



# ON TRACK

The E-Bulletin of the Michigan Association of Railroad Passengers

www.marp.org

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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.*

### MARP EXECUTIVE COMMITTEE 2014-2016

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*The Michigan Passenger Editor and Webmaster, Larry Sobczak  
ON TRACK Editor, Kay Chase*

### 2015 MEETINGS

**10 January** – Lansing’s former Grand Trunk Depot with Special Guest Speaker Bob Johnston, writer for TRAINS Magazine

**February** – Cancelled

**14 March** – Kalamazoo, First Methodist Church

**25 April** – Ypsilanti Freighthouse

**16 May** – Durand Union Station  
Railroad Days

**June-August** -- TBA

**5 September** –Annual Meeting at  
Durand Union Station

**October-December** – TBA

Visit [www.marp.org](http://www.marp.org)  
Email [marprail@yahoo.com](mailto:marprail@yahoo.com)

## Proposal 1 and Passenger Trains

Two things seldom talked about as the May 5 vote on **Proposal 1** approaches are passenger trains and the 6% sales tax paid on gasoline.

First, the sales tax. You know that you pay a state gas tax of 19-cents per gallon. What you may not realize is that you pay almost as much in sales tax on that gallon of gas. When the pump price is \$3.00, you are paying 37-cents in combined sales tax (18-cents) and state fuel tax (19-cents). Proposal 1 would remove the sales tax and replace it with a fuel tax based on the wholesale price, initially 41.7-cents, only a few cents more than you now pay. The **tax would be adjusted yearly based on wholesale prices**, but cannot rise more than 5-cents above the rate of inflation.

The other fact not widely recognized is that **none** of the 6% sales tax on gasoline goes for transportation purposes (with the exception of a tiny amount earmarked for local transit assistance). With the passage of Proposal 1, **all** state taxes collected at the pump will go into the **Michigan Transportation Fund** (MTF) to pay for all parts of our surface transportation system. MTF funding will continue to be distributed as in the past, based on existing formulas set forth in Public Act 51 enacted in 1951.

Most of the MTF is dedicated to the road system. But approximately 10% goes into the **Comprehensive Transportation Fund** (CTF) to pay for almost everything else that moves people in our state: trains and local transit, bike and pedestrian facilities, marinas and safety improvements at rail grade crossings (see charts on page 3). Aeronautics are separately funded.

Michigan has twelve daily passenger trains, directly serving 22 communities, with an additional 26 places connected via Thruway buses. Operating costs of the trains are a state responsibility and are covered by revenues (up 3.5% last year) and appropriations from the CTF. Michigan’s ability to maintain and expand this vital service used by 777,463 Michiganders last year may well hinge on the outcome of the May vote.

### SOME USEFUL INFORMATION SOURCES

#### What Does Prop 1 Do?

**Transportation Funding: Here's what Proposal 1 does  
Proposal 1's passage would trigger these 10 laws**



### MEMBER MEETING

**Saturday, April 25**

**10:00 am – Noon**

**Ypsilanti Freighthouse**

Depot Drive, Ypsilanti MI 48198

**Map & Directions**

The Michigan Central’s 1878 Freighthouse anchors Ypsilanti’s Depot Town. Speaking about the May 5 ballot proposal to fund Michigan’s transportation system will be Liz Treutel, Policy Associate for the Michigan Environmental Council. Details at [www.marp.org](http://www.marp.org). Or send email to [marprail@yahoo.com](mailto:marprail@yahoo.com).

## Grand Elk Railroad Interchanges with MARP

### Meeting Notes by Kay Chase

More than thirty MARP members and friends enjoyed a lively and informative conversation with Shasta Duffey, the Vice-President of Sales and Marketing for **Grand Elk Railroad**, when we met on 14 March in Kalamazoo. Our host for the meeting was the Reverend Steve Charnley, who is not only the pastor at the First Methodist Church where we met, but also an avid train traveler.

Shasta Duffey began her career with **Watco**, the parent company of Grand Elk Railroad, a decade ago on the Sooner Sub in Oklahoma. So it was fitting that she introduced her talk by bringing us up to date on plans for scheduled passenger train service between Tulsa and Oklahoma City. Iowa Pacific Holdings will **operate the trains** on track owned by Watco. Service is slated to begin in 2016. Duffey offered to share information with MARP as this venture moves forward, adding that the possibility of future passenger service between Kalamazoo and Grand Rapids would be mirrored on that experience.

Shifting to Grand Elk's operations between Elkhart and Grand Rapids, Duffey exhibited an infectious enthusiasm for her work and for Grand Elk's future prospects. She emphasized the company's "customer first" principles, with the well-being of their workforce a primary objective and enhancing profitability in third place.

Grand Elk has seen 10% growth year-over-year since beginning operations in the area in 2009. The railroad is moving 22,000 cars a year, 85% coming out of Elkhart with consists of 50-60 cars. Trains operate 7 days a week and all customers get at least 5-day a week service. Grand Elk interchanges with CN in Kalamazoo, CSXT at 3 locations in Grand Rapids and with the Marquette (via special arrangements with CSXT) in Grand Rapids. Grain, fracking sand (outbound) and paper (Kalamazoo) are the major commodities handled, along with chemicals going to Pfizer, lumber to the RV industry in Elkhart, sheet metal to Grand Rapids, and fertilizer (Grand Elk has brought on three new fertilizer plants in the last two years).

Grand Elk is working closely with the state to expand its infrastructure in response to customer needs. Duffey cites a Michigan program that has had a "huge" impact on making the area attractive to industries. Tim Hoeffner, director of Michigan's Office of Rail, was present and elaborated on this loan-to-grant program offered by the state. Loans made to help industries relocate or expand are converted to grants if they make good on their commitment to a number of carloads and jobs created.

In response to a question about safety concerns, Duffey said the Watco is very proactive with training to handle emergency situations and security issues. The railroad

knows where all of its cars are at any time and doesn't let cars sit for lengthy periods of time. Sensitive shipments are expeditiously moved into customers' secure facilities.

Grand Elk does not have a connection with Amtrak in Kalamazoo, but is working with Norfolk Southern to "ensure network fluidity" in the area.

Responding to a question about **Watco's financial interest** in Great Lakes Central, **Watco's acquisition of the Ann Arbor RR**, and the possibility of passenger service to Toledo, Duffey said she is aware of these conversations, that there is much interest, and that it is her understanding that "things are moving forward".

In closing, Duffey reiterated her desire to keep lines of communication open regarding possibilities for future passenger service. "We have to meet the public's need – we want to do that – but we also have to be sure we're supporting those industries that are out there, that live and die by us."

Moving into the business portion of the meeting, the executive committee voted to accept Rosemary Horvath to fill the vacant position of Secretary.

Clark Charnetski presented information on improvements he has noted along the **Chicago-Detroit/Pontiac corridor**, including work on the West Detroit junction and a number of cross-overs and sidings being installed as part of the **Indiana Gateway project** that provide, in essence, 2<sup>nd</sup> or even 3<sup>rd</sup> tracks to ease congestion in the area west of Porter. The Indiana Gateway project is a stimulus-funded project awarded to Indiana and carried out by Norfolk Southern.

The remainder of the meeting was devoted to discussion of the **MiTrain** commuter cars that have been refurbished by MDOT for use on the proposed **WALLY** and **Ann Arbor-Detroit** commuter routes. MDOT has come under criticism recently because these projects have stalled. An MDOT **handout** provided to the legislature explains the original planning and the factors that account for the delays encountered.

Tim Hoeffner, director of the Office of Rail, thanked MARP members who journeyed to Lansing for the 25 February meeting of the **House Committee on Oversight and Ethics**. "When you're up there and you know you're not gonna have a good day ... it's just nice to have people behind you."

Asked about rumors that **MiTrain** cars might be used on the **Pere Marquette**, Tim said, "We're waiting to hear back from Amtrak. They don't want to, but we're asking them to."

Tim added that a moratorium may be imposed on any further spending on the lease of commuter equipment unless MDOT can show a significant plan in (now) less than 30 days. "We would have to terminate the agreement with Great Lakes Central. There is a provision in the contract that we would recoup some of our costs, if that happens. "

## PayPal now available on the MARP website

[www.marp.org](http://www.marp.org)

You may go there to renew your membership and/or make a donation.

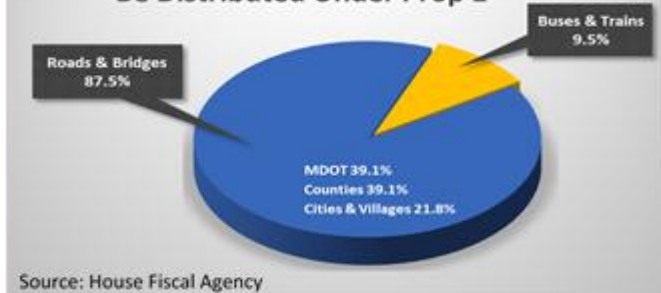
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New members are invited to use this convenient way to become part of a great organization!

### How Taxes Collected at the Pump Are Distributed Now



### How Taxes Collected at the Pump Will Be Distributed Under Prop 1



### Benefits to our roads, transit, trails, children and low-income families

FY 2017-18



## MARP Outreach Events

Two of MARP's biggest outreach efforts are coming up in April and early May. Both are multi-day events and need more volunteers than do many of our events.

The **10th Annual Michigan Earth Day Fest** takes place in Rochester MI at the City Center/Paint Creek Park on April 24-26. This huge celebration offers us a chance to meet with a different crowd than we see at train shows.

Although Amtrak will be **celebrating trains** this summer in a new way, **National Train Day in Toledo** will take place as usual on May 2. Co-leaders Steve Vagnozzi [svagnozzi@comcast.net](mailto:svagnozzi@comcast.net) and John Langdon [john-langdon@sbcglobal.net](mailto:john-langdon@sbcglobal.net) would like you to join Ron Leatz, Kathleen Newell, Robert Tischbein, Hugh Gurney, Larry Krieg, Doug Wilson, Robert Tobleck and Jim Hinkins in staffing the MARP table or serving as Car Hosts on the Amtrak Exhibit Train. This could be one of the most fun things you do this year!

See page 4 for a list of other **Amtrak Train Days** events.

If you would like to help with either of the above events or those listed below, please contact Chuck Merckel [crmerckel@aol.com](mailto:crmerckel@aol.com) 734-522-7329.

#### Grand River Valley RR Club

11 April • 10 am-3 pm

Home School Bldg. 5625 Burlingame Wyoming MI

#### Hobby-Rama

11 April • 11:00 am to 5:00 pm

Gibraltar Trade Center, 237 N River Rd, Mt. Clemens

#### Huron Modeler RR Show

26 April • 10:00 am to 4:00 pm

701 McMorran Blvd, Port Huron MI

#### Muskegon Railroad Historical Society Show

26 April • 10 am-3 pm

561 W Western Ave, Muskegon MI  
Contact: [John-Langdon@sbcglobal.net](mailto:John-Langdon@sbcglobal.net)

#### Mattawan Senior & Veterans Expo

11 May • 10 am - 1 pm

Antwerp Township Activity Center, Mattawan MI  
Contact: Warren Fritz [wrfritz41@gmail.com](mailto:wrfritz41@gmail.com)

#### 40th Annual Durand Railroad Days

14 - 17 May • Saginaw Street in downtown Durand MI

## Illinois Rail Summit

29 April • Springfield IL • 11am-2pm

This is a great opportunity for networking and talking about how to protect and expand state-operated passenger services. You may **REGISTER HERE**.

## View from elsewhere . . .

*"You can hire a bunch of consultants who can give you 17 inches of paper and tell you whether or not it'll work . . . Or you can just go run a train and see if it works. We're the second guys."*

-- Matt Abbey, Iowa Pacific Holdings, speaking to the Tulsa City Council on 8 Jan 2015 about plans to start scheduled passenger train service between Tulsa and Oklahoma City. See articles [here](#) and [here](#).

*"All over the country, I hear the same account: the need to repair and expand our surface transportation system has never been greater . . . This is an opportunity to break away from 10 years of flat funding... During these next two months, all of us who work in Washington need to be relentless in trying to get to 'yes' on a bill that is truly transformative."*

—USDOT Secretary Anthony Foxx, announcing the Administration's **six-year transportation funding measure** which includes a proposal to create a Rail Account within a comprehensive Transportation Trust Fund replacing the current Surface Transportation Trust Fund. A summary of the proposal can be found [here](#).



## A Field Guide to Everyday Transit

Detroit-based **Freshwater Transit** has an exciting new project – producing a video series called **15 Minutes or Better** aiming to give Detroiters some tools to rally for better transit. Recognizing that Detroiters don't have a good reference point for effective transit, the videos will show how seven other cities get the job done with everyday transit. The group seeks to make transit fun and relevant – and to draw new supporters to the cause. They are “crowdfunding” the project at [patronicity.com/15mob](http://patronicity.com/15mob). You can add your support to the project by making a **contribution** before May 4.

## AMTRAK TRAIN DAYS EVENTS

[VIEW ALL EVENTS](#)

### Ann Arbor Amtrak Station

325 Depot Street • Ann Arbor MI 48104  
7:00 am-2:00 pm on May 9

### Bangor Amtrak Station

541 Railroad Street • Bangor MI 49013  
7:15 am-2:00 pm on May 9

### Battle Creek Amtrak Station

104 Capital Avenue SW • Battle Creek MI 49017  
TBD on May 9

### Dearborn's John D. Dingell Transit Center

21201 Michigan Avenue • Dearborn MI 48124  
1:30 pm -6:30 pm on May 23

### Detroit Amtrak Station

11 West Baltimore Avenue • Detroit MI 48202  
7:30 am-11:30 am on May 9

### Grand Rapids's Vernon J. Ehlers Amtrak Station

440 Century Avenue SW • Grand Rapids MI 49503  
Amtrak Exhibit Train 10:00 am - 4:00 pm on July 25

### Holland Amtrak Station

171 Lincoln Avenue • Holland MI 49423  
6:30 am-7:15 am on May 9

### Jackson Amtrak Station

501 East Michigan Avenue • Jackson MI, 49201  
10am-3pm on May 9

### Kalamazoo Amtrak Station

459 North Burdick Street • Kalamazoo, MI 49007  
9:00 am – Noon on May 9

### Niles's Fernwood Botanical Garden & Nature Preserve

13988 Range Line Road • Niles MI 49120  
10:00 am-3:00 pm on May 9

### Port Huron & Detroit Railroad Historical Society

2100 32nd Street • Port Huron MI 48060  
TBD on May 9

### Troy Transit Center Amtrak Station

1201 Doyle Drive • Troy MI 48084  
TBD

If you would like to help with an event in your area, please contact [john-langdon@sbcglobal.net](mailto:john-langdon@sbcglobal.net).  
As we get closer to the date, check the **Amtrak Train Days** website for details of the planned celebrations.