



Wisconsin Department of Transportation

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Transportation Committee
Milwaukee City Council
Room 205
200 East Wells Street
Milwaukee, Wisconsin 53202

Alderman Robert Bauman
Alderman Michael D'Amato
Alderman Joe Davis
Alderman Robert Donovan
Alderman Willie Hines, Jr.
Alderman Michael Murphy
Alderman Jim Witkowiak

Dear Members of the Milwaukee City Council Transportation Committee:

At a recent meeting of the Transportation Committee, I was asked whether it would be feasible to provide Amtrak passenger rail service to Watertown as an alternative mode during the reconstruction of the Marquette Interchange. In particular, the 90-day Amtrak Watertown Extension Demonstration Project conducted during the spring and summer of 1998 was cited as an example of how this might be done.

Congestion mitigation during the four-year Marquette Interchange Project requires a multi-year solution that precludes the short-term approach taken during the Amtrak Watertown Extension Demonstration Project. At that time, the State of Wisconsin provided \$1.4 million to Amtrak to operate an "excursion service" providing four round trips daily between Milwaukee and Watertown for approximately 90 days from April 14 through July 11, 1998. We were limited to providing a 90-day excursion service, because under current federal law and regulations, long-term service would have required a significant capital contribution to Canadian Pacific Railway, which owns the right-of-way between Milwaukee and Watertown.

In 2002 the Department prepared an analysis of the costs associated with a more permanent extension of nine round trips from Milwaukee to Watertown as a possible approach to provide congestion mitigation for the Marquette Interchange Project. This analysis estimated that track and signal improvements costs necessary to increase capacity on the CP Railway corridor to allow both freight and passenger service would be approximately \$62 million. Another \$3 million would be required for new stations, for

Transportation Committee
July 22, 2004
Page 2

a total of \$65 million in capital costs. These cost figures were based on preliminary engineering cost estimates from the Milwaukee-Madison Passenger Rail Corridor Study environmental assessment document released in 2001. These capital improvements have a design and construction timeline of two to three years. Even if the required track and signal improvement work were started immediately, service could not start until sometime in 2007. By that time, much of the Marquette Interchange work will be already underway and substantial portions completed.

In addition, the Department worked with Amtrak and the Southeastern Wisconsin Regional Planning Commission to develop a net operating cost estimate of \$9.35 million annually for the extension of passenger service to Watertown. This was based on an Amtrak operating contract cost estimated to be \$13 million against revenues of approximately \$3.65 million annually.

In reviewing these capital and operating cost estimates in light of other competing local mitigation funding requests, the Department determined that the cost of providing passenger rail service was beyond scope of what could be provided cost-effectively as a part of the Marquette Interchange Project. Funding was limited and this was only one of many mitigation proposals that we were not able to advance.

The Department still is aggressively supporting Congressional action to provide federal funding for the extension of high-speed rail service from Milwaukee to Madison as a part of the Midwest Regional Rail Initiative. We have already committed funding to make substantial improvements to the current Hiawatha Service between Milwaukee and Chicago. This has included increasing the number of round trips from six to seven, providing the highest number of frequencies outside of the Northeast Corridor and California. In addition, we are rehabilitating the downtown Milwaukee Amtrak Station and adding a new passenger rail station at General Mitchell International Airport.

If you have any questions on this, I would be happy to have my staff brief you in more detail.

Sincerely,



Frank J. Busalacchi
Secretary