

TRANSPORTATION  
COMMISSION

STATE OF MICHIGAN



JOHN ENGLER, GOVERNOR

DEPARTMENT OF TRANSPORTATION

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GREGORY J. ROSINE, DIRECTOR

January 14, 2002

The Honorable Philip E. Hoffman, Chair  
Appropriations Subcommittee on  
Transportation  
Michigan State Senate  
P.O. Box 30036  
Lansing, Michigan 48909

The Honorable Scott Shackleton, Chair  
Appropriations Subcommittee on  
Transportation  
Michigan House of Representatives  
P.O. Box 30014  
Lansing, Michigan 48909

Dear Senator Hoffman and Representative Shackleton:

In accordance with Public Act 59 of 2001, Section 711, enclosed is the Michigan Department of Transportation's State Supported Rail Passenger Service Report.

If you have any questions or comments regarding these reports, feel free to contact me at (517) 373-2114 or Philip Kazmierski, Deputy Director, Bureau of Urban and Public Transportation, at (517) 373-2282.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory J. Rosine".

Gregory J. Rosine  
Director

Enclosure

cc: Members of House and Senate  
Appropriations Subcommittee on Transportation  
B. Hayes  
W. Niles  
D. Novak  
P. Kazmierski  
T. Hoeffner  
E. Timpf  
L. Hostetler  
J. Kraus  
C. Thiel, Senate Fiscal Agency  
W. Hamilton, House Fiscal Agency

**State Supported Rail Passenger Service Report  
December 28, 2001  
As required by PA Act 59 of 2001, Section 711**

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The purpose of this report is to provide a five year ridership and subsidy history on the state supported Grand Rapids-Chicago and Port Huron-Chicago Amtrak services. This summary includes the Department's efforts to promote public awareness of these services and to increase ridership and decrease the state operating subsidy.

The following is a ridership and operating subsidy summary for Fiscal Year 1997-2001:

Year	International		Pere Marquette	
	Ridership	Subsidy (1)	Ridership	Subsidy (1)
1997	121,528	\$1,162,500	63,386	\$ 687,500
1998	114,732	1,300,000	64,503	750,000
1999	113,702	1,300,000	68,091	750,000
2000*	107,878	1,300,000	63,002	750,000
2001	104,674	3,500,537	57,995	2,200,020

\*An additional \$250,000 was contracted in FY2000 to market the Michigan Services in FY2001.

- (1) The subsidy for each service is prorated by *service miles* from the total subsidy provided to Amtrak, FY 2001 are actual subsidy per train.

The Pere Marquette Service is being supported by a coalition of community leaders, Chambers of Commerce, planning agencies and transit agencies, which have developed an organization called the Westrain Collaborative. This Collaborative has worked with the southwest Michigan communities to promote and market the Pere Marquette Service between Grand Rapids and Chicago.

The Michigan Department of Transportation (MDOT) is working with Amtrak to meet with the communities along the remaining routes. In October the department held corridor meetings in East Lansing and Kalamazoo for all of the station communities on the International route. Unfortunately, these meetings were poorly attended, as a result, MDOT and Amtrak scheduled meetings with officials and development personnel from 11 station cities and met with over 50 individuals from these communities. These cities included, Niles, Dowagiac, Kalamazoo, Battle Creek, East Lansing, Durand, Port Huron, Birmingham, Royal Oak, Detroit and Dearborn. The city of Lansing, the city of Troy, Michigan State University, and Southwestern Michigan College were represented at meetings scheduled in their neighboring station community. These meetings took place between December 17-20, 2001.

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In an attempt to cut costs and increase revenues for this service, MDOT performed a food service cost analysis. Amtrak has reviewed this analysis and confirmed the Department's cost estimates. The cost analysis found there is the potential to save several hundred thousand dollars per route. Based on this potential cost saving, the Department has requested a meeting with Amtrak in January to develop an alternate food service demonstration on the state-subsidized trains. This option would provide a "cart type" food service which would eliminate a food car and the associated cost from each train.

At this time, MDOT and Amtrak are discussing FY 2003 and beyond operating subsidy. Once more information on Amtrak's future subsidy requests are known, MDOT will provide you this information.