

# MEMORANDUM

**To:** Planning and Development Committee

**From:** Michael Ford  
Chief Executive Officer

**Re:** N-S Commuter Rail (WALLY) Feasibility  
Study and Conceptual Plan

**Date:** July 8, 2014

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## Summary

We are seeking approval on an update to an existing project currently entitled “Railroad Station Feasibility Study & Engineering Support for NEPA Process”. The project was originally established by a Board resolution and contract approval in August 2012. This update would change the name of the project to "N-S Rail Feasibility Study and Concept Plan", update the project work program, and increase the contract authorization from the current amount of \$105,200 to an amount not to exceed \$800,000.

This update was anticipated during the RFP process and original contract authorization (see Resolution 40/2012) by including two phases for the work. The resolution authorized Phase I\*. Phase II was requested in the RFP and bid by the vendor, but was not undertaken at that time due to insufficient information about a pending federal grant.

Since August, 2012, we have had numerous discussions with MDOT, FHWA and FTA to arrive at an updated work program consistent with federal guidelines. During that same time, MDOT conducted a formal review documenting that the updated work program did not trigger the need for re-bidding the contract. We are now seeking the Board’s approval for the change in the contract amount in order to begin the Phase II work.

(\* Phase I consisted of the Downtown Ann Arbor N-S (WALLY) Station Location Study, which is just being completed. Board members Cooper, Gott and Krieg sit on the Steering committee for that study)

## Background and Details

In late 2012, FHWA/FTA announced the award of a \$640,000 Transportation, Community, and System Preservation (TCSP) grant to MDOT and the Ann Arbor Area Transportation Authority for a WALLY (N-S Rail) feasibility/station site study. At the same time, AAATA staff was wrapping up contract negotiations with JJR/Smith Group to undertake a station location study for WALLY (N-S Rail), funded from an earlier 5304 federal grant for \$48,000.

The consultant had bid the work in two phases, as we requested in the RFP, in anticipation of likely future additional funding. JJR/Smith group was selected to undertake the entire project, but only “Phase I” was actually negotiated, for \$60,000. Phase I was originally planned to be \$105,200, including a large over-match using the local contributions already on-hand – see below. However, it was decided to retain much of the local contributions to match the newly announced TCSP grant.

The Board passed Resolution 40/2012 (attached) on August 16, 2012, approving the limited station location work, which ultimately focused strictly on a downtown Ann Arbor WALLY station. In addition, the resolution also acknowledged the receipt of the new TCSP grant, and authorized the CEO to increase the amount of the contract at a later date. The contract issued under RFP #2012-04 was executed for Phase I of the work: the Downtown Ann Arbor N-S (WALLY) Station Location Study. This study is essentially complete, and identifies a segment of Ann Arbor Railroad right-of-way, between Liberty and Washington, as a preferred location for a station in the event N-S commuter rail service became operational in the future.

Since August 2012, AAATA/MDOT have been working with FHWA/FTA to clarify how each federal agency’s guidelines apply to the study, and to develop a detailed work plan and preliminary budget that would comply with the relevant federal guidance. As of May 2014, the work plan and budget have been approved by FHWA/FTA, and official obligation by FHWA of the funding is expected within days, after which AAATA may begin work on Phase II.

Based upon the full use of the federal award of \$640,000, local matching funds of \$160,000 would be needed, bringing the potential total funding available for work to \$800,000. For matching purposes, we have been holding contributions that have already been made by the City of Howell DDA, the Ann Arbor DDA and Washtenaw County, equal to \$143,000, with the remaining match to come from AAATA.

A detailed estimate for the cost of the work has been obtained from the consultant, and is under review. The work plan, and associated estimate, will be negotiated to ensure costs will not exceed \$800,000.

The work program update includes all the tasks associated with the "N-S Rail Feasibility Study and Concept Plan" that AAATA and MDOT have negotiated over the past 18 months with FTA and FHWA. The original work program was more focused on station locations and environmental impacts, while the new agreed-to work program emphasizes detailed feasibility issues and conceptual planning. Also, MDOT has made a determination that the changes to the work program do not require re-bidding.

Further details regarding the history and scope of the project, as agreed among staff, MDOT, FHWA and FTA are found in the attached document entitled “North-South (Wally) Commuter Rail History and Status Report” dated June 2014. The N-S Commuter Rail Feasibility Study and Concept Plan will examine in much greater detail many of the

issues examined on a high level in 2008 by the firm R.L. Banks and Associates. The new study will:

- Thoroughly examine alternatives/supplements to N-S Rail service such as express bus, bus-on-shoulder and HOV options
- Complete the evaluation of boarding areas (stations) in terms of locations, costs and required features.
- Estimate operating and capital costs at a much finer level of detail, taking into account new service concepts, rail right-of-way work, ownership changes, and railcar acquisition that has taken place since 2008.
- Undertake a more rigorous approach to demands estimates in full compliance with FTA New Starts / Small Starts requirements.
- Incorporate “green” concepts and operating principles
- Be accompanied by a robust public involvement effort aimed at informing stakeholders and testing public support for the service, governance and funding elements of the plan as they evolve.

A resolution for consideration by the Board is attached to this memorandum, and we ask for your recommendation that the resolution be sent for approval to the full Board. With the board’s approval of this request in July, the study is anticipated to begin later this summer.

Resolution 40/2012

AUTHORIZATION TO AWARD STATION LOCATION STUDY SERVICES CONTRACT

**WHEREAS**, AATA is the lead agency for exploring the feasibility, costs and requirements of passenger services in the "WALLY corridor", defined by segments of existing railroad right-of-way, owned by the State of Michigan and the Ann Arbor Railroad, and running from Howell to Ann Arbor, and

**WHEREAS**, AATA has led or participated in past efforts to develop the WALLY service concept, in cooperation with the Michigan Department of Transportation and local communities in the WALLY corridor,

**WHEREAS**, additional work is needed to refine station locations for WALLY services, in order to more accurately represent the costs of building and operating the service, determine impacts on communities and natural areas, and in order to prepare the project for compliance with the national Environmental Policy Act (NEPA)

**WHEREAS**, AATA publicly sought proposals from companies to provide station location and design services, and Smith Group of Ann Arbor was selected as a result of a thorough proposal evaluation process, and the Smith Group proposal offered cost estimates for several different phases of the project as requested in the RFP

**WHEREAS**, after the solicitation and selection process was largely completed, the AATA was notified that it is a co-recipient with the State of Michigan of a \$640,000 federal grant intended to fund station location, design and environmental clearance work, therefore

**IT IS RESOLVED** that the Board of Directors authorizes the AATA CEO to purchase professional station location and design services from Smith Group for an amount up to \$105,200, with an option to increase the contract scope at a later date, using additional approved funds in the AATA budget, and additional funding available from the TCSP grant award, consistent with the existing proposal from the Smith Group.

  
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Jesse Bernstein, Chair

August 16, 2012

  
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Charles Griffith, Secretary

August 16, 2012

## Revised Resolution 27/2014

APPROVAL OF UPDATED SCOPE OF WORK  
N-S RAIL (WALLY) FEASIBILITY STUDY AND CONCEPT PLAN

**WHEREAS**, the Transit Master Plan (TMP) adopted by the Ann Arbor Area Transportation Authority (AAATA) Board of Directors in April, 2011, includes the Washtenaw and Livingston Railway (WALLY, or N-S Commuter Rail) project as a possible long-term commuter transportation improvement, and

**WHEREAS**, the AAATA Board, on August 16, 2012 approved Phase I of a multi-phase work program for a study of WALLY (N-S Rail), to be undertaken by SmithGroup JJR, including the option to undertake Phase II of the work program at a future date, using additional funds from a pending Transportation, Community, and System Preservation (TCSP) grant, and

**WHEREAS**, the U.S. Department of Transportation (USDOT), Federal Highway Administration (FHWA) has awarded a Transportation, Community, and System Preservation (TCSP) grant of a \$640,000 to Michigan Department of Transportation (MDOT) and the AAATA for the purpose of conducting feasibility studies and preparing concept plans with respect to WALLY (N-S Rail), including an examination of express bus service, and

**WHEREAS**, FHWA, in cooperation with the USDOT Federal Transit Administration (FTA), the AAATA, and MDOT, have agreed to an updated work program to undertake such feasibility studies and concept plans, now therefore

**IT IS RESOLVED**, that the Board of Directors authorizes the AAATA CEO to purchase additional professional feasibility study and concept planning services from SmithGroup JJR for an amount up to an additional \$800,000, with an option to increase the contract scope at a later date, using additional approved funds in the AAATA budget, and additional funding that may become available from Local, State and Federal sources in the future. The contract scope will include an analysis of the feasibility of express bus services, and will be sequenced so modeling and economic feasibility are confirmed prior to additional feasibility and planning studies are completed within this phase of work.

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Anya Dale, Acting Chair

July 24, 2014

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Acting Secretary

July 24, 2014