

Jill Shelley

Cost Estimates			
<i>All estimates in 2011 dollars unless otherwise noted.</i>			
<i>Estimates are from the Kansas City-Wichita-Oklahoma City-Fort Worth Corridor Passenger Rail Service Development Plan (SDP) prepared by Parsons Brinckerhoff for KDOT and ODOT and released in November 2011 unless otherwise noted.</i>			
	<i>Estimate date if not 2011</i>		<i>Notes</i>
Heartland Flyer Extension			
Improvements costs			
new track	2009	\$106 million	BNSF estimate; would include 26.6 miles of new mainline double track (\$114 million in 2010 dollars); assumes no adjustments to freight operations or added freight delays
infrastructure (track and signal improvements, turnouts, etc.) (1) (2)		\$87.5 million	DOT consultant estimate; includes layover facility and grade crossing improvements between Newton and OKC \$49.0 million Kansas share \$38.5 million Oklahoma share
<i>included in infrastructure:</i> new track		\$75 million	included in infrastructure estimate DOT consultant estimate; included in infrastructure; would include 15 miles of additional track: 10.5 miles of double track and 4.5 miles for two new passing sidings; construction cost; 2011 dollars; includes 20 percent allowance for "soft costs" for planning and environmental studies and 30 percent contingency \$42.5 million Kansas \$32.5 million Oklahoma
<i>included in infrastructure:</i> layover facility in Newton		\$2.5 million	included in infrastructure estimate
<i>included in infrastructure:</i> grade crossing improvement between Newton and OKC		\$10 million	included in infrastructure estimate \$4 million Kansas \$6 million Oklahoma
upgrade at-grade crossing signal systems	2009	\$8 million	BNSF estimate; required to permit increase in operating speeds
soft costs (planning, environmental studies) (3)		\$18 million	\$10 million Kansas \$8 million Oklahoma

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	<i>Estimate date if not 2011</i>		<i>Notes</i>
contingencies		\$27 million	30 percent contingency; likely to be reduced after detailed engineering is done \$15 million Kansas share \$12 million Oklahoma share
total DOT consultant estimate for above		\$132.5 million	
<i>Train equipment</i> rolling stock (5)		\$4 million	1 additional standard coach
<u>Total Infrastructure and Equipment Cost</u>		\$136.5 million	
<i>Additional expenses</i>			
stations		unknown	Local communities would be responsible for providing station improvements (refurbishment or construction), services, operations, ongoing maintenance, and parking. Stations must comply with Americans with Disabilities Act (ADA) requirements.
preliminary engineering	2012	\$5.3 million	environmental reviews required by the National Environmental Policy Act (NEPA) and sufficient preliminary engineering to complete that review (KDOT had expected to submit an application with Oklahoma for a federal TIGER grant for this part of the project) (from a memorandum from KDOT, 9 February 2012)
<i>Operating costs - net incremental operating costs for the Extension (4)</i>		\$4.4 million	estimate based on costs per unit (rider, train miles, etc.) of existing Heartland Flyer operating costs; total costs minus increase in revenue; allocation methodology would be subject to agreement among the states
<i>Total projected operating subsidy</i>	2010	\$8.855 million	The total operating subsidy required for Newton to Fort Worth, including the existing Heartland Flyer (OKC to Fort Worth) contribution of \$4.5 million; to be shared among the states (Kansas, Oklahoma, Texas) in an allocation that would be negotiated

	<i>Estimate date if not 2011</i>		<i>Notes</i>
KC-OKC-FW Daytime Service			
Improvements costs			
new track	2009	\$405 million	BNSF estimate; would include 92.2 miles of new mainline track (\$413 million in 2010 dollars)
infrastructure (track and signal improvements, turnouts, etc.) (1)		\$368.2 million	DOT consultant estimate; includes layover facility and grade crossing improvements between Newton and OKC \$107.2 million Kansas share \$151.5 million Oklahoma share \$109.5 million Texas share
<i>included in infrastructure: new track</i>		\$245.5 million	DOT consultant estimate; included in infrastructure; would include 15 miles of additional track: 10.5 miles of double track and 4.5 miles for two new passing sidings; construction cost; 2011 dollars \$71.5 million Kansas share \$101 million Oklahoma share \$73 million Texas share
soft costs (planning, environmental studies) (3)		\$49 million	\$14.2 million Kansas share \$20.2 million Oklahoma share \$14.6 million Texas share
contingencies		\$27 million	30 percent contingency; likely to be reduced after detailed engineering is done \$21.5 million Kansas share \$30.3 million Oklahoma share \$21.9 million Texas share
grade crossing improvement between Newton and Oklahoma City		\$10 million	included in infrastructure estimate \$4 million Kansas \$6 million Oklahoma
total		\$368.2 million	DOT consultant estimate; includes layover facility and grade crossing improvements between Newton and OKC \$107.2 million Kansas share \$151.5 million Oklahoma share \$109.5 million Texas share
upgrade at-grade crossing signal systems	2009	\$8 million	BNSF estimate; required to permit increase in operating speeds
Train Equipment rolling stock (5)		\$68 million	2 train sets (2 locomotives, 3 standard coaches, 1 food service car) plus 1 set spares
Total Cost		\$436.2 million	includes both infrastructure and equipment costs (not operating costs)
Projected operating subsidy (4)	2010	\$14.5 million	to be shared among the states (Kansas, Oklahoma, Texas) in an allocation that would be negotiated.

	<i>Estimate date if not 2011</i>		<i>Notes</i>
Operating costs - net incremental operating costs for Daytime Service (4)		\$10.0 million	estimate based on costs per unit (rider, train miles, etc.) of existing Heartland Flyer operating costs; total costs minus increase in revenue; allocation methodology would be subject to agreement among the states
Combined Services			
Improvements costs			
infrastructure		\$268 million	includes track improvements in Kansas, Oklahoma, and Texas; grade crossing improvements between Newton and Oklahoma City; and the layover facility in Newton \$94 million Kansas share \$101 million Oklahoma share \$73 million Texas share
soft costs (planning, environmental studies) (3)		\$54 million	\$19.0 million Kansas share \$20.5 million Oklahoma share \$14.5 million Texas share
contingencies		\$81 million	30 percent contingency; likely to be reduced after detailed engineering is done \$28.5 million Kansas share \$30.5 million Oklahoma share \$22.0 million Texas share
Total Improvement Cost		\$403 million	
Train equipment rolling stock (3)		\$72 million	(estimated costs of equipment for the Extension and KC-OKC-FW added together)
Projected operating subsidy - net incremental operating costs for Combined Services (4)	2010	\$18.2 million	2010 dollars

	<i>Estimate date if not 2011</i>		<i>Notes</i>
Notes:			
			(1) Infrastructure improvements were developed in coordination with BNSF and would ensure freight service at current levels. BNSF maintains the Newton-OKC corridor for 55 mph freight train operations. Between Newton and Kansas City, much of the route permits 79 mph passenger train operations. (SDP, pp. 29, 31)
			The Oklahoma Statewide Freight and Passenger Rail Plan, p. 11-16, notes about the Heartland Flyer route, "As one of the original subscribers to Amtrak under the Rail Passenger Service Act, Amtrak was given the right to operate over Atchison, Topeka and Santa Fe (now BNSF) tracks in exchange for payment of the incremental costs imposed by the passenger operation. Because calculation of incremental costs is not a science, considerable negotiation is required to settle on the level of payment."
			(2) In testimony to the Senate Transportation Committee on February 8, 2012, a representative of the Northern Flyer Alliance stated BNSF is installing a rail traffic management system called Positive Train Control (PTC) (as are other railroads nationwide) that would reduce the infrastructure costs by an unspecified amount. BNSF confirmed it is installing PTC on most of the route.
			(3) In 2012 testimony, there was disagreement on whether certain portions of environmental studies would be required. KDOT stated (2/9/12, memorandum to legislators) that a Federal Railroad Administration official said there is no categorical exclusion for service improvements. 40 CFR 1508.4 defines "categorical exclusion" and says agencies determine whether an assessment is required. 64 FR 28545 (May 26, 1999) provides information on Federal Railroad Administration criteria for "categorical exclusion." A notice of intent to update the criteria list was published in the Federal Register on June 13, 2012 (77 FR 35471).
			(4) Section 209 of the Passenger Rail Investment and Improvement Act (PRIIA) of 2008 required changes to how costs are shared with states for state-sponsored trains. The law requires states to agree to any new methodology, which is to take effect five years after enactment. Because the State of Indiana did not agree to the methodology (the 18 others so affected did), the matter went to the Surface Transportation Board (STB). In March 2012, the STB ruled the proposed allocation method was reasonable. Oklahoma has calculated the subsidy provided for Heartland Flyer operations will increase by approximately 14.5 percent. The allocation methodology change could affect estimates for operating costs. (Oklahoma Rail Plan, p. 12-7; Surface Transportation Board Decision Document in Docket FD_35571_0)
			(5) Under Section 305 of the Passenger Rail Investment and Improvement Act (PRIIA) of 2008, new equipment purchased with any federal dollars must meet specifications developed by a committee from the American Association of State Highway and Transportation Officials ("305 specifications"). (SDP, p. 60)
			Sources: "Kansas City-Wichita-Oklahoma City-Fort Worth Corridor Passenger Rail Service Development Plan," prepared by Parsons Brinckerhoff for KDOT and ODOT, November 2011; Feasibility Report of Proposed Amtrak Service, Kansas City, Missouri - Oklahoma City, Oklahoma, to Fort Worth, Texas," Amtrak, March 2010; KDOT memorandum to the Senate and House Transportation Committees and the Kansas Rail Caucus dated 9 February 2012; "Oklahoma Statewide Freight and Passenger Rail Plan," prepared by Parsons Brinckerhoff for ODOT, May 2012; Surface Transportation Board website accessed 24 October 2012
Prepared by KLRD, October 2012			