Michigan Association of Railroad Passengers, Inc.
Office of the Chairman · 252 Carriage Way, Ypsilanti, MI 48197
www.marp.org

23 February 2015

Honorable Representatives:

The Michigan Association of Railroad Passengers (MARP) strongly supports the Michigan Department of Transportation (MDOT) in its decision to refurbish and lease railcars for passenger service in Michigan.

We are as distressed as any that the process of implementing commuter service in Southeast Michigan has taken as long as it has. We feel it is unfortunate the State has had to pay to maintain its lease on the cars, but we believe the State's best course at present is to maintain its control of these railcars.

The need for commuter service in our region was voiced in 2006 by Ann Arbor Mayor John Hieftje, (among many others) as an alternative to congestion on U.S. 23.

In the same year, a study conducted for SEMCOG by transportation engineering firm Parsons-Brinckerhoff recommended serious consideration of commuter rail service between Ann Arbor and Detroit. And in spite of the 2008 recession, Governor Granholm was quoted as saying she expected to ride the commuter train from Ann Arbor to Detroit before she left office.

With the political pressure building, it was not a great leap of faith that impelled MDOT's Office of Rail to seek economical sources of equipment with which to run the requested services. Rather, it was a pragmatic planning decision, given the time required to acquire rolling stock for rail operations. For comparison, the Passenger Rail Investment and Improvement Act of 2008 mandated development of passenger rail equipment. Some of that equipment began to come on-line in 2014, but cars for use in Michigan and nearby states will not be available until 2017 at the earliest. Given the hard facts about acquiring passenger rail equipment, MDOT was by no means jumping the gun by ordering equipment in 2012 for service that was proposed in 2006.

But was the contract with Great Lakes Central Railroad a "bad deal"? Not at all. We believe MDOT did an excellent job. Consider the $2,000,000 to $3,000,000 cost for brand-new bi-level railcars, and the nearly $1,000,000 paid by California for single-level refurbished cars. With the roughly $500,000 paid by MDOT – including the lease costs – Michigan seems to be getting the best deal in the country.

And where did that money go? Two-thirds stayed right in Michigan, giving displaced workers productive jobs in mid-state. A seating company in western Michigan manufactured comfortable, new seats, and while doing so developed the engineering capacity to put Federal Railroad Administration approved seating on the market nationwide.

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Some may question the need for commuter rail service in Michigan. We firmly believe that this type of service is not only good, but essential to our economy. It is no coincidence that prosperous cities – not just the megacities – have built or are building commuter rail systems: Minneapolis, Salt Lake City, Denver, Seattle, Austin, Dallas-Ft. Worth, Portland, Miami, and even Los Angeles with seven commuter rail lines.

Congestion on Michigan's highways will slowly but surely choke our cities and throttle our economic growth. The expense and land needed to provide parking for employees in the absence of alternative commuting options is significant both for business and the communities in which they operate.

A good example of this is the steps taken by the University of Michigan Medical Center (UMMC) to house its growing facilities. Lack of parking at its main site in Ann Arbor forced UMMC to build a large, unpopular parking structure in a residential neighborhood. That deck is located near the main Hospital, but UMMC was forced to construct a large subsidiary campus seven miles east of the main location. Doctors and staff with duties at both locations are forced to travel through traffic to reach their clinic or office; both because of this and because the secondary site is beyond the public bus routes, UMMC has been forced to run frequent buses of their own between the two locations. If the proposed commuter rail service had been established earlier, UMMC might have avoided the need to provide more parking, build a remote campus, and extend its own bus service to connect them. Instead, it could have built a facility where the parking deck is now located, within walking distance of the main hospital.

Bottom line: commuter rail service has the potential to save citizens money on their commute, lower the cost of doing business, and save taxpayer dollars spent by other state institutions.

The investment MDOT made in commuter railcars is a wise one, which will pay great dividends in the near future. In the meanwhile, let's look for ways to put this investment to good use on existing days. We can find ways to overcome any technical obstacles and get our tax dollars to work as soon as possible by putting these cars into service.

Sincerely,

Laurence J. Krieg

Laurence J. Krieg, Chairman