

Michigan Department of Transportation
Rail Operations and Infrastructure Obligations

PA 119 of 2023 Section 704

January 30, 2024

The Rail Operations and Infrastructure line items in the Michigan Department of Transportation's (MDOT) FY2023-2024 appropriation bill, 2023 PA 119, funds several individual programs activities ranging from passenger rail operating assistance to capital and maintenance activities on the 665 miles of state-owned rail lines to programs that enhance economic development and support the state's overall investments in rail infrastructure.

The line items are funded with \$99,587,700, plus additional one-time funding of \$14,900,000 in state Comprehensive Transportation Fund (CTF) dollars, and 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 local or private dollars are anticipated to be available for expenditure. Minimal commitments have been made from the Rail Freight Fund, so this report reflects mainly the CTF and Federal allocations.

A small amount of the FY2024 CTF appropriation has already been obligated. Remaining capital projects are expected to be firmed up over the next several months. The Office of Rail has been successful in securing several federal grants under the State of Good Repair Federal-State Partnership (SOGP) and Consolidated Rail Infrastructure and Safety Improvements (CRISI) programs in the past few years and CTF funding will be used as state match as required for those projects.

For development projects, the Freight Economic Development Program awards funding to companies for projects as applications are received, reviewed, and approved. The new Michigan Rail Enhancement Grant Program will provide funding to projects selected and approved upon review of eligible applications.

Details about funds already obligated, together with the Department's best estimates for future activity, are reflected on the following pages. The bulk of the funding will continue to be used to support passenger rail service in Michigan.

Rail Operations and Infrastructure - FY2024

	Obligations as of 1/31/2024	Planned FY2024 Obligations
Passenger Rail Operating		
Amtrak - Operating Assistance	\$21,865,544	\$28,600,000
Amtrak - Multi-State Equipment Agreement		\$900,000
Michigan Line Maintenance (Kalamazoo-Dearborn)		
MI Line Maintenance	\$100,000	\$12,000,000
MI Line Insurance		\$1,400,000
MI Line Utilities	\$600,000	\$600,000
FEUP Utilities		\$2,500
Michigan Line Capital (Kalamazoo-Dearborn)		
Jackson/Mechanic Bridge Reconstruction	\$371,463	\$3,300,000
PE and Environmental Work for Michigan Line Bridges (2021 SOGR Grant)		\$2,067,000
Freight Lines Capital		
Great Lakes Central - Bridge Design Manistee River	\$107,596	\$107,596
Great Lakes Central - Bridge Construction Manistee River (2022 CRISI Grant)		\$30,000,000
Great Lakes Central - Bridge Construction Engineering Manistee River (2022 CRISI Grant)		\$3,600,000
Great Lakes Central - Bridge Repairs Bear Creek Petoskey	\$177,000	\$177,000
Great Lakes Central - Bridge Design Clam River Structure Replacement	\$218,580	\$218,580
Great Lakes Central - Bridge Repairs Muskegon River	\$189,000	\$189,000
Great Lakes Central - Bridge Design Muskegon River Structure Replacement		\$1,200,000
Great Lakes Central - Culvert Design Chilson Creek	\$246,414	\$246,414
Great Lakes Central - Construction Ann Pere Connection Track Extension		\$600,000
Indiana Northeastern - Design Hallet Street Railroad Overpass		\$250,000
Track Condition Analysis		\$250,000
Freight Rail Economic Development Support		
Rail Freight Economic Development (FEDP) and Michigan Rail Enhancement Program (MREP) Grants (Specific Projects TBD)		\$21,582,043
<u>Freight Economic Development Program Grants</u>		
Lake State Railway Company - Gaylord Vehicle Distribution Center	\$682,808	\$682,808
Grayling Township Cardlock, LLC - Multi-User Transload Facility	\$1,960,544	\$1,960,544
Michigan Ethanol, LLC - Railcar Loading Equipment	\$774,605	\$774,605

Miscellaneous

Grand Rapids Station Track Inspection		\$36,400
Conrail - Design Detroit New Center Intermodal Facility	\$137,000	\$137,000
Design and Analysis (Consultants)	\$945,324	\$2,000,000
Non Office of Rail MDOT Staff Support	\$120,000	\$120,000
Miscellaneous Small Projects		\$20,000
Grant Match Assistance Commitments		\$9,500,000
TBD Capital Improvements		\$13,677,460
TOTAL OBLIGATIONS	\$28,495,879	\$136,198,950
TOTAL CTF APPROPRIATION	\$28,498,379	\$114,487,700
FEDERAL GRANT FUNDS	\$0	\$21,708,750
RAIL FREIGHT FUND	\$0	\$2,500

MI Line- State-owned higher speed rail between Dearborn and Kalamazoo
CRISI- Consolidated Rail Infrastructure and Safety Improvements Grant
SOGR- State of Good Repair Federal-State Partnership Grant
TBD- To Be Determined

FY 2025

	Location	Project Description	Estimated Cost	Federal/Other	State
Passenger Rail Operating					
Amtrak Operating Assistance	Three Amtrak corridors	Provide federally-mandated operating assistance	\$28,600,000	\$0	\$28,600,000
Midwest States Equipment	Three Amtrak corridors	Michigan's share of multi-state equipment contract	\$1,400,000	\$0	\$1,400,000
Kalamazoo-Dearborn Maintenance					
Kalamazoo-Dearborn Maintenance	Kalamazoo to Dearborn	General maintenance/State of Good Repair activities	\$12,000,000	\$0	\$12,000,000
Insurance and Utilities	Kalamazoo to Dearborn	Property insurance and utilities	\$2,000,000	\$0	\$2,000,000
Kalamazoo-Dearborn Capital (Track/Bridge/Signal)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$15,000,000	\$0	\$15,000,000
Freight Lines Capital (Track/Bridge)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$16,955,000	\$6,955,000	\$10,000,000
Freight Economic Development Program (FEDP) and Michigan Rail Enhancement Program (MREP) Grants					
Projects TBD	TBD		\$20,000,000	\$0	\$20,000,000
Miscellaneous					
Grand Rapids Station Track Inspection	Grand Rapids	Provide federally-required inspection services	\$36,400	\$0	\$36,400
Consultant Design and Analysis	Various	Design and Analysis for Rail Projects	\$1,000,000	\$0	\$1,000,000
TBD Capital Improvements & Miscellaneous Small Projects	Various	Projects to be determined	\$20,451,300	\$0	\$20,451,300
Grant Match Assistance Commitments	Various		\$4,000,000	\$0	\$4,000,000

FY 2026

	Location	Project Description	Estimated Cost	Federal/Other	State
Passenger Rail Operating					
Amtrak Operating Assistance	Three Amtrak corridors	Provide federally-mandated operating assistance	\$28,600,000	\$0	\$28,600,000
Midwest States Equipment	Three Amtrak corridors	Michigan's share of multi-state equipment contract	\$1,400,000	\$0	\$1,400,000
Kalamazoo-Dearborn Maintenance					
Kalamazoo-Dearborn Maintenance	Kalamazoo to Dearborn	General maintenance/State of Good Repair activities	\$12,000,000	\$0	\$12,000,000
Insurance and Utilities	Kalamazoo to Dearborn	Property insurance and utilities	\$2,000,000	\$0	\$2,000,000
Kalamazoo-Dearborn Capital (Track/Bridge/Signal)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$15,000,000	\$0	\$15,000,000
Freight Lines Capital (Track/Bridge)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$10,000,000	\$0	\$10,000,000
Freight Economic Development Program (FEDP) and Michigan Rail Enhancement Program (MREP) Grants					
Projects TBD	TBD		\$20,000,000	\$0	\$20,000,000
Miscellaneous					
Grand Rapids Station Track Inspection	Grand Rapids	Provide federally-required inspection services	\$36,400	\$0	\$36,400
Consultant Design and Analysis	Various	Design and Analysis for Rail Projects	\$1,000,000	\$0	\$1,000,000
TBD Capital Improvements & Miscellaneous Small Projects	Various	Projects to be determined	\$20,451,300	\$0	\$20,451,300
Grant Match Assistance Commitments	Various		\$4,000,000	\$0	\$4,000,000

FY 2027

	Location	Project Description	Estimated Cost	Federal/Other	State
Passenger Rail Operating					
Amtrak Operating Assistance	Three Amtrak corridors	Provide federally-mandated operating assistance	\$28,600,000	\$0	\$28,600,000
Midwest States Equipment	Three Amtrak corridors	Michigan's share of multi-state equipment contract	\$1,400,000	\$0	\$1,400,000
Kalamazoo-Dearborn Maintenance					
Kalamazoo-Dearborn Maintenance	Kalamazoo to Dearborn	General maintenance/State of Good Repair activities	\$12,000,000	\$0	\$12,000,000
Insurance and Utilities	Kalamazoo to Dearborn	Property insurance and utilities	\$2,000,000	\$0	\$2,000,000
Kalamazoo-Dearborn Capital (Track/Bridge/Signal)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$15,000,000	\$0	\$15,000,000
Freight Lines Capital (Track/Bridge)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$10,000,000	\$0	\$10,000,000
Freight Economic Development Program (FEDP) and Michigan Rail Enhancement Program (MREP) Grants					
Projects TBD	TBD		\$20,000,000	\$0	\$20,000,000
Miscellaneous					
Grand Rapids Station Track Inspection	Grand Rapids	Provide federally-required inspection services	\$36,400	\$0	\$36,400
Consultant Design and Analysis	Various	Design and Analysis for Rail Projects	\$1,000,000	\$0	\$1,000,000
TBD Capital Improvements & Miscellaneous Small Projects	Various	Projects to be determined	\$20,451,300	\$0	\$20,451,300
Grant Match Assistance Commitments	Various		\$4,000,000	\$0	\$4,000,000

FY 2028

	Location	Project Description	Estimated Cost	Federal/Other	State
Passenger Rail Operating					
Amtrak Operating Assistance	Three Amtrak corridors	Provide federally-mandated operating assistance	\$28,600,000	\$0	\$28,600,000
Midwest States Equipment	Three Amtrak corridors	Michigan's share of multi-state equipment contract	\$1,400,000	\$0	\$1,400,000
Kalamazoo-Dearborn Maintenance					
Kalamazoo-Dearborn Maintenance	Kalamazoo to Dearborn	General maintenance/State of Good Repair activities	\$12,000,000	\$0	\$12,000,000
Insurance and Utilities	Kalamazoo to Dearborn	Property insurance and utilities	\$2,000,000	\$0	\$2,000,000
Kalamazoo-Dearborn Capital (Track/Bridge/Signal)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$15,000,000	\$0	\$15,000,000
Freight Lines Capital (Track/Bridge)					
Track/Bridge/Signal Projects	Various Locations	Various Locations	\$10,000,000	\$0	\$10,000,000
Freight Economic Development Program (FEDP) and Michigan Rail Enhancement Program (MREP) Grants					
Projects TBD	TBD		\$20,000,000	\$0	\$20,000,000
Miscellaneous					
Grand Rapids Station Track Inspection	Grand Rapids	Provide federally-required inspection services	\$36,400	\$0	\$36,400
Consultant Design and Analysis	Various	Design and Analysis for Rail Projects	\$1,000,000	\$0	\$1,000,000
TBD Capital Improvements & Miscellaneous Small Projects	Various	Projects to be determined	\$20,451,300	\$0	\$20,451,300
Grant Match Assistance Commitments	Various		\$4,000,000	\$0	\$4,000,000

Freight Corridors Operated by: GLC - Great Lakes Central H&E - Huron and Eastern IN - Indiana Northeastern
