



GULF COAST WORKING GROUP

SEP 02 2016

The Honorable Roger Wicker
United States Senate
Washington, DC 20515

Dear Senator Wicker:

In late February 2016, thousands of people at 14 train stations in four states witnessed something that had not happened in more than a decade: an Amtrak train traveled from New Orleans, LA along the Gulf Coast toward Jacksonville, FL. Thousands of people held signs, marching bands performed, and school children waved American flags as the train traveled east.

The two-day journey of the inspection train marked the beginning of an effort to restore passenger rail service along the Gulf Coast, which was suspended in 2005 due to the damage from Hurricane Katrina. Two days before the inspection train departed, the Federal Railroad Administration (FRA) and the Southern Rail Commission (SRC) held the first meeting of the Gulf Coast Working Group (GCWG). Congress directed the formation of this group in December 2015 when it passed the Fixing America's Surface Transportation (FAST) Act (P.L. 114-94).

Section 11304 of the FAST Act required the Secretary of Transportation to convene a working group to evaluate the restoration of improved intercity passenger rail service between New Orleans and Orlando, FL. Section 11304 also requires the working group to submit a report to Congress (Report) within nine months of enactment of the FAST Act (September 4, 2016) that includes a preferred option for restoring service; the reasons for selecting that option; a prioritized inventory of capital projects; the infrastructure, costs, and benefits associated with restoration of service; and potential funding sources; as well as any other related information.

This letter, or status update, describes the GCWG's progress in determining the infrastructure requirements and associated costs needed to restore passenger rail service along the Gulf Coast. This status update also outlines the next steps to finalize the Report, which will be submitted in 2016.

BEFORE HURRICANE KATRINA

From 1984 to 2005, some form of passenger rail service existed along the Gulf Coast. The most recent passenger rail service was Amtrak's *Sunset Limited*. In 1993, the *Sunset Limited* route was extended from Los Angeles to New Orleans and onto Jacksonville, Orlando, and initially Miami, FL. This Los Angeles-Florida run became the first coast-to-coast passenger rail service operated by a single carrier.

While this historic long-distance service was initially a success, during the late 1990s and early 2000s, the *Sunset Limited*'s on-time performance for its tri-weekly trips suffered due to growing freight rail congestion.¹ The long length of the route exacerbated this issue, resulting in schedule delays greater than 24 hours in some instances and frequent substitution of bus service for rail service east of New Orleans. Consequently, ridership with origins and destinations east of New Orleans began a slow decline in FY 2001.²

HURRICANE KATRINA

On August 29, 2005, Hurricane Katrina struck the Gulf Coast and caused severe damage to all railroad infrastructure in the region. CSX was hit the hardest—in particular its main line between New Orleans and Mobile, AL, used by Amtrak's *Sunset Limited*.

PREVIOUS EFFORTS TO RESTORE SERVICE

Since Hurricane Katrina, support for restoring passenger rail service has grown. The absence of service currently limits the transportation options of approximately 20 million annual travelers and more than 4 million residents.

In 2008, Congress passed the Passenger Rail Investment and Improvement Act (PRIIA), which required Amtrak to develop a plan for restoring passenger rail service between New Orleans and Sanford, FL. After it initially considered 12 different service alternatives, Amtrak identified three preferred alternatives in its 2009 Gulf Coast Service Plan Report. As noted in that report, Gulf Coast communities preferred daily service:

*Most of those in the Gulf Coast Region who provided comments via Amtrak's stakeholder interviews and outreach efforts considered Option 3—a daily stand-alone train between New Orleans and Orlando that would require the highest level of operating funding—to be the most desirable of the three preferred options because it would provide a reliable daily service.*³

Beginning in 2010, mayors, businesses, and civic organizations along the Gulf Coast initiated discussions and provided recommendations on service restoration. In 2012, the mayors of Tallahassee and Mobile led the municipalities affected by suspended service and formally established a consensus that service should be restored. Building on this momentum, the SRC began leading the effort in 2014, engaging mayors and business and civic leaders across the Gulf Coast in advocating for the return of improved passenger rail service.

¹ Amtrak, *Report for the Southern Rail Commission on Potential Gulf Coast Service Restoration Options*, Dec. 2015, p. 9.

² *Id.*, p. 8.; Please note that ridership data for FY 2003 indicates an exception to this trend.

³ Amtrak, *P.R.I.I.A. Section 226 Gulf Coast Service Plan Report*, July 16, 2016, p. 44.

CONGRESS RENEWS EFFORTS

By 2015, residents, local leaders, and members of Congress were unified that restoration of passenger rail service along the Gulf Coast would greatly benefit the region by threading together the important anchors of education, business, public safety, healthcare, and employment. When Congress passed the FAST Act, it not only required the Secretary to convene a working group to evaluate the restoration of intercity passenger rail service between New Orleans and Orlando but also clearly defined the GCWG's responsibilities as follows:

- Evaluate all options for restoring intercity passenger rail service in the Gulf Coast region—including options outlined in the report transmitted to Congress pursuant to Section 226 of PRIIA;
- Select a preferred option for restoring service;
- Develop a prioritized inventory of capital projects and other actions necessary to restore service and cost estimates for such projects or actions;
- Identify federal and non-federal funding sources needed to implement this service, including options for entering into public-private partnerships to restore such service; and
- Document findings and recommendations in a Report to Congress.

Unlike the previous effort Congress required in 2008 under PRIIA, the FAST Act requires a broader group of stakeholders to participate. The GCWG consists of 28 member organizations—local governments, state departments of transportation, planning commissions, railroads, etc.—and is chaired by FRA. (See page 8 of this update for a list of GCWG members.)

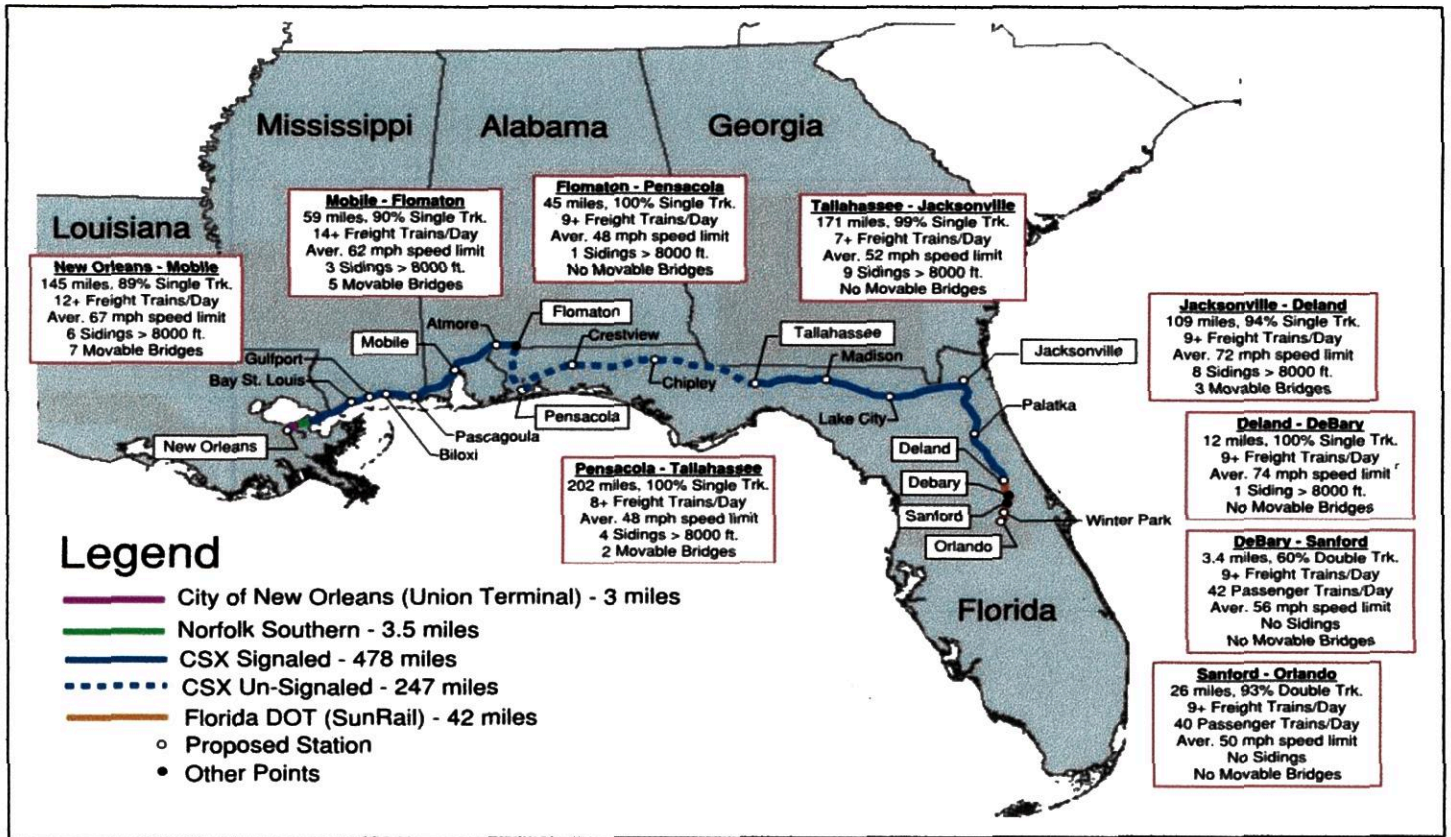
GULF COAST WORKING GROUP – PROGRESS AND NEXT STEPS

FRA hosted the inaugural meeting of the GCWG in New Orleans on February 16, 2016. Since then, the GCWG and its partners have met in person seven times in various cities across the Gulf Coast and held numerous teleconferences to fulfill the requirements of Section 11304 in the FAST Act. The GCWG has assessed existing rail infrastructure, ridership data for other Amtrak services in the region, and previously proposed restoration alternatives. The GCWG has also made significant headway on the other elements needed to complete the Report.

Existing Gulf Coast Corridor Rail Infrastructure

Figure 1 identifies the route's existing rail infrastructure on a segment-by-segment basis, illustrating several of the route's challenges regarding signal systems, or lack thereof; track speeds; and other considerations. (Please note that the final Report will describe in detail the track, signaling, stations, and other infrastructure needed to restore service.)

Figure 1. Existing Gulf Coast Infrastructure Map



Ridership for Other Amtrak Services

Since 2005, demand for other Amtrak intercity passenger rail services has increased in Louisiana, Alabama, Mississippi, and Florida. Even with the loss of *Sunset Limited* and the lack of additional service, these states have all witnessed ridership increases of more than 20 percent since 2004, the last full year the *Sunset Limited* was in service east of New Orleans.

Table 1. FY 2004 & FY 2015 Amtrak Ridership Levels for Gulf Coast States

| State | FY 2004 Ridership | FY 2015 Ridership | % changed |
|-------------|----------------------|----------------------|--------------|
| Alabama | 48,466 | 60,992 | 26.00% |
| Florida | 913,553 | 1,027,196 | 13.00% |
| Louisiana | 180,475 | 223,864 | 24.00% |
| Mississippi | 83,562 | 107,129 | 28.00% |

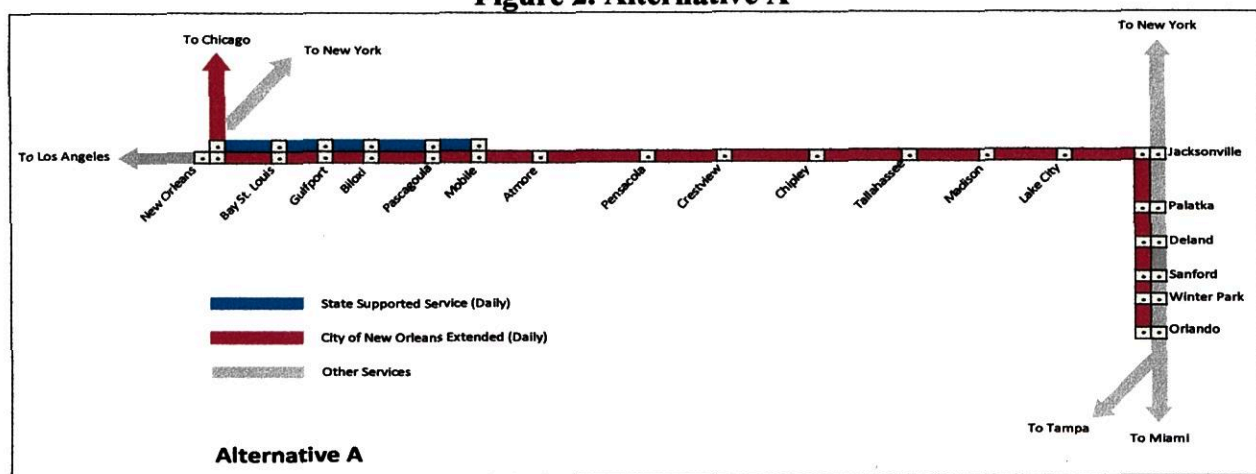
Proposed Restoration Alternatives

In 2015, Amtrak again studied restoration of service, this time at the request of the SRC. Using its Service Change Evaluation Model, which can forecast for both PRIIA 209 and non-PRIIA 209 services,⁴ Amtrak considered five alternatives, including options for daily corridor service between New Orleans and Mobile:

- **Alternative A:** A daily overnight long-distance train operating each way between New Orleans and Orlando that would operate as an extension of the Chicago, IL–New Orleans *City of New Orleans*, with through equipment from Chicago to Orlando, plus a daily state-supported train operating round trip between New Orleans and Mobile.
- **Alternative A1:** A daily overnight long-distance train operating each way between New Orleans and Orlando that would operate as an extension of the Chicago–New Orleans *City of New Orleans*, with through equipment from Chicago to Orlando.
- **Alternative B:** Two daily state-supported trains operating round trip between New Orleans and Mobile, with no service east of Mobile to Orlando.
- **Alternative B1:** Two daily state-supported trains operating round trip between New Orleans and Mobile, with a thruway bus connecting with one of the trains to provide service east of Mobile to Jacksonville.
- **Alternative C:** A daily overnight long-distance train operating each way between New Orleans and Orlando.

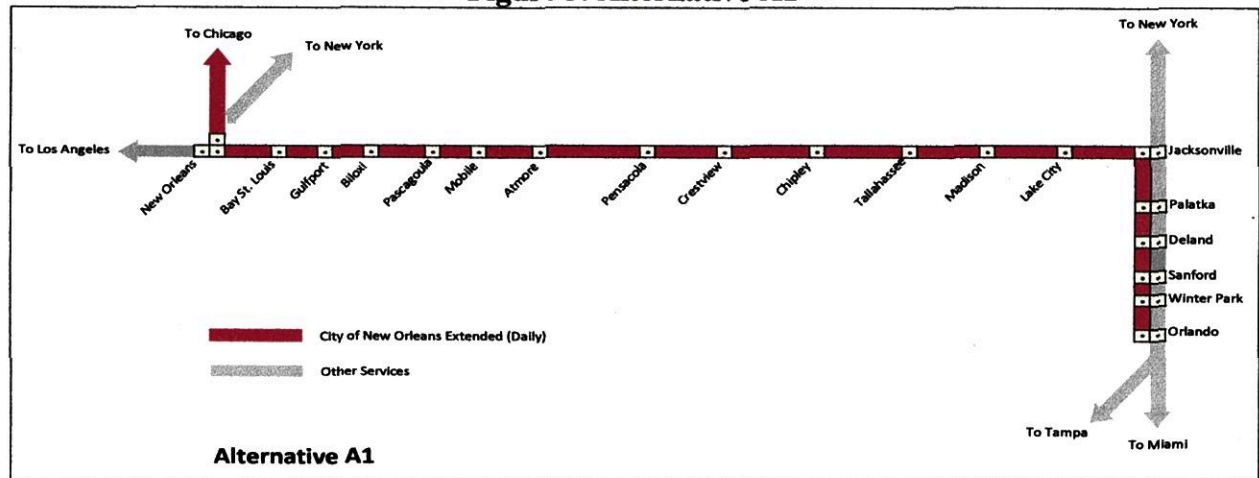
Amtrak selected Alternatives A and A1 (see Figures 2 and 3) for further consideration because both would generate high levels of ridership and return service to the entire Gulf Coast. During its February 2016 inaugural meeting, GCWG members formally agreed to adopt Alternatives A and A1 from Amtrak’s 2015 study. In addition, all parties agreed that CSX, in coordination with SunRail and the Florida Department of Transportation, would handle the modeling efforts from New Orleans to the Orlando area, using Alternatives A and A1 as the basis for determining the infrastructure needs required to restore passenger rail service along this route.

Figure 2. Alternative A



⁴ “Section 209 of PRIIA requires that all Amtrak routes under 750 miles in length (and outside of the Boston–Washington Northeast Corridor) must be the financial responsibility of the states they operate through,” see PRIIA 209 Methodology, pp. 16 and 17 of Amtrak’s Dec. 2015 *Report for the Southern Rail Commission on Potential Gulf Coast Service Restoration Options*.

Figure 3. Alternative A1



Additional GCWG Activities – Completed and Ongoing

- GCWG members meet twice a month using various methods: in person, in different cities along the route on a rotating basis, and via teleconference.
- Of the 28 GCWG members, so far 17 have submitted to FRA resolutions indicating support for restoration of intercity passenger rail service along the Gulf Coast.
- Members have contributed background information to the Report.
- In April 2016, at an in-person GCWG meeting in Atmore, AL, Amtrak presented preliminary findings regarding the condition of stations located along the route.
- In early August 2016, Amtrak submitted to the GCWG a draft station-condition assessment report, which includes a conceptual cost estimate and high-level Americans with Disabilities Act (ADA) observations. FRA and the GCWG are reviewing the report.
- On August 11, 2016, at an in-person GCWG meeting in Jacksonville, CSX and their consultants, HDR Engineering, Inc., presented the findings from their modeling study. FRA and the GCWG are reviewing CSX's proposed improvements.

Next Steps to Complete Report

The Report is in development and will detail the station assessment, operations simulation results, conceptual infrastructure improvements, capital cost estimates, projected operating costs and revenues, and passenger timetables. To finalize the report, the GCWG must complete the following tasks:

1. Determine physical infrastructure necessary to support daily passenger service

- **CSX Operations Simulation Modeling** – Review and examine the results of CSX's modeling study to help identify the infrastructure improvements required to support the proposed passenger operations over CSX-owned tracks. Using Rail Traffic Controller, a computer software program, to simulate the movement of trains through the rail network, CSX will help identify infrastructure needs required to operate both passenger and freight trains at an acceptable level of performance along the corridor. This is an iterative

process that incorporates future year train growth (20 years) to promote efficient investments and freight and passenger rail requirements. The model incorporates rail geometry and configuration, maximum authorized speeds, passenger and freight train consists, and timetables to determine the infrastructure needs. The results of this modeling effort will help inform the financial requirements to restore intercity passenger rail service.

- **Amtrak's Station Assessment** – Amtrak prepared a uniform checklist for a condition assessment of 12 stations. The onsite station assessments included the platform; canopy; station building, interior and exterior; the mechanical, electrical, and plumbing facilities; as well as fire protection and the improvements needed to meet minimum ADA standards and operational requirements.

2. Agree to Order-of-Magnitude Capital Cost Estimates

- The GCWG is developing an order-of-magnitude capital cost estimate based on the identified infrastructure requirements. These estimates will inform Step 3 below.

3. Identify Potential Sources for Federal, State, and Local Funding

- Funding sources for operations and maintenance (O&M) expenses need to be identified, especially O&M costs for the state-supported service from New Orleans to Mobile as PRIIA requires states to provide O&M funding for passenger rail service on routes less than 750 miles in length. The GCWG is identifying funding sources to meet the financial obligations to operate the Gulf Coast service.

4. Document Potential Benefits and Challenges to Restoring Intercity Passenger Rail Transportation in the Region

- There are many infrastructure challenges that need to be addressed before restoring passenger service to a sustainable level that benefits Amtrak, CSX, marine traffic, U.S. Coast Guard, and the various communities the service will interface with. The GCWG has identified such challenges and is considering how they impact a potential strategy for phased implementation of a preferred option. The GCWG has also identified potential benefits associated with restoring service, such as economic development and increased connectivity of regional assets, and will document these in the Report.

5. Finalize Report and Submit to Congress for Consideration

- FRA will submit the Report in 2016.

CLOSING

In the more than 10 years since Hurricane Katrina struck, Gulf Coast leaders and residents have made great strides in rebuilding businesses, communities, and infrastructure that connect cities across the region. In the last five years, more than \$3 billion in private funds were invested in industrial, medical, IT, and aerospace sectors.

The region is ready to restore service, not only because its residents hold fond memories of it but because it is now an economic necessity. During the next 40 years, the Gulf Coast's population is

expected to increase by 10 million people⁵. For the region to harness this projected population growth, it desperately needs a strong transportation system. And to have a strong transportation system, passenger rail service must be included.

I have also sent this letter to Chairman Bill Shuster and Ranking Member Peter A. DeFazio of the House Committee on Transportation and Infrastructure, and Chairman John Thune and Ranking Member Bill Nelson of the Senate Committee on Commerce, Science, and Transportation.

Should you have any questions regarding the GCWG's Report to Congress, please feel free to call me. If your staff has questions, they may contact Mr. Trevor Dean, Government Affairs Advisor, at 202-493-0668 or Trevor.Dean@dot.gov. We look forward to continuing to work with you to restore intercity passenger rail service to the Gulf Coast.

Sincerely,



Sarah E. Feinberg
Chair, Gulf Coast Working Group
Federal Railroad Administration



Greg White
Gulf Coast Working Group
Southern Rail Commission, Alabama



Knox Ross
Gulf Coast Working Group
Southern Rail Commission, Mississippi



John Spain
Gulf Coast Working Group
Southern Rail Commission, Louisiana



John R. Marks III
Former Mayor of Tallahassee, Florida

⁵ Beyond Traffic. U.S. Department of Transportation. <https://www.transportation.gov/BeyondTraffic>

****GCWG Members****

Alabama DOT
Amtrak
City of Atmore
City of Bay St. Louis
City of Biloxi
City of Chipley
City of Crestview
City of Gulfport
City of Jacksonville
City of Madison
City of Mobile
City of New Orleans
City of Orlando
City of Pascagoula

City Pensacola
City of Tallahassee
Coastal Alabama
CSX
Florida DOT
Federal Railroad Administration
Gulf Regional Planning Commission
Lake City
Louisiana DOT
Mississippi DOT
New Orleans Regional Planning Commission
South Alabama Regional Planning Commission
Southern Rail Commission
West Florida Regional Planning Council