

October 18, 2007

TO: Ann Arbor to Detroit Steering Committee
FROM: Carmine Palombo, Director, Transportation Programs
SUBJECT: Ann Arbor-Detroit Commuter Rail Project

October Update
Ann Arbor-Detroit Commuter Rail Project

I want to update you on the status of the Ann Arbor-Detroit Commuter Rail Project. As you know, we met with representatives of the Norfolk Southern (NS) Railway on Tuesday, August 21. The purpose of the meeting was to discuss the capacity study NS required to be performed on their rail line, finalize a scope of work, and discuss related issues. As a result of this meeting, SEMCOG is entering into a contract with NS to conduct the capacity study. The SEMCOG Executive Committee approved the contract on September 28 and submitted it to MDOT for their approval. A notice to proceed will be sent to the NS immediately after MDOT approval, anticipated in early November. The cost of the contract is not to exceed \$300,000 and the work is to be completed within 6 months of receipt of notice to proceed.

The information we receive from this study when added to the information we have asked of the Canadian National Railroad, will provide us with an estimate of the capital costs that will be needed to allow passenger and freight trains to safely co-exist with reliable service in the same corridor.

At the same time, SEMCOG is also entering into a \$10,000 contract with AMTRAK for them to conduct a ridership and fare study. This work will identify estimated ridership by station and recommend a fare structure. This information will allow us to estimate operating costs, the amount of the costs that the farebox will cover and the operating deficit that we must find funds to cover.

While these studies are in progress, we will also be working on other necessary pieces of work. We have begun discussions with the Federal Highway Administration, the Federal Transit Administration and MDOT on the type of environmental clearance that will be needed before the project can begin. We have also begun looking in detail at the station location to serve Metro Airport.

As always, please contact me if you have questions.