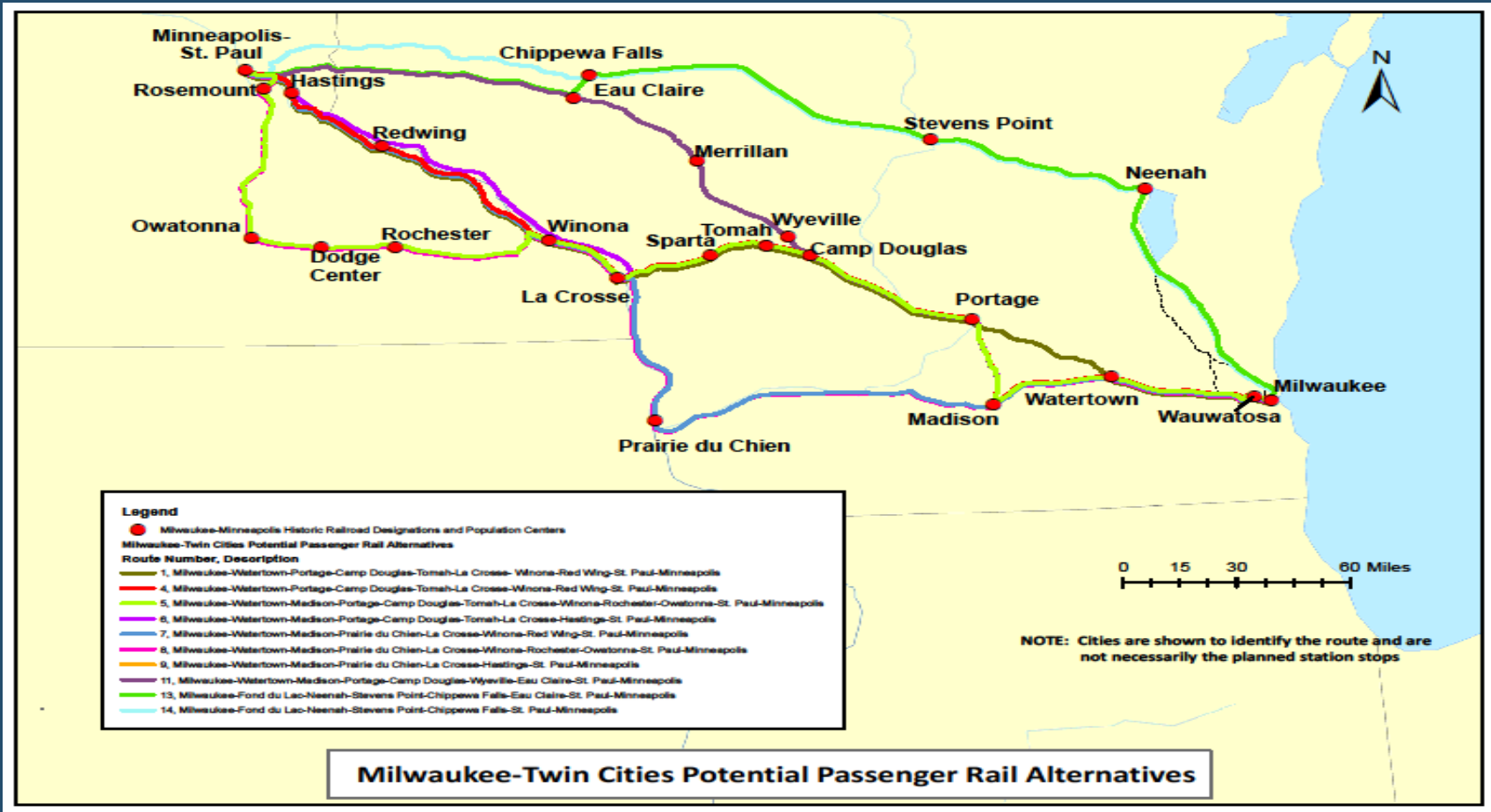


# Twin Cities to Milwaukee High Speed Rail Corridor Tier 1 EIS Study

- Tied to MWRRI Objectives:
  - Use existing R/W to connect rural, small urban and major metropolitan areas
  - Improve safety, reliability and on-time performance
  - Provide a transportation choice where there is no commercial air service
  - Improved travel times that are competitive with the auto
  - Modern equipment operating at speeds up to 110mph.



# Ten Routes Being Evaluated as “Build Alternatives”





# Public Input and Agency Scoping Process

- Public Agencies
  - Eau Claire, St. Paul - 11/17
- Public Involvement meetings
  - St. Paul - 11/17
  - Rochester - 11/18
  - La Crosse - 11/30
  - Eau Claire - 12/1
  - Fond Du Lac - 12/2
  - Madison - 12/6
  - Milwaukee - 12/7
- Purpose
  - Share process information
  - Evaluation criteria
  - Receive comments and suggestions
  - Identify significant issues
- Advertised locally
- Additional rounds of meetings in early 2011





# Twin Cities to Chicago Project Timeline \*

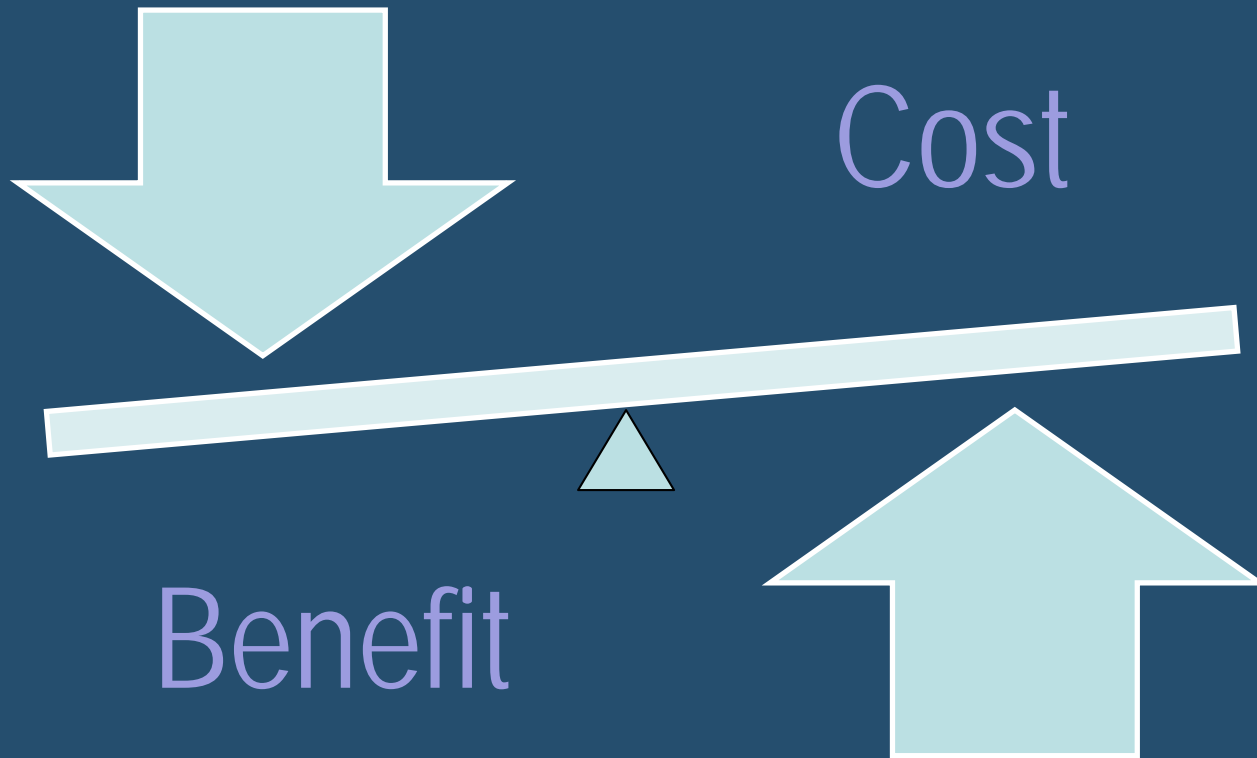
- Milwaukee to Twin Cities Segment:
  - Tier 1 environmental documentation 2010 - 2011
  - Tier 2 EIS / Preliminary Engineering 2011 - 2013
  - Design/ Construction 2013 – 2015
- Twin Cities to Chicago Service begins - 2015 - 2016

\*

Subject to funding availability, successful negotiations with railroads, securing necessary federal approvals, minimal environmental mitigation factors, ability to secure necessary R/W, identified operating and maintenance funding, equipment availability, and continued legislative support.



# MN Passenger Rail Corridors - Cost/Benefit Analysis





# Multiple Necessary Assessments

- Cost-Benefit Ratio
  - Direct transportation benefits to project costs
- Economic Impacts
  - Jobs
  - Economic Development
- Policy
  - Mobility, Connectivity, Modal Alternatives
  - National Security
  - Economic Competitiveness





# Cost-Benefit Analysis

- Places value on direct Transportation Benefits
- Compares as ratio to Project Costs
- Costs Include:
  - Capital Investments; ROW, rail, train sets
  - Annual operating costs
  - Residual Value
- Costs, Benefits expressed, compared in Net Present Value terms

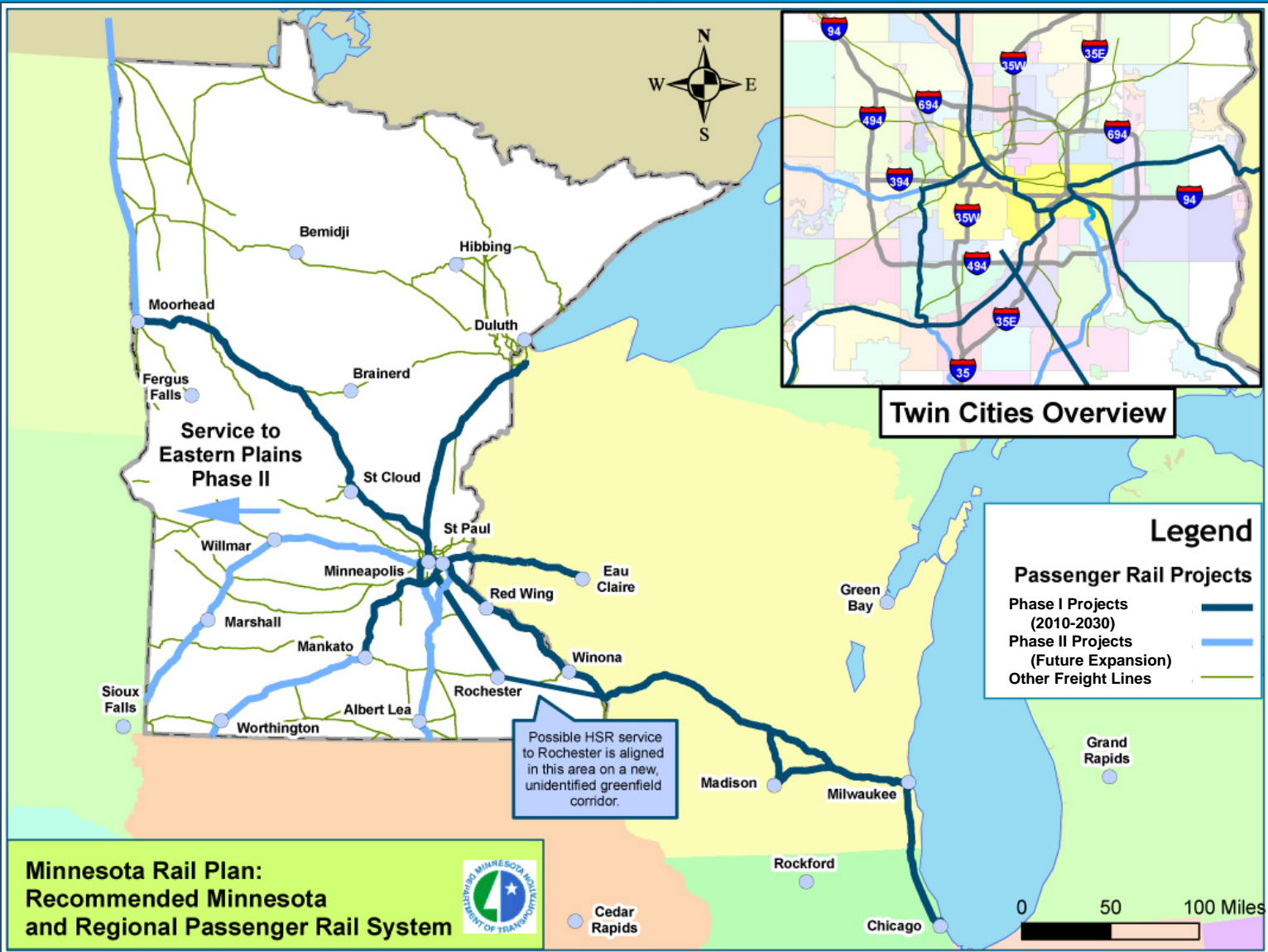




# Rail Improvement Benefits

- High speed passenger rail, 100-500 mile length, offers improved travel time, capacity, reliability, predictability in major corridors
- Positive benefits for energy use, environmental impacts, economic development, jobs, land use, modal and transit connections
- Positive return on investment, 1.5-2.5 times more than cost
- Bridge, bottleneck, track upgrades to handle 25 mph/286K freight minimums, HSR system improve MN competitiveness
- Improving rail options, expanding intermodal capacity saves roads & complements capacity of road, waterway, air, and public transit systems







# Rail Plan Passenger Corridors

- Chicago ➤ 110 mph, 8 RT
- Duluth ➤ 110 mph, 8 RT
- Eau Claire ➤ 79-90 mph, 4 RT
- Fargo ➤ 79-90 mph, 2 RT
- Mankato ➤ 79-90 mph, 4 RT
- Rochester ➤ 110 mph, 8 RT
- St. Cloud ➤ 79-90 mph, 8 RT





# Cost / Benefit Matrix

- Direct Costs

- Infrastructure (shared/full)
- Rolling Stock
- Capacity Rights
- Annual Passenger O&M

- Direct Benefits

- State of Good Repair
- Economic Competitiveness
- Sustainability
- Safety
- Permanent Jobs
- Temporary (Constr.) Jobs



# Direct Benefits

- Travel time savings
- Congestion reduction
- Operating cost benefit
- Alternate mode cost savings
- Safety
- Fuel savings
- Environmental impacts





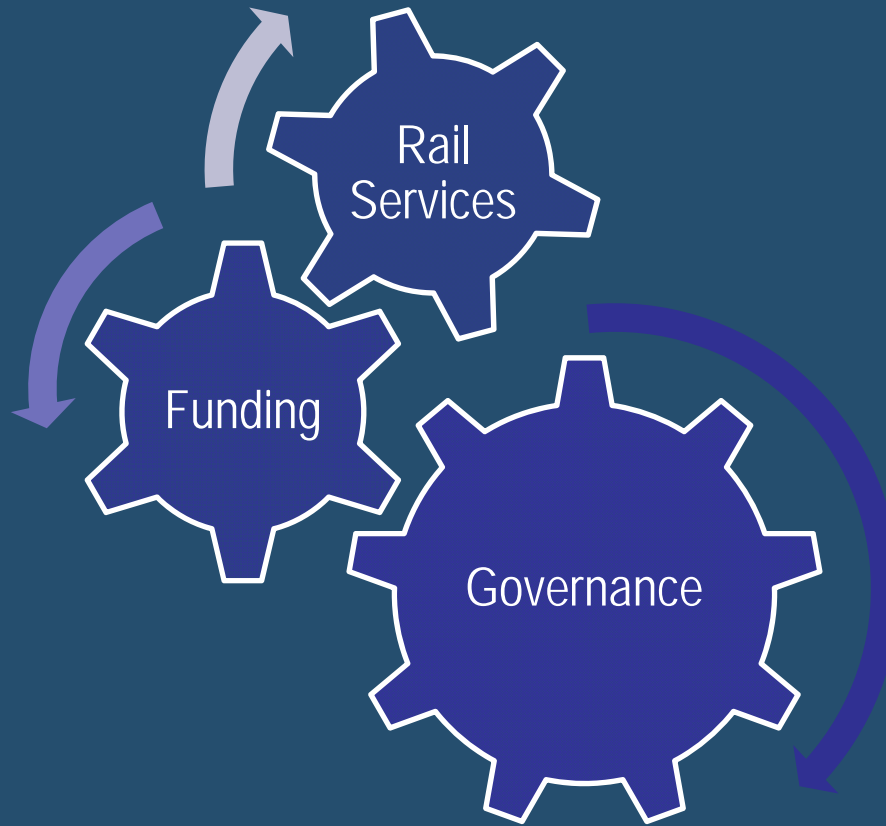
# Induced Benefits

- Employment Gains (quantified by forecasts)
  - Construction Jobs
  - Permanent Jobs
- Economic Development Impacts (variable)
  - Station area development
  - Tourism & service industries, rail manufacture
  - Secondary transportation & connections
  - Net improvement over normal econ development
  - Highly dependent on local involvement





# Governance and Funding Project





# Governance and Funding

- No formal governance structure or sustainable funding sources for passenger rail in Mn.
- What structure is necessary to build and operate a nine-state system?
- What are the roles of the various interests (local, county governments, railroads, advocates)?
- What funding options exist to implement state supported services?





# Governance

- Governance model unique to Minnesota
  - Statutory, constitutional regulatory issues
- Roles of internal partners
  - State – design, build, secure equipment, rail negotiations
  - RRAs and local governments – advocacy, momentum, station area planning and economic development
- Relationship to partner states of the MWRRI
  - Cross route subsidization, shared equipment



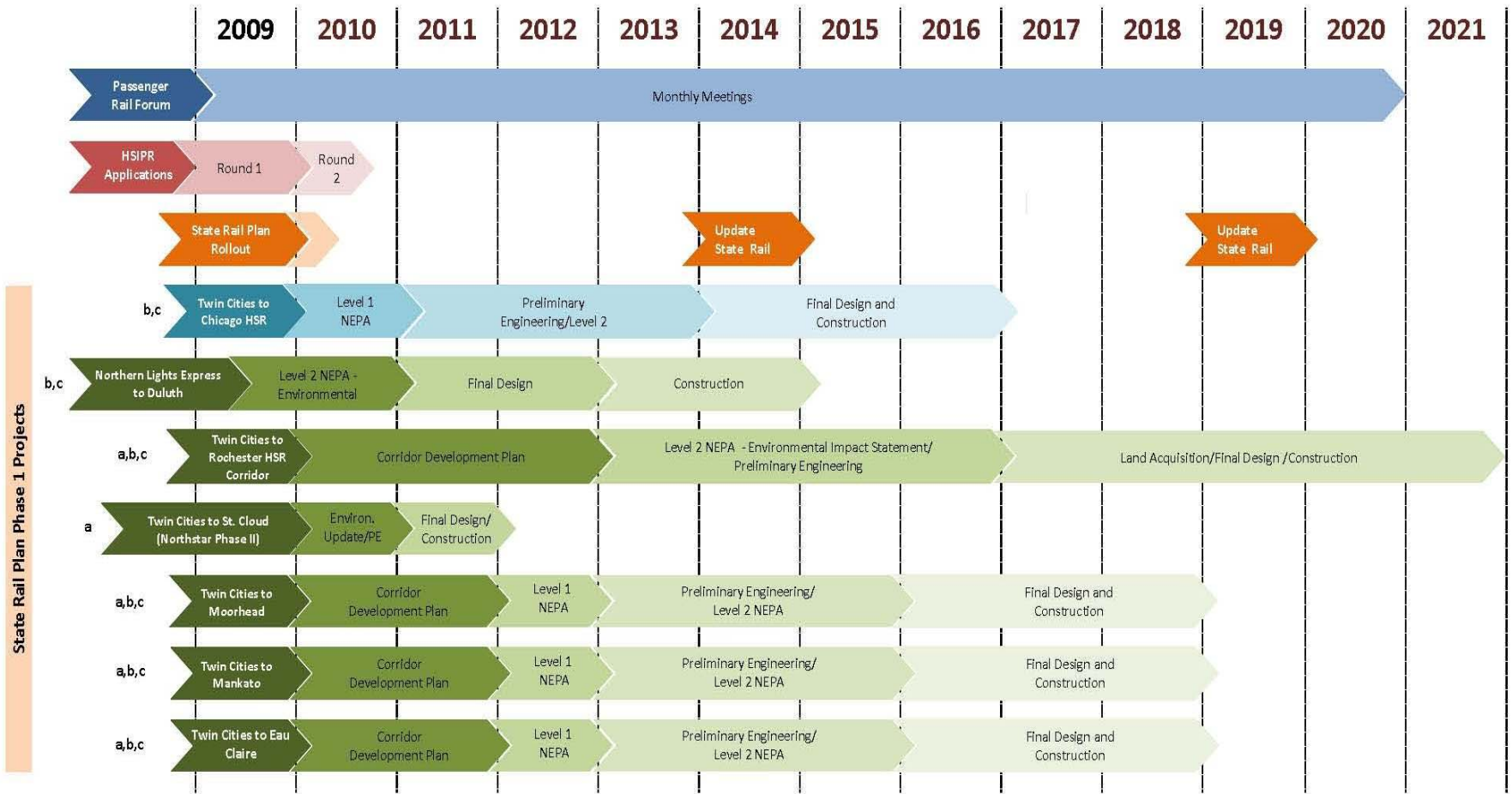


# Funding

- Capital vs. operations and maintenance
  - No federal operating assistance
- Funding tools and strategies
  - Best practices
  - Methods currently
- Necessary legislative actions
- Interim funding strategy



## Passenger Rail Development Activities Timeline - DRAFT



State Rail Plan Phase 1 Projects





# Governance and Funding

- Passenger Rail Forum -Workshops on 11/8,12/13
- Mn/DOT Mgmt. Team input
- Summary documents, Final Report
- New administration / legislative leaders briefing
- Work completed by 1/31/11
- Status
  - 5 proposals received, reviewed and consultant selected
  - Cambridge Systematics under contract
  - Initial staff /consultant mtgs. underway



# Questions ?

