

Michigan Department of Transportation
Rail Operations and Infrastructure Expenditures
PA 207 of 2018 Section 704
January 31, 2019

The Rail Operations and Infrastructure line item in the Michigan Department of Transportation's (MDOT) FY2018-2019 appropriation bill, 2018 PA 207, funds a number of individual programs and activities, ranging from passenger rail operating assistance to capital and maintenance activities on the 665 miles of state-owned rail lines to a program to enhance economic development through investments in rail infrastructure.

The line item is funded with \$64,558,000 in state Comprehensive Transportation Fund (CTF) dollars, and also provides the authority to spend federal, local and private dollars, as well as monies held in the Rail Freight Fund, should they become available. At this time, no federal, local or private dollars are anticipated to be available for expenditure, although we are informally reserving a portion of the state dollars to match potential federal grants. Commitments from the Rail Freight Fund have not been determined, so this initial report reflects only the CTF allocation.

Over half of the FY2019 CTF appropriation has already been obligated. The remaining capital projects are expected to be firmed up over the next several months. Freight economic development projects are awarded as applications are received, reviewed and approved. Details about funds already obligated, together with the Department's best estimates for future activity, are reflected on the following page. The bulk of the funding will continue to be used to support passenger rail service in Michigan.

Rail Operations and Infrastructure - FY2019

	Obligations as of 1/31/19	Planned FY2019 Obligations
Passenger Rail Operating		
Amtrak - operating assistance	\$19,599,207	\$19,599,207
Grand Rapids station track inspection	\$0	\$36,400
State-Owned Line Maintenance (Kalamazoo-Dearborn)		
Amtrak - maintenance of corridor	\$10,825,152	\$10,825,252
Amtrak - insurance for corridor	\$115,751	\$365,751
State-Owned Line Bridge Improvements (all lines)		
M-39 bridge design (consultant)/plan review (Amtrak)	\$187,462	\$187,462
Jackson/Mechanic Street bridges - design, billboard relocation, constructability review, advance track work	\$203,703	\$953,703
Car-loading analysis - 2 bridges (consultant)	\$14,004	\$14,004
Design work - Manistee River bridge replacement - Wexford Co.	\$0	\$1,000,000
Removal of unneeded bridge - Livingston County	\$0	\$100,000
TBD state-owned line bridge improvements	\$0	\$1,250,000
State-Owned Line Capital Improvements (Kalamazoo-Dearborn)		
Amtrak - replace turnout - Jackson County	\$858,072	\$858,072
Amtrak - install rail lubricators - various locations	\$307,299	\$307,299
Amtrak - install rail - Kalamazoo-Marshall	\$2,193,413	\$2,193,413
Amtrak - install ties and ballast - Kalamazoo-Battle Creek	\$1,390,631	\$1,390,631
Amtrak - purchase rail for future installation - Battle Creek-Jackson	\$1,700,000	\$1,700,000
WSP - as-needed engineering services	\$250,000	\$250,000
TBD Kalamazoo-Dearborn infrastructure improvements	\$0	\$4,750,000
State-Owned Line Capital Improvements (freight lines)		
Track improvements - Walton Junction-Traverse City	\$0	\$2,000,000
Additional costs to complete projects	\$140,352	\$140,377
TBD freight line infrastructure improvements	\$0	\$3,413,429
Freight Economic Development		
Additional funding to complete Arauco project - Grayling	\$255,842	\$255,842
Menards rail spur - Livonia		\$215,380
TBD freight economic development projects	\$0	\$2,528,778
Miscellaneous		
Culvert maintenance - Dollar Bay	\$5,500	\$5,500
Temporary barriers - Houghton County	\$17,500	\$17,500
Survey work - state-owned rail lines	\$200,000	\$200,000
Hold to match potential federal grant awards	\$0	\$10,000,000
	\$38,263,888	\$64,558,000
TOTAL CTF APPROPRIATION		\$64,558,000