

ON TRACK

The E-Bulletin of the Michigan Association of Railroad Passengers

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The Michigan Association of Railroad Passengers, Inc. (MARP) is a 501 (c)(3) non-profit corporation established in 1973 to improve passenger train service, travel conditions for passengers, and to work for the preservation of historic rail stations.

Monthly meetings are held at locations around the state. Check the website for dates and venues. The public is invited to attend.

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2017 MEETINGS

ON TRACK Editor, Kay Chase

14 January – REO Town Depot (former Grand Trunk Depot), Lansing

18 February – 1st Methodist Church, Kalamazoo

18 March – Clinton Northern Railway Museum, St. Johns

22 April – Grand Trunk Pub, Detroit

13 May - Chicago Union Station

June - Executive Committee

July - TBA

August - Bangor

23 September –Annual Meeting at Durand Union Station

October - tentative Grand Rapids

November – tentative SE Michigan

December – Executive Committee

Visit <u>www.marp.org</u> Email marprail@yahoo.com

Governor Snyder Touts \$1.2 Billion in New Transportation Revenues

Governor Rick Snyder presented his **FY 2018 Budget Proposal** to the legislature on 8 February. This is the first full-year budget to incorporate changes in transportation funding approved by the legislature in 2015 and Includes a \$214.3M increase over FY 2017 levels for state and local roads, and a \$15M increase for transit and rail programs. Specific line items include: transit capital (\$5.5 million), rail operations and infrastructure (\$7.6 million), and intercity services (\$1.8 million). These funds will support signal and safety-related improvements on the Detroit — Chicago rail corridor and enhanced intercity bus services, as well as provide match funding for critical local transit projects. Also included is \$2M in new Federal Transit Administration grants for transit vehicles, facilities, planning, and operating assistance in rural areas.

Looking toward the next three budget cycles, the Governor's **slide presentation** trumpets \$1.2B in new transportation revenues (see chart on next page). However, it is instructive to consider the sources of these new revenues. Per gallon increases of 7.3-cents and 11.3-cents in gasoline and diesel fuel taxes, respectively, went into effect on New Year's day this year (did anyone notice?). Vehicle registration fees have increased 20% and owners of hybrids and electrics are now assessed surcharges of \$30 or \$100, respectively.

A significant change is evident when you look at the chart on the next page. By the year 2021, almost half of the "new" revenue will come from income tax collections. Not because the income tax is being raised (there is actually talk of lowering the income tax), but because state general fund spending is being "reprioritized", moving money from one pot to another.

It has been pointed out that this \$1.2B in new transportation funding is less than the \$2B that analysts said was necessary several years ago when the legislature began looking seriously at the issue. More recently, the **Michigan 21st Century Infrastructure Commission** submitted a report to the Governor which forecasts annual funding gaps of \$2.7B in the

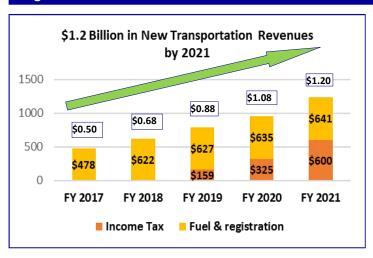
(REVENUES continues on next page)



MARP Member Meeting

Saturday, February 18
10:30 am – Noon
First United Methodist Church
212 South Park St., Kalamazoo MI 49007
Map & Directions

Railroad historian Mark Tomlonson will take us on a virtual train trip from Kalamazoo to New Orleans in 1916. A no-host lunch following the meeting will take us to a former GTW freight house, creatively refurbished to house HopCat Kalamazoo. Meeting details on the website www.marp.org Email us at marprail@yahoo.com if you plan to come by train. We'll meet you at the station.



(**REVENUES** continued from previous page)

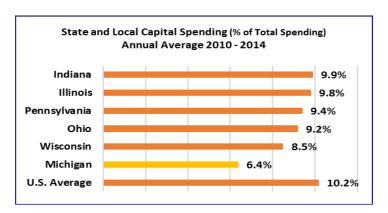
transportation sector over the next 20 years. The report warns that "Michigan's [overall] infrastructure investment gap exceeds \$60 billion over the next 20 years with an annual investment gap of approximately \$4 billion. Relative to neighboring states and the U.S. average, Michigan underinvests in capital infrastructure spending at the state and local levels (Deloitte 2016). Addressing this substantial gap will require a combination of local, state, federal, private, and user-fee investments, as well as financing strategies to meet long-term needs."

Some Fuel Tax Facts

When the new gas tax kicked in on 1 Jan, 2017, Michigan's fuel taxes had not been raised in 20 years.

Now at 26.3-cents per gallon, Michigan's gas tax is the 13th highest in the nation, according to data from the American Petroleum Institute.

Michigan drivers pay more taxes at the pump than they would in most other states because Michigan also applies its 6% sales tax to fuel purchases. However, none of that sales tax revenue goes to fund roads or other transportation needs.



For more information about the FY 2018 Budget Proposal CLICK HERE

Support a Bipartisan Infrastructure Bill

NARP CEO Jim Mathews notes that the first weeks of 2017 have featured a number of positive signs for increased investment in passenger rail at the federal level, from President Trump's call for a trillion dollar investment in infrastructure to a **proposal** led by Sen. Chuck Schumer that would invest billions in rail and transit.

NARP is asking you to **call your elected official** today and deliver two key points:

- 1. I support a bipartisan transportation bill that invests in safe, efficient passenger trains and transit.
- 2. Investing money in new equipment for Amtrak and high-speed rail will put Americans back to work, and boost U.S. manufacturing jobs.

Congress needs to hear from you.

Call Now!

Before you click on the link to phone or email, take a look down the page at the **Guide to Effective Engagement**. This has very useful pointers, most importantly "keep it simple" and "tell why this is important to you personally". Lawmakers do pay attention and phone calls are effective.

News from Indiana: Some Good Some Not So Much

The historic **Baker Street Station** in Fort Wayne IN was the scene of celebration last December as members of the **Northern Indiana Passenger Rail Association** were joined by mayors and representatives from communities along the proposed route of the Chicago-Fort Wayne-Columbus passenger train. The occasion was the **announcement** that an FRA-led Alternatives Analysis and Public Involvement Process will begin in early 2017, a crucial step in making this new train service a reality. Learn more about the effort online at **niprarail.org**.

The **not-so-good-news** is that as of 1 March the *Hoosier State* train will transition back to utilizing Amtrak equipment and on-board services. The *Hoosier State* has been managed since August 2015 by Iowa Pacific Holdings (IPH) under a unique partnership involving Amtrak, IN-DOT, IPH, and the cities of Crawfordsville, Lafayette, and Rensselaer. The attractive legacy equipment featuring a dome car, Wi-Fi, and on-board chef-prepared meals, drew raves from passengers. Increased revenue made the *Hoosier State* one of the top performing lines in the country. Additional frequencies and faster trip times — envisioned by Iowa Pacific's Ed Ellis as necessary to long-term success — are stymied by the need for greater investment in the infrastructure on which the train runs.

Traverse City to Ann Arbor Rail Study Set to Begin This Spring

If enthusiasm and excitement were all it takes to get the train rolling out of the station, people would already be enjoying a relaxing ride through the middle of the Lower Peninsula to destinations "up North". Major impetus for the A2TC Project began during work on the 2011 Michigan State Rail Plan when MDOT found that there was considerable support for passenger service to the area. Another telling factor is the finding by the Groundwork Center, which has played a leading role in the initiative, that there are 95,000 college students whose families reside along the proposed route. A major plus is that tracks are in place and are owned by the State of Michigan. Great Lakes Central



Railroad currently operates daily freight trains over the route and GLC President, Chris Bagwell has been a major cheerleader for the effort.

An article in the **Traverse Ticker** last week announced that a formal study is expected to begin in May designed to assess the feasibility of scheduled passenger train service between the Ann Arbor metro area and the increasingly popular tourist destinations around Traverse City and Petoskey. A request-for-proposal is being finalized and MDOT spokesperson James Lake is quoted in the article as saying, "We would expect within the next two months to (hire a firm) and that the study would be ready to go."

The **A2TC Train Study** is funded with an \$80,000 federal transportation planning grant, \$20,000 in state funding and a \$20,000 local match. The **Groundwork Center for Resilient Communities** spearheaded the campaign to raise the local match.

2017 Dues are Due

It's Time to Renew Your MARP Membership

MARP memberships come due on the 1st of January each year. If you joined as a NEW MEMBER in the last quarter of 2016, your membership runs through December 2017. Everyone else is urged to renew their 2017 membership now.

Click here NOW to go to the MARP website and use Pay Pal to renew your membership. It is quick and easy. When you have finished your renewal, you may click the Donate button if you would like to make an addition contribution.

If you prefer, you may download a form **here** and mail it, along with your check, to MARP, Inc., PO Box 1368, Okemos MI 48805-1368.

If you have already sent you 2017 renewal, we thank you. You will be receiving your new membership card in the mail soon.

A big THANK YOU to all of you who continue to support passenger trains!

Tim Hoeffner Updates MARP Members

Meeting at the impressively restored former GTW Depot in Lansing on 14 January, MARP members heard MDOT Office of Rail Director, Tim Hoeffner, say that the track work on the Michigan line is finished except for curve modification and grade crossing work at Dearing Road near Parma. Significant work remains to complete the infrastructure and testing for the ITCS train control system. Hoeffner does not anticipate any alteration to the 2017 summer train schedule.

Amtrak is dispatching from Kalamazoo to Battle Creek and will take over dispatching Battle Creek to Jackson in late January, 2017, with the remainder of the line to Dearborn coming under Amtrak control by the end of 2017.

Deliveries of the new **Siemens SC-44 Charger** locomotives have begun and will be completed by the end of 2017. Nineteen of the new locomotives are coming to the Midwest under a joint-purchase contract managed by the Illinois DOT and funded by the 2008 American Recovery and Reinvestment Act (ARRA). All three Michigan services will receive new locomotives. Hoeffner had nothing to report on the bi-level coaches to be built by Nippon-Sharyo in Rochelle IL, a procurement on indefinite hold after failure of crash tests in 2015.

Restoration of full schedules, greater reliability, and the abandonment of all but one Megabus route in Michigan will likely be a boost for flagging ridership.

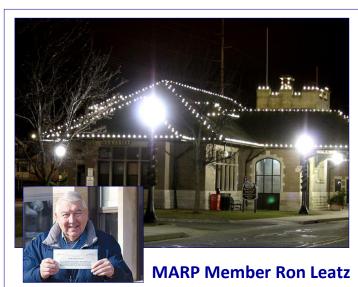
View from elsewhere . . .

"This is the result of years of hard work and dogged determination on the part of many of us. The return of passenger rail to Fort Wayne will be a huge boost for economic development in Fort Wayne and Northeast Indiana. It will add momentum to our booming downtown...revitalize neighborhoods that surround the train station. It is gratifying that the FRA and INDOT see there is an untapped market for rail service in Fort Wayne."

— Geoff Paddock, Northern Indiana Passenger Rail Assoc. spokesperson and Fort Wayne City Councilman, **announcing** the start of an FRA-led study to restore passenger trains on the Chicago-Fort Wayne-Columbus corridor.

"In just one year, Iowa Pacific, in conjunction with Amtrak, has turned what was...a 'hospital train' to Beech Grove shops, to the number one rated Amtrak train. Iowa Pacific has bet up front on the success of the new 'Hoosier State' [and created a template based on] actual railroad experience, self-financing, equipment, and respectful relationships with Amtrak."

> Mark Singer, Principal at Marketing Rail Ltd, commenting on an article on the 1-year anniversary of the *Hoosier State* under Iowa Pacific Holdings.



Has resumed his one-man campaign to turn the lights back on at the Dowagiac depot. Ron initiated the lighting project several years ago, raising \$8,000 to string 2,200 feet of lighting on the 1903 historic depot to cheer passengers through the dark days of winter. Although the 1,700 LED bulbs will continue to burn brightly for many years, the original wiring needs to be replaced. Ron is more than half way to his goal of \$5,500. Saying, "it's the people that will make this happen", Ron invites your calls at (269) 782-0635.



BEAT THE WINTER BLAHS. Enjoy 20% Savings on Travel in Michigan during Amtrak's Annual Winter Sale. Jump on the *Wolverine, Blue Water* or *Pere Marquette* to explore Grand Rapids, Holland, Detroit, East Lansing, Port Huron, Ann Arbor, Kalamazoo, Chicago or several other destinations.

Valid for Sale Now through March 30, 2017 Valid for Travel

January 3 - March 31, 2017

BOOK NOW





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Contact Your Lawmaker

Congressional Switchboard 202-224-3121

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Sen. Gary Peters
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Find Your State Senator
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